

Autoworkers furious over Stellantis plan to lay off hundreds in Detroit

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Are you an autoworker? Contact us and tell us how the latest round of layoffs is impacting you. Comments will be published anonymously.

Following the announcement that Stellantis will be carrying out further mass layoffs at its Belvidere, Illinois assembly plant, autoworkers are learning that cuts are being planned at major auto plants in the Detroit area. The list includes Sterling Heights Assembly (SHAP) and Jefferson North Assembly (JNAP) as well as Sterling Stamping and Warren Stamping.

According to internal memos circulated on Facebook, discussions are underway for up to 900 job cuts at SHAP by the end of the year and 500 layoffs among JNAP workers once retooling is completed in May. A memo from UAW Local 869 at Warren Stamping announced an unspecified number of indefinite layoffs to take effect April 17. Ninety-eight workers at Sterling Stamping were laid off at the end of March.

The UAW has provided no indication that it plans to oppose any of the cuts. The clear goal of Stellantis is the consolidation of production and cost-cutting even as it tries to restock inventories depleted by production interruptions. Many of the cuts will impact better-paid full-time workers. At Belvidere, workers with seniority as far back as the mid-1990s face the loss of their jobs.

Stellantis' profits reached \$15.2 billion in 2021—nearly triple the amount in 2020 for Fiat Chrysler and PSA Group (the companies which merged to form Stellantis)—despite the chip shortage and higher costs. Sales were down 14 percent in the first quarter of 2022, largely because of production delays related to lack of parts. The company's head of US sales said in a statement, "Despite being impacted by the existing supply chain constraints facing our industry, we continue to see strong demand for our vehicles."

Stellantis, like its counterparts among the global auto giants, is engaged in a furious competition to dominate the emerging markets for electric vehicles (EVs). The company faces massive capital requirements to develop EV production systems, at the same time as it confronts ongoing supply chain disruptions triggered by the ruling class's disastrous response to the pandemic. Under these conditions, Stellantis is seeking to offload costs onto the backs of workers through a brutal new restructuring campaign, which will be carried out on an

international scale.

The company ultimately aims to reduce the workforce at Belvidere to just 600, according to a UAW letter, which would be less than one half of its present staffing level of 1,812. Instead of opposing the cuts, the UAW has given workers false assurances that the cuts can be reversed via backroom talks with Stellantis.

At SHAP, workers have faced mandatory overtime in recent months, with those at the plant forced to work 90 consecutive days from September to December 2021 to make up for production lost during the chip shortage. The factory makes the Dodge Ram light truck, one of the company's most profitable vehicles.

The retooling at JNAP, now part of the Detroit Assembly Complex, involved the temporary layoff of up to 4,800 temporary and full-time workers. Full-time Stellantis workers are eligible for Supplemental Unemployment Benefits (SUB) during the retooling, which replaces much of the difference between their regular pay and state unemployment benefits. However, Supplemental workers are only eligible for paltry state unemployment benefits, which amounts to less than half their regular pay.

No reason has been given for the layoffs at JNAP, but the UAW and Stellantis agreed to a new work schedule at the plant involving just two shifts and six-day workweeks once the plant resumes operations. The previous schedule involved three rotating shifts of 40 hours. While left unstated, the intention is clear: by imposing forced overtime the company can maintain the same level of production while cutting jobs.

A worker at JNAP said, "There are a lot of lower seniority people who will be laid off. Everything we are finding out is from social media. We weren't told anything when we left on shutdown.

"It's not just happening at JNAP. People are buying cars, but with the chip situation we will be facing downtime and there is difficulty in getting parts. They figure 'why have people that we don't even need?' They say they can go to other plants, but of course that is not going to be happening if the other plants are laying off.

"There are a whole lot of questions, because they have been posting on Facebook pages that they [Stellantis] will be holding

job fairs.” Stellantis and other automakers have been reporting difficulty recruiting and retaining Supplemental workers, contingent workers who start at just \$15.78 an hour and face irregular work schedules and no job protections. These workers can be hired and fired as needed, with little cost to the company.

“We weren’t given a clear reason of why we’re changing to two shifts. It was supposed to be three shifts up until the final hours. My understanding is we will be working nine to 10 hours, six days a week, which is more beneficial to the company.”

The worker said that the UAW had originally agreed to a Stellantis demand that workers be assigned to jobs under the new work schedule once the plant reopened based on shift seniority, rather than plantwide seniority. “There was a big uproar, so the UAW had to redo it.”

According to an internal memo at Sterling Stamping, in addition to the 98 already laid off, there were another 461 temporary layoffs the week of April 4. An SSP worker said that the UAW was canvassing workers to see if anyone was willing to take a voluntary layoff.

A veteran worker at Stellantis Belvidere told the *WSWS Autoworker Newsletter* that workers were increasingly frustrated over the lack of information about the future of their plant. “We get no info at all, so rumors are going around,” he said. “I heard Ohio is using 40 percent TPTs while we have people laid off. The mood sucks when the company gives you no info.”

The early retirement incentives currently being offered by the company were insulting, the worker continued. “The \$25,000 package is a joke. We used to get \$70,000 and a car voucher. Then two years ago it was \$60,000. Now we are only worth \$25,000. I’ll bet only 20 people take it.”

The layoff announcements come as workers’ anger is already boiling over in response to the surge in inflation, including food and gas prices, that is devastating living standards.

A younger worker at the Stellantis Warren Truck Plant, a third-generation autoworker, said, “Man it’s crazy, the price of gas and food is so expensive. All you can do is go to work and come back home. Newer workers are bringing home about \$600 a week after taxes and prices are going up more than \$400 a month. A lot of prices are outrageous, even my mom’s car, which used to take \$40 to fill up, is now \$55, almost \$60. In the grocery stores, meat, eggs, everything is going up.”

He said he didn’t believe the claims that workers should shoulder the costs of the US and NATO campaign against Russia. “Biden is trying to get more oil out, but it won’t do much. Why should we have to sacrifice? We don’t have any say on the war in Ukraine.”

The JNAP worker agreed that workers were resistant to the efforts by the corporate media and political establishment to shift blame for the rising cost of living onto Russia. “It is all kind of a distraction. There didn’t have to be a war, but the

powers that be made it happen. Now we are there, but I don’t think it was ever necessary.

“With the new schedule, people are really upset because they will be spending more to get to work and return to home. I think people are not buying that this is Putin’s gas hike. Ever since the war started there has been less talk about COVID. It’s to project what they want America to think, and not the truth.”

Autoworkers are meanwhile facing a new upsurge of COVID-19, under conditions in which mask requirements have been eliminated and testing sharply scaled back, making it virtually impossible to track the extent of infections.

The Warren Truck worker said, “The pandemic is bad. People are still dying, it’s out of hand. I’m vaccinated. We need to take notes from China. China has five times the population and stopped it. The US just cares about business.”

The Sterling Stamping worker added, “Our skeleton crew has a huge increase in COVID. How is the UAW going to protect employees now that they have allowed masks to be disregarded? We all knew this would happen.” There have already been at least five COVID-related deaths at the plant since 2020.

Stellantis is moving forward with its attack on jobs secure in the knowledge that they will meet no opposition from the UAW officialdom, which has long functioned as a corrupt tool of management. Workers cannot look to this pro-corporate institution to fight for their interests.

Under conditions in which Stellantis is making billions in profit, not one worker should face layoff. Further, workers must be compensated for the massive rise in the cost of living and have full control over workplace conditions, including health and safety. However, this requires the formation of new organizations of struggle, rank-and-file committees independent of the UAW. Full-time and Supplemental workers must unite around the demands for full pay and benefits and job security for all workers, both in the US and throughout Stellantis’ international operations. This is the only basis for achieving the unity needed for a successful fight against the global auto giant.



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