

Stellantis expands layoffs to Warren Truck as contract battle approaches

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We want to hear from you: Fill out the form below to tell us what you think about the job cuts at Stellantis and the conditions at your plant.

Stellantis is preparing layoffs at the Warren Truck Assembly Plant in suburban Detroit, according to a message United Auto Workers Local 140 officials sent to workers Thursday afternoon. The announcement comes just two weeks after UAW officials at the nearby Sterling Heights Assembly Plant told workers more than 400 jobs were being cut at the plant.

In their note to workers, UAW officials did not even pretend that they would mount a fight against the job cuts at Warren Truck. On the contrary, UAW shop stewards are being sent to canvass workers to accept “voluntary layoffs,” beginning first with the highest paid veteran workers. The union is also making sure the job cuts are implemented with as little disruption to production and profits as possible.

The note reads:

Warren Truck is planning to institute an inverse layoff soon. The members will be canvassed in order of highest seniority downward to take a voluntary layoff. The stewards will conduct the canvass and provide a canvass document to each employee to either accept or decline this layoff until the total number of required layoffs is achieved.

If someone accepts the layoff, the exact date for the individual to be laid off will be communicated through Human Resources based upon releasability/availability of a backfill to overall protect quality and operational efficiency.

UAW officials did not inform how many “required layoffs” they have agreed to.

Workers at the Stellantis’ Toledo Assembly Complex informed the WSWs that they received similar notices on Friday.

The timing of these layoffs is significant. They occur exactly five months before the expiration of the labor agreements for 140,000 Stellantis, Ford and General Motors workers in the United States, and another 20,000 in Canada. All three automakers are escalating layoffs and other cuts in an attempt to terrorize workers and suppress resistance to a historic assault on jobs, wages and

conditions.

“Do not, I repeat, do not accept these temporary layoffs because it may become a permanent one,” a member of the newly formed Warren Truck Workers Rank-and-File Committee told the WSWs. “We, as the employees, have to band together so we can have a voice before this next contract comes up to make demands for COLA, higher wages and better working conditions. We also need to fight for our supplemental workers to be rolled over.

“The UAW is not doing anything for us,” she added, “that is why we have to stick together and build these rank-and-file committees so we can fight not only for us but for the ones that will come after us.”

Another rank-and-file committee member said, “Workers have to oppose these layoffs. They’re cutting our jobs while the cost of living is going crazy. They’re doing it in a contract year because they want it to appear like they’re in financial trouble and have to reduce costs. So, when it comes to bargaining, they can give us the bare minimum. This is a multibillion-dollar company that makes its money from our labor. For the volume we produce, it makes no sense to lay off workers. Just a month ago they were spreading all this negativity about absenteeism and complaining that not enough people were coming to work. We need to stand in solidarity and say absolutely ‘no’ to any job cuts.”

Another Warren Truck worker, who recently transferred there from the now-closed plant in Belvidere, Illinois, said, “This is basically another form of cost-cutting. The senior workers cost the company the most in terms of labor. So, they are attacking the most expensive people working down.” Referring to the closure of his former plant and now the layoffs at Warren Truck, he said, “I think it’s a crime to keep putting people through the ringer. This is outrageous.”

The layoffs follow the elimination of the third shift at Warren Truck last October and repeated threats by corporate executives to close the plant. Last month, Stellantis CEO Carlos Tavares toured the plant and told UAW officials he should have closed it a year and a half ago because of allegedly high production costs.

UAW Local 140 officials castigated workers for not meeting the company’s demands and reported that Tavares “is asking for the union’s input on a cost reduction plan which will be rolled out to us by the plant manager.” The “voluntary layoffs” are apparently just the beginning of the UAW-backed cost reduction plan at the factory, which currently employs more than 5,000 workers.

Like the other global automakers, Stellantis has been engaged in

a worldwide cost-cutting campaign. Their aim is to extract maximum profits from workers in existing plants so more resources can be shifted to electric vehicle production, while continuing to funnel massive sums of money to their wealthiest shareholders and executives. Tavares has warned that the closure of the Belvidere plant will not be the last “unpopular decision” needed to finance the shift to EV production.

Newly elected UAW President Shawn Fain has not even mentioned the layoffs at Warren Truck and SHAP. The same is true for the new vice president, Rich Boyer, a former UAW Local 140 chairman at Warren Truck who is leading this year’s UAW negotiations with Stellantis.

In fact, the UAW bureaucracy welcomes the job threats because they believe this will make it easier to overcome what Fain’s transition team calls the “unreasonable expectations” of autoworkers in the upcoming contract battle. The central concern of the UAW apparatus is not the jobs and wages of autoworkers but securing the bureaucracy’s position as a cheap labor contractor in the transition to EV production.

In a revealing blog post, Paul Eichenburg, the former global vice president of Corporate Development and Strategy for Magna Powertrain & Magna Electronics, explained the dynamics of the upcoming contract struggle.

Workers, he said, want to fight for “high wages, better benefits, cost-of-living adjustments, job security and financial recognition for their contribution to the record profits by OEMs (Original Equipment Manufacturers) during the coronavirus pandemic.

In turn, the automakers will likely push for concessions that loosen their ties to the supply chains dedicated to the engine and transmission so that they can phase out of traditional auto operations (and eliminate large legacy costs/burden) and shift resources on electric vehicle (EV) production.

To compete with companies like Tesla, which are not burdened by such costs, “GM, Ford, and Stellantis will need to cut legacy costs, which, unfortunately, includes facilities and employees who have built their careers around the engine and transmission supply chain,” Eichenburg continued. This would be accomplished by reducing and selling off those assets to a major Tier 1 supplier, such as Magna, he said, which “are more likely to push for significant concessions from the Union.”

Eichenburg then said:

Of course, the UAW isn’t expected to accept these concessions without a trade-off. So, what will they be asking for?

One potential outcome enabling automakers to shed legacy costs related to the ICE supply chain while providing future security for the Union would be unionizing the automaker’s joint-venture battery partnerships.

It is likely that union leaders will see the writing on the wall during these negotiations—that the traditional engine is dead—and will meet some of the Big Three’s demands in exchange for access to their battery cell operations and a petition from the automakers to unionize. This could lead to unions within Ford’s JV with Sk Innovations, GM’s JV with LG and Chrysler’s JV with Samsung.

In a column in the *Detroit News* earlier this week, new UAW President Shawn Fain wrote that it was decisive “for the electric vehicle future to be union-made” so we can “save communities like Belvidere and rebuild the working class.”

In fact, the UAW bureaucracy is fully prepared to be the overseer of the new EV plants, where workers will pay dues to the UAW for the privilege of working for poverty wages and under sweatshop conditions. In this regard, it is highly significant that delegates at the UAW Special Bargaining Convention rejected any pledge to oppose a lower tier pay and benefit scale in electric plants, saying this would “tie their hands” in upcoming negotiations.

At the same time, the Biden administration and state governments are handing over billions in subsidies to the automakers for the transition to EVs, while insisting that the UAW “represent” workers in these new plants.

The battle lines are coming into clearer focus. The auto corporations, the Biden administration and the UAW have their plans. But autoworkers are outlining their own strategy to defeat this conspiracy. Workers are expanding the network of rank-and-file committees, under the direction of the International Workers Alliance of Rank-and-File Committees (IWA-RFC), to transfer decision-making power from the UAW apparatus to workers on the shop floor.

Rank-and-file committees at General Motors, Stellantis and elsewhere have been drawing up demands based on what workers need, not what the corporate executives say is affordable. This includes inflation-busting raises, the restoration of COLA, the abolition of the hated tier system, the rollover of all temps and a secure retirement for all workers. If EVs require less labor to build, this is not a reason to destroy workers’ jobs and livelihoods. Instead, the workweek must be reduced to 30 hours with no loss of pay.



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