As Stellantis moves to cut 3,500 jobs, workers livid at UAW collusion

Jerry White 26 April 2023

Are you an autoworker? Contact us on the form below to discuss joining a rank-and-file committee in your factory. To contact or discuss joining the Warren Truck Rank-and-File Committee, call or text 248-919-8448.

After spending months concealing from union members the secret negotiations it has been conducting with Stellantis over mass job cuts, United Auto Workers (UAW) officials admitted this week that the jobs of 3,500 hourly workers will be eliminated over the next several months.

According to a letter from UAW Local 1264 President Doug McIntosh to members at the Sterling Stamping Plant in suburban Detroit Monday, the local leadership had a conference call with new UAW Vice President for Stellantis Rich Boyer "to go over the incentive packages that the company will be offering company wide." McIntosh said the "company is looking to reduce the hourly workforce by approximately 3,500 employees (Skilled and Production)" and that the "International Union and Corporate are in talks to accept all the members who sign up for these packages."

Under terms of the 2019 UAW-Fiat Chrysler (now Stellantis) contract, the union and company are jointly implementing a program of early retirement and "Voluntary Employment Termination" payouts, which will be sent out to some 31,000 of the approximately 43,000 hourly Stellantis workers in the US. The buyouts are also being offered to workers in Canada.

The insulting payouts range from \$15,000 over six months for workers with 1-2 years of seniority, to \$72,000 over 29 months for workers with 25 years or more seniority. A \$50,000 "incentive retirement package" is also being offered to higher seniority workers who were hired before the 2007 agreement.

According to McIntosh, signup dates for the packages will be from May 6 to June 19, and "separation dates" will be from June 30 to December 31, 2023. The packages are being mailed over the next couple of weeks. The job cuts are being implemented through a joint UAW-management entity called the "National Job Security, Operational Effectiveness and Sourcing Committee."

In an email sent to workers, the Stellantis executives made it clear that the buyouts were just a down payment of a far larger massacre of jobs as they seek to impose, with the full assistance of the UAW bureaucracy, the costs of the transition to electric vehicle production onto the backs of workers.

North American Chief Operating Officer Mark Stewart said, "As a team, we must continue to identify efficiencies to make our operations more competitive both inside and outside the Company. The competition is fierce, and the cost of electrification cannot be passed on to the customer. Make no mistake, we intend to win in the marketplace."

In a show of monumental hypocrisy, UAW President Shawn Fain, who recently assumed office, and UAW VP Boyer issued brief statements Wednesday on the buyout program they agreed to. "Stellantis' push to cut thousands of jobs while raking in billions in profits is disgusting. This is a slap in the face to our members, their families, their communities, and the American people who saved this company 15 years ago. Even now, politicians and taxpayers are bankrolling the electric vehicle transition, and this is the thanks the working class gets. Shame on Stellantis."

Boyer added, "Our union is working around the clock to get justice for the members impacted by these job cuts. We look forward to Stellantis doing the right thing by the workers who make this company run."

The lying and duplicity of the newly elected "reform" administration in the UAW is a warning of what workers can expect from the UAW bureaucracy as the automakers press for massive job cuts and concessions in the contract battle this summer.

The UAW is deliberately concealing from its members the plans it has already discussed with the auto bosses to slash tens of thousands of jobs at plants that build engines and transmissions for gas-powered vehicles, along with plans to establish a new, lower-paid tier of workers in the electric vehicle battery and component plants.

CEOs like Ford's Jim Farley have said that the fewer labor hours required to build EVs could lead to the elimination of nearly half of current auto jobs. Meanwhile, the UAW apparatus is establishing "partnerships" with EV component makers, like California-based battery manufacturer startup Sparkz, to unionize workers at their plants, who will receive massively lower wages than workers in the Big Three.

Far from opposing these attacks, Fain & Co. are determined to prevent a full-scale revolt by the rank and file. Workers are determined to defend their jobs and restore the concessions handed over to the UAW during the 2009 GM and Chrysler bankruptcy, which Fain supported at the time as a member of the UAW-Chrysler negotiating committee.

"It's time to mobilize as a unit to fight back"

Workers at the Warren Truck Assembly Plant in suburban Detroit reacted with disgust and anger over the buyout offers and the collusion of the UAW.

"These cuts are in preparation for the EVs," one worker said. "They are giving multimillion bonuses to [Stellantis CEO] Tavares and offering workers with 25 years less than \$3,000 a year for all they made for this company. The UAW is in bed with management."

"They're going to have to force me out," said another young worker. "The economy is too bad. If you lose your job, you can be homeless. What are we paying the UAW for? They're supposed to represent us, but they don't."

Another worker said, "They're already laying off 240 at this plant and at the same time bringing in 100 TPTs [temporary part-time workers]. They're doing it to save money. For us, you got to call it what is: slavery. The UAW doesn't fight for us, it fights for the company."

Workers at the plant have just formed the Warren Truck Rank-and-File Committee. The committee is organizing workers on the shop floor to defend jobs and prepare a strike by all autoworkers to win inflation-busting raises, the restoration of cost-of-living protections (COLA), full pensions for all workers, the abolition of the two-tier system and the immediate rollover of all temporary workers to full-time positions. The new organization at Warren Truck is part of the growing network of committees at plants owned by GM, Stellantis, Ford and parts makers like Dana, which work under the direction of the International Workers Alliance of Rank-and-File Committees (IWA-RFC).

In response to the job cuts, a member of the Warren Truck Rank-and-File Committee told the *World Socialist Web Site*, "If you take a buyout, it's over for you. We can make way more by staying and fighting for our jobs. Our attitude should be: They're going to have to drag us out to take our

jobs.

"They're also using scare tactics because of the upcoming contract. But we can't allow ourselves to be bullied. The UAW should be saying we're not going to accept layoffs. But they are doing the opposite and telling workers to go along with this. The Local 140 leaders are bragging that they gave the company input for its cost-cutting plan. Now we're seeing what they gave them.

"There are even bigger cuts coming with EVs, maybe 40-50 percent of our jobs. The UAW is not telling us that. But we can't give in. Join the rank-and-file committee so we can come together to fight."

Another member of the committee added, "Instead of allowing job cuts, our committee calls on workers to fight to reduce the workweek to 30 hours, with no loss of pay. The problem is not EVs and technology. It's that the UAW is helping the company pile more work on us instead of fighting to protect our jobs in this change to EVs. They are laying off 240 workers at Warren Truck and hiring TPTs to replace them without ever letting the temps roll over to full-time."

"These buyouts are BS and are not a good deal for us," another young worker told the WSWS. "They are trying to push us out the door. They say it's 'voluntary' but then they incentivize you to do it. But any money you get is going to go for paying bills and then you'll have nothing. Once they get rid of you, they'll replace you with cheaper workers. I know guys who have quit after waiting two years to get rolled over ... They gave their lives to this place and got nothing. It's time, like the committee says, to mobilize as a unit to fight back."

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