

Stellantis announces 3,680 layoffs at Detroit and Toledo Jeep plants, as automakers escalate job cuts under new UAW contracts

Jerry White
8 December 2023

Just over two weeks after the United Auto Workers reported the ratification of its supposedly “record” labor agreements, Stellantis has announced that it will cut as many as 2,465 jobs at its Detroit Assembly Complex-Mack and 1,225 jobs at the Toledo Assembly Complex, with the layoffs coming as early as February 5.

According to a layoff notification the company filed with the state of Ohio, the job cuts at Toledo Jeep will hit 1,094 temporary workers (known at Stellantis as “supplemental employees”) and 131 full-time production workers. The layoffs at the Detroit Mack plant, meanwhile, could affect nearly half the plant’s 5,000 production workers. The Mack plant produces the Jeep Grand Cherokee, while the Toledo factory makes the Jeep Wrangler and Gladiator.

The company stated in a press release that the Mack plant would “temporarily” be reduced from three shifts to two. Stellantis made clear that the remaining workers would face demands for greater productivity and speedup, writing, “The two-shift operation also will allow the Mack team to focus its attention on improving the operational performance and throughput at the plant in the event that a change in the regulations or marketplace allows for an increase in volume.”

The announcement of mass layoffs is a further damning refutation of the claims by UAW President Shawn Fain and his administration to have won “historic,” “record” contracts.

Before the ratification vote on the contract last month, UAW Local 12 officials had told the Toledo workers that the company was going to hire more workers at the plant when it added another shift in the new year. Union officials told temporary workers they would be rolled over to full-time positions under the terms of the new UAW contract. Now, virtually all the plant’s temporary workers are being laid off indefinitely.

The 5,800 workers at the plant, who produce Jeep Wranglers and Gladiators, were informed of the layoffs through a robocall from management. In a separate company statement, Stellantis said it was shifting to a traditional two-shift schedule at the plant, eliminating the 40-50-60 Alternative Work Schedule that allowed employees to work up to 50 or 60 hours with

overtime.

The company cynically claimed the action was necessary to “manage sales of the vehicles we build to comply with California emission regulations.” Under the regulations, which are also being adopted by 12 other states, all new cars sold in 2035 and beyond will be zero emission vehicles. “Unfortunately, this change will result in job losses,” the robocall message said. “We know this is difficult news to hear.”

A second-tier worker at the Mack assembly plant told the WSWs, “We’re being told these are supposed to be temporary layoffs. But the third shift is barely working. They get two to three hours a night and get sent home. So the writing is on the wall. That being said, management changes their minds constantly. [CEO Carlos] Tavares just said how great things were going at our plant.”

Commenting on the Toledo job cuts, he said, “We knew the TPTs [temporary part-time workers] were going to get cut. There was no way they were ever going to get rolled over. They lied to them. They do it to the salaried workers too. They work 29 years and about to retire with full benefits and they get laid off.”

“There are 1,200 TPTs at the plant,” a second-tier worker at the Toledo Complex, told the *World Socialist Web Site*. “They’re getting rid of 40-50-60, so I guess instead of going to three eight-hour shifts, they’re going to lay off TPTs and blame it on an emissions law that doesn’t go into effect until 2035.”

Another worker told the WSWs, “They’re punishing us for voting down their contract and sending a message to Toledo,” referring to the vote by 61 percent of Toledo workers voting down the UAW-backed contract, despite being strung out by the UAW for six weeks on only \$500 a week in strike benefits. He added, “The TPTs were played, and they are scared.”

Other workers posted angry comments on social media. “What the hell!!! Some ‘record’ contract we got,” one worker wrote. A TPT added, “I knew all this hired in talk was BS—I’m scared.”

In the run-up to the contract vote, UAW President Shawn Fain and other union officials claimed that their limited “stand

up strike”—which never involved more than a third of the UAW membership at the Big Three auto companies—had beaten back Stellantis’s demand to cut 5,000 jobs and forced it to add 5,000 jobs. “From the strength of our strike, we are bringing back those jobs and more,” UAW Vice President Rich Boyer said. “Stellantis is reopening the [Belvidere, Illinois assembly] plant, and the company will also be adding over 1,000 jobs at a new battery plant in Belvidere.”

In fact, the UAW contract paves the way for massive job cuts as the auto companies transition to electric vehicle production and seek to grow their profits. The contract includes the closing of 19 facilities, including the Tipton Transmission Plant near Kokomo, Indiana, and 10 parts distribution centers. The promised reopening of the Belvidere assembly plant and the new EV battery facility are not scheduled until 2027-28 and will be subject to “market conditions.”

As of this writing, the UAW International has yet to release a statement about the Stellantis layoffs. A three-sentence letter posed by the UAW Jeep Unit Executive Committee of UAW Local 12 said, “The company has just served the Chairman, Mike Sawaya and the President of UAW Local 12, Bruce Baumhower the WARN Act,” it said, referring to the Worker Adjustment and Retraining Notification Act filing with the state of Ohio. After reporting the “Company’s intent to lay off up to 1,000 employees beginning February 5, 2024 or up to 2 weeks thereafter,” the Local 12 officials said. “We will keep you informed of any details as they come.”

The UAW bureaucracy rejects out of hand any fight to defend jobs, although it claimed it had won the “right to strike” over plant closures and job cuts.

Stellantis and the other auto companies have made no secret of their plans for massive job cuts to finance their transition to electric vehicles. Far from opposing this, the UAW is working hand in hand with the corporations and the Biden administration to slash jobs, while at the same time preserving the financial interests of the UAW bureaucracy, which will collect dues money from the low-paid workers being hired in the new EV battery plants.

The mass layoffs can and must be stopped! But this fight requires the expansion of the network of rank-and-file committees in every factory to mobilize the strength of workers and oppose the collusion of the UAW bureaucracy with the corporations and the government.

The Autoworkers Rank-and-File Committee urges workers to build rank-and-file committees to transfer power from the UAW apparatus to workers on the shop floor to prepare strike action to defend every job. If EV production requires less labor, the workweek must be sharply reduced with no loss of pay and no job losses. At the same time, if the corporations cannot guarantee the jobs and living standards of all workers, then they must be transformed into public enterprises, collectively owned and democratically controlled by workers themselves, as part of the socialist transformation of the US and world economy.

The job cuts are a confirmation of the warnings by the Autoworkers Rank-and-File Committees Network. In its November 6 statement, “Vote NO on the UAW sellout contracts at Ford, Stellantis and GM!,” the network warned that the companies “plan to make up for any pay increases by destroying tens of thousands of jobs during the transition to EVs.” This includes plans to get rid of the highest paid workers with “voluntary” buyouts and the designation of workers at the Ford Rouge Complex as “surplus,” who will be offered transfers to other plants, including a battery plant in Tennessee that has not opened yet and is hundreds of miles away.”

Workers at the Rouge Complex also have reported they are being kept in the dark by the UAW about Ford’s plans to eliminate the third shift at the Rouge Electric Vehicle Complex (REV-C), which is rumored to occur in early February. “They didn’t tell us this was coming when they were pushing the contract,” one Rouge worker told the WSWS, referring to Fain and other UAW officials. “We voted 97 percent nationwide, and 98 percent at the Rouge for all-out strike action, but the UAW split the rank and file and kept most of us on the job. I didn’t like the contract, a lot of things were going on behind closed doors. Now, we don’t know if we’re going to be transferred to Michigan Assembly or hundreds of miles away to keep our jobs.”

Helen, a Toledo Jeep worker and former worker at Belvidere, denounced Fain’s claims that he had “squeezed every dime from the companies” with the “stand up” strike. “We got a \$5,000 signing bonus, and GM’s shareholders got \$10 billion in a day. The Democrats and the union shook people down for their hard-earned money. The members have to take back their power and force the UAW and the companies to their knees to stop using and abusing us and give us our fair share.

“I can’t imagine what the next four-and-a-half years are going to be like. Post-ratification management is everywhere hawking the workers and looking for every reason to put people on notice and write them up over minor things. They’re creating a hostile environment.”



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact