

Ford reveals production to be cut in half at Rouge Electric Vehicle Center after Stellantis announces 3,600 job cuts

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Following the announcement by Stellantis that it will cut up to 3,700 jobs at its Detroit Assembly Complex – Mack and Toledo Assembly Complex that build Jeep brand vehicles, Ford said it is planning to cut production targets for its electric F-150 Lightning pickup trucks by one half in 2024. The Lightning is built at the Rouge Electric Vehicle Center (REV-C) in Dearborn, Michigan.

Many of those at Stellantis being laid off are temporary, or “supplemental,” workers who the UAW promised would be made full time under terms of the new contract.

Ford blamed the production cuts on lower-than-expected demand. It said it now expected to make 1,600 electric trucks a week in 2024, about half its earlier projections. In the first 11 months of 2023 Ford sold only 20,000 of the Lightnings, about 425 a week. The job losses this will produce have not been announced, but could be significant.

In a statement announcing the cuts, a Ford spokesman said, “We will continue to match production to customer demand.” About 2,200 workers are employed at the Dearborn electric truck facility.

“We don’t know much about the layoffs outside of the union saying sign up for MAP [the Ford Michigan Assembly Plant] or you’re permanently let go,” a Ford Rouge worker told the WSW. “The UAW didn’t tell anyone about this before the ratification. It’s terrible. Forcing people to sign up to protect their job security, I don’t like that.” Responding to the UAW’s trumpeted claim that it “won” the right to strike over plant closures, they added: “We already signed the contract, they’ll claim there’s no point in striking.”

Demand for EVs has been dampened by the high cost of the vehicles and the lack of access to charging stations in most locations.

The announcement of the cuts at REV-C are only the latest move by Ford to scale back EV investment. In October the company said it was cutting \$12 billion in planned EV investment. This includes cutting the size of its west

Michigan battery plant in Marshall by one half. It is also delaying by one year the launch of one of its two new battery plants in Kentucky.

GM, for its part, is planning to lay off 900 from its Orion Assembly plant in Michigan as of January 2024, according to a WARN notice filed with the state on October 24. The layoffs will impact approximately 692 GM assembly workers and another 219 production workers employed by GM Subsystems, a GM subsidiary.

The impending layoffs at the Big Three confirm the warnings of the *World Socialist Web Site* of a looming jobs bloodbath in the transition to electric vehicle production. It further refutes the claim by UAW President Shawn Fain that his administration had won “historic” gains in the 2023 auto contract, including job protections.

The expanding wave of layoffs can and must be fought, but it is necessary for workers to take control out of the hands of the pro-corporate UAW bureaucracy, through the expansion of the network of rank-and-file committees throughout every plant. A statement by the International Workers Alliance of Rank-and-File Committees in April explained:

If EVs require 40 percent fewer labor hours to build, then the workweek should be reduced from the exhausting 40, 50 and even 60 hours workers routinely labor to 30 hours a week, with no loss in pay. Just as wages must rise automatically with the increase in the price of consumer goods, the number of working hours must be adjusted so available work is divided among all workers with no loss in income.

To date, the UAW International has maintained a virtual information blackout on the growing job cuts. In a livestream Monday, Fain announced the filing of unfair

labor practice against Hyundai, Volkswagen and Honda over obstructing unionization, and initially made no mention of the layoffs. Forced to respond to angry comments from rank-and-file workers about the Stellantis cuts, however, Fain could only manage empty bluster and evasions.

“We are not going to stand by for things that are not in the contract,” he claimed. “We put protections in our contract for a reason.

“This doesn’t take place until February,” he added complacently. “We are going to do everything we can to protect our jobs. Vice President Boyer and myself are looking at this. We are going to sit down with the company later this week.” As though any of this should reassure workers who have witnessed the UAW collaborate in the destruction of tens of thousands of auto jobs.

Speaking to investors at Goldman Sachs’ 15th Annual Industrials & Autos Week, Stellantis CEO Carlos Tavares spoke of a “Darwinian period” as companies transition to EV production, remarking “The guys who are not able to make money with EVs are going to be in trouble very, very soon.”

Tavares said that in order to be competitive the price of electric vehicles had to be reduced to around \$25,000 an hour, which he said could only be achieved through ruthless cost-cutting. The type of “Darwinian period” the multimillionaire Tavares has in mind entails the decimation of auto jobs worldwide and a vast increase in the rate of exploitation of those workers that remain employed.

Tavares went on to say that the legacy companies had a leg up in the drive to electrification because they could milk profits in the short run from the internal combustion engine lines to fund the EV transition. In particular, companies had to develop the ability to shift production between electric and ICE production as the market dictated.

As part of the drive to cut costs, Stellantis has made a deal with Chinese EV maker Leapmotor that will enable the automaker to deliver additional profitable electric vehicles to Europe, taking advantage of the country’s vastly lower production costs. Stellantis said it is investing \$1.5 billion, a 20 percent stake, in Leapmotor in October.

While preaching the need to cut costs, Tavares at the same time boasted of the company’s €6.6 billion stock buyback windfall for investors. The huge payout, over US\$7 billion, is a further exposure of the phony claims of Fain that the UAW achieved record gains in 2023.

A Rouge worker told the WSWS, “We voted 97 percent nationwide, and 98 percent at Rouge for all-out strike action. But the union split the rank and file, kept most of us on the job and tied our hands behind our backs. I did not get a chance to vote. Our vote didn’t mean anything.

“I didn’t like the contract. It didn’t sound right. I felt

something else was going on and we were not being briefed about a lot of things that were going on behind closed doors.

“The things that we were being briefed on were to push the contract. They didn’t say anything about any of this coming. When this was announced, I felt like people should be on the floor telling us what was going on.”

The impending cuts will also have a ripple effect on supplier plants around the area.

Speaking about the role of Fain in enabling the attack on jobs, a worker at the Dana Driveline plant in Toledo, a supplier for Toledo Assembly Complex, said about the layoffs, “you can only treat people like this so long before they end up walking away.

“They’re saying it’s about the California emissions. Really? It makes no sense.

“Already temps have to wait three to five years. Jeep has never had only two shifts. What’s going to happen to all these people?

“With EVs there’s a Mobis plant being built in Toledo by the old mall that will have 180 people. Another Ford EV plant will be in Monroe at the same time all these people are being laid off.”

A former temp worker at the Mack Assembly plant in Detroit, who now works for an auto supplier, said that her former coworkers reported frustration and questions about the impending job cuts at Mack. “I think people in high positions knew in advance about the layoffs,” she said.

“The union has been lying to people, telling them in meetings that this is not going to happen, then it happens. They have shown that they either lie or withhold information.

“When we were hired in at Mack, we were told we would be rolled over to full time in a short period of time. They said that only in order to get some type of tax break.”



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