

Stellantis fires 400 white-collar workers during mandatory remote workday

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On March 22, global automaker Stellantis—maker of Jeep, Chrysler, Dodge, Fiat, and other models—carried out a mass firing of 400 white-collar workers in the US. The terminations are among the most recent in a global cost-cutting drive by the corporation that will be followed by further downsizing as the company ramps up electric vehicle production.

In the wake of the white-collar terminations a Stellantis spokesperson issued a cold and bureaucratic statement: “As the auto industry continues to face unprecedented uncertainties and heightened competitive pressures around the world, Stellantis continues to make the appropriate structural decisions across the enterprise to improve efficiency and optimize our cost structure.”

The manner Stellantis chose to go about firing the white-collar workers—most employed in engineering, tech, software—was brutal. Workers were informed Thursday that there would be a mandatory remote work day due to “important operational meetings that require specific attention and participation.” During the remote meeting held Friday the workers were told they were being laid off.

A source told *CarScoops*, “This isn’t going to be the last.” They added, “They are going to be doing this in waves so they can game the WARN Act.” The 1988 law requires large companies to give at least 60-day notice of a layoff of 500 employees or more within a 30-day period.

The layoffs are the third round of white-collar job cuts this year. In 2023 Stellantis offered buyouts to 9,000 US salaried workers.

The latest white-collar job cuts have been followed by reports that Stellantis has come to a deal with unions in Italy to cut at least 2,500 jobs. The layoffs are reported as being “voluntary,” including retirement incentives, and will impact 1,520 workers in Turin and 950 at two other locations. The cuts are part of an ongoing downsizing in

the country, with Stellantis slashing some 12,000 jobs in Italy since 2021.

In a statement, Stellantis said about the layoffs in Italy, “The agreements are part of the initiatives implemented by Stellantis to address the effects of the ongoing energy and technology transition process including on employment.”

Throughout 2024, Stellantis has been carrying out mass terminations of temporary workers at US production facilities. The workers had been promised under terms of the supposedly “historic” 2023 national contract with the United Auto Workers union that those with nine months or more would be made full-time. Instead, many found themselves out of work.

These cuts all come while the company posts record profits. The company made \$20 billion last year, an 11 percent increase over 2022, despite a 1 percent decline in overall sales.

Anger is mounting among rank-and-file workers, particularly as the union apparatuses have refused to mount any serious opposition to the layoffs. Last month Italian autoworkers staged wildcat strikes over threats by Stellantis to close the Mirafiori and Pomigliano d’Arco plants. In Detroit earlier this month a group of fired Stellantis temporary workers (known at the company as “supplemental employees”) staged a protest outside of the UAW headquarters in Detroit against their terminations.

In response to the Stellantis layoffs one worker posted acerbically on [thelayoff.com](https://www.thelayoff.com), “Who cares if hundreds of loyal and hard-working employees lose their livelihoods when there are executives with multi-million dollar pay who need to ensure their bonuses keep growing? Their priorities are perfectly clear. Sc—w the employees. We’re insignificant.”

A worker at the Stellantis Toledo Jeep plant posted on Facebook, “It’s all across the world. It’s just a poor me excuse for these companies to get kickbacks. They’ve had

record profits for almost a decade but yet didn't have money to make this transition. It's a load of BS. They're going towards AI tech and that's why they're getting rid of white-collar jobs."

Other workers commenting on Facebook spoke about the impact of the cuts. "They have done this several times including when my dad worked in the industry," wrote one worker. "Typically it starts with lower white collar and then works its way up on white collar jobs because it isn't as bad news coverage. Then it hits the blue collar. They will drag it out as long as they can."

Another exclaimed, "Wow this is a pretty s***ty thing to do. I've been laid off before, right after a company-wide mandatory in-person meeting where they announced that everyone's job was safe."

During an investor call last month Stellantis CEO Carlos Tavares spelled out the global economic and technological processes driving the cuts—particularly what the company views as the main threat—competition from China.

"The Chinese offensive is possibly the biggest risk that companies like Tesla and ourselves are facing right now," he said. "We have to work very, very hard to make sure that we bring our consumers better offerings than the Chinese."

Stellantis has been slower than other carmakers in the transition to EVs. It plans to introduce its first fully electric vehicle in the US this year and spend \$50 billion by 2030 on the EV transition. By that year it plans to sell 50 percent EVs in the US and 100 percent in Europe.

Chinese automaker BYD is currently selling its Seagull electric vehicle in China for the US equivalent of \$10,000, breaking even or even turning a profit by some reports. The company has had success developing battery technologies that are cheaper to make than lithium-ion batteries, which are also prone to fires.

The average price of a US-built EV is over \$50,000, according to Cox Automotive, and the sector remains unprofitable for Stellantis and other Detroit-based carmakers. US-built EVs have been plagued by quality problems, including a rash of battery fires. One blaze involving warehoused lithium-ion batteries forced the temporary shutdown of General Motors' flagship Factory Zero in Detroit.

Under capitalist private ownership, developments in science, such as AI and EV technologies, are turned against the worker. Instead of a global effort of research and development aimed at the rational use and deployment of electric vehicle technology for the benefits

of society, workers are being pitted in a fratricidal race against each other to see who can work the cheapest and whose jobs will be eliminated.

With fewer moving parts than gas-powered vehicles, electric vehicles require less labor to manufacture and assemble and thus fewer engineers and design specialists. At the same time, the enormous costs associated with the development of this technology require that auto companies such as Stellantis squeeze ever more profit and production out of its existing workforce.

The corporatist unions, both in the US and in Europe, have offered no opposition to the stepped-up attacks on workers' jobs and living standards. In Italy, the unions have helped Stellantis lobby fascist Prime Minister Giorgia Meloni for subsidies while collaborating with management to slash costs. In the US, the UAW bureaucracy offered no opposition to the layoff of some 2,000 supplemental workers. Meanwhile, President Shawn Fain and the UAW executive board have embraced the reelection campaign of Joe Biden, who just helped ram through a budget that combines record military funding with cuts to social spending.

The rational and progressive use of labor-saving technologies such as AI and EVs would entail the reduction of the workweek and workday with no loss in pay, and the hiring of more workers to address reduce workloads and understaffing and improve safety. But such policies are incompatible with the profit system, which subordinates everything to the accumulation of private wealth. What is required are organizational structures under workers' democratic control—rank-and-file committees—and the adoption of a socialist and international strategy to ensure the needs of the working class are met.



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