

Jeep supplier Mobis tells laid-off workers in Toledo, Ohio to come back at half pay

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Mobis North America, which supplies Jeep chassis to the Stellantis Toledo Assembly Complex in Ohio, has informed workers being laid off next month that they can return to work if they come back as “supplemental employees” with half the pay and virtually no benefits.

In November, Mobis announced it planned to lay off up to half of the approximately 400 workers at the plant on January 5. The workers build rolling chassis and engine modules for the Jeep Gladiator pickup that are transported on conveyor lines directly into the Stellantis-owned final assembly building. The job cuts follow the decision by Stellantis to eliminate an entire shift of workers on the Gladiator production line and indefinitely lay off 1,100 workers by January 6. Another key Jeep supplier Kuka is also planning to lay off 160 workers.

According to a December 3 letter from the UAW Local 12 Mobis Unit Committee, the company is eliminating a total of 145 full-time jobs. Union officials said at a meeting earlier that day, “The company informed us they will be using supplemental employees to cover absenteeism, etc. beginning on January 6... They want to drop current full-time employees down to supplemental wages and benefits but continue to benefit from your years of knowledge and expertise.” Management told union officials the move would save them \$1.5 million in annual costs.

Mobis workers currently making up to \$38 an hour would see their wages fall to \$19 an hour or below. They would also receive only half of their benefits, if not less.

“Mobis is trying to reduce seniority employees with over 10 years of seniority to drop back to supplemental employees for half the pay and no benefits,” a Mobis worker with 12 years at the plant told the *World Socialist Web Site*. “After the layoffs, 40-45 workers will be brought back as supplemental workers instead of full-time workers. It is extremely insulting to us as human beings, who still believe in equality. Mobis obviously is a corporation that has become the enemy of its own employees.”

The worker said that it was sophistry to claim that Mobis, which is owned by Korean transnational giant Hyundai,

operated a separate production facility from Stellantis. “We are Jeep,” the worker said. “We build engine and chassis modules that go into the Jeeps, but we are considered a ‘supplier.’ We used to all be part of the same company but when Daimler owned Chrysler, they sectioned off parts of the plant and sold them to separate companies.

“Workers come in here at \$20 an hour and top out at \$38 after five years,” he said. “We have a similar contract to the Jeep workers, who are also members of Local 12, but we stay a little behind them in wages and don’t match their benefits. Otherwise, as far as the companies are concerned, we would have no reason to be here.”

He continued, “Workers work hard chasing this American Dream and then bad things happen to us. We’ve built our lives around these promises, including union promises, and all now are losing everything.” He added, “The media and politicians in Toledo would never blame Stellantis and the UAW, but I want to see someone fighting them. There is no accountability, and people are sick of it.”

In November 2023, UAW Local 12 officials called a 12-hour “Hollywood strike” at the Mobis plant before pushing through a pro-company agreement. At no time did union officials make an effort to link the struggle at Mobis with Stellantis workers at Jeep, much less raise the issue of pay parity.

The job and wage cuts at Mobis are coming four months after the US Department of Energy gave the company a \$32.6 million grant to set up production of the Jeep Gladiator plug-in electric hybrid vehicle. The company was also given a “Job Creation Tax Credit” by Ohio authorities for a nearby facility in Toledo, which builds battery boxes for the Gladiator EV.

Praising the federal handouts to Mobis at the time, Biden’s Secretary of Energy Jennifer M. Granholm said, “There is nothing harder to a manufacturing community than to lose jobs to foreign competition and a changing industry. Even as our competitors invest heavily in electric vehicles, these grants ensure that our automotive industry stays competitive—and does it in the communities and with the

workforce that have supported the auto industry for generations.”

As usual, the pronouncements by corporate-controlled politicians and UAW bureaucrats about maintaining the “competitiveness” of the American auto industry are translated into mass layoffs and savage cuts for workers.

What is happening in Toledo is part of a national and international attack on autoworkers’ jobs and living standards. According to the jobs outplacement firm Challenger, Gray & Christmas, the automotive sector in the US announced “the most job cuts in November with 11,506, the highest monthly total since 14,373 cuts were recorded in April. For the year, Automotive companies have announced 45,820, a 59 percent increase from the 28,803 cuts recorded through November last year.”

Globally, Stellantis is slashing jobs in the US, Italy, the UK and Germany; VW and Bosch are cutting tens of thousands of jobs in Germany; Ford is eliminating 4,000 jobs in Europe, including 2,900 in Germany; Nissan is cutting 9,000 jobs; and GM is closing plants in China and cutting thousands of jobs along with VW and Honda.

The UAW bureaucracy is opposed to any collective action by the more than 6,000 Jeep, Mobis and Kuka workers to fight the job and pay cuts, let alone broader sections of workers at Stellantis, Ford and GM who are facing mass layoffs. Instead, UAW Local 12 has filed a grievance and plans to issue a complaint to the National Labor Relations Board charging Mobis with violating the labor agreement it signed with the UAW last year, which union officials claim prohibits the use of supplemental employees.

To supplement this impotent gesture, the UAW apparatus is planning various protests to local and federal politicians, which will do absolutely nothing to harm the corporation’s profits or stop the destruction of workers’ jobs and wages.

In their December 3 letter, UAW Local 12 officials from the Mobis unit say, “We will be reaching out to all national departments, our local president, and our regional director, and the Department of Energy regarding this matter. We will also be contacting local government officials regarding their blatant disrespect to our mutually binding CBA. I am sure you will be seeing the media and demonstrations outside of the facility. You elected this committee to serve your best interests, and that is exactly what we will continue to do.”

This is nothing but hot air. Over the last year, UAW President Shawn Fain and the UAW apparatus have been engaged in a bogus “Keep the Promise” campaign against supposed contract violations by Stellantis, which has consisted of nothing but a grievance-writing campaign and empty threats of strikes. After the recent departure of Stellantis CEO Carlos Tavares, the UAW bureaucracy has all but dropped its PR campaign and is now positioning itself

to collaborate with the incoming Trump administration’s plans to impose economic tariffs against Canada, Mexico, China and other countries to supposedly “save American jobs.”

In opposition to the nationalist and pro-capitalist policies of the UAW bureaucracy, which only serve to divide workers employed by the global automaking giants, the International Workers Alliance of Rank-and-File Committees (IWA-RFC) is fighting to unite autoworkers all over the world to defend the right to a secure and good-paying job. To conduct a real fight for jobs, Stellantis workers in Toledo, Detroit, Kokomo and other industrial centers should expand the network of rank-and-file committees in the auto industry. The task of these committees is to transfer power and decision-making from the UAW apparatus to the workers on the shop floor and prepare collective action to defend jobs and wages.

“What they are doing to the Mobis workers is atrocious,” a Jeep worker told the WSWS. “This multi-billion-dollar company is cutting the wages of the working class just save \$1.5 million. I bet you’d save a lot more if you cut what the CEO makes in half.

“Here at the Jeep plant, the rumor is the 1,100 job cuts might be reduced to 750. But we are being told that Wrangler and Gladiator production might be consolidated on one side of the plant, and the other side would be idled. That would cost far more than 1,100 jobs.

“We are getting so many stories from the company and the union. First, they say production of the Dodge Rams might be coming back from Mexico and we’re going to get jobs back. Then they say more layoffs are coming. They want us to feel hopeless, but we want to do something to fight this.”

Another Jeep worker facing the loss of her job next month added, “We have to stop this or none of us are going to have jobs.”



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