

Volvo announces layoffs at New River Valley, Virginia truck plant, site of major 2021 strike

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Volvo Trucks announced this week that it is implementing layoffs starting in April at its New River Valley (NRV) plant in Virginia. The exact number of jobs to be cut has not been revealed. The factory, a mainstay of the local economy, is Volvo's largest manufacturing facility globally and currently employs 3,600 people.

According to a report received by the *World Socialist Web Site*, Volvo is planning a reduction in output at NRV from 140 down to 120 trucks per month, or about a 14 percent reduction in output. If accurate, that could translate into hundreds of job cuts.

The NRV facility currently produces all Volvo trucks for the North American market, both gas driven and electric powered models, including the new Volvo VNL Class 8 truck.

In a press statement Volvo Director of Public Relations Jaine Coley said, "We did communicate to our NRV plant employees that, unfortunately, we will need to reduce employment, most likely beginning in early April."

The statement continued, "The reason for the layoff is a combination of reduced demand in our core long-haul segment of the heavy-duty truck market, and the fact that we've now passed the critical phase in the production ramp-up of our new VNL highway truck. We regret having to take this action, but we need to balance staffing with market demand."

The cuts were the most significant layoffs at the plant since December 2019, in the wake of the General Motors strike.

Site of rank-and-file rebellion

The layoffs are all the more significant given the plant was

the site of a rank-and-file rebellion in 2021 against repeated attempts by the United Auto Workers to force through a sellout contract. This led to a protracted strike which the UAW had initially sought to block, and which it deliberately worked to isolate and shut down.

The critical role in this rebellion was played by the Volvo Workers Rank-and-File Committee, which was formed to organize workers independently in order to fight both Volvo management and the UAW sellouts. Since then, workers in auto and other industries around the world have followed suit, building rank-and-file committees of their own as part of the International Workers Alliance of Rank-and-File Committees.

As of this writing the UAW had not issued an official response to the layoff threat. While doing nothing to combat mounting layoffs in the auto industry, UAW President Shawn Fain has endorsed Trump's tariff and trade war policies, presenting these measures, aimed primarily at preparing for war, as beneficial to workers.

Meanwhile, the UAW uses every opportunity to divert workers anger over job cuts into hostility toward workers in other countries, particularly Mexico and China. Solidarity House has vigorously denounced plans by Volvo to build a plant in Monterrey, Mexico; promoting the false premise that American and Mexican workers are enemies, who like dogs scrapping for a bone, must fight each other for jobs.

Workers speak out

The job cut announcement evoked a number of angry comments on social media.

One person wrote, "I think it's crappy they work these people to death and get their amount of trucks out that they need then let's forget about the workers let's just lay them off. Pretty dirty I think."

Another comment pointed to the impact of continued

inflation, “Feast or famine. I have a deep feeling this one is going to be a long furlough. Companies, like people, can’t afford these high prices. I pray each of you find meaningful work.”

Another reported, “To make matters worse they are still hiring and training people. Just to lay them off in less than 2 months. SMH.”

Tariffs driving job cuts

According to an industry report, orders for class 8 trucks were down in January, at least partially in reaction to concerns over the impact of tariffs. One analyst told Truck News, “A 25 percent US tariff on imports from Canada and Mexico—currently paused for trade negotiations through early March—and a 10 percent tariff on Chinese imports as of February 4 could significantly increase costs for North American Class 8 trucks and parts, if fully implemented and enforced indefinitely.

“With roughly 40 percent of U.S. Class 8 trucks built in Mexico and around 65 percent of Canada’s Class 8 trucks built in the U.S., tariffs and likely counter-tariffs threaten to disrupt supply chains and drive up vehicle prices. Combined with upcoming U.S. EPA27 NOx regulations, tariffs could accelerate or delay fleet upgrades.”

Class 8 trucks are larger size vehicles such as tractor-trailers used in long haul trucking. The VNL model contains a sleeper in the cab suited for extended, overnight trips.

The uncertainty around electric vehicle production and the impact of looming trade war has been reflected in the recent cuts in the automotive sector. The layoff announcement by Volvo follows the decision by German car parts maker Continental to impose sharp cuts in research and development, amounting to 10 percent of its global workforce or 3,000 jobs.

Earlier this month, Goodyear reported that it is eliminating jobs at its Danville, Virginia plant. In a statement, the company said it “plans to refocus its Danville facility on mixing and aviation, strengthening the plant’s competitiveness. This plan includes approximately 850 job reductions, including associates and contracted positions.”

In December, German car parts manufacturer Bosch said it would cut 8,250 jobs globally over the next several years, part of a massive wave of layoffs in the German car industry potentially affecting tens of thousands of workers.

Last week, Ford CEO Jim Farley, while generally heaping praise on Trump’s ultra nationalist program, warned that certain of Trump’s policies, including the imposition of

tariffs and the cutback of electric vehicle subsidies, could lead to layoffs. “A 25 percent tariff across the Mexico and Canadian border will blow a hole in the U.S. industry that we have never seen,” he warned. He said it would give “free rein” to South Korean, Japanese and European companies who would not face the same tariffs.

Farley warned of a “global street fight” in the auto industry as China seeks to expand its auto sector. His remark presage a stepped-up drive by all the auto companies to slash costs and ramp up the exploitation of workers.

Responding to Farley, Flavio Volpe, the president of Canada’s Automotive Parts Manufacturers’ Association told Bloomberg that the “industry would shut down” if it had to operate under a 25 percent tariff. He also noted, “Whether it’s auto tariffs that he comes up with on the fly or a general tariff, the net result is closures of plants all over the U.S. at the same time as Canada and Mexico.”

Job cuts in Canada

In a related development, Stellantis has said it is pausing all activity at its Brampton, Ontario plant that had been in the process of retooling for the new electric and gas powered version of the Jeep Compass. Production was slated to begin in February 2026, but the company said it was considering a delay of up to one year.

A company statement obliquely referred to the tariff threat, stating, “As we navigate today’s dynamic environment, Stellantis continues to reassess its product strategy in North America to ensure it is offering customers a range of vehicles with flexible powertrain options to best meet their needs.”

The Canadian Unifor union, predictably, responded with nationalist fulminations against the policies of the Trump administration, but advanced no plan of action to fight the threat to jobs. The reopening of the Brampton plant in 2026 and the recall of its 3,000 workers had been promised in the 2023 contract agreement negotiated by Unifor, as always with a mile-wide escape loophole allowing for “business considerations.”



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