

Anger erupts as Stellantis workers told profit-sharing checks will be cut by 73 percent

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Anger erupted on social media and in the factories after Stellantis workers in the US were told this week they will get a “profit-sharing” check of \$3,780 for 2024, a drop of 73 percent from last year’s \$13,860 check. The announcement Wednesday morning came after Stellantis released its financial results for 2024, which showed \$5.8 billion in net profits.

The checks will go out March 7 to 38,800 eligible United Auto Workers members. Under the 2023 UAW-Stellantis contract, workers receive \$900 for every one percent of the company’s North American profit margin. Last year margins in the region were 4.2 percent, down from 15.4 percent the previous year. Overall, the Franco-Italian-US transnational saw a net loss of \$133 million in the second half of 2024, largely due to a sharp decline in North American sales.

While autoworkers received a pittance, Stellantis CEO Carlos Tavares who resigned in December was paid a salary of \$24 million in 2024, plus \$2.08 million in severance pay and a bonus of \$10.4 million for meeting a series of company milestones, according to the company’s regulatory filing Thursday. This followed a 56 percent pay bump for Tavares in 2023, to \$39.5 million or 518 times more than the average Stellantis employee.

Despite falling profits, Stellantis spent \$3.3 billion on stock buybacks in 2024 for its wealthy shareholders.

Due to decades of wage and benefit concessions handed over to the companies by the UAW bureaucracy, workers have been forced to rely more and more on profit sharing checks to meet basic living expenses.

Workers at the Toledo Jeep Complex in Ohio denounced both the corporation and the UAW bureaucracy in comments to the *World Socialist Web Site* Thursday at the factory gates.

“We worked our asses off for \$3,700!” a young worker with seven years said in disgust. “We depend on these checks. We see it as compensation for all the time we are missing out with our families. But it’s not worth it. We should get rid of the whole profit-sharing thing and make them pay us enough to live.”

Referring to UAW President Shawn Fain, she said, “Fain is a joke. He told the SEs (supplemental employees) they were going to get rolled over to full-time. Instead, a lot of them got fired. I just dodged being laid off. It was scary but luckily, we got our jobs back. I’m still nervous. I have three kids and don’t know how long this job will last.”

A recently rolled over worker added, “Tavares got \$40 million to run the company into the ground and workers get worse profit sharing since 2014. After not getting anything for six years, even though UAW told us SE’s would get profit sharing last year, we got zero in 2024. They also didn’t pay any of the converted SE’s vacation days or sick days last year. I wonder how much Fain and [UAW Vice President] Rich Boyer received for saving the company all that money?”

Another worker said, “If I could get a pension instead of profit-sharing, I would take that any day. Everything since the strike is worse. When Fain first started campaigning, he said he was fighting for a 32-hour workweek. Everyone would have loved that. But he got everyone salivating for one thing, but we got something worse. We might make more money, but it seems like we’re bringing home less.”

Rushing into the plant, a young worker said, “The profit sharing is BS. Stellantis spent billions on stock buybacks and bought ads during the Super Bowl. They have enough for their stockholders but not the hourly workers who produce their profits. The whole ‘profit-sharing’ thing is just a façade for the news, so they can

say workers are doing good when the companies do good. To make matters worse, those checks get taxed at 40 percent. And inside these plants, we're treated like slaves."

After the announcement of the huge cut in profit sharing, spontaneous calls for a strike spread on social media and in conversations among autoworkers. "All hell is going to break loose today," a worker at the Mack Assembly Plant in Detroit told the WSWs.

Fearing an explosion, UAW President Shawn Fain issued a demagogic statement, saying the announcement was a "one last slap in the face to hardworking American autoworkers at Stellantis from disgraced former CEO Carlos Tavares."

Fain quickly turned around and pledged to collaborate with the new bosses being installed to take Tavares' place:

"We look forward to working with the company's new leadership to right the wrongs of the past, and we look forward to getting back to the bargaining table in 2028 and revisiting our enhanced profit-sharing proposals that make a simple point: If the executive class and the Wall Street class and the billionaire class are getting record payouts, so should the autoworkers who make this company run."

Fain specifically praised GM and Ford for paying "profit-sharing upwards of \$10,000" as if this was somehow compensation for long hours of exploitation and abuse heaped on workers by those companies.

Whatever Fain's rhetoric, the profit-sharing scheme has always been a fraud. It was introduced by the UAW bureaucracy in the early 1980s as part of its corporatist program of labor-management "partnership" and the abandonment of any struggle against the attack on workers' job and conditions. In the name of boosting corporate "competitiveness," UAW officials surrendered the three percent annual improvement factor, cost-of-living increases, and improvements in general wages, medical benefits and pensions. Profit-sharing was introduced as supposed compensation.

Under the corporatist profit-sharing concept, a significant portion of workers' annual income was directly tied to corporate profits, thus creating the illusion that workers and management have the same interests. Long hours of overtime, speed up and greater exploitation were justified by the UAW bureaucracy based on the lying claim that workers would benefit

from boosting corporate profits.

This has always been a good deal for the UAW apparatus, which management rewarded with legal and illegal bribes, seats on corporate boards and company shares for policing the workforce.

As for workers, the profit-sharing scam has only resulted in more job cuts, overwork, injuries and deaths. At the same time, workers have been forced to pay for every economic downturn and self-serving and destructive management decision, over which they have no control.

Most fundamentally, "profit sharing" is used to conceal the actual class and social relations of capitalism. As Karl Marx demonstrated in his work *Capital*, labor creates all wealth. The profits of the capitalist owners are derived from the surplus value workers create above and beyond the wages they are paid, ie., the cost of the labor power. In other words, under capitalism, workers are compelled to "share" the wealth they produce with the capitalist owners who produce no wealth at all.

It is time rank-and-file workers in the US and around the world unite to fight capitalist exploitation and the collusion of the union bureaucracies. That means expanding the network of autoworkers rank-and-file committees, affiliated with the International Workers Alliance of Rank-and-File Committees (IWA-RFC), to transfer power from the UAW apparatus to shopfloor workers.



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