

Stellantis steps up attacks on workers as company takes \$26 billion charge due to EV reversal

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On February 6, Stellantis reported that it is taking a huge, \$26 billion charge to profits, to reflect the cost of the reversal of its EV strategy amid slumping sales. According to CEO Antonio Filosa, the charges “[L]argely reflect the cost of overestimating the pace of the energy transition that distanced us from many car buyers’ real-world needs, means and desires.” Stellantis stock plummeted 25 percent on the news and company has cancelled dividend payments.

Concurrent with the announcement, Stellantis joint venture Automotive Cells Company announced the cancellation of plans to build battery gigafactories in Italy and Germany. The same day Stellantis also announced it was selling its joint stake in its Ontario, Canada battery joint venture to South Korean partner LG Energy Solution.

The past several weeks have seen an escalating series of attacks on US Stellantis workers, including the reported further delay of the reopening of the shuttered Belvidere Assembly plant in Illinois and management’s reneging on an expanded buyout offer to US production workers. Attacks are escalating against other Big Three workers too, including the indefinite layoff by General Motors of over 1,100 workers at its flagship Factory Zero EV plant in Detroit.

Last October Stellantis had announced it was scrapping plans to reopen its Brampton, Ontario plant in Canada where 3,000 workers were laid off when the plant closed in 2024. Instead, the company said it planned to build its new Jeep Compass at the idled Belvidere facility.

The *Detroit News* reported, “A presentation to union members late last year showed Compass production starting by December 2027 with the Cherokee rolling off the line by November 2028. It called for two work shifts initially, and potential production volumes of more than

100,000 vehicles annually for both models.”

At the time UAW President Shawn Fain had gloated over Stellantis’ decision to shift jobs to Belvidere at the expense of brother autoworkers in Canada, calling it a vindication of his collaboration with the fascist Trump and his reactionary tariffs.

Both the United Auto Workers and Stellantis are continuing their silence in the wake of the report by UAW Local 1268 President Matt Frantzen that Stellantis plans to push back the reopen date for the shuttered Belvidere Assembly Plant another six months, until mid 2028, after the May 2028 expiration of the UAW-Stellantis national agreement.

In a January 26 post on Facebook, Frantzen reported, “I have spoken with VP Boyer (Rich Boyer, newly reinstated head of the UAW Stellantis department) about the rumors we’ve heard on a potential delay here in Belvidere. He has spoken with the corporation; they confirmed to him that there is a delay of approximately 7 months.”

Frantzen also reported that he had gotten a separate email from a contact in Stellantis management to the same effect. “This email had documents in it stating that start of production for Belvidere is approximately June 2028. At this point, this is the plan they are working from. If this is the case, retooling may start anywhere from June 2026 (2-year retool) to January 2027 (18-month retool).”

The post evoked a barrage of angry responses from workers. One worker posted, “The timelines don’t add up. They haven’t bought any new equipment yet. If they release money in 7 months and it takes a year to get the equipment, then it needs to be installed. I’m sorry, but I just don’t see it. They screwed us around for 2 years, what’s keeping them from doing it 2 more.”

Others asked why the UAW did not call a strike over

breach of contract and whether the UAW international had signed off on the delay.

Seeking to shift responsibility to the membership for the UAW bureaucracy's capitulation and refusal to fight, Frantzen posted, "Striking at Belvidere does nothing to help our situation. It would take the membership at all Locals or the majority of the Locals within the corporation to agree to strike. It is not a decision that is made by our International leadership. The rallies that were held in the past, showed that there wasn't support to do this. Without this support, how do we hold this company to any commitments?"

Defending the role of UAW Vice President Boyer and Fain and shifting responsibility to the rank-and-file Frantzen continued, "(Boyer) is not ok with the delay. Nothing in the email I sent out yesterday said that he was. He is working on holding this company to the commitments made. Which includes getting the Trades in as soon as possible to start working on pull ahead work. Again, until the membership says enough is enough, the VP and his staff are going to be limited."

Since the post by Frantzen, which was widely reported in the media, neither the UAW International or Stellantis management have officially responded. On the part of Fain, silence betokens consent.

In another attack on Stellantis workers, the *Detroit Free Press* reported January 26 following a conversation with a Stellantis spokesperson that the new round of buyouts aimed at reducing headcount being offered by Stellantis to its US workforce will only be made available to traditional or "legacy" employees, workers hired before 2007. They would not be offered to all full-time Stellantis production workers, as workers had been led to believe.

Many less senior workers had counted on being able to take the buyout due to onerous working conditions and constant threat of layoffs. "We prevailed in the arbitration," Jodi Tinson, Stellantis North America director for media relations, reportedly told the *Free Press* in a statement not contradicted by the UAW.

The action further exposed the bogus "victory" in the 2023 contract struggle and the claim that the UAW has eliminated tiers.

Anger and a determination to resist are building among autoworkers over these and similar attacks. This is part of the growing wave of militancy throughout the working class expressed in mass walkouts by healthcare workers in New York City and California as well as teachers in San Francisco. There is growing sentiment for a general strike in opposition to ICE terror and escalating attacks on living

standards and jobs.

Fain has responded by amping up populist demagogic, including his warnings at this week's UAW Community Action Program conference, that "fascism is on our doorstep." But, the UAW president proposed absolutely no action to fight back. Instead, Fain told workers to wait until the 2026 congressional elections, elections that will likely take place under police-state conditions if they are held at all. As popular demands for a general strike are gaining increasing traction, Fain is quietly stepping back even from his call for a performative "general strike" on May Day 2028, over two years down the road when the fate of US democracy may well have already been decided.

Even as the UAW leader warns of imminent fascism, he continues to embrace and promote the trade war policies of Trump, including massive tariffs, which are part of the preparation of the US ruling class for WWIII against its capitalist rivals, in the first place Iran, China and Russia, with even supposed allies in NATO now in the target sight.

The UAW's bureaucratic apparatus is joined to the hip with management through multiple layers of union-management bodies. It exists only to block any fight by the working class, not to organize and lead workers. It must be abolished and replaced by networks of rank-and-file committees, as part of the International Workers Alliance of Rank-and-File Committees, to transfer power to the shop floor.

These committees, controlled by workers, not bureaucrats, must form links with other sections of workers, union and nonunion, in defense of democratic rights, jobs, living standards and safe working conditions. The committees must reject America First demagogic and forge a fighting unity with brother autoworkers in Canada, Mexico and globally against the escalating corporate attacks.



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