

# Nissan layoffs impact 550 workers at Cuernavaca, Mexico assembly plant

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On March 2, Nissan announced the layoff of 550 workers at its Cuernavaca, Morelos assembly plant (CIVAC). The layoffs represent the elimination of an entire shift and come in the wake of a continued decline in auto sales. Combined with 600 layoffs at the facility last year, there have been 1,150 layoffs at CIVAC in less than a year.

Nissan has two manufacturing plants in the central state of Morelos, employing over 3,500 full and part-time workers. Nissan is the highest-selling auto company in Mexico, capturing 25 percent of the national market. The CIVAC plants produce 56 percent of Nissan's cars in Mexico and assemble the popular Versa and NP300 pickup models. Until May of last year, the plants also built the company's Tsuru model, which was discontinued because it could no longer meet safety and environmental standards.

Nissan also recently announced that, as of June of this year, the plants would no longer assemble the Tiida model. The CIVAC plants assembled over 800,000 cars in 2016.

The company cited a fall in sales and overstock for the layoffs at the plants. Nissan auto sales in Mexico have fallen by 15.9 percent since June 2017, while the industry as a whole saw a 9.4 percent decline in Mexican car sales in January and February of this year compared to the same period last year. According to the director of the Mexican Association of Automotive Sector (AMIA), a decrease in sales is due to a rise in inflation and an increase in interest rates.

The layoffs will have a ripple effect through the area, affecting the region's production of tires, auto parts, and transportation of finished cars. According to the state government, the CIVAC complex is the main direct and indirect job provider in Morelos. The tire manufacturer Bridgestone and auto parts maker

Autotek have manufacturing centers in the state that service the CIVAC plants. The CIVAC plants have been in Cuernavaca since 1966 and were the first Nissan plants outside of Japan.

Faced with yet another round of layoffs, the Nissan Workers Independent Union (SITNISSAN) appealed to workers to leave the struggle in the hands of the union. "We urge everyone to stay calm, the committee will keep looking for alternatives so that as few staff as possible are affected," stated a union bulletin released to workers.

The union's response to the 600 layoffs last June was a token measure to place the fired workers on a short-list to get rehired if the plants were to expand their production. Andrés Lozano Rojas, the leader of the union, also made nationalistic appeals for businesses to "buy Morelian" to supposedly save local jobs.

The Nissan Workers Independent Union, like other pro-capitalist and nationalist unions, has been fundamentally transformed by globalized production. When faced with the threats to shut down production, the unions can do nothing more than accede to the corporations' demands for lower wages, less job security, and fewer benefits in what amounts to a race to the bottom for the entire working class.

Nissan had already threatened to shut down the plants in 2013 in favor of increased production at its Aguascalientes plants, which pays lower wages than the CIVAC plants. The Morelos state government quickly bent over backwards to meet the company's wish list of luring auto parts manufacturers to the area and improving the state's infrastructure to transport the company's finished products.

The "center-left" governor of the state, Graco Ramírez, highlighted the class collaborationist character of the unions in the wake of the deal: "The

state government relates to the workers, but we are not the enemy of the company, and the union is not the enemy of the company either.”

Reflecting a rise in the militancy of the working class, the CIVAC workers went on strike for the first time in 13 years during last year’s contract negotiations. The workers rejected a 3.5 percent salary increase and a one-time payment of 3,000 pesos, demanding a five percent wage increase. The workers almost went on strike in 2014 and 2016, but the unions blocked industrial action after they were promised more revenue from 500 additional workers that were put under the plants’ collective bargaining agreement.

The events at CIVAC are part of an expanding wave of the class struggle. In Canada, 300 workers at Windsor, Ontario’s ZF-TRW auto parts facility defied their union and decided to go on strike in a determined struggle to prevent a further decline in their living conditions. There is growing unrest among teachers in Argentina, the United States, Sri Lanka, and the United Kingdom, who are mobilizing to fight against years of cuts to public education and falling wages.

The *World Socialist Web Site Autoworker Newsletter* urges workers to form independent rank-and-file committees, democratically elected by the workers, to take the struggle out of the hands of the pro-capitalist and nationalist trade unions. These committees must form links with their class brothers and sisters at other plants in Mexico, across North and South America and internationally to fight against social inequality, war and the destruction of democratic rights.



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