

Layoff notices for Toledo Jeep workers, Christmas bonuses for Wall Street

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Thousands of autoworkers in Toledo, Ohio and other industrial cities face economic uncertainty this Christmas as Stellantis and other auto manufacturers prepare mass layoffs for the beginning of next year. Meanwhile, Wall Street is expected to pay out the largest end-of-year bonuses since 2021.

In November, Stellantis filed a WARN (Worker Adjustment Retraining Notification Act) notice with the state of Ohio, which reported plans to indefinitely lay off 1,134 workers at the Toledo Assembly Complex starting on January 5. The company is reducing production of the Jeep Gladiator model on the south side of the plant from two shifts to one. In a statement, the company said it was “taking the difficult but necessary action to reduce high inventory levels by managing production to meet sales.”

Mobis and Kuka, two suppliers that are adjacent to the plant, filed WARN notices of 210 and 160 layoffs respectively, also starting on January 5, because of the production cutback at the Jeep plant. Mobis managers recently told laid off workers they would hire back 40-45 workers, if they agreed to give up their seniority rights and come back as supplemental workers at half the pay and benefits.

According to the job placement firm Challenger, Gray & Christmas, the auto sector announced 11,506 layoffs in November. This brings job cuts since the beginning of the year to 45,820, a 59 percent increase from the same period last year.

Earlier this week, auto parts supplier Mersen announced that it was permanently laying off 25 percent of its workforce on December 15 and furloughing the rest of the workers at its manufacturing plant in Columbia, Tennessee, just south of Spring Hill.

Laid off workers are depending on food kitchens to provide for families this holiday season.

At the same time, Wall Street firms are expected to give higher bonuses, *Forbes* wrote last month, due to the “resurgence in merger and acquisition activity, the Federal Reserve’s decision to lower interest rates and stock markets

reaching unprecedented highs.” Underwriting specialists in investment banking, in particular, will see 25-35 percent increases in their bonuses.

Overall corporate profits in the US rose to \$3.1 trillion in the third quarter, up 6.4 percent from the previous year. While slashing the jobs of workers, the automakers are richly rewarding their wealthy investors, with Stellantis committing to return \$8 billion to its shareholders before the end of 2024, despite profits being down 48 percent in the first half.

The massive job cuts in Toledo, Detroit and Kokomo, Indiana were sanctioned by the four-year labor agreement signed by UAW President Shawn Fain in November 2023 after the UAW bureaucracy’s bogus “stand up” strike.

At the time, Fain said the “era of the perma-temp is over,” in reference to the thousands of temporary part-time employees (TPT), also known as Supplemental Employees (SE). These workers were forced to work for years side by side with workers making twice the pay, with no prospects of getting a full-time position.

This was a cynical ploy to get these desperate workers to vote for the sellout agreement. Buried in the UAW-Stellantis contract language, the UAW bureaucracy agreed to the permanent firing of 2,300 of the 5,500 SEs once the deal was signed. Now, the remaining 3,200 SEs who were rolled over are being laid off en masse. Similar job cuts are taking place at GM and Ford.

“This whole contract was about getting rid of the SE problem”

“The UAW has had a major PR problem since 2015,” Steve, a Toledo Jeep worker facing the loss of his job, told the *World Socialist Web Site*. “The corruption scandal and the sellout contracts really destroyed belief in the union. Another PR problem was the use of SEs. It’s hard to claim

equality and brotherhood when 20-30 percent of the workforce makes half of what everyone else makes. With the 2023 contract, the PR team sent out Fain in his ‘Eat the Rich’ t-shirts and wrote speeches about ending the abuse of temps.

“The company announced 1,100 layoffs here and the UAW ‘cut it in half’ to 541. But the worker-to-worker Facebook page admitted it was all the SEs who got converted to full time that were getting laid off. The union can claim a victory that they got the number down. In reality, this whole contract was about getting rid of the SE problem, and to be able to save face despite losing thousands of jobs. It was a big scam.”

He continued, “The company agreed to hold off for a year because of the election. Fain got to go out and stumped for Kamala Harris, hoping for a cabinet position. A few days after the election, the company announces the layoffs. It’s not a coincidence the timing of the announcement. It was all planned since contract negotiations. The UAW got rid of the SE problem. After these layoffs in Toledo, not a single SE that got converted after the contract will work for Stellantis.”

The union, he said, was spreading rumors about a new vehicle coming to Toledo but has said nothing is official. “I don’t buy it. In my mind I won’t be back.”

James, another Jeep worker facing the loss of his job after working as a temp for years and another 10 years as a full-timer, said, “If they close the Gladiator side of the plant, we are going to lose far more than 1,100 jobs, and that includes my own. The committee at Local 12 has said that the 1,139 people being laid off has been reduced to 541. That’s great news it’s been reduced so low, but still a terrible number of people affected.”

But earlier this year, UAW Local 140 officials at the Stellantis Warren Truck Assembly Plant also claimed to have reduced job cuts by half. After announcing plans to eliminate 2,458 workers at the suburban Detroit plant on October 8, 1,200 workers were initially laid off and the UAW officials worked with management to spread out the additional layoffs over several months. At the same time, they collaborated to force senior workers to take early retirements and transfer others to different work locations, where they bumped lower seniority workers out of their jobs.

“When you put it like that it doesn’t quite seem like the victory it was advertised as,” the Jeep worker said. “The email from our committee man informed us of the reduction, then pointed out it was basically all the recently rolled over TPTs who were losing their jobs.”

The Autoworkers Network of Rank-and-File Committees is mobilizing workers to oppose all job cuts. The right to a

secure and good-paying job must take precedence over corporate profit. This will not be won through phony PR stunts like Fain’s “Keep the Promise” campaign, which consists of nothing more than the filing of grievances and threats of strikes some time in 2025, which the UAW apparatus has no intention of calling.

Instead, it must be organized from below through the formation of rank-and-file committees, which organize the power of the workers on the shop floor to shut down production and defend jobs and living standards. If the companies reduce production, then workers must insist that their hours of work be reduced with no loss of pay and available work distributed equally to defend the jobs and livelihoods of all workers.

But the fight against global corporations like Stellantis can only be successful if workers wage it in collaboration with their brothers and sisters internationally. Stellantis is conducting a global attack on jobs, threatening to slash as many as 25,000 jobs in Italy, shutter Vauxhall plants in the UK and slash thousands of Opel jobs in Germany. This is part of a global restructuring of the auto industry, which includes tens of thousands of layoffs by VW in Germany, and the moves by Honda and Nissan to merge their operations, which would lead to a further jobs bloodbath.

In opposition to the economic nationalism of the UAW bureaucracy—which is cozying up to Trump based on his planned trade-war measures against China, Mexico, Canada and other countries—the International Workers Alliance of Rank-and-File Committees (IWA-RFC) is fighting to coordinate the resistance of workers around the world to the job cuts. This must be combined with the demand for the conversion of the global auto industry into a public utility, owned collectively and democratically controlled by the working class.

“There is no way to fight these global companies, unless we coordinate our fight across national borders,” James, the Toledo Jeep worker concluded.

To join the fight for rank-and-file power, fill out the form below.



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