

## FORD TO MAKE MASS LAYOFFS



Ford, one of the first American auto makers is getting ready to get rid of workers. The company is getting ready to layoff about 1,200 workers at its Claycomo plant as the company gets ready to make a new kind of a vehicle. Given that the plant only employs about 3,000 people in total these layoffs are not only a significant number of workers at the plant, but enough to qualify as a mass layoff action. For those of you who are not familiar with the idea of a mass layoff here is a look at how the federal government [defines](#) the term: "The **Mass Layoff Statistics (MLS)** program collects reports on mass layoff actions that result in workers being separated from their jobs. Monthly mass layoff numbers are from establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a 5-week period. Extended mass layoff numbers (issued quarterly) are from a subset of such establishments—where private sector nonfarm employers indicate that 50 or more workers were separated from their jobs for at least 31 days. " For the time being there is no word on whether or not the layoffs are going to be permanent or temporary. After all the company plans to add about 1,600 jobs, once the retrofit is done. So the displaced workers may end up with their jobs back, or the company may take so long to finish the facility changes that new workers will need to be hired on. After all the production of the new car is not slated to begin until sometime in 2013 and few workers can afford to be out of work for a year or potentially even more while their company retools a facility. Then again this is not uncommon for the workers in the automotive industry, especially not in recent years. Ford is not the only company to layoff in recent months. Some of you may recall the temporary layoffs that GM announced to its workers. For those of you who happened to miss out on our [earlier coverage](#) here is an excerpt that will get you up to speed in no time at all: "Automobile manufacturer General Motors has asked 1,300 employees at its Detroit Hamtramck that there would be temporary layoffs extending to 5 weeks with the company stopping the production of Chevrolet Volt and Opel Ampera. GM spokesman Chris Lee said "Even with sales up in February over January, we are still seeking to align our production with demand." Detractors point out that "seeking to align our production with demand," is just another way of saying there is no demand for the much-hyped Chevrolet Volt. People have also expressed surprise after the company receiving so much of taxpayer's money in subsidies (almost \$10,000) per car, it fails to be competitive and the reason, for which the subsidies were made in the first place, to keep industry and jobs afloat, stands defeated. The company spokesman said that employees have been informed that production would be put on hold from March 19 onwards and were expected to resume on April 23. In spite of GM assuring that it would improve the structure and battery-coolant system of the Volt sedan, consumers remain unconvinced about the car's stability and reports of the car catching fire by itself or after crashes."

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