

VOLVO TO CUT JOBS

VOLVO

It looks like more bad news is coming to the auto industry in general and to the workers of Volvo specifically. The company is getting ready to make some fairly pronounced layoffs to its workers in order to deal with a decrease in demand as the current long term economic slump continues and the need for production has decreased dramatically. The company is looking to cut back on about 280 members of their current workforce. That is more than enough to qualify as a mass layoff action under the current federal guidelines. For those of you who are not familiar with the idea of a mass layoff action 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." Under the terms of a mass layoff action the company must give at least 60 days notice to the soon to be displaced workers. Of course Volvo is not the only automaker to find themselves with a need for less staff than the currently have. Some of you may recall our [recent coverage](#) of much larger scale job cuts in the industry in France, "The French automaker Peugeot has come to a rather startling decision, according to representatives of the union for the worker at the company is getting ready to trim back on a serious amount of its staff. How many people are going to be put out of a job? Well according to the current reports the company is looking to cut back on about ten percent of its workforce. In real terms this is about 10,000 workers whose jobs are on the line right now. Those of you who pay attention to the job cuts may notice that this is a marked increase from the company's former estimates. The company had previously thought that it was going to have to get rid of only about 6,000 workers. This increase of 4,000 more jobs is a serious hit to the workers of the company." The jobs are all coming from a manufacturing facility and while 208 job cuts are a lot in absolute terms it is actually less than ten percent of the facility that is going to be put out of a job. The facility currently employs about 4,000 people. For the time being the company has not released an official statement about the job cuts to come, and they have not said if they plan to give the workers any kind of a severance for the loss of their jobs, or if they will help them with job placement benefits.

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