

Ford says to cut 1,600 more jobs at Valencia factory

June 12 2024



Last year, Ford cut around 1,100 jobs at its Valencia factory in eastern Spain.

US carmaker Ford on Friday said it would seek to cut another 1,600 jobs at its factory near Valencia in eastern Spain, where it already axed 1,100 positions last year.



"At the factory, there is currently a surplus of around 1,600 employees," a spokesman for Ford Spain told AFP after management met unions to outline their plan.

Of that figure, the car giant said 626 would be "permanent redundancies" while the other 966 would be dismissals with the possibility of being rehired in 2027" when production of a new vehicle begins.

The UGT union said the redundancy would affect a total of 1,622 staff at the Almussafes plant which lies about 20 kilometers (12 miles) south of Valencia.

In March 2023, Ford announced plans to cut around 1,100 jobs at the same factory as it moved to reorganize its European operations, angering Spain's left-wing government.

The cuts came after Ford decided to halt production of the S-Max and Galaxy models at the site, the company told AFP at the time.

A month earlier, it had moved to cut 2,300 positions in Germany and 1,300 in Britain, representing around 10 percent of its European staff.

Ford said it wanted to create "a leaner, more competitive cost structure" so it could reduce the models developed for the European market, concentrate on the profitable van segment and speed up the transition to <u>electric vehicles</u>.

Like other automakers, Ford has decided to shift to electric vehicles, which requires massive investments in developing new technologies and retooling factories.

The cuts come as European concerns grow about the impact of



substantial US subsidies for electric vehicles manufactured in the country, which could prompt foreign <u>automakers</u> to shift towards American production sites.

© 2024 AFP

Citation: Ford says to cut 1,600 more jobs at Valencia factory (2024, June 12) retrieved 26 June 2024 from <u>https://techxplore.com/news/2024-06-ford-jobs-valencia-factory.html</u>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.