

Fiat Puts 5,000 Italians Out Of Work

ROME (AP) — Fiat will cut 5,000 jobs in Italy, slash the number of car models and increase production as part of its new strategic plan, a newspaper reported Wednesday.

La Repubblica said the cuts would affect about 15 percent of the 30,000 assembly line workers at Fiat. They would include between 2,000 and 2,500 workers at the historic Mirafiori plant in Turin and some 1,500 employee at the Termini Imerese plant in Sicily, which will stop auto production next year. Overall, the cuts would affect four plants in Italy.

Fiat had no comment on the report. The company is scheduled to release its strategic plan for the years 2010-2014 on April 21.

Repubblica also said the company plans to cut the number of its models from 12 to eight, but increase auto production in Italy by 50 percent to 900,000 cars.

It said Fiat, which sealed an alliance with Chrysler last year, plans to launch and produce in the United States seven models under the Fiat, Lancia and Alfa Romeo brands. This would bring U.S. production to 350,000 cars, according to the report.

Fiat took a controlling 20-percent stake in Chrysler Group LLC last June, as the U.S. automaker emerged from bankruptcy, in exchange for small car technology and management leadership.

Union leader Gianni Rinaldini told the ANSA news agency that if confirmed, the figures of laid off workers would be "worrisome and unacceptable." He called on the government to open talks with Fiat.

The report sent Fiat shares up on the Milan stock exchange. In mid-morning trading, there were up 2.7 percent at €9.6 (\$13).

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