

# **Fiat To Extend Plant Layoffs In Southern Italy**

The Associated Press

MILAN (AP) — Italian carmaker Fiat SpA wants to extend a temporary layoff scheme in a southern Italian plant to respond to slumping demand and to save money for future investment.

Fiat, which owns Chrysler LLC, said the move is necessary to "realize the investment of around €1 billion," or \$1.34 billion, planned for the Melfi plant. Fiat plans to produce two new SUV models there for global export beginning in late 2014.

Melfi, which now makes the Punto compact car, has closed for about 150 days this year, sending its 5,500 workers home with reduced pay.

Fiat said it expects the launch of the new production lines could see all workers return to their jobs full time.

The FISMIC union said the new production plan is positive, despite current difficulties for workers.

**Source URL (retrieved on 01/25/2015 - 5:59pm):**

[http://www.impomag.com/news/2013/01/flat-extend-plant-layoffs-southern-italy?qt-recent\\_content=0](http://www.impomag.com/news/2013/01/flat-extend-plant-layoffs-southern-italy?qt-recent_content=0)