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Trump's tariffs driving thousands of layoffs at US manufacturing plants

Trump said the plan was to increase manufacturing jobs

Mary Papenfuss in San Francisco • Wednesday 23 April 2025 03:28 BST • [27](#) Comments

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Companies are ejecting workers in the wake of Trump's purported plan to use the levies to bring manufacturing jobs *back* to the country.

The Volvo Group has announced it's cutting 800 workers at its Volvo and Mack Truck plants in Pennsylvania, Virginia and Maryland.

"Heavy-duty truck orders continue to be negatively affected by market uncertainty about freight rates and demand, possible regulatory changes, and the impact of tariffs," a Volvo Group spokesperson told [Reuters](#).

Pennsylvania Democratic state lawmaker Josh Siegel told [ABC27](#) that Trump's tariffs have been a “devastating blow to Lehigh Valley workers” in a region where Mack remains one of the region's largest employers.

~~“Workers are not just numbers — they are parents, neighbors, veterans, and skilled tradespeople who~~

Earlier this month Stellantis, which manufactures a variety of vehicles, announced it was laying off 900 employees at plants in Michigan and Indiana after the company paused production at some of its Canadian and Mexican assembly operations, according to a company memo obtained by **CNN**.

Steelmaker Cleveland-Cliffs laid off more than 1,200 workers in Michigan and Minnesota in March, and General Motors announced earlier this month it would temporarily lay off 200 workers at a plant in Detroit.

California Democratic Representative Ro Khanna **claimed** earlier this month that more than 4,100 factory workers had been laid off across the U.S. as Trump's tariffs rattled markets.

Some analysts have **estimated** that ultimately some 177,000 jobs in the U.S. would be cut after Trump announced his first round of tariffs February. Goldman Sachs noted last week in a report that the president's tariffs would likely **create about 100,000 manufacturing jobs**, while also **killing up to 500,000 jobs** across all industries.

Though Trump's tariffs — paid for by American importers and their U.S. consumers — will make foreign products less competitive with domestic products, it will nevertheless continue to be difficult to compete with nations like China with its basement pay rates for workers, experts have noted. New plants in the U.S. are also expected to be highly automated with a reduced need for workers.

In addition, business owners are reluctant to make a massive investment in a new plant, which will take several months to years to establish, given the unpredictable Trump.

The International Monetary Fund **said** Tuesday the global economy would likely decrease at an annual rate of 2.8 percent, including a 1.8 percent decline for the American economy as nations grapple with the impact of Trump's tariffs. The UN agency warned the tariff increase and growing market uncertainty will likely result in a "significant slowdown" across most industries.

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