

Layoffs at Belvidere Fiat Chrysler plant skew local jobless figure:

Thursday

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The Rockford area lost 3,700 nonfarm jobs in January, according to preliminary state unemployment data.

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ROCKFORD — The Rockford-area jobless rate soared in January as thousands of workers were laid off at the **Fiat Chrysler** Belvidere Assembly Plant to accommodate a retooling of the factory for the upcoming production of the Jeep Cherokee.

Unemployment in Winnebago and Boone counties stood at 11.1 percent in January, compared to 8.4 percent in January 2016, according to preliminary data from the **Illinois Department of Employment Security**. The two-county region lost 3,700 nonfarm jobs in the first month of the year. More than half of Illinois metropolitan areas have fewer jobs than a year ago.

Employment in northern Illinois typically dips in January as winter weather limits construction activity and retailers release workers hired months earlier to accommodate the holiday shopping season. However, the big reason for the latest jobless figures can be traced back to Jan. 7, when Fiat Chrysler laid off 4,100 employees to begin a five-month retooling of the 5 million-square-foot Belvidere plant.

Fiat Chrysler terminated contracts with several local suppliers as the Belvidere plant ceased production of the Dodge Dart and Jeep Compass and Patriot models by the end of 2016. Scores of employees who lost their jobs at those firms are expected to find work with new suppliers that Fiat Chrysler will have for production of the Jeep Cherokee.

One of the new suppliers, Magna International, has built a 270,000-square-foot factory about five miles from the Fiat Chrysler plant and is expected to hire up to 460 workers.

The state's unemployment figures lag by more than two months, so the jobs rebound may not be apparent until summer, Belvidere Mayor Mike Chamberlain said. He expects a net gain of several hundred jobs as Fiat Chrysler employees return to the plant and suppliers hire workers to accommodate the Cherokee.

"I don't expect full production at Chrysler until the end of summer," Chamberlain said. "So the jobs numbers are going to look crazy in 2017."

Syncreon, another key player in Fiat Chrysler's local supply chain, held a job fair Thursday to recruit employees for its Belvidere plant, said John Strandin, public relations manager at Northern Illinois Workforce Alliance, a clearinghouse of federal- and state-funded employment and training services.

"Some staffing agencies are asking to use our office space because they're beginning to hire for some of the Chrysler suppliers," Strandin said. "The hiring is already starting."

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