

Toyota shuts down all but one assembly line

The automaker cuts production to meet falling global demand, trying to save jobs.

By CNN's Kyung Lah

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TOYOTA CITY, Japan (CNN) -- On what was to be a historic day halting all of Toyota's Japanese assembly lines, the automaker announced late Thursday that it kept one line running.

The late news sent copy editors and reporters to their laptops erasing headlines like "historic shutdown," but it did little to quell the pain for the tens of the thousands of workers idled across Japan as nearly every Toyota line stopped producing autos and auto-related equipment.

Nowhere was the silence more deafening than in Toyota City, home and birthplace to Toyota Motor Corp. ([TM](#)). Factories were shuttered and workers idled in an attempt to bring production in line with falling global demand.

The day was particularly ominous for assembly line worker Takayuki Yoshikawa, who has already been told he's out of a job and back home in May. Yoshikawa lives in a Toyota-owned dormitory.

"I don't know what to do," said Yoshikawa. "I could go back to my hometown, but there are no jobs there, either."

Toyota, now the world's largest automaker, plans 10 more days like this, spread out over the next two months. Toyota's incoming president, Akio Toyoda, called the current economy "unprecedented, the likes of which haven't been seen in 100 years."

Toyota also said the scheduled assembly line shutdowns are an attempt to save what jobs the automaker can.

"The production suspensions scheduled for Japan in February and March are part of our effort to keep production in line with market demand," the company said. "We are carrying out these suspensions fully aware of the necessity to even out production volumes and maintain employment levels."

Analysts say while painful, these shutdowns may be unavoidable. "Everywhere, almost everywhere, things are getting worse and worse and worse," said Koji Endo, a Credit

Suisse ([CS](#)) auto analyst. "Under that kind of circumstance, you have to control your cost. Maybe try to shrink temporarily."

The cost control is having a damaging effect on Toyota City public coffers. The city of 400,000, located about 150 miles southwest of Tokyo, estimates 90% of its tax dollars will evaporate as Toyota loses money and pays less corporate taxes.

It comes at a time when Toyota City is seeing historic levels of unemployment. This region, according to city hall, carries the dubious distinction of having the highest rate of unemployment in Japan.

Alberto Dilone, already fired from a Toyota parts subsidiary, showed up at the Toyota City job center to search for a new job Thursday.

"Kubi," Dilone said, slicing a finger across his throat. The Japanese expression means cut or fired.

Dilone said half the people in his plant have been fired and jobs in Toyota City are scarce. Like the hundreds of unemployed filtering through the employment center everyday, he left with no leads. ■

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