

Business



Elon Musk, founder, CEO and lead designer at SpaceX and co-founder of Tesla, speaks at the International Space Station Research and Development Conference in Washington, U.S. on July 19, 2017. (REUTERS/Aaron P. Bernstein/File Photo)

Tesla's Move To Ax Hundreds Of Jobs Comes At A Very Awkward Moment For Elon Musk



Chris White

[Energy Reporter](#)

6:35 PM 10/16/2017

Tesla fired scores of people from manufacturing jobs one month before the automaker is scheduled to meet with the National Labor Relations Board (NLRB) over claims the company violated worker's rights.

The company has been cagey about the number of people who were fired, but current and former employees [estimate the company slashed](#) between 400 and 700 administrative, sales, and manufacturing jobs. Tesla executives dropped the axe on the positions almost exactly one month before meeting with the federal agency responsible for protecting private sector employees.

NLRB officials filed a complaint in August against Tesla, saying the company's efforts to suppress unionization efforts constituted a violation of worker's rights. Part of the complaint process requires the company [to appear](#) at a hearing before an NLRB administrative judge beginning November 14.

The firings were incidental and part of "an annual performance review during which a manager and employee discuss the results that were achieved, as well as how those results were achieved, during the performance period," a Tesla spokesman told The Daily Caller News Foundation.

Tesla's decision to jettison employees comes at an awkward moment for the company, that is under the gun to pump out nearly 20,000 vehicles a month by December. It is unusual for an up-and-coming company with a workforce of 33,000 to fire hundreds of people at one time.

The company has [managed to build](#) a mere 260 Model 3s between July and September, a number well below the 1,500 Tesla promised before the end of the fourth quarter. Total orders for the supposedly wallet-friendly vehicle tumbled to 455,000 from a high of 518,000.

Production on the highly touted vehicle [was expected to expand](#) from 100 cars in August to 1,500 in September. Tesla's decision to fire scores of employees could complicate that agenda, as well as ignite more calls for the company to unionize.

Workers at Tesla's factory in California have been calling for the shop to unionize since the beginning of this year. They regularly face excessive mandatory overtime and dangerous work conditions, agitators say.

Tesla has continually balked at these claims.

"These allegations, which have been filed by the same contingent of union organizers who have been so outspoken with media, are entirely without merit," a Tesla official said in a statement earlier this year when the claims flew fast and heavy. "We will obviously be responding as part of the NLRB process."