

# American Axle strikers in Buffalo determined to resist wage cuts

By Tony Bell and Samuel Davidson  
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American Axle workers in the Buffalo, New York, area are among the more than 3,600 workers who have been engaged in a five-week strike against the auto supplier's demands for a two-thirds cut in wages and benefits.

American Axle operates two plants in the Buffalo area: a finishing plant in Cheektowaga and a foundry in Tonawanda, which together employ about 500 workers. A third plant, Buffalo Gear and Axle, which is located inside the city's limits, was shut down before Christmas last year, throwing 700 workers out of their jobs. Just six years ago, the plant employed over 2,000 workers.

On Sunday, American Axle began placing ads in the local newspapers to hire potential strikebreakers. Applicants, the notice stated, "will be to fill anticipated attrition replacement openings after negotiations or in place of employees involved in this strike."

The company also sent out letters to over 200 workers in New York who were laid off or injured before the strike began on February 26 instructing them to report to work Monday or face the loss of their unemployment or disability payments. Like their counterparts in Detroit and Three Rivers, Michigan, the New York workers refused to cross the picket lines and joined their co-workers on strike.

In 1999, the United Auto Workers union agreed to allow the company to open the Cheektowaga plant with workers being paid far less than their counterparts at other American Axle plants. According to the agreement, workers would be paid on two scales. Machine operators would start out making just \$13.50 an hour with gradual increases to \$18.50 an hour after 8 years. Factory support workers would start at \$11.50 an hour and increase to \$16.50 an hour after 8 years.

In 2004, the American Axle CEO Richard Dauch and the UAW pushed through a two-tier wage package throughout the company's plants, claiming this would prevent the closure of any plants, particularly the Buffalo plant, which had already seen much of its production shifted to a low-wage plant in Mexico.

Predictably, this promise turned out to be worthless. Instead of formally shutting the plant, American Axle "idled" the factory, leaving only a handful of workers to mothball the plant, which was officially closed when the agreement expired.

Tony, a skilled tradesmen with 15 years, has worked at both the Tonawanda and Cheektowaga plants. "It is not fair, it is not right. All that is happening is that the rich are getting richer and the poor are getting poorer.

"They say we have to compete with countries that have no environmental laws, no occupational safety laws, no labor laws. There is no way that they can expect us to do that.

"When Dauch first bought American Axle he had five plants. What they don't tell you in the news is that the work we did in those plants gave him enough money to build 27 more plants overseas. Now he is saying we have to cut our pay so we can compete with the workers at those overseas plants.

"I am already dipping into my savings. I will not be able to survive on what they want to take from us. I have two children, one is still living at home and I am hoping to be able to send her to college.

"I am a skilled tradesman. I have over \$1,000 worth of tools in there and they won't let me get them out. They are holding my tools hostage. I can't get another job without my tools.

"I feel we messed up a long time ago when we let Reagan fire the air traffic controllers. If you look at the conditions now, you see it all started then."

Kevin, also a skilled tradesman with 9 years said, “They just put an ad in the paper today for both production and skill trades. That will fire up a lot of people.

“With Dauch getting more than \$10 million last year, how is it fair that they want to take money away from us? I read the Internet a lot, and the news is even saying we are responsible for the recession.

“This is really starting to hurt us now, we have been out for over a month. When I started here, I thought I had found a job that I could retire from. Last year Dauch said we were a world class operation, now he says he is going to close the plant and move production if we don’t agree to work for half the wages.

“I thought the union was supposed to fight for you, not take concessions. I read a web site that listed all the salaries of the UAW officials—they are not feeling what we are. I just feel with all the money I pay in union dues I should be better represented than I am.

“The union has become a major stock holder in General Motors. I ask you, where are their interests? Where do they stand?”

Buffalo, like many industrial cities in the Northeast and Midwest states, has been devastated by the deliberate policy of deindustrialization carried out by corporate America and Wall Street.

At one time, a major steel, rubber auto and auto parts center, Buffalo has lost more than 70 percent of its manufacturing jobs since 1970. It is now the second poorest big city in America—just behind Detroit—with over 29 percent of its residents living below the poverty line. Since 2006, another 17,000 manufacturing jobs have disappeared.

This has left the city virtually bankrupt. Last year, the Buffalo Fiscal Stability Authority, which oversees the city’s finances, lifted parts of a three-year wage, hiring and promotion freeze that affected teachers, fire fighters, sanitation and other public service workers. Since 2001, the city has cut 30 percent of its work force.

The American Axle strike has won widespread sympathy from other workers who have been the victims of corporate attacks and the betrayal of the unions. Workers at the Delphi auto parts plant in Lockport, which employs 2,600 people, voted down the UAW concessions contract but still saw their wages cut from \$28 to \$14 an hour. Last year, workers at

Goodyear-Dunlop rubber were forced to accept a two-tier wage scale and massive concessions after the United Steelworkers union sold out a bitter strike, in exchange for taking control of a \$1 billion retiree health care trust fund. GM and Ford both operate local plants where the UAW imposed concessions last year.

Kurt, with 6 years at the Cheektowaga plant said, “They are trying to tear apart the working class and the middle class. All they want is the poor and the wealthy. I figured out that at \$11.50 an hour we would be making about \$24,000 a year, which is just above the poverty line. These corporations are waging a war on the middle class and workers.”

John, also with 6 years at the Cheektowaga plant, said, “I think when they say in the papers that we are losing money it is not true. Cheektowaga is one of the lowest paid plants. Out of 130 workers, only 15 are making top rate. We run all the different machines. It is not like we just are pushing a button in there, we are really working hard. Dauch wants us to pay up to 40 percent of our medical on \$11.50 an hour—that is just not possible. He just wants to take everything from us.

“I have a family of six. With overtime and everything, I make \$45,000 a year. I get by, but we couldn’t live with a pay cut. I would have to take two jobs just to feed my family and pay the bills.”

Dave, with 14 years at the Tonawanda plant, said, “We will go back to work as soon as Dauch gives us a contract with a decent wage. He is not negotiating, he is demanding. Wages are our main concern but he is also demanding cuts in our medical, pensions and health care for the retirees. Dauch pretty much wants everything to be his way or no way.”

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