

# Cascade of plant closings in New York state

## Social costs mount

By Steve Filips  
9 February 2019

In the past five months the workers in the Upstate New York region have faced an unrelenting attack on their jobs, as several plants, including a massive GM plant in Rochester, have announced that they are closing or carrying out cuts, with some moving production to exploit cheaper labor elsewhere.

Upstate New York cities along the Erie Canal that were once booming have suffered heavily from job losses. This has resulted in conditions where around one out every two young people are poor in Buffalo, Rochester, Syracuse, Utica, and even Albany, where one out of three children are poverty-stricken according to the Census Bureau 2017 statistics.

The social consequences have been devastating. A recent house fire in Amherst, a suburb of Buffalo, is just one example. The fire severely injured a woman who has been placed in a medically induced coma, while her adult son, a disabled former Marine, perished in the blaze. There were reports that their utilities had been shut off in August, likely for non-payment, which forced them to utilize their fireplace, the likely source of the fire.

On January 22 Ingersoll Rand in Cheektowaga, New York announced that 300 workers would lose their jobs at the industrial air compressor maker when it closes in July of this year.

The Ingersoll workers are affiliated with the International Association of Machinists and Aerospace Workers union (IAM), which has not said a word about opposing the plant closure.

Buffalo's Democratic Congressman Brian Higgins said in a press release, "We are experiencing firsthand the failed promises of the GOP tax bill." However, it should be noted that the decimation of jobs in this region has taken place under both Democratic and Republican administrations.

Corporations that received millions in subsidies and grants will simply pull up stakes, leaving impoverished communities to deal with the consequences.

For example, on December 27 Globe Metallurgical announced the closing and sacking of 100 of its employees at their silicon for solar panels manufacturing plant in Niagara Falls. This was after generous subsidies worth millions of dollars in nearly free electric power from the Robert Moses Niagara Hydroelectric Power Station, owned by the quasi-public New York Power Authority. This was all predicated on the company's empty promise to bring 500 jobs to the region.

This past November came the sudden announcement of the layoff of 219 workers at the New Era sports apparel plant in Derby, New York. The privately owned company plans to close the manufacturing plant that produces caps at the end of this March. The workers in Buffalo produce caps for the public, pro sports, and are the official suppliers for Major League Baseball. The company was founded in Buffalo in the 1920s and has many long-term employees. At its height, in the first decade of this century, the plant employed over 600 workers and currently boasts of sales to over 80 countries.

Starting this past January, the union at New Era, Communications Workers of America (CWA) Local 14177, has been protesting the closing at the company's headquarters in Buffalo. However, the CWA has not made a serious call for any workers, including those in the Buffalo region's three other auto plants, or in nearby Canadian auto and auto parts plants, to unite and fight against the attacks.

The average wage at New Era is \$17 per hour according to *Buffalo News*. The company reportedly has around \$750 million in annual revenue and bought

the naming rights to the Buffalo Bills football stadium in a reported seven-year \$40 million agreement in 2016.

There were 350 workers with the CWA at New Era's former plant in Demopolis, Alabama, and with another 700 employed in that state at another facility in Jackson when the company ended operations there in 2010.

Production in Buffalo is being partly moved to Miami, Florida to exploit cheaper labor, in an effort to honor the terms of their Major League Baseball (MLB) contract that requires it to produce at least 2 percent of its equipment in the US.

The company has announced that there will be severance packages, though this has not alleviated the near impossibility of finding comparable employment in the economically devastated upstate New York region.

In Rochester this past August, General Motors announced cuts of 600 jobs at their former Delphi parts plant, which was spun off and repurchased by GM and reorganized under its wholly owned subsidiary, General Motors Component Holdings (GMCH).

There are a total of 866 hourly workers at the factory, but workers who spoke with this writer said that it could close sooner than the announced 2021 date. The United Auto Workers Local 1097 shop chairman Todd Campanella spoke with local media and said of the closing, "The rails and injectors are what the company announced they are giving to an outside supplier now." And added in a groveling tone, "They should want to be able to do work in our plant. The question is whether [GM] wants to help us get more work."

The twists and turns in ownership of the plant served to usher in lower tiers with lower wages and benefits. The UAW has not lifted a finger to oppose any of these attacks on workers' standards of living.

In another blow, the tech startup Bak USA, a tablet and laptop electronics maker, closed operations in Buffalo and immediately laid off its 77 remaining employees November 1.

The list of industrial companies that have left or downsized in the Buffalo area include American Axle, Republic Steel, Bethlehem Steel, which had 20,000 workers at its height in the mid-sixties, and a shutdown of operations in 1982.

In February of 2018, the Dresser-Rand plant in rural Wellsville, which is southeast of Buffalo, announced

the layoff 250 workers and the transfer of their jobs to North Carolina. The company is owned by Siemens AG of Nuremberg, Germany and is selling this one plant out of three it has in the Southern Tier of New York to Curtiss-Wright. The plant will remain open per agreement for the next two years, to aid in the transition, and to keep one of its largest customers—the US Navy—supplied with valves and steam turbines for aircraft carriers and other ships.

To contact the WSWs and the  
Socialist Equality Party visit:

<http://www.wsws.org>