

Green, Union Jobs: Organizing at Buffalo's Tesla Factory

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Rob Walsh, originally from a small town just outside Utica, is a material handler at the Tesla plant just south of Buffalo, New York's downtown—dubbed *Gigafactory 2*—and part of the joint United Steelworkers/International Brotherhood of Electrical Workers organizing committee. One of plant's earliest hires, he works 12-hour shifts three to four days a week, making \$16.50 an hour. He is one of roughly 400 employees that work around the clock at the plant producing Tesla's solar roof tiles. During those shifts, Walsh delivers production from the warehouse to the floor and then takes the finished product out to be shipped.

In mid-2018, Walsh and his coworkers started talking about the need to organize after witnessing and experiencing what they perceived as favoritism. While the health insurance benefits are generally considered better than other employers in the area, the workers believe there is need for improvement and that the wages were lower than other comparable employers.

"This isn't my first manufacturing job. Some of my coworkers who have worked in manufacturing in this area, particularly in union shops, were like 'well, a lot of people are getting paid a lot more in those other shops.' Even compared to some other manufacturing jobs in the area that aren't unionized, we're still not getting paid as much as those other jobs. So we started thinking, 'these people are being treated better than us, differently, we should do something about it,'" said Walsh, explaining how the conversations first started at the plant.

The site was a joint venture of SolarCity (which was owned by a cousin of Elon Musk before his Tesla bought the company in 2016 for \$2.6 billion) and Panasonic, infused with a whopping \$750 million of tax subsidies that is the centerpiece of New York Governor Andrew Cuomo's '*Buffalo Billion*' economic development plan. The plant became operational in late 2017 after years of construction and remediation of the 88-acre brownfield. In 2018, the plant started producing those solar roof tiles along with traditional solar panels.

To understand the organizing effort at the Tesla facility in Buffalo, where the union organizing committee recently went public with their unionizing efforts in December 2018, you have to understand the rapid deindustrialization of Buffalo that motivated its precious billion.

The western terminus of the Erie Canal on the shores of Lake Erie, Buffalo is New York's second largest city. At its height, nearly 600,000 lived and worked there. The Peace Bridge connects Buffalo to Ontario, and is historically one of the busiest ports of entry; thousands of trucks still cross daily. Buffalo was an important stop on several rail lines and a hub of shipbuilding as a major port on the Great Lakes. Both Republic and Bethlehem Steel operated massive mills in the region. General

Motors still has nearly 6 million square feet of production split between three factories just outside the city in Tonawanda (represented by the United Autoworkers Local 774) and a components facility in Lockport (UAW Locals 686 and 55).

Everything about Buffalo speaks to this past life as a hub of industry and manufacturing before it fled to cheaper labor markets in the “right-to-work” south and abroad. Buffalo City Hall, an Art Deco skyscraper in the center of downtown on Niagara Square, is one of the tallest municipal buildings in the country and the second tallest in the Buffalo skyline. The designers behind New York City’s Central Park, Frederick Law Olmsted and Calvert Vaux, took advantage of Buffalo’s unique radial street plan and designed both Delaware and South Parks. The city even features the smallest, largely subterranean light rail in the country that extends from downtown to the University at Buffalo’s Amherst campus (operated by members of the Amalgamated Transit Union Local 1342).

Today, its population has halved from its peak. A third of those remaining live in poverty. The only traffic on the Erie Canal are canoers and other recreational craft. Shipbuilding left with the introduction of the Saint Lawrence Seaway. Its light rail is still running. Amtrak trains stop at Buffalo’s bland Exchange Street station while earnest preservationists maintain the city’s former excess of its Art Deco train station in the city’s Broadway/Fillmore neighborhood. The Peace Bridge is a perpetual traffic jam literally suffocating the residents of Buffalo’s Westside. For now, Buffalo’s GM facilities are open but the ripple effects of shutting down five assembly plants remains to be seen.

The whole scope of Cuomo’s economic development schemes in Upstate New York, including the Buffalo Billion, are the constant subject of scrutiny and a broad bribery investigation by both federal and state law enforcement ensnared longtime Cuomo aide and boorish muscle Joseph Percoco, who was recently sentenced to six years in jail. Also arrested and convicted was the very developer behind the Gigafactory 2 and Cuomo donor, LPCiminelli’s Louis Ciminelli—he was recently sentenced to 28 months in prison as part of the bid-rigging scheme surrounding the Buffalo Billion and other economic development projects related to it and public-private partnership disguised with a cap-and-gown known as the SUNY Polytechnic Institute.

For \$750 million, Tesla is supposed to create thousands of jobs, produce the green technology of the future, and rejuvenate the local economy. Instead, it has already begun to revise down its promises as Tesla grapples with production delays, financial losses, and Elon Musk’s aesthetic preferences. Even before the USW/IBEW organizing effort, leaders of Buffalo’s Black community promised jobs as part of the facility’s project labor agreement registered their anger when the minority hiring goal was lowered to 15% from 25%. Gigafactory 2 was supposed to be the site of multiple assembly lines - instead there is only one, “making enough Solar Roof shingles for only three to five homes a week.” (Gigafactory 3 is under construction in Shanghai and Gigafactory 4 is planned in Europe.)



Photo Credit: United Steelworkers

At first, Walsh said he and his workers felt heard by management. Over time, working conditions and communications continued “to deteriorate, the things we were saying weren’t really being dealt with and we decided to push towards organizing ourselves, especially after talking to a lot more of the employees and seeing what their views were. We got a lot of support and we decided to keep pushing.”

After doing some research, Walsh and his coworkers reached out the United Steelworkers, who previously represented the Republic Steel mill where Gigafactory 2 was located (his grandfather was a USW member at that very steel mill). Along with the International Brotherhood of Electrical Workers, both are running a joint campaign, with USW focusing on the production line and quality assurance workers while IBEW would represent the maintenance and facilities workers.

When management caught wind the organizing was still ongoing, they immediately started trying to buy the workers off and intimidate the workers out of unionizing. “I started off at \$14/hour....sometime in July [2018], they told us ‘we’ve looked at everything, compared it to area, and we’re going to give you a raise just to be competitive.’ That was up from \$14 to \$15.50 and then later that same day, we had a captive audience meeting, where they said ‘we don’t want to tell you don’t join the union but we’re a better option than the union. Whatever the union can do, we can do just as well if not better,’” Walsh recounted. When the organizing committee went public leafletting outside the plant in December, inside management was holding mandatory meetings for plant workers on the clock.

Another issue for the workers raised was around holiday pay. “Management had the day off for [Christmas] but production workers, because we’re a 24/7 facility, we still have to come in. We weren’t getting paid any differently for it, just 8 hours of holiday pay whether you were in the building or not, actually having to work on that holiday you wouldn’t have any benefit,” Walsh explained. In response to the organizing committee going public and just before the holiday, plant managers gave workers the evening of Christmas Eve and both day and night shifts were off Christmas Day, as well more time off around the New Year.

According to Walsh, the misinformation campaign orchestrated by the plant’s managers, while obviously not insurmountable, is having some impact on that younger workforce (Walsh himself is 26) that is largely from the region. For many, this is their first job in manufacturing.

“We have a lot of people who are fairly young, just coming off their retail jobs or off their part-times

that want to get into a full-time job and create a career out of it," he explained. "There's a lot of people like them, like myself, who are going to be there for the next few years hopefully that we can fight for it now and have the benefits throughout entire career there."

Better paid, finally insured, stable—they are understandably cautious and protective of what could transition into a career like their parents and grandparents had before the bulk of the region's manufacturing economy collapsed or moved operations out of the area.

Supporting the organizing committee is a coalition of community, labor, and significantly, environmental organizations, who released a flurry of supportive statements when they went public.

"[Buffalo] is one of the most organized regions in the country," Walsh said when asked about how the coalition came together referring to the area's high union density. "We all started getting together discussing different strategies on how to organize, who we're going to be talking to. It's been a relationship where we have been able to work with each other and off each other to get support from different areas....It's been great and we've all been able to amplify our voice. [The environmental organizations support] has been fantastic and bolstered our morale."

He's talking about the Clean Air Coalition of Western New York, which released a letter signed by several organizations from coal communities across the country, saying, "We support workers who are organizing a union at the Tesla Gigafactory in Buffalo, New York. We see the unionization of Tesla, and of the renewable sector, as a strategy to build a just and equitable renewable energy economy, an economy that provides generational sustaining careers as our energy system transitions....We know that an energy transition is inevitable, while a just energy transition is not. We call on our fellow environmental, community, and climate organizations to show real solidarity to union and worker justice fights, and support Tesla workers."

"If you look back, historically, most of the coal miners and a lot of the fossil fuel industry, it's been hard fought but they fought for unionization," said Walsh. "A lot of these new green companies are coming in so it's important that those workers are protected as well. The future is green energy but we need to make sure that the people that are working in those sectors are treated fairly. We want to make sure there is a smooth transition between fossil fuels to green energy."

Cuomo's entire tenure in office has been one exercise to win over Upstate by shoveling tax dollars into potential Upstate investor's wheelbarrows. The organizing effort at Tesla went public not long after the announcement that Amazon's HQ2 would be partially located in Queens, New York, the recipient of nearly \$4 billion in tax breaks. In December, Governor Cuomo's Regional Economic Development Councils doled out another \$763 million to projects sprinkled across the state. In 2017, it was \$755 million.

Those investors, who very neatly overlap with his campaign contributors, are reaping big rewards, but Upstate cities are still among the most impoverished in the country. Syracuse had more water main breaks than days in the year, but rather than water infrastructure funding, it got a tax-subsidized, heavily scrutinized, and virtually-never-used film studio. Rochester International Airport received a \$54 million cash infusion to turn it into a shopping mall but child poverty in Rochester is third in the nation. Albany has a perpetual \$12.5 million budget gap because the state won't ante up to cover the cost of the property it holds in the city—a whopping 38%.

Endless series of ribbon cuttings later, Upstaters including Buffalonians do not have a whole lot to show for it—and that includes Tesla workers. Despite higher-than-average wages for the region, Walsh is quick to point out that “even with the money that we make, we’re never going to be able to buy a house. That’s my big thing. I’d like to eventually buy a house and settle down here in Buffalo. I don’t see myself being able to afford rent, groceries, car insurance, all that and also save money to put down for a house without waiting almost 20 years.”

The organizing at Gigafactory 2 is not the only site of worker resistance challenging Tesla and Elon Musk. At its Fremont, California facility, workers are organizing to reestablish the plant’s historic United Auto Workers’ presence at old General Motors’ plant. Workers at the facility have been forced to work under unsafe and dangerous conditions to meet Tesla’s ambitious production goals for the Model 3 and have faced stiff and condescending resistance from Tesla management and tirades from Elon Musk on Twitter, where he has leveled threats against workers’ benefits if they chose to join the UAW.

Meanwhile, polling has shown that public support for a Green New Deal is high—especially in New York. Unions like United Steelworkers, which has long championed Blue-Green alliances, are paying attention, and coalitions like NY Renews are pushing to ensure that green growth delivers secure, unionized jobs.

What’s next? For now, there are no plans to immediately file for their union election with National Labor Relations Board. There are still more conversations to be had, with workers on other shifts, says Walsh.

“At the moment, there is a lot of misinformation going around and like I said, there is a lot of young people in there and this is their first manufacturing job,” Walsh says, noting that he believes the younger hires are intentional and intended to forestall organizing. “It’s really about showing them that this is what we could do...if we do organize, if we do come together, if we do form a union, we’ll have a say over working conditions, over how these solar roofs we are making are produced.”

Sean Collins is Lead Organizer at SEIU 200United and a member of the Strikewave Editorial Collective. The views above are his alone.

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