

# New York City transit workers narrowly approve pact

Alan Whyte  
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New York City transit workers last week narrowly ratified a three-year contract negotiated between the Metropolitan Transportation Authority (MTA) and their union, Transport Workers Union (TWU) Local 100. TWU Local 100, representing 34,000 bus and subway workers, announced that with 19,582 ballots counted 11,757 voted yes and 7,825 voted to reject the offer.

The 40 percent “no” vote reflected broad dissatisfaction with the final settlement, which provides almost no increase in real wages and includes significant concessions to management. Many workers who voted for the pact did so out of resignation, convinced that their union leadership would not do any better. Spokesmen for both the MTA and the union threatened that if the membership voted down the offer, the dispute would be settled in binding arbitration, potentially resulting in an even worse contract.

The tentative settlement was reached in December in the face of an anti-strike injunction threatening transit workers with massive fines and possible imprisonment if they struck. In addition to the draconian penalties imposed under the state’s anti-union Taylor Law, the city administration of billionaire Mayor Michael Bloomberg went to court seeking a second order that would have fined transit workers \$25,000 each on the first day of a walkout, with the amount doubling for each additional day on the picket lines. Even bigger fines would have been levied against the union.

The city’s aim was to intimidate transit workers into accepting a deal that could then be used as a pattern to impose even greater concessions upon hundreds of thousands of municipal workers, whose contracts are currently expiring. In the worst fiscal crisis in the city’s history, New York City confronts a \$7 billion deficit despite the Bloomberg administration having already imposed substantial cuts in services as well as an 18.5

percent hike in property taxes.

Despite the intimidation facing transit workers, the union leadership was so nervous about the possibility that the rank and file would reject the contract that they mobilized the entire Local 100 bureaucracy to campaign throughout the transit system for a “yes” vote. Many workers commented that they hadn’t seen so many union officials in years.

Local 100 President Roger Toussaint was elected in 2000 as the candidate of the New Directions faction, which claimed that it would create a more militant and democratic union. The end result, however, is a wage settlement worth less than half of what the old leadership was able to negotiate in 1999.

Toussaint complained that the large “no” vote reflected “misinformation” spread by elements in New Directions who are preparing to oppose him in the next union election. This was ironic considering that Toussaint himself unseated the old leadership in large part based on New Direction’s opposition to the 1999 settlement.

Under the terms of the latest contract, in the first year transit workers receive only a \$1,000 bonus that will not increase base pay and therefore does not count towards pension benefits. Wages will increase 3 percent a year for the next two years. This could well translate into a cut in real wages given a slight increase in the rate of inflation.

Meanwhile, the Local 100 leadership agreed to the scrapping of a no-layoff clause as well as a consolidation the two bus divisions, which will enable the MTA to cut jobs. According to one estimate, this provision will enable the authority to save \$80 million during the life of the contract.

A clause in the consolidation agreement requires the elimination of civil service rights for new-hires in the

consolidated bus division. This is not only extremely divisive, it also goes a long way to destroying civil service protections not only among bus workers, but throughout the entire transportation system.

Faced with budget deficits of over \$1 billion over the next two years, the MTA is seeking to raise the bus and subway fare from \$1.50 to \$2.00. It is also threatening to cut service, posing the threat of layoffs throughout the system. The authority has already announced its intention to close 177 of the subway's 725 token booths.

Also, the new contract cedes to the MTA complete administrative control of the health benefits of the workers that was previously administrated jointly by the union and management. The agency's aim is to control skyrocketing health costs by reducing benefits to its employees.

Continued in the new contract is the program that compels welfare recipients to perform forced labor for the Transit Authority in return for their benefits. Workfare participants do the same work as union members, but receive only the equivalent of a minimum wage, and have no rights or benefits.



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