

Concessions imposed on Minnesota transit workers

22 April 2004

Minneapolis and St. Paul bus drivers, mechanics and office personnel returned to their jobs April 19 after a bitter 44-day bus strike that resulted in workers being compelled to accept a concessionary contract under which they will pay for the budget shortfalls in the state's transit system. The new agreement covering the 2,200 members of Amalgamated Transit Union (ATU) Local 1005 will expire in little more than 15 months on July 31, 2005, and lay the basis for a new round of expected concessions.

"I was insistent on a settlement that recognized the financial constraints of the Metropolitan Council," declared the council's chairman, Peter Bell. "I'm happy to report we met that major objective." Republican Governor Tim Pawlenty called the new agreement a "responsible contract that lives within our means."

The most significant concession in the new agreement is the elimination of retiree health insurance for all new hires, whereas past contracts covered two thirds of health care premiums for retired workers. Future retirees among the current ranks of transit employees will also lose the two-thirds coverage and instead have payments capped at a specific dollar amount. The original demand by the council that workers hired before October 27, 1995, complete 17 years of service before qualifying for benefits was dropped and the old contract's 10-year qualification reinserted.

Wages of the union's 2,200 members will be frozen until August 1, when a 1 percent increment will be applied followed by a half-percent increase in February 2005. The previous offer included a wage freeze in the first year with a 1 percent increase in the second.

The council's previous offer contained three health insurance plans including the coverage from the old contract. But to maintain the old coverage, the council

had insisted on severe cost increases for families from the present \$265 a month to \$304 a month in the first year of the contract and \$401 in the second year. The new agreement substitutes a single plan that reduces coverage while costing \$216 a month in payments this year with a hike to \$259 a month in 2005. But workers also face new out-of-pocket costs: Medical visits will require \$10 copayments; drug copayments will increase from \$7.50 to \$12.50.

Added to the new agreement was a one-time bonus of \$1,100 for full-time workers and \$600 for part-timers. Chairman Bell made clear that the total of \$2 million set aside for bonuses was more than covered by the \$7 million in savings from the shutdown of the transit system over the past six weeks.

The contract received a 14-2 endorsement by the ATU's bargaining committee and was passed with a 72 percent margin by the union membership. However, the rank-and-file passage of the agreement was a bitter pill to swallow. In both the vote that launched the strike back on March 4 and an earlier contract vote back in December, transit workers issued rejections by margins greater than 90 percent. But the determination of transit workers to fight was undermined by what has become a well-choreographed policy of betrayal by the AFL-CIO bureaucracy. Like previous sections of workers, the drivers and mechanics' struggle was separated out and isolated from the wide layer of workers seeking to combat similar attacks on wages, benefits and working conditions. At the same time, the labor bureaucracy's alliance with the Democratic Farmer-Labor Party (DFL—Minnesota's Democratic Party) assured that it would impose a deal that corresponded to the demands of big business for further tax cuts and reduction of public services.

With no dedicated funds to underwrite transit, the 2002 state legislature prepared the assault through an

18 percent cut in funding that gave the Metropolitan Council its marching orders to work out a contract proposal that placed the burden on the backs of workers. For the AFL-CIO and ATU's part, the labor bureaucracy made sure that transit workers bore the fight alone.

On the eve of the strike, Local 1005 President Ron Lloyd predicted the strike would go on for two months. Rather than mobilizing workers throughout the Twin Cities and Minnesota, the labor bureaucracy organized various public relations gimmicks with the Democratic Farmer-Labor Party, aimed at bolstering illusions in the DFL and preventing workers from breaking out of the isolation imposed by the ATU bureaucracy. With this policy in place, it was only a matter of winding down the resistance of workers over a period of time.

One bus driver with 20 years' seniority told the WSWS, "Some of my co-workers have commented on how the Teamsters union is a powerful unit. But that's only true if all the diversified groups in the Teamsters are linked arm-in-arm. But they aren't anymore.

"Instead, what you have are these small unions and individual groups throwing themselves against the castle walls one at a time while management is firing a hail of arrows, pouring down buckets of molten lead, and dropping human waste and diseased cows on us. We're being beaten at the moat.

"Last time, the state legislature cut 18 percent from transit. Now, they are cutting another 13 percent. If we don't stop this, Peter Bell will come to the negotiating table next year and say, 'We don't have the money,' and we'll be at it again. What we need is a plan to unite all workers."



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact