

# Tentative contract a setback for New York City transit workers

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The tentative settlement announced by Transport Workers Union (TWU) Local 100 President Roger Toussaint Tuesday night represents a significant setback not only for New York City's 34,000 bus and subway workers who struck the city's transit system for two-and-a-half days last week, but for the working class as a whole.

The package includes significant concessions by the union that will be used to further erode workers' living standards and extract even greater takeaways from other sections of the workforce in both the public and private sectors. It failed to gain amnesty for strikers, who were left open to punishing financial penalties under New York State's anti-labor Taylor Law. They now face a loss of two days pay for every day on strike. Other penalties sought by the city, including a \$1 million-a-day fine against the union for every day of the walkout, are to be finalized by a state Supreme Court judge next month.

Both New York State's Republican Governor George Pataki and the city's billionaire Republican Mayor Michael Bloomberg are insisting that there be no waiving of these penalties and fines.

The walkout, provoked by the demand of the Metropolitan Transportation Authority (MTA) for massive concessions on employee pensions, demonstrated the enormous social power and rising militancy of the American working class, as well as the prevailing social inequality and class tensions that find such concentrated expression in New York, the center of world finance capital.

It also exposed the deep-going crisis of leadership and perspective that exists within the working class and the treacherous and reactionary character of the official trade unions, which, in the final analysis, played the decisive role in forcing an end to the walkout December 22 on terms acceptable to the employers.

The details of the settlement—as far as they have been made public—include a 37-month package that includes raises of 3, 4 and 3.5 percent. The extra month added onto the agreement was designed to shift the next contract's expiration to after the holiday season. This is a significant tactical concession by the union, which will weaken the transit workers' position when another confrontation develops three years from now. The Christmas-week deadline was lost as part of the betrayal of the 11-day strike in 1980, and it took the union a decade to win it back, only to have it surrendered again in the current agreement.

While the MTA was compelled to drop its attacks on workers' pensions—initially a demand to raise the minimum retirement age

for new-hires from 55 to 62 and require 30 instead of 25 years of service—it won a significant giveback on health benefits. For the first time, workers will be compelled to pay a premium equal to 1.5 percent of their pay. This giveback, which comes on top of existing co-pays, reportedly also includes a provision that would require the workers to contribute even more if health care costs rise faster than projected.

While the pension changes—vehemently opposed by the great majority of workers—would have applied solely to new employees, the new health care premium will be immediately imposed upon all of the MTA's current workers, adding up to a far larger immediate cut in labor costs for the agency.

Taken together with the Taylor Law penalties and the loss of pay for the days on strike—which together will total \$1,500 for many transit employees—the health care giveback makes it unlikely that this contract will even keep up with the current rate of inflation.

Undoubtedly there are other agreements and understandings reached between the MTA and the union's negotiators—at the workers' expense—that will only become clear after the contract is implemented.

Rank-and-file workers will receive mail ballots in the coming week. If the pact is ratified, it will be used as a precedent to demand similar concessions from every section of the public sector workforce and accelerate the destruction of health care benefits in the private sector as well.

The MTA's withdrawal of its pension demands in the face of the crippling strike is merely a tactical retreat. There is no doubt that the offensive will be mounted against a different section of workers to set a precedent that will then be wielded against transit workers as well.

From a strike that demonstrated the power of the working class to resist the attacks on its living standards, jobs and working conditions has come a contract that will be utilized to intensify those attacks.

The agreement reaffirms the basic principle upheld by the US corporate and financial elite that the working class must be forced to pay for everything it receives in benefits in order to ensure that the wealth it produces is funneled into profits and the accumulation of immense fortunes by those at the top of the social ladder.

In a city awash with money—at a time of year when Wall Street is handing out \$18 billion in holiday bonuses to millionaire bankers and traders—and at an agency that recently admitted to a surplus of

more than \$1 billion (a figure widely believed to understate the MTA's surplus) workers averaging just \$47,000 a year in base pay are again being told that they must sacrifice.

Why was the powerful transit workers' strike ended on this basis? First, the Toussaint leadership of Local 100 caved in to the state attacks and the immense media campaign to demonize the union and turn public opinion against it. The union proved incapable of mounting any serious response to these attacks, which would have required a determined effort to mobilize the working class politically in defense not only of the transit workers, but of basic rights and conditions that are under attack everywhere. The union had no alternative political strategy and no ability to pose the strike in clear class terms.

Secondly, the Local 100 leadership capitulated to the enormous pressure exerted by the rest of the trade union bureaucracy to bring the strike to an end.

Neither the unions in New York nor nationally took any action in defense of the transit workers, who faced the threat of massive fines and imprisonment. No demonstrations were called by these unions to oppose the state attacks and express the broad sympathy that existed in the working class. Not so much as a leaflet was issued by these organizations to counter the mass media's sewer-level anti-strike propaganda and the hypocritical denunciations of strikers as "selfish" and "thuggish" by the likes of Bloomberg and Pataki.

Rather, the official "labor movement" worked from the outset to sabotage the strike. This began with the TWU international publicly stabbing the strikers in the back, declaring its opposition to the walkout, branding it unsanctioned and illegal. The union went so far as to send its lawyers into court to argue alongside those of the city in proceedings called to sanction massive fines against the local and its individual members, and potentially order the jailing of local leaders and strikers.

This was followed by a conference call last Wednesday between Toussaint and some 40 New York City union officials, in which the Local 100 president was told that he would receive no support for continuing the strike and that he should bring it quickly to an end.

The Toussaint leadership had no perspective to oppose to that of the labor officialdom. Apparently harboring completely unjustified illusions that it would receive support from both the union bureaucrats and the TWU's "friends" in the Democratic Party, it had made no serious preparations for the strike. In the end, Toussaint did as he was told.

The New York City transit strike has once again exposed the unions as organically incapable of carrying out any serious struggle on behalf of the working class. These organizations are controlled by an upper-middle-class layer whose interests are opposed to those of the workers and whose privileges are bound up with their collaboration with the employers and, not infrequently, outright corruption. They exist not to fight for workers' demands, but to compel the workers to accept the concessions demanded by big business.

For 25 years—the entire period since the last transit strike—the trade union bureaucracy has worked to isolate and betray every significant struggle by the working class, thereby making possible

the unprecedented transfer of wealth to the top and the creation of obscene fortunes like Bloomberg's. Because of this record of betrayal, the labor bureaucracy has proven incapable of stemming the hemorrhaging of union membership, with unions today representing less than 8 percent of the US private sector workforce.

As for the Democrats, they lined up uncritically behind the strikebreaking efforts of Bloomberg, Pataki and the courts. State Attorney General Elliot Spitzer, the front-runner for the Democratic gubernatorial nomination in 2006, boasted of seeking the stiffest fines possible against Local 100 and its members, and was prepared to seek jail sentences. Senator Hillary Clinton declared herself "neutral" in the confrontation, while reaffirming her support for the Taylor Law.

Transit workers should vote against the tentative settlement reached between the MTA and the Toussaint leadership. This agreement will only strengthen the hand of management in exacting greater concessions from the workforce, while setting the stage for even deeper attacks against other sections of the working class.

The most decisive question, however, is to assimilate the lessons of this aborted strike—first and foremost, that the working class requires a fundamentally new strategy to halt the deterioration of its living standards, defeat the attacks on its past gains, and defend its basic rights.

New forms of organization are needed, capable of mobilizing broader sections of working people, not only on the job, but in other workplaces, the neighborhoods and the schools, and fighting not just for contracts covering wages and benefits, but for the establishment of workers' control over the transit system and workplaces generally.

What transit workers and every section of working people require, above all, is a political strategy based on struggle for the political independence of the working class from the Democratic Party and the two-party system. The source of the intensifying attacks on jobs, wages, working conditions and democratic rights is the crisis of the capitalist system, defended by both of the major parties.

A new mass party of the working class must be built, armed with a socialist program for the reorganization of social and economic life in the interests of the broad majority of the population rather than those of corporate profit and the financial elite.

This is what the Socialist Equality Party and the *World Socialist Web Site* are fighting for. We urge transit workers and those who supported their struggle to draw the necessary conclusions and join the SEP.



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