New York City subway and bus cuts take effect

Alan Whyte 10 July 2010

In the last week of June, the subway and bus service cutbacks adopted earlier this year by New York State's Metropolitan Transportation Authority went into effect. Two subway lines and 37 bus routes were completely eliminated, as part of a plan to close the MTA's \$800 million operating budget deficit. That same week, more than 300 bus workers were laid off, bringing the number of transit workers who have received pink slips in recent weeks, including bus drivers, mechanics and station agents, to over 750.

These cuts will translate into dirtier and less safe subway and bus service, along with longer commuting times for some workers, in some cases making it virtually impossible for workers who already travel long distances to keep their jobs.

The MTA is planning to lay off a further 200 station agents as soon as it complies with a court decision that ruled that public hearings were necessary before any subway station booths are closed.

The MTA's crisis is part of a nationwide fiscal disaster facing transit systems in nearly every major city in the US. The transit crisis is in turn only one element in the enormous and growing budget crises faced by nearly every city and state. The mammoth \$800 million deficit for the MTA, the largest transit system in the country, is comparable to the devastating budget gaps for most state governments. California is without a budget and faces a deficit of \$19 billion, while the comparable figure for New York State is \$9.2 billion. Illinois confronts a gigantic \$12 billion deficit, or nearly half of the total state budget.

New York has cut its funding for the MTA by \$143 million. State tax revenue as a whole has been deteriorating since the financial collapse of 2008. While the federal government's trillion-dollar bailout temporarily rescued the major banks, continuing unemployment and spending cuts have combined to depress economic activity. Transit fare revenue in New York City declined by 75 million fewer fare-paying riders between 2008 and 2009, as job losses and general economic weakness translated into fewer passengers.

The latest transit cuts erase only part of the MTA's deficit. It had earlier threatened to eliminate the free transit passes currently used by more than 500,000 public school students for travel to and from their schools. This measure, equivalent to a tax of \$1,000 or more on hundreds of thousands of families,

was withdrawn for the time being, and was in all likelihood floated in the first place in order to portray the eventual service cuts as relatively benign in their impact. The depth of the crisis, however, may give the transit bosses little choice in future cuts. They have also strongly suggested that subway and bus fares, already scheduled to be hiked by 7.5 percent next year, may rise by even more.

The MTA also has a long-term debt of more than \$30 billion and currently pays annual interest that is higher than its yearly operating deficits. The agency must demonstrate to its wealthy bondholders that it can guarantee these interest payments and the principal of their investment. The only way this can be done is through higher fares and the reduction of costs through the ruthless cutting of the jobs, wages and benefits of transit workers.

This amounts to a shift of historic proportions in spending on social necessities, such as mass transit, in densely populated urban areas. The transit cutbacks, the biggest since New York's near-bankruptcy in the 1970s, today coincide with a far deeper national and international crisis.

The transfer of resources from public services to the pockets of the super-rich is accelerating. Both Democrats and Republicans have demonstrated that they are prepared to devote vast sums to the needs of the wealthiest 1 percent of the population, as they did with the federal bailout of the banks. Now these parties are gutting spending on social programs, jobs, and basic social infrastructure that affect the overwhelming majority of the population.

There are definite signs, as reflected in the following interviews with subway commuters, that working people are beginning to draw some conclusions from the cumulative impact of the attacks on schools, health care, transit and other vital services.

Transport Workers Union Local 100, however, which represents about 34,000 New York bus and subway workers, has demonstrated its loyalty to the profit system. Most recently, the union offered to aid the state's austerity program by proposing reductions in the pay of its own members.

According to the Daily News, Local 100 President John Samuelsen said that he had offered the MTA approximately \$35 million a year in employee contributions. The purpose of

this money would be to make it possible for the transit authority to finance an early retirement program so that the job losses would take place through attrition rather than through layoffs.

The New York civil service newspaper the Chief quoted Samuelsen as saying that this money "would have funded the sum, the sum of attrition to the money from the early retirement incentive." In other words, the union president proposed that transit workers pay to prevent layoffs and the immediate loss of dues-paying union members. MTA chairman Jay Walder has reportedly rejected this proposal and is demanding further sacrifices from the workers.

The WSWS spoke to commuters at the Second Avenue station in lower Manhattan, where the V train, one of the two lines that have now been discontinued, used to run. All spoke with dismay about the cuts in service.

Jacqueline Escalera, a nurse's assistant, who lives in the Hernandez Houses, a public housing development near the station, told us, "During the morning rush hours since they cut the V line I noticed this week that the trains are more crowded and take more time to come. It is so bad that I cannot even fit in; the trains are so crowded that sometimes I let them go in order to wait for the next one.

"It has forced me to come late to work. One day I didn't make it at all because the platform was so hot I was suffocating. I have problems breathing when I have to wait so long for a train and it is so hot.

"These cutbacks are very sad. I understand that the fare will be going up. I cannot afford to pay anymore."

Jacqueline described the impact of cutbacks in transit, housing and welfare programs. "This housing project has a lot of problems," she said, pointing to the Hernandez Houses. "The elevator often doesn't work. There is frequently a lot of broken glass and it takes the city a long time to make the repairs.

"The government doesn't care about people on welfare. My mother is on welfare with disabilities and they want to cut back. They want to cut back on schools. My son is 18 and is stuck in a job in McDonalds. They work him too hard for a minimum wage. He doesn't like it. He is very smart in math, science and computers, and graduated valedictorian in his school. The problem is that I cannot afford to send him to college.

"Although I didn't vote for the mayor or anyone because there is no one to vote for," she said, "I still thought that he would do better, but he is doing worse. The government will cut back on transit, welfare and the schools. But for the rich—they never cut back."

Anna Ivas, a playwright, was leaving the station on her way to meet a producer. An immigrant from Eastern Europe, her work deals with the problems and issues confronting immigrants.

"Starting this week when I travel from the theater after

midnight the waiting time is much longer," she said. "I am very tired and it is terrible when you really want a train to go home.

"I don't get all these cuts in services. There are so many rich people who get billions of dollars in bonuses. Let the billionaires pay something instead of making the poor people suffer. Tax the rich. Take it from the rich and give it to the poor who need some help.

"Because of what I see is happening in the free market, I am starting to see the benefits of socialism. Everything here is profit, profit, profit. It is happening in Eastern Europe as well. It has gotten really bad over there."

Bernadette Ayers, who is unemployed, was leaving the Second Avenue station to pick up her two sons from school in the area. She also complained that the F train is much more crowded. "They are cutting back," she said, "The service is even more terrible."

Bernadette spoke about the cutbacks in the school that her two boys, aged five and eight, attend. "They are cutting back on everything—yoga, music, physical education. They want to cut back on the food program so the kids in the school won't get free lunches. Mayor Bloomberg wants to cut back the schools. All these cuts are unacceptable.

"I have been unemployed for 10 months. I used to get \$25 an hour as a nurse's assistant. Now I am being offered the same type of job at half the pay for more work. I have not worked for \$12.50 an hour since I was 15. It is a real slap in the face. I have been denied unemployment benefits, but fortunately I have family that is helping me out. All these cuts—transit, jobs, and schools—they are all interconnected.

"Where is all this money going? They are handing it over to the very wealthy—the people with three homes and three boats. The government gives trillions of dollars to big business."



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