

# New York's transit agency lays off workers, raises fares

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The Metropolitan Transportation Authority (MTA) has laid off another 200 New York City station agents, while proposing to once again increase transit fares.

The layoffs took place on August 13 as a result of a recent decision by the MTA, which runs the New York City transit system, as well as the surrounding commuter railroads.

The agency must hold public hearings before the fare hike can take place, probably next month, after which its board will meet in October to take a binding vote on the fare increase, which would take effect on January 1, 2011.

The fare hikes include a more than 16 percent increase for monthly subway and bus MetroCards used for traveling within the city, an almost 10 percent increase for the use of the suburban commuter railroads, such as the Metro-North line, and a 10 percent hike for drivers who use the authority's tunnels and bridges.

The MTA has already pink-slipped more than 250 station agents, but the layoff of the 200 who lost their jobs last week had been delayed as a result of a Transport Workers Union Local 100 lawsuit. The courts sided with the union that the layoff of these station agents, who worked in booths, was illegal because there had been no public hearings on shutting down the station booths.

In response to the court ruling, the transit agency held the court-mandated hearings in mid-July. This removed the only legal barrier to the job cuts, which the MTA board voted again to implement.

The World Socialist Web Site spoke to transit workers who came to the public hearings to oppose the layoffs. One of them was Leah Rivera, a station agent who had already been laid off.

"I worked in Times Square station booth for a year and a half," she said. "I know it is a crazy location. In Times Square, are they going to cut booths where all the tourists and everyone go? They are lunatics.

"Now I am on unemployment with two kids. One is 7 and the other is 2. The MTA is paying off the bondholders with these layoffs. I swear to god that while I am a Democrat, I am not voting for a Democrat again. If they really want to help people, they would have been here. Right now, it doesn't matter who is running things. They are all the same."

Darryl Sweeney, a laid off station agent with four years of service, said, "We took an oath to uphold this job, and they laid us off. Where is their sense of responsibility for transportation in this?"

James Baker is a bus operator with ten years of service who came to support his fellow workers.

"I put the Democratic Governor and the politicians in the camp with [MTA chairman Jay] Walder, attacking workers. The politicians are enemy number one, and then there are the corporations and the media. The media puts the responsibility for the budget deficits on the workers. All the politicians and Obama blamed the workers for the foreclosure crisis as well. The media and the politicians support companies like AIG, their top executives with their bonuses who are really responsible for the crisis."

Through a combination of layoffs, voluntary separations, and the elimination of vacant positions, the transit authority has already eliminated about 3,500 administrative and operating jobs (including those of nearly 1,000 members of TWU Local 100), which is about 5 percent of its total workforce. In late June, it eliminated two subway lines and 37 bus routes within New York City.

The transit authority has been cutting jobs and increasing fares in order to reduce its huge budget deficits. The agency is confronted with an estimated \$800 million deficit in its annual operating budget of \$12 billion. This is the product of the economic downturn, which has reduced the amount of taxes earmarked for the transit authority (it is projected that taxes for the agency will raise \$1.28 billion this year instead of the originally projection of \$1.66 billion), reduced the number of riders, and led the state to cut aid by \$143 million.

The State of New York is confronted with the same economic disaster and rising debt. Just as the MTA is determined to make its workers and the public pay for its deficits, Democratic Governor David Paterson has sought a 4 percent wage cut for most state employees and recently called for the layoff of about a thousand state workers before the end of the year to help reduce the state's budgetary hole. The state legislature just passed a budget that includes, at least according to one account, nearly \$4 billion in new taxes on working people.

The transit authority estimates that its proposed fare hikes will reduce its projected operating deficits in the next four years from \$2.5 billion to \$1.3 billion. This means that the MTA will be making more demands for sacrifice from both the transit workers and riders to close the other half of the deficit gap.

Agency officials have already stated that they are planning to stop financially supporting bus service on Long Island and to increase the tolls on bridges and tunnels throughout the city. The agency has already announced plans for another fare hike in 2013. MTA chairman Walder has said that he wants a "net-zero" approach to employee wages and benefits. In other words, all future raises must be paid for by work-rule changes that increase productivity and allow for further layoffs, or through cuts or increased employee contributions to benefits.

In addition to the operating deficits, the MTA has a long term capital improvement debt of \$30 billion. These programs were developed a result of the near physical collapse of the New York transit system in the mid-1970s, which was the product of the under-funding of the system as the city itself teetered on the edge of bankruptcy.

Transit systems throughout the country are

confronted with the same issues. According to a report issued in mid-July by a US government agency, the Federal Transit Administration, it would take an immediate \$77.7 billion, followed by \$14.4 billion each year, to maintain the nation's public bus and rail systems in acceptable operating conditions. However, in 2008, less than \$13 billion was actually spent for this purpose.

A spokesman for the American Association of State Highway and Transportation Officials stressed that the cost for buying new equipment and making repairs are rising, even as revenues are stagnating or falling. The 2009 stimulus package included about \$8 billion for high-speed rail, but virtually nothing for the maintenance of the existing transportation systems.

Due to a lack of government financial aid, the New York transit system reversed its own physical deterioration only by accumulating a huge amount of debt. This year, the money that the authority will spend on interest to bondholders is greater than its operating deficits. It is to serve the interests of these wealthy investors, as well those of the financial institutions as a whole, that the MTA, together with virtually every other transit system in the country, is carrying out the most ruthless austerity measures against working people—both riders and those who operate and maintain public transportation.



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