New York City transit fare increased for third time in three years

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For the third time in three years, the Metropolitan Transportation Authority has voted for a package of fare increases on subways, buses and commuter railroads in New York City and its surrounding suburbs. One of the steepest increases is in the price of a 30-day Metrocard for unlimited rides on buses and subways used by many commuters, which will go from \$89 to \$104, a jump of 17 percent.

The increases, scheduled to go into effect on December 30, will raise up to \$500 million. This assumes that ridership will not fall drastically in response to the increases, however. One-third of subway and bus riders currently use the 30-day passes, but thousands may no longer be able to afford them. Passengers who find it difficult or impossible to come up with the \$104 every 30 days will find that the cost of a single fare has also jumped, from \$2.25 to \$2.50 a ride. Only a year ago a single ride cost “only” \$2.00. The cost of a monthly Metrocard has increased by 65 percent since it was first introduced in 1998, far outstripping the rate of inflation during the same period.

The latest fare hikes, approved by the MTA board on October 7, come only months after draconian service cuts, including the elimination of several subway lines as well as bus service in many areas of the city. This kind of continuous attack on mass transit is almost unprecedented, even in the days of New York’s brush with bankruptcy in the mid-1970s.

The combination of service cuts and fare increases creates far more than an inconvenience for many thousands of the city’s unemployed and working poor. Huge sections of the work force, immigrant workers and others, are paid the minimum wage and in some cases below the legal minimum. The nearly 20 percent of the population that is either unemployed, working part time or has given up looking for work will now have to come up with even more money in order to look for a job.

When the MTA announced earlier in the year that it was not following through on its threat to eliminate the subsidized transit fare for 500,000 New York City schoolchildren, it was apparent that its pose of reasonableness was only the preparation for new attacks. These have now materialized. Furthermore, in the admission of MTA board member Andrew Saul, “The business plan of the MTA is a ticking time bomb.”

Saul added menacingly that the latest increases are “just the beginning.” In the current fiscal year the agency faced a \$900 million deficit with a \$12 billion budget. A payroll tax has fallen short of expectations because of the continuing economic slump, and the state, facing its own \$9.2 billion deficit, eliminated \$140 million in aid. A report by state Comptroller Thomas DiNapoli warned that the deficit is expected to double to about \$2 billion by 2014.

Behind the worsening budget outlook is the mounting debt of the transit agency, which is in turn part and parcel of the decay of infrastructure throughout the US. New York State halted its contributions for maintenance and expansion of the transit system back in 1992. The resulting buildup of debt, now at \$28 billion, requires debt repayments of \$1.8 billion every single year out of the revenues raised from fare-paying passengers. Debt service is anticipated to rise to \$2.4 billion in the next three years. This is only one expression of the fictitious character of the boom of the past two decades, based on an astronomical buildup of debt that now demands repayment.

While creating intolerable conditions for large numbers of workers, the big business politicians who control the MTA through their selection of board members will not consider even a penny's worth of higher taxes on the wealthy, even as the city's hedge fund managers and investment bankers are once again grabbing million-dollar bonuses and other perks.

The New York transit crisis is part of a nationwide trend, with monthly fares increasing in the last two years by 33 percent in Miami, 21 percent in Los Angeles, 15 percent in Chicago ad 13 percent in Atlanta. The budget deficits have led to assaults on transit workers' wages and conditions, in addition to the fare increases and service cuts. In New York, the MTA has eliminated about 3,500 jobs, including about 1,000 unionized positions on the buses and subways. MTA board members have warned that they have only begun their attacks on transit workers' living standards. One particular focus of attack is overtime, which many workers depend on to pay their bills. Pensions are another target, part of the nationwide assault on the retirement plans of public employees.

Two members of the MTA's board voted against the latest increases, a rare instance of public division among the big business appointees. One of the no votes was cast by Norman Seabrook, head of the city's union of correction officers. The 12-2 vote was a cynical effort to disguise the fact that the MTA's decision was never in the slightest doubt. Seabrook's complaint about the state shortchanging the MTA was 100 percent hypocrisy, in no essential way differing from the public regrets issued by MTA chairman Jay Walder as he carried out the latest attack on public services. Walder is paid $350,000 annually and receives a $5,000 monthly housing allowance.

Transport Workers Union officials, led by Local 100 president John Samuelsen, also posed as opponents of the MTA and the fare hikes. The union has called for eliminating the MTA, but the only purpose of that gesture is to draw attention away from its own slavish alliance with the Democratic Party politicians who are responsible for the attacks on transit workers and all working people.