Boston transit fare hikes, service cuts go into effect

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On July 1, the MBTA (Massachusetts Bay Transportation Authority)—which provides subway, commuter rail, bus, and ferry service to the Greater Boston area—implemented fare increases of 20 percent for single rides on local buses, 25 percent on express buses, and 17.6 percent on the subway. The authority is also eliminating services on 11 bus routes, reducing service on 12 others, eliminating ferry boats from Logan Airport to the South Shore suburb Quincy, and eliminating weekend service on two commuter rail lines.

The service cuts and fare increases, forced through to close a budget deficit in fiscal year 2013, will do nothing to address future budget problems, the transit system's huge "state of good repair" budget deficit, or the need for more service on a system that is seeing substantial increases in ridership. The cuts were pushed through in the face of widespread public outrage expressed by T riders and others in a series of public hearings earlier this year.

A study released in June by the Urban Land Institute (ULI) and Northeastern University details overcrowding on MBTA (also known as the "T") subways and predicts that ridership will continue to grow. Among the factors contributing to ridership growth are gasoline prices, the reduction of the average space allotted to workers by downtown businesses, and the deliberate planning of transit-oriented development (TOD).

TOD—the building of large apartment and condominium complexes next to subway stops or busy bus depots—is meant to reduce traffic jams and greenhouse gas emissions from automobiles. However, most of the developments are being built for profit by wealthy developers who return no capital to the transit system.

Businesses in downtown Boston are looking to squeeze as many workers as possible into small spaces to keep overhead low. The ULI writes that "building users report—and building owners confirm—that the 'employment density' in commercial buildings is increasing. One recent study conducted by Jones Lang LaSalle indicates that the historical rule of thumb, in which employers allow for 200 square feet per employee, may shrink to as little as 50 square feet for some tenants by 2015."

According to the ULI's "Hub and Spoke" report, the number of "unlinked trips" on the MBTA increased on average by 2.9 percent year-to-year between 2006 and 2011. Average weekday ridership is more than 1.3 million, and the report predicts that it could go as high as 1.7 million by 2021. Almost 4.7 million people live in the 175 cities and towns serviced by the T.

The ULI puts forward three estimates of ridership growth. The baseline estimate, which uses the average increases from the last 20 years, predicts 1.2 percent growth and would result in 1.4 million weekday trips on average in 2021. The middle estimate assumes annual ridership increases of 1.5 percent because of "moderate employment and income growth" and results in 1.5 million average weekday riders by 2021. The ULI's highest estimate is 2.9 percent annual growth, equal to the yearly average from 2006 to 2011.

The report then compares these numbers to nationwide estimates calculated by the Federal Transit Administration (FTA) and the American Association of State Highway and Transportation Officials. The latter estimates average annual ridership growth of between 2.4 percent and 3.5 percent nationwide, while the FTA recently reported to Congress that "actual ridership trends supported an assumed ten year trend of 2.8 percent annual growth" and that "metropolitan areas were underestimating transit ridership growth and therefore the amount of capital investment needed over the next twenty years."

Capitalism is incapable of providing adequate resources for the MBTA, which has the fifth largest per capita usage in the country. The majority of state government funds for the T come from the sales tax. When the current funding model was implemented in 2000, it was assumed that 20 percent of the yearly revenues from this tax, plus fares and borrowing, would meet the T's needs. The recessionary crisis has shattered this plan.

The July 1 fare increases and service cuts were accompanied by an approximately $50 million bailout from the state, using motor vehicle registration fees and unspent snowplowing money. Massachusetts had an unusually warm winter last year, and such funds are highly unlikely to be available in the future.

There are more than 58,000 millionaires in the Greater Boston area, along with private colleges holding some of the country's largest endowments, hospitals employing tens of thousands of workers, and businesses that include a General Electric airplane engine factory. However, instead of drawing on these sources of capital, the T has become one of the country's most indebted public transit agencies, carrying more than $5 billion in debt.

A fiscal year 2011 document prepared by the T's director of budget notes that "the MBTA refunded over $2.0 billion in debt during FY 2005, FY 2006, FY 2007, and FY 2008." At the time, the T was $2.7 billion behind on the spending needed just to keep its equipment in a "state of good repair." The budget document also notes that the T needed to issue "revenue bonds" to borrow against future years' sales tax revenues.

In addition to its inability to pay for needed repairs, the T is already having trouble meeting its current ridership volume. The ULI report describes sections of three of the systems' four subway lines as "highly congested," and sections of two of the lines as "over capacity." It states that "South Station is also operating above its design capacity for commuter rail and Amtrak trains." The latter connect Boston by rail to New York, and from there to the rest of the country.

In order to cut costs, the MBTA is also reducing the number of operators on each subway train to one. The number of layoffs caused by this policy and the July 1 service cuts has not been made public. The T has eliminated more than 600 positions system-wide in the last 20 years, despite steady increases in ridership.

Local 589 of the Boston Carmen's Union has not addressed the jobs issue on its web site, and a search for the word "layoff" on that web site returns only an announcement of a program from April 2011 designed "for the purpose of conducting grassroots coaltiion [sic] campaigns."

Seniors and people on fixed incomes are already suffering from the fare hikes. On July 2, the *Boston Globe* interviewed a woman from Roxbury, blind and diabetic, who lives on a $800-per-month Social Security check. Until now, she relied on The Ride—the system's paratransit service—to get to medical appointments. The fare per trip is being doubled from $2 to $4, leaving her worried that she can no longer get to her medical appointments.