

Long Island Railroad unions accept concessions

Alan Whyte
26 July 2014

A coalition of eight unions representing 5,400 Long Island Rail Road (LIRR) workers accepted a takeaway contract settlement in New York July 17, blocking a threatened strike that could have crippled the country's largest commuter rail line.

The agreement with the Metropolitan Transportation Authority (MTA) was proclaimed by United Transport Union president Anthony Simon, the lead union negotiator, as a "fair deal," adding he was "comfortable our members will support it."

In reality, the LIRR settlement is only the latest in a series of concessions contracts negotiated between public employee unions in New York and the Democratic-led state and city administrations of Governor Mario Cuomo and the self-proclaimed "progressive" Mayor Bill de Blasio. These Democratic politicians, promoted by the unions as "friends of labor," have been able to push through givebacks that their Republican predecessors were unable to achieve.

In the case of the LIRR contract dispute, the unions had pressed for Governor Cuomo to intercede in the negotiations, believing that his upcoming re-election bid, as well as suspected ambitions to run for the Democratic presidential nomination, would lead him to lean on the MTA to settle the contract.

In the end, Cuomo did intervene, with the final details being ironed out at one of his favorite seafood restaurants in Manhattan. The miserable results of this process, however, was a contract worse than the settlement proposed by two Presidential Emergency Boards, federally-appointed three-member panels that mediate between the two sides and make a recommendation.

The final pact, which includes a 17 percent wage increase over six and one half years, introduces a series of concessions falling most heavily on those workers

who will be hired after the contract is imposed, creating the kind of two-tier workforce that is becoming increasingly common in sectors where unions have collective bargaining rights.

Among the concessions, all workers will for the first time ever be required to contribute 2 percent of their wages for health care. According to a letter written by one of the union leaders to its members, other concessions include future hires paying into their pensions for 15 years instead of 10, as is the case with the current workforce, as well as the newly hired being compelled to work an extra two years more than is now the case to reach top pay.

Union members will vote on the proposed contract on August 15, and the MTA board will vote on it in September. The workers have been without a new contract since June 2010.

The MTA chairman, Thomas F. Prendergast, has claimed that the contract will cost the agency \$40 million annually, but that the concessions from future workers will help pay for the settlement in the long run and should not force the agency to further increase fares. The authority was already planning to raise the fare by 4 percent in 2015 and another 4 percent in 2017.

Since few details of the agreement have been made public, it is not known what other givebacks the union leaders accepted; but it is the case that the MTA was determined to get concessions from the new hires as part of its long range plan to make workers pay for its financial crisis.

To pay for its ongoing capital repair and improvement programs, the MTA has accumulated a long-term bond debt of \$32 billion. Debt payments are now costing the agency one fifth of its operating budget, which is projected to rise. Its future five year capital plan is underfunded. (See New York transit

agency demands concessions from Long Island railroad workers, 12 July 2014[<http://www.wsws.org/en/articles/2014/07/12/lirr-j12.html>]).

The tentative agreement is a product of the unions' intimate collaboration with and subordination to the Democratic Party. The union leaders accepted a concessions deal to bolster Cuomo's political standing and secure their own privileged positions. They accepted givebacks in order to prevent a strike that they clearly did not want, and they sacrificed the interests of the workers they purport to represent in order to help the agency pay off its debts to the wealthy bondholders.

The precedent for this concession deal was established this past April, when the MTA reached a settlement with Transport Workers Union Local 100, which represents 34,000 NYC bus and subway workers. In that agreement, the union accepted a mere 8 percent wage hike over 5 years, an increase in employee contributions to health benefits, as well as forcing the newly hired to work for five years to reach top pay instead of three. In that case as well, the union sought Cuomo's intercession. That concessions package helped strengthen the MTA's bargaining position in the LIRR dispute.

The entire municipal labor movement has played the same role in New York City. One union after another, after being unable to reach a deal with the city's former billionaire Mayor Michael Bloomberg, have negotiated concessions agreements with the so-called "progressive" Democratic Mayor de Blasio that have been hailed by business circles as "fiscally responsible." (See: Teachers and transit workers ratify New York City contract deals).



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact