New York transit agency unveils new fare hikes

Alan Whyte 4 December 2014

For the fourth time in seven years, the Metropolitan Transportation Authority (MTA) in the New York area is driving up transit fares, thereby inflicting another attack on the living standards of millions of working people who depend upon public transportation.

In mid-November, the agency unveiled a plan to raise fares by 4 percent over two years. The MTA is floating two separate proposals on how the fare hike will take place. In one plan, the base fare for a single ride will increase by 25 cents from \$2.50 to \$2.75, while in the other, the base fare will not increase, but the 4 percent increase will be accomplished in other ways. Last year, the fare also went up, producing a 7.5 percent increase in revenues.

For New York City subway and bus riders, in both proposals, the cost of a 30-day unlimited Metrocard will increase by \$4.50 to \$116.50, and the cost of a 7-day unlimited card will increase by \$1.00 to \$31.00. There will also be increases of about 4 percent for commuters on the Long Island Rail Road (LIRR) and the Metro-North Railroad, which links New York City to the suburbs of Westchester County and the state of Connecticut.

The MTA is also proposing about a 4 percent increase in car and truck tolls at the city's bridges and tunnels.

The fare and toll increases are expected to raise \$234 million in 2015 from the workers and students who must use public transit. This includes \$139 million from NYC bus and train riders, \$51 from the tolls, and the rest mostly coming from the LIRR and Metro-North Railroad passengers.

According to an October 2012 report issued by the New York State comptroller, Thomas P. DiNapoli, fare and toll hikes are rising much faster—almost three times—than the rate of inflation. By 2015, they will have increased by 35 percent since 2007.

These fare and toll hikes are part of a continuous attack on the living standards of the working population. According to a report issued last year by the Commission on Economic Opportunity, more than 20 percent of New York City residents live in poverty. As of 2014, nearly half of all New Yorkers survived on less than 150 percent of the poverty line. Meanwhile, New York's elite are living in unprecedented luxury (see: "The \$35,000 Thanksgiving dinner).

The MTA began holding public hearings on the fare hikes December 1. These hearings, legally mandatory for both fare hikes and service cuts, have been reduced to a perfunctory routine. The first hearings held in the boroughs of the Bronx and Manhattan attracted a combined total of no more than 100 users of the system. There is no doubt that a large number of workers and students have arrived at the justified conclusion that the so-called democratic process whereby MTA board members pretend that they care what the riding public thinks is a sham and for those who attend, a waste of their time and energy.

Nevertheless, those who did show up expressed their vehement hostility to both the MTA board and its fare hikes.

The first speaker at Monday's hearing said: "I am a homeless person. I have been living in a shelter for 30 months. I am disabled and have to walk with a cane, but they say I am not disabled enough to get compensation. I can't afford a fare increase. Then every time you raise the fare, the service gets cut.... I am for a Wall Street transaction tax if it would make transit free."

The WSWS interviewed Ryan Carson, a community organizer, who spoke against the fare increases: "The fare hike is absurd to me. I am not rich like the people who make up the MTA board. I understand that they

have a combined worth of \$4 million. The chairman makes 10 times what I make. When I spoke, I said that they should take a cut in pay.

"I cannot afford a car, and have to travel from Bedford-Stuyvesant to Harlem every day by public transit. Many of my roommates and friends use bikes because they cannot afford the subway fare.

"I have been to these hearings about three times before. People have stop showing up because they realize that they are not included in the democratic process. When I spoke, the board members looked as bored as hell. The MTA board members don't even ride the system, and a lot of ordinary people have given up on this process. The problem is the system itself."

Helena, who works in the medical field and who came from Staten Island, also spoke against the fare hikes. She told the WSWS: "I am sick of these fat cats that sit in Jay Street [MTA headquarters] who don't even ride the bus and subway system and then dictate these policies that help no one. They probably get chauffeured to work.

"I have seen old ladies taken off the bus because they are short 20 cents for the fare. Then the detective gives them a \$250 fine. If they cannot afford the fare, how can they pay \$250? What sense does that make?

"This fare hike is for the rich. I am so sick of this. I only make \$9.50 an hour, and with children to support, I have to sacrifice. I have to postpone my bills. One month I pay the rent, another month the Con Ed bill. I graduated from Hudson County Community College in the medical field and want to go to Hunter College to get a bachelor's degree in communications, and have accumulated student loans. I am barely surviving."

In January 2015, the board will vote to impose the fare hike effective in March 2015. It is also expected that the authority will increase the fare another 4 percent in 2017. The transit agency stated that it needs the money from the passengers despite cutting "more than \$1 billion from our ongoing expenses."

Even with the fare increase, the transit agency will still be in dire fiscal straits. For example, according to the comptroller's report, unfunded liabilities for postemployment benefits other than pensions, such as health insurance for retirees, was \$19.9 billion as of 2012.

The report found that the MTA's outstanding debt resulting from prior capital programs will reach \$39

billion by 2018, more than double what it was in 2003. Debt service as a share of total revenue could rise from 15.9 percent in 2011 to 22.0 percent in 2018, which increasingly siphons off money needed for day-to-day operations.

The authority recently proposed a \$32 billion capital plan to help maintain and improve the system but does not know where \$15 billion of that will come from. The MTA has spent \$90 billion on capital repairs since 1982, when its critically necessary infrastructure fell into such a state of disrepair that the entire transit system was on the verge of collapse. However, due to a lack of funding on the federal, state, and city levels, the authority has accumulated a dangerously growing bond debt.

Both the Democratic and the Republican parties are united in compelling the working population to pay for this financial crisis in transit as well as all other areas of needed services. For example, Democratic governor Andrew Cuomo led the legislature to raid \$30 million from the state's dedicated funding for mass transit this fiscal year. Indeed, according to the comptroller's report, there has been a steady decline in the state's support to the MTA.

Meanwhile, New York City's Democratic mayor, Bill de Blasio, who continually casts himself as a "progressive," has made no comment on the proposed fare hikes, signaling his tacit support.



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