

New York raises transit fares as train and bus workers vote on concessions deal

Alan Whyte**27 January 2017**

The New York-based Metropolitan Transportation Authority (MTA) voted Wednesday to increase its fare and tolls about 4 percent. The fare increases take place as the MTA and Transport Workers Union (TWU) Local 100 seek to push through a concessions-laden contract on 38,000 bus, subway and other New York City transit workers.

The agency is imposing the fare hikes and worker givebacks to finance the billions it must pay every year for debt servicing and other obligations owed to wealthy bondholders and Wall Street banks. The MTA's long-term bond debt is projected to reach \$41.4 billion by 2020, up 43 percent since 2010.

The 4 percent increase is the average for the New York city bus and subway system, the Long Island commuter railroad and the various bridges and tunnels that the agency controls. The increases will take effect March 19.

This is the agency's fifth hike since 2007, the last one taking effect in March 2015. The fares and tolls have increased 45 percent between 2007 and 2015, three times faster than the general rate of inflation, and six times faster than the increase in salaries, the state comptroller recently reported.

Many advocacy groups proposed a reduced fare for low-income riders and appealed to New York's supposedly "progressive" Democratic mayor, Bill de Blasio, to include this in his most recent budget. Their appeal fell on deaf ears, with de Blasio saying since the MTA was a state agency, the state legislators should do it.

A report issued by an anti-poverty group found that one fourth of the poorest New Yorkers cannot afford to pay the current fare. Many who testified at public hearings said they were forced to limit travel to what is in walking distance or cancel various medical

appointments or job interviews, or turn down educational opportunities, which will worsen with the fare hike.

As fares have risen, service on the subways has gotten worse. Passengers face an increase in delays—with 60,000 per weekday in November 2016, up 10,000 over November 2015. In 2015, trains averaged 139,916 miles without a breakdown, but in 2016 they broke down after 113,179 miles, a 16 percent decline.

The vote to increase fares and tolls takes place only days after the MTA and the TWU Local 100 reached a tentative agreement for a new 28-month contract only hours after the old one expired on January 15. The deal will only increase wages by an average of 2.14 percent a year.

The wage hike is barely above the 2 percent the MTA had already budgeted and what other municipal unions have accepted. This will ensure a further erosion of living standards due to the high cost of living in New York City. In addition, the deal does nothing to unwind the previous concessions handed over by the TWU, including higher out-of-pocket contributions for health care, the lengthening of the number of years it takes for workers to reach top pay—from three to five years—and substandard pension plans.

TWU officials announced on their web site Wednesday that ratification ballots will be mailed out Friday, January 27, with the union's eight-page "highlights" brochure, plus what it claims will be "full details on the contract." The new memorandum of agreement—which if dug through reveals the real extent of the concessions granted by the union, has not been posted on the web site.

The union brochure begins, "Last fall, [TWU local 100 President] John Samuelsen said this contract would be about putting money in our members' pockets. He

made good on that statement with raises well above 2016's 1.65 rate of inflation. . . ."

The rate of inflation in the New York-Northern New Jersey-Long Island area rose 2.1 percent over the year, the largest 12-month increase in over three years, the Bureau of Labor Statistics reported. This means the new deal is a de facto freeze in real wages that will turn into a cut in pay if inflation rises. This follows the previous five-year contract signed by the TWU that only included an 8 percent rate over the life of the agreement.

The union is allied with New York's Democratic and pro-austerity governor, Andrew Cuomo, and is adamantly opposed to a common struggle of transit workers and working-class passengers who will face escalating attacks from the new Trump administration. The potential for such a struggle was shown last week when 400,000 demonstrated in the city against the billionaire president and former New York City real estate speculator, one of hundreds that took place across the US and the world.

Instead, the TWU is seeking to use the planned attacks by Trump to blackmail transit workers into accepting this miserable deal. In the brochure sent out by the TWU, union president Samuels writes, "We are entering a new era of federal government uncertainty, as a new president enters office. With this contract in place we are insulated against potential federal government cuts to public transit funding, and any other uncertainties that may arise."

This, of course, is a fraud. The new 28-month contract will not protect workers from the new administration, which is determined to gut all social programs, including Medicare, Medicaid and Social Security, and to privatize public education and public transit to provide more tax cuts for the rich and giant corporations, and unlimited funding for the military and war. On the contrary, the TWU and other unions will line up to offer their services to impose even greater sacrifices on workers if they can retain their positions as labor policemen for big business.

In opposition to this, transit workers should fight for real improvement, including a 30 percent wage hike and cost-of-living allowances to protect them against future inflation hikes. At the same time, transit workers should oppose all fare increases and call for their reduction.



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