TWU pushes through concessions contract for NYC transit workers

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On Monday, the Transport Workers Union (TWU) Local 100 announced the ratification of a concessions contract for 36,000 subway and bus workers in New York City. The final step in imposing the deal occurred two days later on Wednesday, with the Metropolitan Transportation Authority (MTA) voting to approve the deal. The contract's imposition of below inflation wage increases, retiree healthcare givebacks and productivity increases was tied to a hike in transit fares and tolls on bridges and tunnels.

The TWU leadership accepted this reactionary agreement, designed to foster divisions between transit workers and the public, while letting the billionaires off the hook.

While the TWU bureaucracy celebrated the passage of the contract, the fact is only a small minority actually voted in favor of the deal. The union reported that the agreement was accepted by a vote of 8,594 "yes" (69 percent) to 3,906 (31 percent) "no." This was out of about 36,000 ballots that the union claimed to have mailed out to New York City bus and subway workers, though many workers reported not receiving ballots. In all, only about one-fourth of the membership voted to accept it.

A majority of workers in several job classifications and divisions, including train operators, conductors, tower operators and track workers, voted against the deal.

The low turnout and significant percentage of "no" votes took place despite the fact that the union bureaucracy aggressively campaigned for ratification, spreading the lie that there were no givebacks and seeking to obscure the real character of the deal. In the words of TWU President Richard Davis, "Union leaders made an unprecedented effort to educate and inform members with about 150 shopgates, supplemented by a digital blitz of information via the union's website and other social media outlets, along with the printed flyers and mailings."

Many workers who voted for the contract did so because they did not believe, correctly, that the union would conduct a real struggle for anything better. The bankruptcy of the TWU leadership was supplemented by the main opposition faction, Progressive Action, whose founder Tramell Thompson, while calling for a "no" vote, suggested that transit works might do better with binding arbitration through New York State's Taylor Law, an anti-worker law which fines workers and the union for striking or other job actions.

Binding arbitration has been used time and again to impose huge concessions on workers, including after the 2005 New York City transit strike.

The wage increases in the ratified contract amount to only 3.0 percent in the first two years and 3.5 percent in the last year of the settlement. This does not make up for the loss of wages, especially last year, in which the rate of inflation approached 10 percent. Furthermore, there is no cost-of-living allowance, which is necessary to protect workers' wages going forward.

Another major giveback involves cutbacks to retiree health benefits. Instead of being able to choose between Medicare and two Medicare Advantage plans run by Aetna, those who are retired will now only be able to select one of the two for-profit "Advantage" plans. The health insurance companies such as Aetna are notorious for denying necessary medical procedures to save money at the expense of the well-being of their customers. In other words, they function for the "advantage" of their own bottom lines.

It has been estimated that 14,000 out of the current 22,000 retirees will be negatively impacted by this. The head of the New York City Organization of Public

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Service Retirees, Marianne Pizzitola, has asserted that the MTA will save $40 million per year in a three-year contract, a total savings of $120 million. Retirees are not allowed to vote on the package.

Another concession involves a clause called “gainsharing” in which the union gets a payoff for increasing “employee availability” for anything more than five days on average from the total workforce. The pandemic killed about 175 transit workers and sickened countless more, reducing their ability to come to work. In order to compel workers, irrespective of health, to be available for work, the TWU bureaucracy has agreed to take on the functions of management.

That is why the president of the New York City Transit Authority, Richard Davey, stated Monday at an MTA finance committee meeting, which was also the same day the vote totals were announced, that the gainsharing clause for increasing productivity will be one of the means the authority will use to achieve its goal of saving $500 million in efficiencies.

At the MTA board meeting Wednesday, the vote to accept the union contract was made out of the public’s view (called executive session), while the two votes for fare and toll hikes were done unanimously by the MTA board. After the secretly held vote approving the concessions contract was completed, MTA Chairman Janno Lieber came back into the public hearing, stating that he was “thrilled” that the deal was accepted.

The fares for New York City subways, buses and commuter railroads imposed Wednesday will increase by 6 percent effective August 20. Toll hikes of 6 percent for bridges and tunnels will kick in August 6. The agency also announced that there will be more 4 percent fare and toll hikes scheduled to go into effect for 2025 and every two years thereafter.

These future increases are part of an overall attack on MTA workers and riders. Even though the MTA has a projected balanced operating budget until 2027, the Citizens Budget Commission, a big-business mouthpiece, maintains that by 2029, the MTA will have a budget shortfall exceeding $900 million. This is as much a political statement as an economic one, as politicians, both Democrat and Republican, have starved public transit and other basic services for funds.

Another concern was raised by New York State Comptroller Thomas Di Napoli, who in a statement issued July 17 reported that “in 2023, the MTA estimates that 17.9 percent of revenue will go towards servicing debt.” The agency has a long-term bond debt of about $48 billion, a principle driving force of the attack on both MTA workers and riders.

In addition, the MTA is proceeding to institute congestion pricing, charging motorists a fee for coming into Mid Manhattan and Lower Manhattan. The agency projects leveraging $1 billion in revenues from congestion pricing into $15 billion to pay for current and future capital maintenance and improvement programs.

There are ample resources for a decent living standard and a safe, reliable transit system for all. In 2022 there were 136 billionaires in New York City, which has been called the billionaire capital of the world, while the transit system crumbles and services are starved of funds. This obscene level of inequality is inherent in a social system that is based on securing the right of private profit for the wealthy few.

The urgent need is to unite transit workers and the public more broadly through rank-and-file committees independent of the unions and all the political representatives of big business in the Democratic and Republican parties.

An essential first step was taken this month with the development of the New York City Transit Workers Rank-and-File Committee, which in opposing the ratification of the sellout TWU deal, stressed the broader need to transfer decision-making from the union apparatus to rank-and-file workers and to break down barriers between workers in a common struggle for our class interests. We urge transit workers and riders to join this fight.

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