



NEWS

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MTA TO ELIMINATE 569 STAFF POSITIONS TO HELP OFFSET \$97.6 MILLION OPERATIONS DEFICIT IN FY 1996 BUDGET

MTA will eliminate 569 staff positions, including 234 by layoff, in an effort to reduce a projected operating deficit of \$97.6 million in FY 1996, announced Franklin E. White, MTA chief executive officer.

This brings to more than 1,000 positions, representing approximately 10 percent of the agency's workforce, that will have been eliminated over the last three years, resulting in a leaner and more cost-effective organization.

"As the budget process for the next year takes shape, it is apparent that part of the solution to the agency's financial problems is the need to look internally and cut costs where appropriate," White said.

"Many factors have contributed to our deficit problem. We proposed a number of revenue-generating measures that were adopted as part of our current budget, not the least of which was an increase in fares. We did not anticipate a federal court order that kept us from raising our fares for five months. That decision has had a serious impact on our budget process this year, and will continue to affect us next year."

Virtually all levels of MTA jobs ranging from non-represented managers and supervisors to union-represented employees such as bus operators, mechanics, and clerical staff are among the 569 positions to be eliminated in an effort to balance the agency's FY 1996 budget.

White said cost reductions were sought in all internal expense areas before turning to staff reductions as a last resort. Internal organizational changes have included shifting from a two-manager to a single-manager structure at each MTA

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STAFF REDUCTIONS

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operating division, and making that manager responsible for improving the financial performance of the division.

Despite staying within budgeted expenses this year and the internal reorganization to improve work efficiency, the MTA had no choice but to eliminate staff positions, White said.

Of the 569 positions, 43 will be offset by newly created positions, resulting in a net reduction of 526 positions. More than half of the 526 are vacant or will be eliminated by attrition. The breakdown of eliminated positions and resulting layoffs is as follows:

Managers, supervisors and administrative personnel: 112 positions, 62 to result in layoffs.

Bus operators: 189 positions, all through existing vacancies or attrition.

Mechanics and maintenance assistants: 185 positions, 140 to result in layoffs.

Clerical workers: 83 positions, 32 to result in layoffs.

"This significant staff reduction is a painful step that no one at MTA wants to take," White said. "The reality of our fiscal situation in the last two years has forced us to eliminate more than 1,000 staff positions. My goal is to keep any future staff reductions to an absolute minimum."

The current staff reductions are expected to make up approximately 35 percent of the operating shortfall. The reductions do not affect the rail construction unit, which will add positions in FY 1996.

The MTA's FY 1996 proposed budget, which will include plans to resolve the remaining deficit, is expected to be presented to the Board of Directors in late May.

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