



NEWS

Labor Negotiations Update #3

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CONTACT: ANDREA GREENE/JIM SMART
MTA PRESS RELATIONS
(213) 244-6943, 244-6347
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STRIKE BY MTA'S UNIONS WOULD DEVASTATE LOCAL ECONOMY

A strike by MTA's principal union employees would deprive 1.23 million riders every weekday of their key means of transportation. It also would deal a staggering blow to an already shaky Southern California economy, the MTA has reported to a special Board of Investigation appointed by Gov. Pete Wilson.

"The concerns of our riders must come first as we continue to negotiate with our union leadership," said Larry Zarian, MTA First Vice Chair and Glendale City Councilman. "We don't want a strike. We want serious negotiations.

"Taking public transportation off the street would send hundreds of thousands of low-income families reeling at a time when they can ill afford to miss work," he added.

A strike by the approximately 4,400 members of the United Transportation Union (UTU), the 1,900 members of the Amalgamated Transit Union (ATU), or the 600 members of the Transportation Communications Union (TCU) would negatively affect the local economy in many ways, the MTA reported to the Governor:

◆ More than half of MTA riders do not have access to autos and 30.7 percent have access to only one car. Without buses or trains, thousands of workers would be forced to find alternative ways to get to work, or face the possibility of losing their jobs. If as few as 3 percent of employed persons in the Los Angeles-Long Beach area lose their jobs during a strike, 100,000 people would be impacted.

(MORE)

ECONOMIC IMPACT

Page 2

- ◆ A study conducted in conjunction with Caltrans indicated that as many as 150,000 recreation and shopping trips would be foregone each weekday of a strike.
- ◆ A strike affecting the L.A. central business district would result in millions of dollars in lost business; MTA employees and vendors selling to the Authority stand to lose more than \$1 million per day due to loss of paychecks and absence of orders for goods and services.
- ◆ Past experience shows that the Authority loses from 5 to 10 percent of its riders after a strike is called off. Most return over time, but recovery may take six months or more.
- ◆ The region would suffer increased pollution from the thousands of additional cars on the road and traffic could escalate to gridlock.

The MTA announced July 1 that the Authority's Board of Directors, in a 12-0 vote, asked Gov. Pete Wilson not to invoke a state statute which provides for a 60-day cooling-off period during which no strike could be called. The contracts with the Authority's three principal unions ended June 30. The Unions are currently prohibited from striking pending a review of the unions' appeal by the Governor to invoke the cooling-off period statute.

"A cooling-off period would be nothing but a stall tactic by the unions' leadership," said Zarian said. "We are asking the union leadership to negotiate around the clock. The public expects and deserves nothing less. There is absolutely no need for a strike."

The MTA has brought proposals in four key areas to the bargaining table in an effort to contain costs: a first-year freeze on union wage rates and deletion of cost-of-living increases, reduction in the cost of benefits, changed work rules and relaxation of restrictions on outside contracting.

(MORE)

ECONOMIC IMPACT

Page 3

"We face a \$126-million operating deficit," said MTA's Chief Executive Officer Franklin White. "We already have cut more than 515 positions, most of them in the administration and management ranks, and reduced outside contracting. We are seeking fare increases and service cuts. With 60 percent of our operating budget tied up in labor costs, our unions must help, too."

The MTA has announced a service contingency plan to go into effect should there be a walkout. The MTA intends to operate service on five bus lines immediately, increasing to 18 over time. The Authority plans to operate up to 100 buses within 24 hours of a strike notice, gradually increasing that number to 250 depending upon need. The MTA also will operate Red and Blue line service.

The bus and train contingency services would operate on weekdays from 6 a.m. until 6 p.m. The MTA also plans to contract with private carriers and other municipal operators to provide additional services.

Details of the routes to be served have been released in advertisements starting today, Monday, July 4. The public is encouraged to monitor media outlets for information on these services.

Substitute bus and train operators have received training required by state law and will be fully certified before they operate MTA equipment. Train service would be provided by management supervisory personnel.

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