

NEW JERSEY STATE AFL-CIO

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July 15, 2015

Dear Members of the NJ Transit Board of Directors:

Re: Please Oppose Rate Increases and Service Cuts

The New Jersey State AFL-CIO comes before you today to express what we think you already know, and to state the obvious – these fare increases will inflict significant economic hardship on those that can least afford it, while simultaneously making mass transit less attractive to riders. This, in turn, will further escalate the already highest in the nation cost of commuting via mass transit in New Jersey.

What is the rationale for this proposal? We are told the rationale is to "better align service with demand." Unfortunately, this type of thinking is counterintuitive. When you make a service less affordable and less convenient, of course demand is going to drop. By moving these fare increases forward while simultaneously reducing routes, you are making the remaining services less convenient and at a higher cost. This will further reduce ridership on certain routes, which will then become a victim of future alignments, AKA more service cuts. This proposal is a self-fulfilling prophecy that will weaken our mass transit system, plain and simple, and it's a disservice to those people this agency seeks to serve.

We are not here to get into a lengthy debate about state budget priorities. That debate has already occurred, and we know how it ended. But let's be clear – this is a crisis that has been significantly exacerbated over the last six years and it's going to get worse before it gets better. Similar to other state revenue needs that are either being deferred to future budgets or patched by diverting money from other projects, we all recognize that this is a crisis by neglect. You can only reduce state support for mass transit so much before the crisis crashes down on commuters and employees. And although this fact has been camouflaged by diversions from other funds, we all recognize that these deferred costs, including labor, are going to come due and the diversions are going to run out. When direct state support shrinks from \$348 million to \$33 million in just six years, band aids simply won't work anymore.

Studies conducted by the NJ Association of Railroad Passengers and NJ Advance Media illustrate that NJ Transit fares are the highest in the nation when compared to other large commuter railroads. We recognize that NJ Transit has said these studies are flawed, but even if NJ Transit isn't the highest in the nation, those studies clearly illustrate that NJ commuters are paying extraordinarily high fares.

These high fares draw a stark contrast with our current gas tax, is the second lowest in the nation. Understanding the market effects of these factors on commuters, it is clear that this proposal will result in making driving more attractive and in turn, will increase air pollution and clog our highways even more. And so, this is no longer just an economic issue for riders, it has now become a quality-of-life and health issue for all New Jersey residents.

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In closing, we ask NJ Transit to work with advocates, not against them, to find a solution. The people in this room could prove to be a valuable resource because they are commuters, employees and advocates for an affordable, efficient mass transit system. We respectfully ask you to table this proposal and go back to the Governor and back to the legislature to seek a solution that won't cripple our goal of making mass transit work for the people of New Jersey.

Sincerely,



Charles Wowkanech
President



Laurel Brennan
Secretary-Treasurer

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