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Riders, Workers and Communities
United For Transit Justice

MBTA cuts threaten more than 800 jobs and would have outsized impact on Black workers, communities hard-hit by COVID-19

Since August, when the MBTA projected a \$308 million budget shortfall for Fiscal Year 2021 (since revised upward to \$584 million), the Authority has advanced a controversial plan to balance the budget.¹ Relying in largest part on shifting capital funds into the operating budget, the plan also includes deep service and programmatic and departmental cuts.

On November 9, the MBTA released its detailed plan for service cuts to address anticipated revenue shortfall in Fiscal Year 2022.² A public input period on the proposed cuts ended on December 2, and the Fiscal and Management Control Board is expected to vote on a final package of service cuts on December 14. Programmatic cuts have been reviewed at Fiscal and Management Control Board meetings, usually as part of the regular budget updates.

While the MBTA has released information on other aspects of the service and programmatic cuts, to our knowledge the MBTA has not publicly released an estimate of how many jobs would be lost from these cuts. To fill that gap, this report provides estimates of job losses that are likely to occur if the MBTA's service and programmatic cuts are implemented as planned. We also provide an estimate of the cost of the MBTA's unemployment insurance obligations to directly employed workers.

We also review who will be affected most by the MBTA cuts. Job losses are likely to have a disproportionately severe impact on workers who live in communities where COVID-19 rates are already high, and on people of color, particularly Black workers, who are hardest hit by the pandemic.

Job Cut Estimates

In the absence of public information from the MBTA, we used publicly available information from Fiscal and Management Control Board meetings, public documents requested from the MBTA, and other public sources to estimate the number of jobs that would be lost across the system if service and programmatic cuts are implemented as proposed, including direct employees and employees of companies contracted by the MBTA. Our methodology for each subcategory of jobs is explained in the notes.

Bus, light rail and heavy rail cuts

Planned cuts to the MBTA-operated systems of buses, and the Orange, Red, Green and Blue lines include decreasing frequency of service, ending service after midnight, eliminating 25 bus routes, shortening or consolidating 19 bus routes, eliminating E line service past Brigham Circle.³

The MBTA is self-insured for unemployment claims,⁴ and could face significant obligations if layoffs occur at the scale we estimate.

Estimate of jobs lost:⁵ 460

Estimate of cost of unemployment benefits⁶: up to \$8,700,000

Commuter rail

The MBTA contracts commuter rail operation to Keolis. Cuts to Commuter rail include decreasing frequency of service, cutting all weekend service, ending service after 9pm on all lines except Fairmount (which will end by 10pm), closing six stations.⁷

Estimate of jobs lost⁸: 130

Ferry

The MBTA contracts ferry operations to Boston Harbor Cruises. Proposed cuts call for an end to all ferry service.⁹

Estimate of jobs lost¹⁰: 140

Parking

The MBTA contracts parking operations to Republic Parking System to manage and staff 100 parking facilities.¹¹ Republic provides payment collection and enforcement, maintenance and snow removal.¹² The MBTA has provided little public information on changes to its parking contract, but has described the changes as “using technology to reduce overhead costs.”¹³

Estimate of jobs lost¹⁴: 86

Transit Ambassadors (Station Customer Service)

The MBTA contracts in-station customer service to Block by Block. Proposed cuts would eliminate about 11% of staffing across stations.¹⁵

Estimate of jobs lost¹⁶: 18

Who will be most impacted by job cuts?

Frontline workers who have kept the MBTA running during the pandemic

Job cuts will affect frontline, essential transit workers who have continued to report to work during an historic pandemic. Since March, there have been 234 cases of COVID-19 among MBTA workers, including one death.

Workers from communities already facing an elevated health and economic burden

The employees most likely to lose their jobs are the MBTA's bus and train operators and drivers. The MBTA has estimated that about 350 of these workers will lose their jobs, out of the 3352 total workers who are represented by Boston Carmen's Union, Local 589.¹⁷

These layoffs will take an additional toll on families and communities of color already disproportionately threatened by COVID-19. Many of the MBTA drivers, operators, and operators and other Carmen's members live in communities with high rates of COVID-19 infections. Nearly 50% are Black or African American, a group that has experienced a high economic and health toll from COVID-19.

- Fully 67% (2259) live in municipalities or Boston neighborhoods with current COVID-19 positive test rates of 4% or higher, meaning these communities are likely to be coded "yellow" or "red" under Massachusetts' risk categorization system.¹⁸
 - Of those, 1387 live in communities where COVID-19 rates surpass 6%
- Nine of the 11 communities with highest numbers of MBTA operator and driver residents all have COVID positive rates over 4%, and four are over 7% (see Table 1).
- The largest group of operators and drivers (about 13%) live in Dorchester, where the Boston Public Health Commission reports cumulative positivity rates are at 11.6% (ZIP codes 02122 and 02124) and 11.5% (02121 and 02125), some of the highest in Boston.¹⁹

Many communities with high COVID-19 rates are home to a high proportion of people of color, including those where many of MBTA operators and drivers live. This reflects the "staggering" and "stark" racial disparities that characterize the pandemic in Massachusetts (as elsewhere).²⁰

MBTA operators and drivers are a racially diverse group: 60.1% are non-white and almost 49.1% are Black (see Table 2).

Communities of color in Massachusetts been hard hit by the COVID-19 pandemic. When the Baker Administration first released data on the race of COVID-19 infected people in June, rates

were elevated among Black and Hispanic residents. The Boston Globe reported that “Black residents represent about 7 percent of the population, but their rate of positive COVID-19 cases is double that, at 14.4 percent.”²¹ A Harvard Study published in August found that a “10-percentage-point increase in the Black non-Latino population was associated with an increase of 312.3 COVID-19 cases per 100,000 population, whereas a 10-percentage-point increase in the Latino population was associated with an increase of 258.2 cases per 100,000.”²²

Table 1. Eleven communities with highest numbers of resident MBTA Drivers and Operators, coded by COVID-19 severity

| City | Number of MBTA Operators | COVID Positive Rate |
|------------|--------------------------|---------------------|
| Dorchester | 422 | 7.4% |
| Brockton | 237 | 6.3% |
| Randolph | 146 | 4.7% |
| Hyde Park | 145 | 7.1% |
| Mattapan | 135 | 6.5% |
| Roxbury | 129 | 5.6% |
| Revere | 117 | 6.7% |
| Quincy | 112 | 2.7% |
| Lynn | 104 | 10.0% |
| Weymouth | 86 | 3.4% |
| Everett | 73 | 8.4% |

Table 2. Racial Breakdown of MBTA Operators, drivers and affiliated workers

| Race | Percent of Membership |
|--------------------------------------|-----------------------|
| Black/African American | 49.1% |
| White | 36.9% |
| Hispanic/Latino | 8.2% |
| Not Specified | 3.0% |
| Asian | 2.4% |
| American Indian/Alaska Native | 0.4% |
| Native Hawaiian/Other Pacific Island | 0.1% |

Black and Latinx people in Massachusetts have also been disproportionately affected by the economic toll of the pandemic. Unemployment among Black and Latinx workers is around 15%, about twice the rate among white and Asian workers.²³

Public sector jobs, like those at MBTA, have historically been a source of middle class stability in Massachusetts, especially for Black workers and their families.²⁴ Good jobs and steady employment are particularly important at times of crisis, like the current pandemic that is taking a harsh toll on communities of color. Massive layoffs at the MBTA will likely worsen pandemic outcomes by pushing hundreds more people into joblessness and instability.

¹ FY21/22 Pro Forma Budget Update, Fiscal and Management Control Board, Massachusetts Bay Transportation Authority, August 24, 2020, <https://cdn.mbta.com/sites/default/files/2020-08/2020-08-24-fmcb-3-fy21-22-budget-update.pdf>, FY21/22 Budget Update, Fiscal and Management Control Board, Massachusetts Bay Transportation Authority, November 23, 2020, <https://cdn.mbta.com/sites/default/files/2020-11/2020-11-23-fmcb-16-fy21-budget-update.pdf>, slide 6.

² Laurel Paget-Seekins and Kat Benesh, "Forging Ahead: Scenario and Service Planning," Fiscal and Management Control Board, Massachusetts Bay Transportation Authority, November 9, 2020, <https://cdn.mbta.com/sites/default/files/2020-11/2020-11-09-fmcb-N-forging-ahead-service-scenarios-accessible.pdf>.

³ Laurel Paget-Seekins and Kat Benesh, "Forging Ahead: Scenario and Service Planning," Fiscal and Management Control Board, Massachusetts Bay Transportation Authority, November 9, 2020, <https://cdn.mbta.com/sites/default/files/2020-11/2020-11-09-fmcb-N-forging-ahead-service-scenarios-accessible.pdf>, slides 29 and 34.

⁴ Financial Statements, Required Supplementary Information and Supplementary Information, Massachusetts Bay Transportation Authority, June 30, 2019, <https://cdn.mbta.com/sites/default/files/2019-12/2019-06-30-fy19-financial-audit.pdf>

⁵ To estimate the extent of potential job losses from planned service cuts, we first calculated total cuts to regular wages from a graphic representation in the MBTA's presentation of 'Potential Gross Annual Savings from Service Packages.' Then, we divided the total wage cuts by the weighted average 2019 salary of all full time MBTA employees. See Paget-Seekins and Benesh, slide 45, and Statewide Payroll, Massachusetts Bay Transportation Authority, 2019,

[http://cthrupayroll.mass.gov/#/year/2019/full_time_employees,others/pay1.pay2.pay3.pay4/explore/0-0-0-0-0-department_division/Massachusetts+Bay+Transportation+Authority+\(MBT\)/0-barChart-0/position_title](http://cthrupayroll.mass.gov/#/year/2019/full_time_employees,others/pay1.pay2.pay3.pay4/explore/0-0-0-0-0-department_division/Massachusetts+Bay+Transportation+Authority+(MBT)/0-barChart-0/position_title)

⁶ Using the weighted average salary at the MBTA, we calculated unemployment insurance obligations at 50% of weekly salary for 460 people for 26 weeks. Unemployment obligations could be lower depending on the use of workshare, early retirement incentives, and similar programs.

⁷ Paget-Seekins and Benesh, Slide 18.

⁸ To estimate commuter rail job cuts, we first assumed the same proportion of total commuter-rail workforce would be cut as we estimated for the MBTA-operated modes (6.9%). However, to avoid double counting job losses for service cuts involving both schedule changes and rolling stock reduction, we adjusted our initial estimate, reducing it by our estimate of the proportion of commuter rail savings attributable to vehicle reduction, 22% (we estimated \$10 million of \$45 million total cuts was attributable to reductions in coaches and locomotives). See Paget-Seekins and Benesh, slide 51 for details on coach and locomotive reductions.

⁹ Paget-Seekins and Benesh, Slide 24

¹⁰ We assumed that 50% of year-round staffing levels from before the pandemic were attributable to BHC's contract with the MBTA. For employment numbers at Boston Harbor Cruises, see John Chesto, "With new owners, a new era begins for Boston Harbor Cruises," Boston Globe, October 2020,

<https://www.bostonglobe.com/2020/10/20/business/new-era-begins-boston-harbor-cruises-after-ownership-change/>

¹¹ "Republic Parking System Begins Operation of MBTA Parking System on April 1," Massachusetts Bay Transportation Authority, March 31, 2017, <https://www.mbta.com/news/2017-03-31/republic-parking-system-begins-operation-mbta-parking-system-april-1?from=global-search&query=%22republic%20parking%22&facets=>

¹² "Parking Management Request for Proposals: Recommendation to Award," Fiscal and Management Control Board, Massachusetts Bay Transportation Authority, February 6, 2017, <https://cdn.mbta.com/sites/default/files/fmcb-meeting-docs/2017/february/020617-parking-management-request-for-proposals.pdf>

¹³ Mary Ann O'Hara, "FY21-FY22 Budget: Monthly Update," Fiscal and Management Control Board, Massachusetts Bay Transportation Authority, November 9, 2020, <https://cdn.mbta.com/sites/default/files/2020-11/2020-11-09-fmcb-L-operating-budget-update.pdf>, slide 12.

¹⁴ In response to a public document request, the MBTA provided us with a spreadsheet entitled "MBTA Systemwide Operating Expenses" revised September 4, 2020, which showing original and revised costs for parking operations for FY21. We noted the variance for payroll costs in the following categories: garage operations (total variance \$1,521,273), maintenance (\$533,676), enforcement (\$142,572) and management (\$815,429). For each of these categories, we estimated annual wages based on listing for similar jobs posted by the same employer, as follows: \$31,200 for garage operations, maintenance, and enforcement, and \$45,000 for management. We divided the payroll variance figures for each line by annual wage estimates accordingly, to arrive at our final estimate of 49 garage operations jobs, 17 maintenance, 5 enforcement and 18 management, for a total of 89 jobs. This may be an underestimate, as the revised budget likely includes some payroll expenditures made before job cuts. Based on the date of this spreadsheet, it appears these jobs have already been eliminated, but we have included them in this analysis because parking cost cuts have consistently been presented by the MBTA as part of its response to the pandemic budget gap. Documents provided by the MBTA are available on request.

¹⁵ In response to a public document request, the MBTA provided us with a spreadsheet entitled "Existing and or FY21 Proposed (MBTA)" that detailed proposed changes to Transit Ambassador weekly staffing schedules at MBTA station, and tallied weekly hours cut for each station. Documents provided by the MBTA are available on request.

¹⁶ Using data from the "Existing and or FY21 Proposed (MBTA)" spreadsheet, we divided the total weekly hours cut by 40 to arrive at an estimate of full-time jobs that would be cut if proposed changes are made.

¹⁷ Forging Ahead Virtual Meeting, North Shore Region 7, November 24, 2020, <https://www.mbta.com/events/2020-11-24/forging-ahead-virtual-public-meeting-north-shore-region-7>, beginning at 1:24:40.

¹⁸ For municipalities outside Boston, we depended on testing data from the Massachusetts Department of Health, using the "Percent Positivity" Figure, which is the total number of positive molecular COVID-19 tests in the last 14 days divided by the total number of molecular COVID-19 tests in the last 14 days, Weekly Dashboard Data, 11-27-2020, Massachusetts Department of Public Health, <https://www.mass.gov/doc/weekly-covid-19-public-health-report-december-3-2020/download>. For Boston neighborhood figures, we used Neighborhood Testing Data on Current Community Positivity, a measure of the percentage of positive tests over a seven-day period, Coronavirus Disease 2019 (COVID-19): The Latest, Boston Public Health Commission, Friday December 4, 2020, <https://www.bphc.org/onlinenewsroom/Blog/Lists/Posts/Post.aspx?ID=1282>.

¹⁹ Coronavirus Disease 2019 (COVID-19): The Latest, Boston Public Health Commission, Friday December 4, 2020, <https://www.bphc.org/onlinenewsroom/Blog/Lists/Posts/Post.aspx?ID=1282>

²⁰ Kay Lazar and Christina Prignano, New data on state's coronavirus cases, deaths show stark racial divide, Boston Globe, June 19, 2020, <https://www.bostonglobe.com/2020/06/19/nation/new-data-states-coronavirus-cases-deaths-show-stark-racial-divide/>; Dasia Moore, New study confirms staggering racial disparities in COVID-19 cases in Massachusetts, <https://www.bostonglobe.com/2020/08/27/nation/new-study-finds-staggering-racial-disparities-covid-19-cases-massachusetts/>

²¹ Kay Lazar and Christina Prignano, New data on state's coronavirus cases, deaths show stark racial divide.

²² Jose F. Figueroa, Rishi K. Wadhwa, Dennis Lee et al., "Community-Level Factors Associated with Racial and Ethnic Disparities in COVID-19 Rates in Massachusetts," Health Affairs 39(11), August 27, 2020, <https://www.healthaffairs.org/doi/10.1377/hlthaff.2020.01040>.

²³ Peter Ciurczak, "A Profile of Unemployed Workers in Massachusetts," Boston Indicators, October 29, 2020, https://www.bostonindicators.org/reports/report-website-pages/covid_indicators-x2/2020/october/unemployment-deep-dive

²⁴ Algernon Austin, "Public-Sector Jobs Increase the Economic Well-Being of Massachusetts Families," Demos, <https://www.demos.org/sites/default/files/publications/Public%20Sector%20Jobs%20Increase%20the%20Economic%20Well-Being%20of%20Massachusetts%20Families.pdf>