



June 19, 1995

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TO: BOARD DIRECTORS AND ALTERNATERS
FROM: FRANKLIN E. WHITE *FEW*
SUBJECT: ATU LAYOFFS

As you know the layoff of 88 ATU represented employees was scheduled to take place on June 4. The Superior Court has now enjoined these layoffs, pending the results of the arbitration of the ATU's grievance. Both parties and the arbitrator have agreed that a decision will be rendered in the arbitration on or before June 30.

These layoffs are an important element of the cost savings required to balance the budget. Our projected annual savings from the layoffs is approximately \$4,900,000.

The ATU has filed a grievance contending that the layoffs are contrary to the collective bargain agreement provisions which permit subcontracting of certain categories of the work. The Union contends that the MTA is precluded from layoffs while work is being subcontracted. An expedited arbitration of these issues commenced today. The MTA is represented by Gordon Krischer who assisted in the negotiation of the subcontracting provisions last summer.

On June 1, Judge Diane Wayne issued a temporary restraining order barring the layoffs. Judge Wayne has now enjoined the layoffs until the arbitrator issues a decision. In issuing the preliminary injunction, Judge Wayne increased the bond to be posted by the union to \$480,000.