



Fare Strategy

2019 - 2031



GOALS

- 1) Invest in Future of Transit
- 2) Maintain Fiscal Responsibility
- 3) Maintain Affordability
- 4) Streamline Products
- 5) Incentivize Ridership

#1

#2

#3

#4

#5

Invest in Future of Transit

- Invest in New Transit Routes (I.e. Route 100 Express and Late Night Loop Service)
- Transit Vision Map to Increase Frequency / Annexed Land Coverage
- Route Enhancements and Optimization
- Partnerships to Benefit All Transit Riders (U-Pass)
- New Transit Terminal at Allandale GO Station
- Implement New Transit Technologies (Smart Cards)

Maintain Fiscal Responsibility

- Rising Costs (Salaries & Benefits, Utilities, Fuel Prices, Annual CPI Adjustment to Third Party Contract)
- Currently 33% Cost Recovery Level and 60% Subsidization by Tax Base
- Necessary Fare Increases to Maintain Existing Cost Recovery Levels and Commitment to Tax Payers
- 12 Year Fare Strategy Accomplishes
 - Aligns with 3 Council Terms
 - Provides Visibility and Transparency to Transit Riders
 - Minimizes Price Increases Over Period
 - Imbeds Strategic Guiding Principles

Maintain Affordability

- High Proportion of Need vs. Choice Riders
- Number of Residents in Simcoe County Below Low-Income Threshold Doubled from 6.6% in 2006 to 11.1% in 2016
- Provide Options that Maintain Great Value for Riders

Streamline Products

- Fewer Products Make Buying Decision Easier for Riders
- Less Costly, Easier to Administer, More Efficient, Better Inventory Control
- Avoid Duplication of Products

Grow Transit Ridership

- Currently 3.6 Million Transit Trips per Year or 3% Modal Share
- Federal and Provincial Funding Based on Population and Ridership Levels
- Required to Increase Ridership to Meet Active Transportation Modal Share Target of 7% by 2041
- Benefits to Alleviate Traffic, Reduce Green House Gas (GHG) Emissions, Support Healthy Economy



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GOALS

STRATEGY

NOW

REVENUE

LAUNCH

TRANSIT FARES

	Child		Student	Adult	Senior
	0 – 5	6 – 12	13 – 18*	19 – 64	65+
Cash Fare	FREE	\$3.00	\$3.00	\$3.00	\$3.00
Ride Card (6 or 10)		\$2.10	\$2.30	\$2.60	\$2.10
Monthly		\$56.00	\$66.00	\$86.00	\$56.00
Georgian U-Pass	\$86.00 / Semester				
Day Pass	\$7.50				
Family Day Pass	\$9.00				

FARE REVENUE

	Child	Student	Adult	Senior	Total	%
Cash	\$ 9,486	\$ 409,757	\$ 879,641	\$ 217,610	\$ 1,516,495	25.8%
Ride Cards	\$ 5,069	\$ 161,925	\$ 861,731	\$ 131,989	\$ 1,160,714	19.7%
Passes	\$ 12,526	\$ 1,950,440	\$ 1,068,873	\$ 171,644	\$ 3,203,482	54.5%
Total	\$ 27,081	\$ 2,522,122	\$ 2,810,245	\$ 521,243	\$ 5,880,691	
%	0.5%	42.9%	47.8%	8.9%		

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Strategy Highlights

- Transit Fare Changes
- FREE Transit for Children 0 - 12
- FREE Transit for Seniors on Tuesdays and Reduced Fares
- Consolidate Ride Cards
- Other Process Improvements

MONTHLY
PASSES

CASH
FARE

RIDE
CARDS

CHILDREN

SENIORS

OTHER

Monthly Passes

	Current	Proposed	Revenue
Student	\$ 66.00	\$ 66.75	\$ 3,450
Adult	\$ 86.00	\$ 87.00	\$ 9,600
Total			\$ 13,050

- Minimal fare increases to maintain affordability and provide incentive for riders to purchase monthly pass
- Monthly pass provides unlimited access to transit service which encourages ridership and increases Provincial Gas Tax funding
- Creates steady revenue stream
- Less transactions and more efficient fare validation

<i>Pass</i>	<i>Average Rides per Month</i>	<i>Fare per Ride</i>
Adult	64.6	\$ 1.33
Senior	53.4	\$ 1.05
Student	49.5	\$ 1.33

	<i>Monthly</i>
TTC	\$146.25
Oakville	\$125.00
Durham Region	\$117.00
Hamilton	\$105.60
Burlington	\$97.00
Windsor	\$95.70
Sudbury	\$93.00
St. Catharines	\$92.00
Median	\$89.00
North Bay	
Barrie	\$86.00
Grand River	
Milton	\$81.00
London	
Guelph	\$80.00
Thunder Bay	\$77.00
Kingston	\$76.00

Cash Fare

	Current	Proposed	Revenue
Student	\$ 3.00	\$ 3.25	\$ 33,200
Adult			\$ 71,200
Total			\$ 104,400

For every 10% increase in price ridership will decrease by 2%

- Cash fare hasn't increased since 2013
- 1.7% average increase over 2019-2023 horizon
- Transit contract average annual increase of 2.0% between 2014-2019
- Transit service hours have increased from 148,856 in 2013 to 174,375 in 2019 (2.7% per year)

<i>Cash Fare</i>	
Oakville	
Durham Region*	\$3.75
Milton	
Burlington	\$3.50
Sudbury*	\$3.30
Grand River	
TTC	\$3.25
Kingston	
St. Catharines*	
Median	
TTC Presto	
Windsor	\$3.00
Barrie	
Hamilton	
Guelph	
North Bay	
Thunder Bay	\$2.75
London	
*Other Cash Fares	

Multi-Ride Cards

	Current	Proposed	Revenue
Student	\$ 2.30	\$ 2.45	\$ 8,100
Adult	\$ 2.60	\$ 2.80	\$ 50,600
Total			\$ 58,700

- Average increase of 1.5% over 2019 - 2023 horizon
- Maintaining similar proportionate increase as cash fare will avoid shifting revenue between products and provide incentive to purchase monthly passes
- Recommend discontinuation of 6 Ride Cards
 - Same per ride cost as 10 Ride
 - 10 Ride more appropriate bulk purchase
 - Aligns with number of trips in 5 day work week

	# Rides	per Ride
Durham Region	10	\$3.15
Milton	10	
Oakville	1*	\$3.00
TTC	1*	
Guelph	10	\$2.80
Burlington	10	\$2.75
Grand River	5	
North Bay	10	\$2.70
Median	10	
Sudbury	5 / 10	
Barrie	6 / 10	\$2.60
St. Catharines	10	
Windsor	5	\$2.53
Kingston	6	\$2.50
Thunder Bay	10	\$2.48
Hamilton	1*	\$2.40
London	5	\$1.90
*Presto		

FREE Transit for Children 0 - 12

- Children 6 - 12 make up 0.5% of total fare revenue
- Area of focus for City through class seminars, the field trip pilot, and outreach events

<i>Fare</i>	<i>Revenue</i>
Cash	\$ (9,500)
Ride Cards	\$ (5,000)
Monthly	\$ (12,500)
<i>Total</i>	<i>\$ (27,000)</i>

- Education and increasing comfort for children to ride bus will encourage them to use the system as they enter high school and throughout their lives
- Investment in FREE transit will encourage new riders (plus parents and older siblings) and increase future paying transit riders that will offset initial lost revenue
- Increased provincial and federal funding through additional ridership

FREE Transit for Seniors in June to Promote Seniors Month

- Opportunity for Seniors to Use Transit System to Attend Events for Seniors Month
- Fair Weather Month to Build Comfort with Transit System
- Unlimited Access in June to Run Errands, Attend Medical Appointments, Meet with Family and Friends
- Additional Consultation with Seniors

<i>Fare</i>	<i>Current</i>	<i>Proposed</i>	<i>Revenue</i>
Cash	\$ 3.00	\$ 3.00	\$ (18,000)
Ride Cards	\$ 2.10	\$ 2.10	\$ (11,000)
Monthly	\$ 56.00	\$ 56.50	\$ (13,100)
Total			\$ (42,100)

*Free Day of Week \$(57,250)

Seniors

Monthly Passes

	Senior	Eligible	FREE
TTC	\$116.75	65+	
London	\$81.00	18+	
Grand River	\$73.00	65+	Veteran
Guelph	\$68.00	65+	Veteran
North Bay	\$61.00	60+	
Oakville	\$60.00	65+	Mondays
Burlington	\$59.25	65+	
St. Catharines	\$57.00	65+	
Median	\$56.50	65+	
Kingston	\$56.50	65+	
Sudbury	\$56.00	65+	
Barrie	\$56.00	65+	
Thunder Bay	\$55.00	60+	
Milton	\$52.00	65+	
Windsor	\$48.40	60+	\$1 June 1 - 7
Durham Region	\$46.00	65+	
Hamilton	\$29.50	65+	80+

Ride Cards

	per Ride
North Bay	\$2.70
Thunder Bay	\$2.48
Grand River	\$2.40
Guelph	\$2.25
Sudbury	
Median	
Barrie	\$2.10
Milton	
Durham Region	
TTC*	\$2.05
Kingston	
St. Catharines	\$2.00
Hamilton	
Windsor	\$1.98
Oakville	
Burlington	\$1.90
London	
*Presto	

Other Opportunities

- Extend Transfer Validity Time from 60 to 75 Minutes
- Modification to Student Identification
- Explore Partnership Opportunities with School Boards (Field Trip Pass / High School)
- Recommend - Continue FREE transit for CNIB, GO Train Co-fare



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Revenue Impact - Fare Strategy

- Annualized (2020 Business Plan)

Recommendation	Revenue
Cash Fare Increase \$0.25	\$ 104,400
Ride Card Fare Increase	\$ 58,700
Monthly Pass Fare Increase	\$ 13,050
FREE Transit for Children 0 – 12	\$ (27,000)
FREE Transit for Seniors in June	\$ (42,100)
Total	\$ 107,050

*Investment to
Improve Transit
Service*

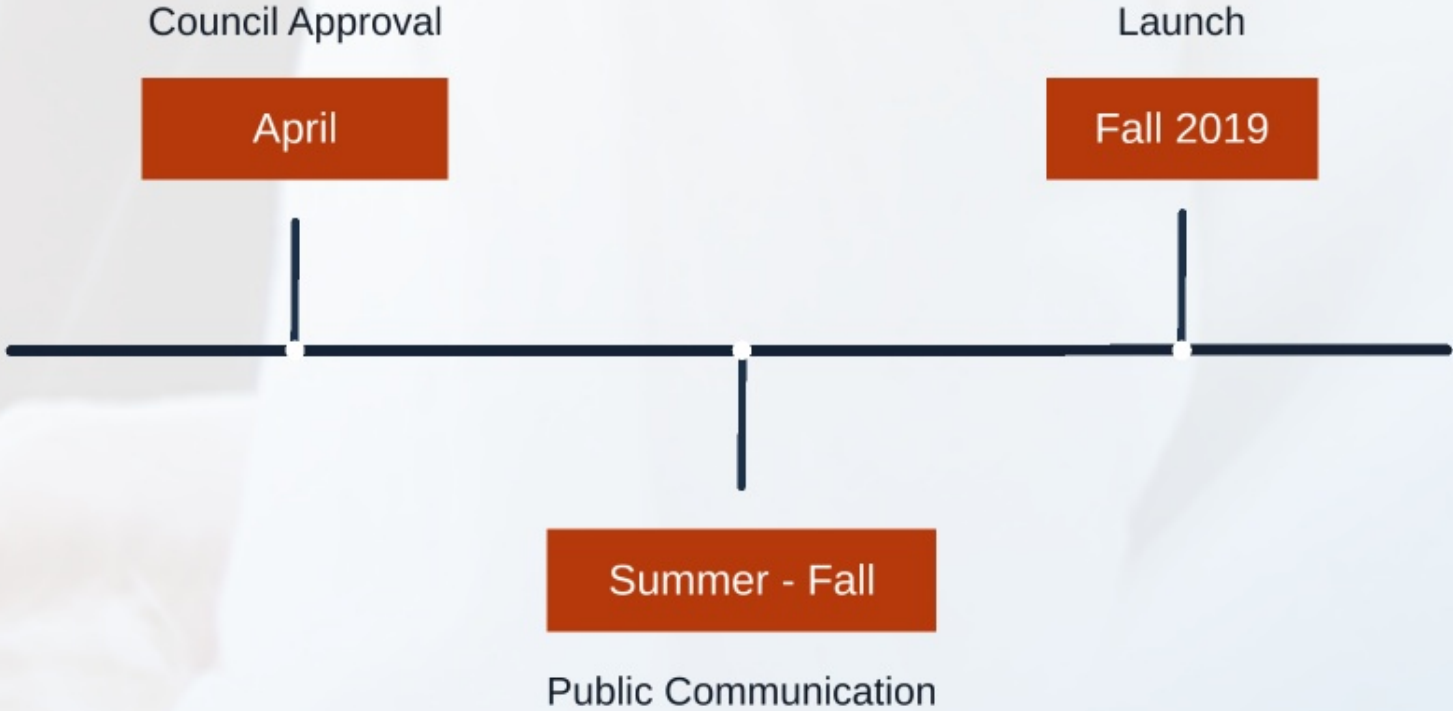


Fare Strategy

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Fare Strategy Timeline





Fare Strategy

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