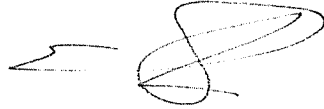


**Transportation Standing Committee**  
**October 27, 2011**

**TO:** Chair and Members of Transportation Standing Committee



**SUBMITTED BY:** \_\_\_\_\_  
Eddie Robar, Director, Metro Transit

**DATE:** October 7, 2011

**SUBJECT:** Free Transit Seniors' Day

**INFORMATION REPORT**

**ORIGIN**

August 10, 2011 Transportation Standing Committee meeting, Item 7.2.1 "Request for report re: feasibility of free transit trips for seniors (referred from August 2, 2011 meeting of Regional Council)":

MOVED by Councillor Fisher, seconded by Councillor Barkhouse, that the Transportation Standing Committee request Metro Transit staff to investigate the feasibility of having a Senior's Day on Metro Transit buses one day per week allowing seniors to ride the bus for free.  
MOTION PUT AND PASSED.

**BACKGROUND**

Metro Transit currently provides discounted fares for seniors aged 65 or more. Two Canadian transit systems currently provide some form of free transit for seniors, while others are currently considering it.

## **DISCUSSION**

In general, providing discounted transit fares for seniors is far more common than providing free transit service for seniors. Metro Transit currently provides a discount for seniors through reduced cash fares, tickets and monthly passes.

### **Experience in Ottawa**

OC Transpo began offering free transit to seniors in the summer of 2007. Originally, it was offered on Wednesdays from June to August. In 2010, the free service was extended to Wednesdays all year. In 2011, this program was further extended to include Mondays and Fridays after Noon. In Ottawa, the program applies to all fixed-route service, but does not apply to their Para-Transit service (equivalent to Metro Transit's Access-a-Bus service).

Preliminary observations from Ottawa have shown a reduction in the sale of seniors' monthly passes after the program increased to three days per week. However, more detailed data is not yet available. Ottawa will be undertaking a detailed survey of seniors' travel patterns before and after the implementation of the free seniors' fares. This information should be available later in the Fall of 2011, and OC Transpo has agreed to share this information with Metro Transit when it is available.

### **Experience in Moncton**

Codiac Transit offers free transit to seniors every Wednesday. Recent counts in their system showed an average of 1,100 trips by seniors on the free Wednesdays. Codiac Transit estimates that 700 (63.6%) of those represent new trips.

### **Experience in Other Places**

Chicago and London, England have recently begun considering the elimination of free seniors' fares due to budget cutbacks. In both cases they have met with significant public opposition.

Barrie and Waterloo Region, Ontario, are both considering the provision of free transit for seniors.

### **Consideration of a Free Transit Seniors Day in HRM**

If HRM were to proceed with a free transit seniors day, there would be a reduction in revenue that would have to be recouped through other sources such as tax rate adjustments, service level decreases or an increase in other fares. It is difficult to provide accurate projections of what that revenue loss would be because little data exists on travel patterns or fare payment patterns by seniors. One method to provide a high-level estimate is to take the findings from Moncton and project them to account for the differences in ridership levels between Moncton and HRM. This information is shown below:

	<b>Codiac Transit</b>	<b>Metro Transit</b>
Annual Boardings (2009)	2,251,471	23,717,010
Free Seniors Trips Weekly	1,100	11,623
Free Seniors Trips Annually	57,200	604,412
Free Seniors % of Total Boardings	2.54%	2.54%
Assumed % Existing Riders from Codiac	36.4%	36.4%
Assumed % New Riders from Codiac	63.6%	63.6%
Existing Riders Now Travelling Free Annually		220,006
Revenue Loss from Existing Riders (\$1.50 fare per trip)		\$330,009

While this provides one scenario of potential revenue loss, it should be cautioned that the margin of error on this projection is high due to the unknown nature of discretionary travel patterns. It is assumed that most seniors currently using a monthly pass would continue to do so, since if they are buying a monthly pass, one free day would not likely meet their needs. Calculating the potential revenue loss at the highest fare (cash) represents a conservative approach, and is prudent in a situation like this where there are many uncertainties.

There are other, qualitative items that should be considered with free seniors' fares:

- A free seniors' transit day would provide a social benefit to one segment of HRM's population;
- With HRM's aging population, the potential for decreased revenue generation increases over time;
- There is the potential for seniors pass holders to request a discount equivalent to one day per week, which would result in a further reduction in revenue if granted;
- If free transit fares are extended to a particular group, it could lead to requests from other groups, which could be difficult to refuse if a request for one group was granted; and
- Typically, if free fares are introduced, they are very difficult to remove if the program proves to be very expensive.

### **BUDGET IMPLICATIONS**

There are no budget implications of this information report.

### **FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

