



2009 Fare Rate Change

Presentation to
Transit Committee
Reference Agenda Item D2

Paul Tobin
October 16, 2008



Fare Rate Change Criteria



- ❑ Financial Objective – maintain / improve cost recovery ratio
- ❑ Market Pressures – fuel costs, contractor rates, CPI
- ❑ GTA Transit agency peers – fare rate and structure comparisons

2008 Service Summary



- ❑ Ridership – Estimate 20.2 million trips in 2008



- ❑ 1,100,000 annual revenue service hours



- ❑ Cost Recovery (R/C ratio)

- ❑ 39.7% (2007 actual)
- ❑ 38.0% (2008 forecast)
- ❑ 38.2% (2009 estimate)



2009 Service Outlook



- ❑ Ridership – Estimate 21.7 million trips (7.3% increase over 2008)



- ❑ 1.2 million annual revenue service hours (9% increase over 2008)



- ❑ Cost Recovery Ratio (R/C ratio) Estimate



- ❑ Revenue \$51 million
- ❑ Costs \$133 million
- ❑ R/C Ratio 38.2%



GTA Fare Rate Comparison as of July 1, 2008

CURRENT GTA FARE COMPARISONS

as of July 1, 2008

Fare Category	YRT	TTC	Mississ	Brampton	Oakville	Burlington	Hamilton	Durham	Avg Fare
Adult Cash	\$ 3.00	\$ 2.75	\$ 2.75	\$ 2.75	\$ 2.75	\$ 2.50	\$ 2.40	\$ 2.85	\$ 2.72
Adult Ticket	\$ 2.40	\$ 2.25	\$ 2.30	\$ 2.30	\$ 2.30	\$ 2.00	\$ 1.85	\$ 2.56	\$ 2.25
Adult Monthly Pass	\$ 95.00	\$ 109.00	\$ 99.00	\$ 96.00	\$ 80.00	\$ 75.00	\$ 79.00	\$ 95.00	\$ 91.00
Student Cash	\$ 3.00	\$ 1.85	\$ 2.75	\$ 2.75	\$ 2.75	\$ 2.50	\$ 2.40	\$ 2.65	\$ 2.58
Student Ticket	\$ 1.70	\$ 1.50	\$ 2.15	\$ 2.15	\$ 1.90	\$ 1.60	\$ 1.50	\$ 2.38	\$ 1.86
Student Monthly Pass	\$ 65.00	\$ 91.25	\$ 93.00	\$ 90.00	\$ 50.00	\$ 64.00	\$ 63.00	\$ 80.00	\$ 74.53
Senior Cash	\$ 3.00	\$ 1.85	\$ 2.75	\$ 2.75	\$ 2.75	\$ 2.50	\$ 2.40	\$ 1.85	\$ 2.48
Senior Ticket	\$ 1.40	\$ 1.50	\$ 1.60	\$ 1.40	\$ 1.55	\$ 1.60	\$ 1.85	\$ 1.75	\$ 1.58
Senior/Child Monthly Pass	\$ 42.00	\$ 91.25	\$ 39.00	\$ 44.00	\$ 45.00	\$ 49.00	\$ 79.00	\$ 38.00	\$ 53.41
Child Cash	\$ 3.00	\$ 0.70	\$ 2.75	\$ 2.75	\$ 2.75	\$ 1.50	\$ 2.25	\$ 1.85	\$ 2.19
Child Ticket	\$ 1.40	\$ 0.50	\$ 1.60	\$ 2.15	\$ 1.90	\$ 1.30	\$ 1.40	\$ 1.75	\$ 1.50
Express Cash	\$ 3.25	Note 2	n/a	Note 4	n/a	n/a	n/a	n/a	\$ 3.25
Express Ticket	\$ 3.00	Note 2	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.00
GTA Weekly Pass +	\$ 47.00	\$ 47.00	\$ 47.00	\$ 47.00	n/a	n/a	n/a	n/a	\$ 47.00
Day Pass	n/a	\$ 9.00	n/a	n/a	\$ 8.00	Note 5	\$ 8.00	n/a	\$ 8.33
GO Rail Fare Integration	\$ 0.50	n/a	\$ 0.60	\$ 0.50	\$ 0.50	\$ 0.50	Note 6	\$ 0.65	\$ 0.54

Notes:

1. Shaded cells indicate YRT rates that are equal to or lower than GTA average and are based on 1 zone rates
- 2.a) Extra fare is required for Downtown Express routes and contracted routes operated by the TTC outside the City of Toronto
TTC offers weekly passes for adult \$32.25 and Student/Senior \$25.50
3. Mississauga Transit offers weekly passes for adult \$24.00 and student 22.50, and Senior annual pass for \$390.00
4. Brampton Transit offers weekly passes for adults \$24.50, student/child \$23.00, and Seniors \$11.50
Wonderland Express (Seasonal) cash \$5.00 and for a family of 4 \$15.00 cash
5. Burlington Transit offers weekly passes for Adults \$ 22.00, Student \$16.50 and Senior \$16.50.
Also offers day passes for Adults \$6.00, Student \$4.80 and Senior \$4.80
6. Hamilton Transit offers a HSR Sticker \$15.00 - valid on bus routes when presented with GO Train ticket or pass; Senior Annual Pass \$205.00
7. Durham Region Transit offers a Student unrestricted monthly pass \$ 80.00 and restricted pass \$ 67.00; Child monthly pass \$56.50

2009 Fare Change Option 1



OPTION 1					
Increase Tickets & Passes to GTA average plus increase all Express categories					
Fare Category	Distribution	Current	Proposed	% Increase	Net Additional Revenue
ADULT - 10 TICKETS	25.0%	\$24.00	\$24.00	0.0%	\$ -
ALL CASH	39.0%	\$3.00	\$3.00	0.0%	\$ -
STUDENT - 10 TICKETS	6.0%	\$17.00	\$19.00	11.8%	\$ 340,000
SENIOR/CHILD - 10 TICKETS	2.0%	\$14.00	\$15.50	10.7%	\$ 104,000
EXPRESS CASH	1.0%	\$3.25	\$3.50	7.7%	\$ 37,000
EXPRESS - 10 TICKETS	1.0%	\$30.00	\$32.50	8.3%	\$ 40,000
GTA WEEKLY PASS	4.0%	\$47.00	\$47.00	0.0%	\$ -
STUDENT PASS	5.0%	\$65.00	\$75.00	15.4%	\$ 370,000
MULTIPASS	15.0%	\$95.00	\$95.00	0.0%	\$ -
SENIOR PASS	1.0%	\$42.00	\$53.00	26.2%	\$ 134,000
EXPRESS PASS	1.0%	\$115.00	\$125.00	8.7%	\$ 42,000
GO RAIL INTEGRATION	0.0%	\$0.50	\$0.50	0.0%	\$ -
% Increase (Weighted Average):				8.17%	\$ 1,067,000
Shaded Cells Indicate Fare Increases					

2009 Fare Change Option 2



OPTION 2					
Increase all tickets and passes and also cash fare					
Fare Category	Distribution	Current	Proposed	% Increase	Net Annual Revenue
ADULT - 10 TICKETS	25.0%	\$24.00	\$26.00	8.3%	\$ 1,000,000
ALL CASH	39.0%	\$3.00	\$3.25	8.3%	\$ 1,560,000
STUDENT - 10 TICKETS	6.0%	\$17.00	\$19.00	11.8%	\$ 340,000
SENIOR/CHILD - 10 TICKETS	2.0%	\$14.00	\$15.00	7.1%	\$ 69,000
EXPRESS CASH	1.0%	\$3.25	\$3.50	7.7%	\$ 37,000
EXPRESS - 10 TICKETS	1.0%	\$30.00	\$32.50	8.3%	\$ 40,000
GTA WEEKLY PASS	4.0%	\$47.00	\$47.00	0.0%	\$ -
STUDENT PASS	5.0%	\$65.00	\$75.00	15.4%	\$ 370,000
MULTIPASS	15.0%	\$95.00	\$105.00	10.5%	\$ 756,000
SENIOR PASS	1.0%	\$42.00	\$46.00	9.5%	\$ 45,000
EXPRESS PASS	1.0%	\$115.00	\$125.00	8.7%	\$ 42,000
GO STICKER PASS	0.0%	\$0.50	\$0.50	0.0%	\$ -
% Increase (Weighted Average):				9.21%	\$ 4,259,000
Shaded Cells Indicate Fare Increases					

2009 Fare Change Option 3



OPTION 3					
Increase all tickets and passes but not cash fare					
Fare Category	Distribution	Current	Proposed	% Increase	Net Annual Revenue
ADULT TICKET	25.0%	\$24.00	\$26.00	8.3%	\$ 1,000,000
ALL CASH	39.0%	\$3.00	\$3.00	0.0%	\$ -
STUDENT TICKET	6.0%	\$17.00	\$19.00	11.8%	\$ 340,000
SENIOR/CHILD TICKET	2.0%	\$14.00	\$15.00	7.1%	\$ 69,000
EXPRESS CASH	1.0%	\$3.25	\$3.50	7.7%	\$ 37,000
EXPRESS TICKET	1.0%	\$30.00	\$32.50	8.3%	\$ 40,000
GTA WEEKLY PASS	4.0%	\$47.00	\$47.00	0.0%	\$ -
STUDENT PASS	5.0%	\$65.00	\$75.00	15.4%	\$ 370,000
MULTIPASS	15.0%	\$95.00	\$105.00	10.5%	\$ 756,000
SENIOR PASS	1.0%	\$42.00	\$46.00	9.5%	\$ 45,000
EXPRESS PASS	1.0%	\$115.00	\$125.00	8.7%	\$ 42,000
GO STICKER PASS	0.0%	\$0.50	\$0.50	0.0%	\$ -
% Increase (Weighted Average):				9.16%	\$ 2,699,000
Shaded Cells Indicate Fare Increases					

Recommendation

- ❑ Approve option 3
- ❑ Addresses some of fuel cost pressure
- ❑ Maintains relative pricing vs. other GTA properties
- ❑ Other GTA properties have indicated consideration for both a \$3.00 cash fare and other increases to offset fuel cost increases

