

January 12, 2010

PURPOSE/SUBJECT

The purpose of this report is to present the results of tariff consultation to the Commission for **INFORMATION**.

BACKGROUND

At the September meeting, the Commission considered a staff report on fares. The report provided background information regarding fares in the Victoria Regional Transit System and discussed issues and trends with respect to transit fares across Canada. Further to this discussion, the Commission approved the following motion:

It is recommended that the Victoria Regional Transit Commission direct staff to develop a tariff option for consideration at its next meeting that includes:

- a) a revenue increase of at least 11%
- b) a single cash fare
- c) removes day passes
- d) introduces a reduced price off-peak pass

At the October meeting, the Commission approved a tariff proposal for public consultation and a consultation program. This report presents the comments received regarding the tariff proposal. Letters received after December 14, 2009 are included on this agenda as correspondence.

DISCUSSION

The fare option recommended for public consultation is included in Attachment 1.

Information regarding the proposed fare change was advertised in local newspapers, summarized in a pamphlet and on BC Transit.com. The consultation program included the following opportunities for input:

By mail: Fare Proposal, 520 Gorge Road East, Victoria, BC, V8W 2P3
By Fax: 995-5639
Email: commission@bctransit.com
Phone: 995-5683 (short message - 24 hours available)

A survey with opportunities for comments was also provided on BC Transit.com. Responses were received from almost 400 individuals. The survey is not a random representation of the public. Survey respondents were primarily regular transit users with a monthly or other pass. The respondents to the survey expressed disagreement with proposals to create a single cash fare or to increase the equivalent number of trips of the monthly pass price. Almost 1,000 comments were received through the survey respondents. The results of the survey are attached.

Through direct phone calls, letters and emails, another 205 comments were received with 182 expressing opinions with respect to the fare proposal. Of these, 90% were negative towards some aspect of the fare proposal.

The most significant comments were:

1. Fare increases should be kept to a minimum and other sources of funding should be found to support transit. Increasing fares reduces ridership and works against societies best interest to reduce congestion and address climate change.
2. Increasing monthly pass rates more than the cash fare is considered unfair to regular riders and will reduce ridership by making transit less appealing and more expensive.
3. Although DayPasses serve a small market, there is benefit to maintaining them, particularly for tourists and other visitors to the region.

Many people took the opportunity to remind the Commission and BC Transit of the importance of transit service to persons with limited incomes who would find any increase a challenge and the importance of transit service to a sustainable future.

The full set of comments and correspondence received during the consultation period is available on our website at <http://www.bctransit.com/regions/vic/news/farereview/default.cfm>.

The Accessible Transportation Advisory Committee (ATAC) also considered the fare option at its meeting of November 24, 2009. There were four summary comments and concerns expressed by ATAC members:

1. Cancellation of the day pass may eliminate the option for new users to "test drive" transit.
2. Seniors may not be able to afford the increase, potentially restricting their mobility.
3. A fare increase, and the percentage of increase, will be a disincentive to use transit.
4. A clear communications and marketing plan is needed to describe the off-peak pass rules and to promote the more affordable ticket and pass options. Include the Travel Training program as an element of this plan.

A report presenting tariff options, including revisions made as a result of this input is included in the approvals section of this agenda.

RECOMMENDATION

It is recommended that the Victoria Regional Transit Commission receive this report as information

Respectfully,



Manuel Achadinha
President and Chief Executive Officer

Attachment 1: PROPOSED –Victoria Transit Fares
Attachment 2 – Survey Results

Attachment 1 – PROPOSED -Victoria Transit Fares

Fare Category	Current Fare	Proposed Fare
REGULAR CASH	\$2.25	\$2.50
REGULAR TICKETS (10)	\$20.25	\$22.50
REGULAR MONTHLY PASS	\$73.25	\$90.00
REGULAR OFF PEAK MONTHLY PASS		\$75 valid for boarding at all times except 6 to 9 AM and 3 to 6 PM weekdays
SENIOR CASH	\$1.40	\$2.50
SENIOR TICKETS (10)	\$12.60	\$15.00
SENIOR MONTHLY PASS	\$42.00	\$52.00
YOUTH CASH	\$1.40	\$2.50
YOUTH TICKETS (10)	\$12.60	\$15.00
YOUTH MONTHLY PASS	\$42.00	\$52.00
YOUTH PASS (min. 6 month purchase)	\$28 per month	\$35 per month
handyDART CASH	\$2.25	\$2.50
handyDART TICKETS (10)	\$20.25	\$22.50
handyDART MONTHLY PASS	\$73.25	\$90.00
PRO PASS (Biweekly Payment)	\$29.02	\$35.65 - Based on 10.3 times monthly pass rate over 26 pay periods
UPASS	\$73.25	\$90 (monthly pass rate) per student per term. At UVIC \$86 + \$4 per student per term from institution . At Camosun \$22.50 per month = \$21.50 + \$1 from institution
Family Pass		Up to 4 children aged 12 and under accompanied by Adult pass holder, ANYTIME
Transfer		Transfer valid for up to 45 minutes after scheduled arrival time at end of line as determined by operator at time of issue
Definitions		
Regular		All passengers unless otherwise able to demonstrate otherwise
Child		5 years and under FREE
Youth		6 to 18 years of age
Senior		65 years of age and over

Fare Review

1. SINGLE CASH FARE: A single rate for all cash fares is being proposed, meaning one price would be applied to all customers paying fares by cash. A single cash rate will reduce fare disputes, lower administrative costs and promote the use and sale of pre-paid products such as tickets and monthly passes.

	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree	Don't Know	Response Count
When paying by cash, all customers should pay the same rate of \$2.50.	14.3% (57)	15.0% (60)	13.0% (52)	12.8% (51)	42.9% (171)	2.3% (9)	399
COMMENTS:							184
<i>answered question</i>							399
<i>skipped question</i>							1

2. MONTHLY PASS: The proposed cost of the monthly passes will reflect an average usage of 38 trips per month compared to the current 36.2 trips per month. Research indicates that average monthly passholder makes 43 trips a month.

	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree	Don't Know	Response Count
Monthly pass rates should increase to reflect an average usage of 38 trips per month.	3.0% (12)	10.2% (40)	9.4% (37)	19.8% (78)	54.6% (215)	4.6% (18)	394
COMMENTS:							196
<i>answered question</i>							394
<i>skipped question</i>							6

3. DAYPASS: The proposed plan eliminates the DayPASS fare product. Less than one per cent of customers purchase this product.

	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree	Don't Know	Response Count
The DayPASS should be eliminated.	15.5% (61)	22.8% (90)	11.9% (47)	12.9% (51)	24.4% (96)	13.7% (54)	394
COMMENTS:							141
<i>answered question</i>							394
<i>skipped question</i>							6

4. OFF-PEAK MONTHLY PASS: A new fare product is being proposed to help encourage passengers to ride transit during off-peak hours. A discounted monthly pass would be valid outside of peak hours. (Monday through Friday peak hours: 6:00 a.m. to 9:00 a.m. and 3:00 p.m. to 6:00 p.m.)

	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree	Don't Know	Response Count
An 'Off-Peak' monthly pass should be added as a pre-paid fare option.	13.3% (52)	17.7% (69)	13.8% (54)	16.9% (66)	33.3% (130)	6.2% (24)	390
COMMENTS:							208
<i>answered question</i>							390
<i>skipped question</i>							10

5. SYSTEM FUNDING: The cost to operate the Victoria Regional Transit System is shared by a variety of sources: provincial contributions, property taxes, fuel tax funding, fare revenue, and advertising sales. Recently, provincial funding increased by five per cent to add 40,200 more hours to the local transit system. In 2007, the Gas Tax increased by one cent, to 3.5¢ per litre, while in 2009, property taxes were increased by 11 per cent to help fund transit. For more information visit FARE REVIEW at www.bctransit.com/regions/vic - "How do we pay for transit today?"

	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree	Don't Know	Response Count
The cost of transit is evenly distributed between all funding sources.	3.8% (15)	15.1% (59)	23.5% (92)	17.3% (68)	12.0% (47)	30.1% (118)	392
COMMENTS:							113
<i>answered question</i>							392
<i>skipped question</i>							8

6. When was the last time you used transit?

		Response Percent	Response Count
In the past 24 hours		74.7%	296
In the past 7 days		15.4%	61
In the past month		4.3%	17
More than one month ago		2.8%	11
Within the past year		2.0%	8
Never		0.8%	3
<i>answered question</i>			396
<i>skipped question</i>			4

7. How do you normally pay your fare?			
		Response Percent	Response Count
Cash fare		14.1%	55
Monthly pass		36.3%	142
Tickets		21.0%	82
ProPass		11.3%	44
U-PASS		14.3%	56
YouthPASS		2.8%	11
handyDART		0.3%	1
		<i>answered question</i>	391
		<i>skipped question</i>	9

8. Additional comments about the proposed fare adjustments are welcome:		
		Response Count
		282
		<i>answered question</i>
		282
		<i>skipped question</i>
		118