

Amendments to By-law U-100

Halifax Transit Fare Strategy 2019

July 25, 2019

Halifax Transit fare increase

- Proposed 25-cent fare increase (to the standard adult fare) was approved by Regional Council as part of the 2019/2020 budget
- Specifics of the rollout of the fare increase were not in place at that time
- Proposed 25-cent fare increase is to assist in funding Halifax Transit operating costs in 2019/2020 and 2020/2021
- Increase in Halifax Transit's operating budget for 2019/2020 and 2020/2021 is due to several factors including: increased wages, increased cost of fuel, service increases associated with the *Moving Forward Together Plan*, etc.
- Previous fare increases by Halifax Transit:
 - from \$2.25 to \$2.50 on September 30, 2013
 - from \$2.00 to \$2.25 on July 1, 2009
 - from \$1.75 to \$2.00 in January 2005

Change in approach

- Historically, Halifax Transit fare increases have been applied uniformly (e.g. a 25-cent increase of all passenger classifications, for all products/media, across all services)
- The reason for the change in approach is to:
 - Consider industry best practices
 - Emphasize strategic goals and plan for the future in an effort to increase ridership
 - Reduce cash handling
 - Provide more options and convenience to passengers

Jurisdictional scan

Jurisdictions Based on Fleet Size / Population	R/C Ratio	Adult Cash Fare	Adult Monthly Pass	Child Cash Fare	Child Monthly Pass	Senior Cash Fare	Senior Monthly Pass	Buses	Municipal Population	Service Area Population
Halifax, NS	35%	\$2.50	\$78.00	\$1.75	\$58.00	\$1.75	\$58.00	323	425,871	316,780
Victoria, BC	46%	\$2.50	\$85.00	\$2.50	\$45.00	\$2.50	\$45.00	282	367,770	314,696
London, Ont	52%	\$2.75	\$81.00	\$0.00↓		\$2.75	\$57.50	206	385,100	385,100
Hamilton, Ont	50%	\$3.00	\$105.60↑	\$3.00	\$88.00↑	\$3.00	\$29.50↑	251	536,917	490,673
Waterloo Region, Ont	39%	\$3.25	\$86.00↑	\$3.25	\$73.00↑	\$3.25	\$73.00↑	249	541,395	452,684
Laval, Que	33%	\$3.25	\$95.00↑	\$3.25	\$57.00↑	\$3.25	\$57.00↑	306	430,077	430,077
Longueuil, Que	42%	\$3.25	\$98.50↑	\$3.25	\$58.50↑	\$3.25	\$58.50↑	444	419,677	419,677
Mississauga, Ont	48%	\$3.75↑				\$1.00		467	764,300	764,300
Durham Region, Ont	39%	\$3.75	\$117.00↑	\$2.50	\$65.00	\$2.50	\$46.00	186	673,075	567,421
Brampton, Ont	46%	\$4.00↑	\$124.00↑	\$4.00↑	\$105.00	\$1.00	\$52.00	407	593,638	588,200
Gatineau, Que	43%	\$4.00↑	\$97.00↑			\$2.60	\$41.00↑	364	278,589	278,589
York Region, Ont	40%	\$4.00	\$150.00↑	\$4.00	\$63.00↑	\$4.00	\$63.00↑	539	1,186,907	1,083,442
Averages for Jurisdictions	43%	\$3.41	\$103.91	\$2.86	\$69.31	\$2.65	\$52.25	336	561,586	524,987

Atlantic Canadian Jurisdictions > 20 Buses	R/C Ratio	Adult Cash Fare	Adult Monthly Pass	Child Cash Fare	Child Monthly Pass	Senior Cash Fare	Senior Monthly Pass	Buses	Municipal Population	Service Area Population
Halifax, NS	35%	\$2.50	\$78.00	\$1.75	\$58.00	\$1.75	\$58.00	323	425,871	316,780
Moncton, NB	38%	\$2.50↑	\$64.00↑	\$2.50↑	\$49.00↑	\$2.50↑	\$49.00↑	31	116,940	116,940
St. John's, NL	29%	\$2.50↑	\$78.00↑	\$2.00↑	\$53.00↑	\$2.50↑	\$53.00↑	42	153,400	137,590
Saint John, NB	47%	\$2.75	\$77.00	\$2.50	\$66.00	\$2.50	\$55.00	42	120,000	100,420
Fredericton, NB	39%	\$2.75	\$80.00	\$2.75		\$2.75	\$50.00	25	58,220	58,220
Averages for Jurisdictions	38%	\$2.63	\$74.75	\$2.44	\$56.00	\$2.56	\$52.33	35	112,140	103,293

Observations

- Halifax Transit is tied for lowest Adult Cash Fare, \$0.85 lower than average for evaluated jurisdictions
- Halifax Transit has second lowest Child Cash Fare, \$1.23 lower than average for evaluated jurisdictions
- Halifax Transit has lowest cost Adult Monthly Pass, \$22.47 lower than average for evaluated jurisdictions
- Halifax Transit's Child Monthly Pass is \$9.45 lower than average for evaluated jurisdictions

Recommendations

- Fares should be increased to be more in-line with similar jurisdictions
- Monthly passes need to be more competitive relative to tickets - current pricing requires too many trips for the monthly pass to be a better value than tickets

Passenger classifications

Summary

- Reduce passenger classifications from 4 (adult, senior, child, student) to 2 (adult, youth)

Recommendation

- Implement a 6-month pilot program that would increase the age at which children ride free on Halifax Transit from 4 and under to 12 and under
- A pilot would allow Halifax Transit staff to gauge the long-term impact to both ridership and Halifax Transit's operating budget and then report back to Regional Council

Recommendation

- Eliminate the senior classification and include those 65 and older in the adult classification
- Other programs are now in place to protect vulnerable seniors (Low income transit pass, ESIA pass, free travel on Tuesdays) and data suggests far fewer seniors today are financially vulnerable compared to the past
- Jurisdictional scan indicates that few other similar-sized jurisdictions offer senior-specific cash fares

Current Passenger Classifications		Recommended Passenger Classifications	
Halifax Transit currently classifies passengers based on age or school criteria.		Halifax Transit recommends that passenger classifications be changed in the following ways.	
Adult	non-students aged 16 - 64	Adult	Change the age to 18+
Senior	aged 65+		Eliminate the senior fare; to be included under Adult fare
Child	aged 5 - 15	Youth	Change the age range to 5 - 17 (13 - 17 for the duration of the pilot to offer free travel to children 12 and under) and combine with the Student fare classification.
Student	full-time student with valid student ID		Eliminate the Student fare classification

Service tiers

Summary

- Eliminate an unnecessary service tier and adjust the fare associated with the airport route (320)

Recommendation

- Eliminate the MetroLink premium fare
- The Moving Forward Together Plan includes the replacement of existing MetroLink routes with new express routes
- As the MetroLink routes are being eliminated, the MetroLink premium fare is no longer required

Recommendation

- Increase the fare of only the airport route to \$6
- The airport route provides a significantly higher level of service than other Regional Express routes, operating consistently all day, seven days a week
- To reflect the reduced ridership expectations, higher level of service, and resulting higher level of cost to operate this service, a higher cash/single rider fare is appropriate

Current service tiers		Recommended service tiers	
Standard Fare	Conventional bus Ferry Access-A-Bus	Standard Fare	Continue unchanged.
Limited-Stop	<u>MetroLink</u>		<u>MetroLink</u> premium fare is being eliminated.
Regional Express	<u>MetroX</u>	Regional Express	Continue unchanged.
		Airport	Airport cash fare to be increased to \$6.

Fare table

Recommended Fare Table

Passenger Classification	Cash Fare			10 Tickets			Monthly Pass				
	Single Usage	Multiplier vs Base Fare	Cost	Assumed Usage	Multiplier vs Cash Fare	Cost	Assumed Usage	Multiplier vs Cash Fare	Cost	Break Even to Tickets/Electronic fare	Break Even to Cash
Conventional, Ferry, Access-a-Bus											
Adult	1	100%	\$2.75	10	90%	\$24.75	40	75%	\$82.50	33.3	30.0
Youth	1	75%	\$2.00	10	90%	\$18.00	40	75%	\$60.00	33.3	30.0
Metro X With ticket, pass, or transfer, pay difference for all passenger classifications											
Adult	1	150%	\$4.25	n/a			40	75%	\$127.50	33.1	30.0
Youth	1	112.5%	\$3.00	n/a			40	75%	\$90.00	33.3	30.0
Airport	1	200%	\$6.00	n/a			Same as MetroX (above)				

*All fares rounded to the nearest quarter except Airport, which is rounded up to the nearest dollar.