

ATTACHMENT A

Volume Incentive Pass Program - Proposed Price List

(Chart reflects prices after a 10¢ fare increase – Adult ticket/token price @ \$1.90)

Price Category	# of Passes Purchased Monthly	Price Per Pass	Approximate Discount to Adult:	
			Metropass (\$98.75)	MDP (\$90.50)
A	50 to 249	\$88.75	10%	2%
B	250 to 499	\$87.75	11%	3%
C	500+	\$87.00	12%	4%

Note: 65% of employees in City of Toronto are in companies > 50 employees

ATTACHMENT B

Potential Advantages and Disadvantages of the Volume Incentive Pass (VIP) Program

Outlined below are the relative advantages and disadvantages of implementing a Volume Incentive Pass program for both the TTC and potential participants.

TTC Advantages

- The Program provides a framework for the fair and equitable treatment of all interested and qualified parties who wish to purchase passes on a volume basis;
- No additional fare media is required;
- There is a positive impact on ridership;
- "Employees" in the Program may influence the travel behaviour of family members;
- There is potential for some cost avoidance for participants who switch from MDP to VIP (e.g. postage; envelopes; contractor handling costs);
- Line-ups at collectors booths and ticket agents will be reduced;
- There will be a reduction in the amount of cash handled/processed by TTC staff in the system.

"Employer"/"Employee" Advantages

- Allows organizations the freedom and flexibility to offer "employees" additional discounts over and above the TTC discount as an inducement to participate in the Program;
- Potential to reduce operating costs for employer provided parking as well as future investments in parking infrastructure;
- Participants would be viewed as being environmentally friendly. Participation is seen as an effort to reduce the reliance on private vehicles and provide a contribution towards the reduction of green house gases. The environmental aspects of participation have a much higher profile today as a result of the pending Kyoto Accord;
- There is the potential to improve efficiency through the reduction of lost "employee" time due to commuting delays; and
- "Employees" save time by not having to line-up at collector booths to purchase monthly passes.

TTC Disadvantages

- There will be a net revenue loss from riders currently using Metropasses and heavy users of tickets/tokens who switch to the program; and
- There is the potential for negative feedback that riders who can "afford" to pay are receiving a discount at the expense of the general ridership, and specifically those who cannot pay.

"Employer"/"Employee" Disadvantages

- Potential increase in costs of administration and distribution including the potential for additional workload on payroll/human resource staff;
- Potential changes to payroll systems required depending on the level of sophistication and degree of utilization;
- Potential logistical issues for enterprises with multiple locations; and
- Resistance to the loss of any past capital investment in employee parking related infrastructure. Some employees may not support the initiative depending on their current vehicle parking privileges/benefits.