TORONTO TRANSIT COMMISSION

TO Commissioners

FROM Gary Webster

MEETING DATE February 27, 2008

SUBJECT Staff Response To Commission Inquiry – Subway Emergency

Transfers

RECOMMENDATION

It is recommended that, for reasons outlined below, the Commission does not replace Subway Emergency Transfers with a "credit note" to be used by customers at any time.

BACKGROUND

Chair Giambrone submitted a communication dated February 21, 2007 entitled "Subway Emergency Transfers". The Commission referred the communication to staff for a report on this issue.

DISCUSSION

During extended subway delays, Subway Emergency Transfers are issued for transfer to surface route vehicles and shuttle buses connecting with the subway. These transfers are yellow in colour and have no date, time, or route information as they are only valid at that time. Given that not everyone is able or chooses to board a surface vehicle at the time of a subway emergency, Chair Giambrone raises the possibility of issuing a credit note instead of the current emergency transfer, "so that riders receive something for their payment, and are encouraged to use the system again, rather than being discouraged and turned off by the experience".

Currently, many customers inconvenienced by a subway delay do not utilize the shuttle bus option. If a credit note were issued, however, it is reasonable to assume that many customers would obtain one, given it has value and is transferable. Currently, it is very often overwhelming for a Station Collector, sometimes with the assistance of a supervisor, to issue the required number of Emergency Transfers. The line ups and crowding would only get worse and cause concern in station evacuation times if a credit note were issued.

It is estimated that annually 600,000 customers would be eligible for a credit note. In addition to this revenue loss from issuance of credit notes, there are also loss risks associated with theft and counterfeit.

Credit notes would have the same value as a ticket or token but would not be governed by the same controls with respect to distribution. It would be virtually impossible, for example, to determine how many credit notes a Collector actually distributed during any given subway delay. Therefore, credit notes would be subject to employee theft.

Absent of any special and expensive security features, such as a hologram, credit notes would be easy to counterfeit. The Commission's resultant actual revenue loss, therefore, would potentially be many millions of dollars annually.

While recognizing that customers have paid their fare and are inconvenienced in the event a lengthy subway delay when they are asked to leave the subway, staff acknowledge that operators on surface routes and shuttle buses that accommodate these customers are to use good judgement in allowing customers to board whether they have an Emergency Transfer or not. Management will take steps to reinforce this with its operating personnel.

JUSTIFICATION

As a result of the issuance and crowding implications and potential revenue loss noted above, it is recommended to continue with the existing Subway Emergency Transfer.

Chief General Manager

06-269-32