

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: September 30, 2010

SUBJECT: FARE MITIGATION STRATEGY FOR SOCIAL ASSISTANCE AND
ONTARIO DISABILITY RECIPIENTS

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission:

1. Endorse a program to provide fare mitigation for Social Assistance and Ontario Disability Support Program recipients, pending adequate funding by an external source to overcome the revenue shortfall that would result.
2. Forward this report to the City of Toronto Budget Committee, and
3. Forward this report to the Chair of the City of Toronto's Disability Issues Committee.

FUNDING

The estimated impact of providing reduced fare Metropass (from \$121.000 to \$99.00) to this client group is currently not known due to lack of data. However, for each increment of 10% of eligible users of the reduced price pass, the loss in revenue to the TTC is estimated to be \$5.7 million. Should the TTC administer a low income pass program, the required subsidy for each reduced pass sold would amount to \$22.00. The impact has not been factored into the TTC 2011 TTC Operating Budget.

BACKGROUND

At its meeting on September 12, 2007, the Commission requested staff to meet with Toronto Social Services staff to develop a fare mitigation strategy for Social Assistance and Ontario Disability Support Program recipients.

DISCUSSION

In 2009, there were approximately 214,000 adult recipients of social assistance and ODSP. If directed to do so, the TTC, in conjunction with the City of Toronto, would develop methods of conducting research on a representative sample of the eligible client group to determine the cost of the reduced pass program. Please note that the current TTC Adult Metropass is transferable and ensuring that the proper people using the reduced price pass would be difficult without a photo ID.

Reduced pass prices for low income users is not widespread. Transit Properties in Calgary, Edmonton, Hamilton, Kingston and Waterloo Region have reduced price pass programs. Waterloo's is sponsored by the Region of Waterloo Social Service. Edmonton's program of a Low Income Senior Annual Pass for 8,000 recipients costs approximately \$400,000. The Calgary Transit Low-Income Monthly Transit Pass is used by approximately 6,000 users per month, at an annual cost of approximately \$4 million.

JUSTIFICATION

Staff agree that a Low Income Pass could be part of the service offered by the City of Toronto Social Service agencies. The agencies would buy the pass from the TTC as a ticket agent and distribute the passes to their clients at whatever price they deemed appropriate.

Please note that the request for reduced fares for Low Income riders was dealt with on May 6, 1986 by the Commission, where the following was approved:

3. Advise the Municipality of Metropolitan Toronto that the Commission is willing to administer a Reduced Fare Program, if Metropolitan Council deems such a program appropriate and adequate funding can be found to overcome any revenue shortfall which would result to the Commission.

September 24, 2010

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