

Edmonton Social Planning Council Position Statement on Reduced Transit Fares

January 25th, 2012

Reduced Transit Fares Should be Based on Income, Not Age

The Edmonton Social Planning Council, for the past 70 years, has been a voice for reducing poverty and raising social inclusiveness in Edmonton. This year, we are recommending that council review its existing transit fare structures, which are targeted to particular groups (seniors, AISH, students), and implement a structure that enables all people on low incomes to access affordable public transit.

Our city offers abundant opportunities in education, employment, culture, recreation, health care, retail shopping and entertainment – all enabled by our size, with a population of nearly one million people. Ironically, our very size often necessitates motorized transport as the primary means of accessing these amenities – thereby creating a financial barrier to residents who cannot afford to own an automobile or even use public transit.

The city's 2009 Strategic Plan, *The Way Ahead*, embraced the principle of affordability, that is, "the ability of people of all incomes to have access to affordable core needs such as housing, food, transit and core social services."

Similarly, the 2009 Transportation Master Plan, *The Way We Move*, identified a strategic goal "to provide reasonable access with a variety of modes for people across demographic, geographic, socio-economic and mobility spectrums."

The 2010 People Plan, *The Way We Live*, announced, as Objective 3.3, that "The City of Edmonton reduces physical and financial barriers to housing, transportation, libraries, recreation, social and leisure opportunities for residents."

But the cost of public transit, for low-income residents, remains a direct financial barrier to transportation and an indirect barrier to many of the other opportunities mentioned in that objective: Children who live beyond walking distance from their schools, and whose parents cannot afford bus passes, are at risk of inconsistent attendance and low academic achievement.

Parents of school children may be unable to attend school committee meetings, concerts and meetings with teachers.

People who are unemployed or earning minimum wages may be unable to travel to seek better work, to attend interviews, or to pursue training or educational opportunities.

Low-income earners, especially part-time split-shift workers, may be unable to afford the cost of commuting.

People may forgo needed visits to physicians, dentists, pharmacists or other professionals because they cannot afford transit costs.

Consumers may be unable to comparison-shop or take advantage of lower-priced stores beyond walking distance.

People who cannot afford transit will be limited in visiting friends and family beyond their immediate neighbourhoods.

Edmonton Transit now provides a patchwork of reduced fares for youths, seniors, AISH recipients, post-secondary students and Public and Catholic schools students. But the discounted rates for students remain expensive for those from low-income families. And no discounts are provided for non-senior, non-AISH low-income adults. Their needs are partially addressed by the Donate-A-Ride program but it meets only a fraction of ticket requests.

Reduced transit fares for residents of all ages have been implemented by other Canadian municipalities including Ottawa, Hamilton, Waterloo, Kingston, Durham, and Calgary which, since 2005, has offered "Fair Fares" at reduced rates to residents of all ages, with incomes below 75 per cent of the Low Income Cut Off.

A study of the Calgary Fair Fares program, by HarGroup Management Consultants, found low-income transit passes enabled people to complete more education and training, to find employment more quickly, to hold jobs more consistently, to volunteer more often and to visit family and friends more frequently.

How could lower Edmonton Transit fares for low-income adults, who are not seniors, be funded? Special funds from the province apparently are not forthcoming. And the City's general revenues already are stretched. So we recommend a rebalancing of the existing fare structure, with a review of the deeply discounted fares for seniors who are not on low income.

In 2011, Edmonton Transit passes for non-senior adults are priced at \$84.65. But all seniors, even those on comfortable incomes, pay only \$13.00. Annual passes are sold to seniors for \$118.00, and to seniors with low incomes for \$51.00.

The disparity between fares for non-senior adults on low income, and seniors who are not on low incomes, is inconsistent with the city's own objectives.

Why does the fare structure include this disparity? Perhaps it because a dated assumption that most seniors live on low incomes. However, the 2009 Report of the National Seniors Council on *Low Income Among Seniors*, stated that "Between 1980 and 2006, the incidence of low income among seniors decreased from 21.3 per cent to 5.4 per cent – a lower rate than most other industrialized countries. This dramatic decline is largely attributed to the effectiveness and sustainability of Canada's retirement income system."

Edmonton Transit, in a recent *Fare Policy Discussion Paper*, noted that "other municipalities have taken a more equitable and inclusive approach by implementing a universal low income transit pass"

It recommended that “concession fares should be based on income rather than age or disability,” conforming to current City policy at recreation centres, swimming pools and libraries.

The Edmonton Social Planning Council remains concerned about incomes and social inclusion of seniors. But we are concerned about incomes and social inclusion of all Edmonton residents. Given a scarce-resources budget, and an absence of special funding from any other order of government, we support the recommendation of the Edmonton Transit discussion paper that concession fares be based simply upon income.