

Impacts of Elimination of Child Fare on Saskatoon Transit

ISSUE

Saskatoon Transit charges a fee for children in elementary school – kindergarten (age 5) to grade 8 to ride the bus. What would be the impacts of eliminating child fare for children ages 5 to 13?

BACKGROUND

The Governance and Priorities Committee, at its meeting held on August 15, 2023, resolved:

“That, ahead of the final 2024/25 budget meetings, the Administration report on the impact of eliminating fares for children 5 to 13 years of age (under 13). The report should incorporate details from Regina Transit related to their elimination of fares for children under 13.”

CURRENT STATUS

Saskatoon Transit currently charges child fares of \$2.25 for elementary age children kindergarten (age 5) to Grade 8.

Saskatoon Transit has offered the ClassPass program since 2017 which is a fully subsidized transit service for K-12 students, teachers and chaperones for class field trips between 9:00 a.m. and 3:00 p.m. on weekdays.

Based on the most recent census data, it is estimated there are just over 47,000 residents under the age of 13 in the City of Saskatoon (16% of the population).

DISCUSSION/ANALYSIS

As transit agencies navigate the impacts of COVID-19 and explore strategies for increasing accessibility and usage of public transit, several agencies across Canada including Regina Transit, have eliminated child fares to make public transit more affordable and attractive to riders.

Winnipeg, Calgary, Edmonton, Ottawa, Toronto, BC Transit and Montreal have also eliminated child fares. Among these agencies, there is some variance between the age of eligibility and if adult supervision is required. Appendix 1 contains more details on the approaches used by several agencies in Canada that have eliminated child fares.

Regina Transit

The elimination of child fare in Regina Transit was identified as an action in the 2022 Regina Transit Master Plan and was subsequently brought forward by Administration as a recommendation to Council. The recommendation was for “the removal of Regina Transit bus fares for children 13 years of age and under (or grade eight and under), when accompanied by a fare paying adult, effective August 28, 2022”. An amendment to the recommendation approved by Council was that the words “when accompanied by a fare paying adult” be removed.

Regina estimated their initial forecast of revenue loss in the child fare category to be \$81,000 annually. Using data from other municipalities, their consultant Dillon Consulting, forecasted an expected annual increase in adult ridership associated with the elimination of fares for children 13 years and under of \$79,200. Based on these numbers, Regina was expecting a net fare revenue loss of approximately \$2,000 annually prior to the implementation.

Regina reports no negative financial impacts since the implementation of fully subsidized transit for children 13 years of age and under in September 2022. In the first eight months of implementation (September 2022 to April 2023), Regina Transit reported an increase of approximately 260% (approximately 81,000 rides) over the pre-implementation baseline 13 years of age and under ridership. These statistics are based on operators gathering the data through pushing a button on the farebox.

Regina Transit indicated a rise in disruptive incidents involving unsupervised youth since their plan was implemented, and a possible increase in high school students not paying bus fare. Regina is working on collecting data to validate the total number of these occurrences.

Regina Transit also advised that the inclusion of 13-year-old youth in the program results in high school students having fully subsidized fare until they turn 14. The information in Appendix 1 shows that other agencies that have implemented a fully subsidized youth transit program have an age ceiling of either 11 years old and under or 12 years and under.

Risks for Saskatoon Transit

Information, primarily from Regina Transit, indicate that the implementation of a fully subsidized child transit program increases transit ridership. This is a positive result and a key objective of the program. However, the risk is that the busy or popular routes, especially at peak times, may have excess demand, generating overcrowded buses. If this occurs, Saskatoon Transit will likely need to add additional supply to address service at peak times.

Based on preliminary information from Regina, Saskatoon Transit may also experience an increase of incidents involving unsupervised youth and fare evasion if child fares are eliminated without being accompanied by an adult or proof of age card.

STAKEHOLDER ENGAGEMENT

Saskatoon Transit has not undertaken any significant engagement with stakeholders or the public regarding elimination of child fares other than preliminary discussions with Bus Riders of Saskatoon and Amalgamated Transit Union Local 615. A more thorough public engagement will be completed to fully discuss all the fare products in the future fare review.

FINANCIAL IMPLICATIONS

Based on current revenue data, child fare revenue for Saskatoon Transit is estimated to be approximately \$200,000 annually. It is unknown how much of this revenue loss would be offset with increased adult fare revenue associated with elimination of child fares, but based on Regina's experience, there is a strong possibility that the majority of this revenue could be recovered through increased adult fares for those accompanying children qualifying for fully subsidized transit.

OTHER IMPLICATIONS

A bylaw amendment would be required should City Council chose to eliminate the child fare.

NEXT STEPS

At the August 15, 2023 Special Governance and Priorities Committee meeting, Administration committed to provide an update on the planned comprehensive transit fare review. This review will explore the implications and impacts of changes to all the fare categories.

Unless directed otherwise by City Council, child fares including an assessment of elimination of child fares, will be included in the planned comprehensive transit fare review. Administration is planning to incorporate the comprehensive transit fare review into the Universal Low Income Subsidy project that has been included as a budget option in the 2024/2025 Multi-Year Business Plan and Budget deliberations. The project would include stakeholder engagement. If funding is approved for this project, work would commence in early 2024 and is expected to be completed by 2026, in time for the Bus Rapid Transit operations to commence.

APPENDICES

1. Agency Scan of Child Fare Rates, Policy and Implementation Dates

Report Approval

Written by: Cory Shrigley, Customer Support and Engagement Manager
Reviewed by: James Puffalt, Director of Saskatoon Transit
Mike Jordan, Chief Public Policy & Government Relations Officer
Approved by: Terry Schmidt, General Manager, Transportation and Construction

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