

# The Regional Municipality of York

Committee of the Whole  
Transportation Services  
June 10, 2021

Report of the Acting Commissioner of Transportation Services

## York Region Transit 2020/2021 Hold on Fare Increases

### 1. Recommendation

Council approve a hold on York Region Transit fare increases in 2021.

### 2. Summary

This report seeks Council approval to not implement the York Region Transit (YRT) fare rate increases in 2021 and provides an update on planned changes to fare age categories that were approved by Council in 2020.

Key Points:

- YRT fares were not increased in 2020 and staff are not recommending an increase in 2021 as a result of the COVID-19 pandemic
- A revised fare policy is planned to be presented to Council in early 2022, further to the York Region Transit/Toronto Transit Commission Fare Policy and Fare Collection Technology Review, currently under way
- Most other transit agencies in the Greater Toronto and Hamilton Area (GTHA) are not increasing fares in 2022

### 3. Background

#### **Staff did not proceed with a transit fare increase in 2020 and do not recommend an increase in 2021**

The YRT Fare Policy anticipates an internal cost adjustment annually and is included in the operating budget each year. An internal inflation rate is applied to primarily cover annual operations and maintenance contract increases, helping to achieve the revenue-to-cost ratio target of 40% set by Council.

With the onset of the COVID-19 pandemic and resulting YRT service reductions, staff did not proceed with a fare increase July 1, 2020 and do not plan to increase transit fares this year in July. The financial impact in 2020 was \$0.5M. Annualized in 2021, the loss of revenue is estimated to be \$0.9M.

## 4. Analysis

### **In early 2022, staff plan to present a revised Fare Policy to Council based on the outcome of the York Region Transit/Toronto Transit Commission Fare Policy and Fare Collection Technology Review**

York Region Transit and the Toronto Transit Commission (TTC) are leading a comprehensive review that will result in a broad fare policy and fare collection strategy, identifying fare cost uniformity and collection technology requirements to support fare and service integration across all GTHA transit agencies.

Staff plan to present a fare policy to Council in early 2022, based on the work completed with the TTC. The policy will identify go-forward fare recommendations that can be applied across all transit agencies in the GTHA and will be a further step in moving forward with GTHA fare and service integration.

### **Changes to York Region Transit fare age categories will come into effect July 1, 2021**

In [September 2020](#), Council approved changes to the YRT fare age categories, making them consistent with other GTHA transit agencies, as a next step to support future fare integration.

Changes to the current YRT fare age categories include children 0 to 5 ride free and elimination of the secondary school requirement for those aged 13 to 19. As outlined in the September 2020 Council report, the annual cost associated with this change would be approximately \$1.3M, based on 2019 ridership. Ridership reduction due to the COVID-19 pandemic significantly reduces the estimated initial loss of revenue to approximately \$0.5M.

Harmonization of fare age categories will establish a common fare structure, simplify travel and provide clarity to travellers across the GTHA. It is also a step towards fare integration, currently under review with the Province. Following the impact of the COVID-19 pandemic, fare integration would be a critical tool in the economic recovery having community, social, household and environmental benefits. Fare integration could also be a means of accelerating post-COVID-19 pandemic economic and transit ridership recovery in the GTHA.

## 5. Financial

### **The cost of not increasing transit fares in 2021 is estimated to be \$0.5M**

The cost of not increasing fares July 1, 2021, as planned in the 2021 operating budget, is forecasted to result in a revenue loss of approximately \$0.5M in 2021 and \$1.1M annualized in 2022. Staff would manage the revenue loss within the 2021 Council-approved Operating Budget. The impact in 2022 would be considered as part of the annual budget process. The YRT cash fare is the highest in the GTHA but remains in-line with the average fare across the GTHA. Other transit agencies in the GTHA are not increasing fares in 2021.

Revenue loss due to the COVID-19 pandemic is eligible to be claimed as part of the federal-provincial joint *Safe Restart Agreement*. Staff will apply for the lost fare revenue as part of the Phase 3 application process, April 2021 to December 2021. The 2020 loss in fare revenue was recovered by the Region as a result of holding fares through the *Safe Restart Agreement*.

## **6. Local Impact**

Transit services have been reduced or temporarily suspended during the COVID-19 pandemic due to the reduced number of daily travellers on the system. Holding transit fares supports travellers who are dependent on public transit for essential travel in York Region during the COVID-19 pandemic.

Proceeding with harmonizing fare age categories will help establish a common fare structure, simplify travel and provide clarity to travellers across the GTHA. It is also a step towards fare integration and will improve the user experience, attracting and retaining travellers and supporting the reduction of car use.

## **7. Conclusion**

Staff are seeking Council approval to hold York Region Transit fare rate increases in 2021 to help financially support travellers using public transit as their primary means of transportation to access work and essential services.

Changes to York Region Transit fare age categories will come into effect July 1, 2021, making them consistent with other GTHA transit agencies, as a next step to support future fare integration. Fare integration is considered a critical tool in the economic recovery following the COVID-19 pandemic as well as having community, social, household and environmental benefits

Staff will report to Council in early 2022 on the fare policy update, including a recommended fare structure and fare collection strategy.

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For more information on this report, please contact Ann-Marie Carroll, Acting Commissioner of Transportation at 1-877-464-9675 ext.75677. Accessible formats or communication supports are available upon request.



Recommended by:

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Approved for Submission:

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