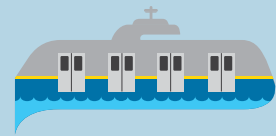
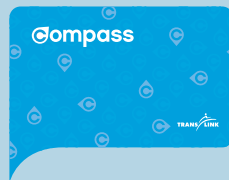


# Transit Fare Review

## Phase 2 Summary Report

June 2017



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# Purpose of this report

In Phase 2 of the Transit Fare Review, we heard from nearly 13,000 Metro Vancouver residents on proposed options for each of the three key structural components that determine how you pay to use transit in Metro Vancouver: 1) Distance travelled; 2) Time of travel; and 3) Service type. This report summarizes what we did, what we heard, and what we learned in Phase 2 of the Transit Fare Review.

**Phase 2 public engagement ran from January 30 to February 17, 2017.**

**Figure 1: Transit Fare Review timeline**



# Purpose of the Transit Fare Review

## In Phase 1, we heard that Metro Vancouver residents strongly support TransLink taking a fresh look at the fare system.

In both a public questionnaire and a market research panel survey, about 6-in-10 respondents disagreed that the current fare system works well, a view expressed by the majority of residents in all sub-regions of Metro Vancouver. For full analysis of these and other results from Phase 1, see the Phase 1 Summary Report.

This dissatisfaction exists, in part, because TransLink's current three-zone fare structure, originally adopted in 1984, has remained largely unchanged for more than 30 years. In this time, the region has grown by over one million people. We have grown from a system based entirely on buses to one that includes an extensive rail rapid transit network. Urban development and travel patterns have evolved so that people today make trips to and from all parts of the region in ways they did not when the current fare structure was implemented.

This strong public interest in change, evolving travel behaviours and the successful roll-out of Compass provide us with an exciting opportunity to review the way that we price transit in Metro Vancouver and create a new fare structure that works better for more people.

The goal of the Transit Fare Review is to recommend changes to the fare structure that increase ridership by delivering an exceptional customer experience that is:

- A. Simple to understand and calculate your fare
- B. Fair and affordable
- C. Helps to improve service and reduce overcrowding

## Will the Transit Fare Review result in increased transit fares?

As a result of the Transit Fare Review, fares for some trips may go up and fares for other trips may go down. However, the approach when comparing fare options is to maintain the same overall amount of fare revenue.

## What we did in phase 2

In Phase 2, we asked for public feedback on the main options for each of the three key structural components that determine how you pay to use transit in Metro Vancouver: 1) Distance travelled; 2) Time of travel; and 3) Service type. These options were developed based on what we heard and learned in Phase 1 of the Transit Fare Review. The options were presented and explained in the [Phase 2 Discussion Guide](#) and in a series of short videos on the TransLink website.

We asked for feedback from the public through a [public survey](#) that was completed by 11,587 participants and a parallel (but more detailed) market research panel survey with the [TransLink Listens Panel](#), completed by 1,127 respondents. Both sought to identify levels of agreement and disagreement with each option, and reasons why. The results of the TransLink Listens panel survey were weighted by age, gender, area of residence, and primary mode of transportation in order to generate findings that are more closely statistically representative of the region's adult population (age 19 and older). The full report on both the public survey and the panel survey is included in Appendix A.

For participants who wanted to dive deeper into the content, an [online discussion forum](#) ran for the duration of the public engagement period that allowed users to interact with each other and ask questions of TransLink in discussion of the survey content. The full report on the online discussion forum process and findings is found in Appendix C.

Two in-person forums with stakeholders were held as well as some by request workshops. The [Stakeholder Forum](#) invited key stakeholders across multiple sectors including labour, business, environment, health, faith, people with disabilities, students, children, youth, and seniors to share their perspectives on the options. An [Elected Officials Forum](#) focused specifically on the perspectives of elected officials from local, provincial, and federal levels of government. The learnings from these events are recorded in Appendix B.

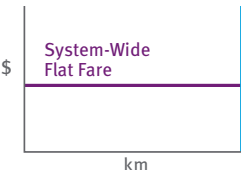
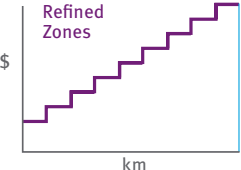

# What we heard and learned in phase 2

In Phase 2, we heard from nearly 13,000 Metro Vancouver residents about which options they agree and disagree with and why. This section outlines what we heard and learned in Phase 2 that will help to further define the range of options we will consider in Phase 3.

## Varying fares by distance travelled

Today, fares are determined by the number of zones a trip travels through. SkyTrain and SeaBus operate under a three-zone structure, West Coast Express has five zones, and bus and HandyDART have had a one-zone structure since late 2015. In light of this distinction, we sought feedback on three options for varying fares by distance for bus separate from the rail system (i.e., SkyTrain and West Coast Express).

### Options for varying fares by distance travelled

D1. Flat by distance	D2. Refined zones	D3. Measured distance
 <p>Eliminate boundary issues altogether by pricing all trip distances the same.</p>	 <p>Refine zone system to address boundary issues through:</p> <ul style="list-style-type: none"> <li>A. Overlapping zones to soften the sharp zone boundary edge</li> <li>B. More zones so increase in price is gradual</li> <li>C. Two-zone base fare where first zone boundary crossing does not incur an additional cost</li> </ul>	 <p>Vary fares based on the measured distance between journey origin and destination using either:</p> <ul style="list-style-type: none"> <li>A. Kilometres</li> <li>B. Number of stops/stations</li> </ul>

*For trips on rail, including SkyTrain and West Coast Express, do you agree or disagree with each of the following options as a way to vary fares by distance?*

	TransLink Listens Market Research Panel Survey 1,127 respondents		Public Survey 11,587 respondents	
	Agree/ Strongly Agree	Disagree/ Strongly Disagree	Agree/ Strongly Agree	Disagree/ Strongly Disagree
D1. Flat by distance	39%	51%	41%	51%
D2. Refined zones	50%	37%	45%	39%
D3. Measured distance	61%	30%	56%	34%

*For trips on the bus, do you agree or disagree with each of the following options as a way to vary fares by distance?*

	TransLink Listens Market Research Panel Survey 1,127 respondents		Public Survey 11,587 respondents	
	Agree/ Strongly Agree	Disagree/ Strongly Disagree	Agree/ Strongly Agree	Disagree/ Strongly Disagree
<b>D1. Flat by distance</b>	53%	34%	61%	30%
<b>D2. Refined zones</b>	37%	48%	29%	54%
<b>D3. Measured distance</b>	42%	46%	37%	52%

**Measured distance is the preferred option for varying fares by distance on the rail system, followed by refined zones. Flat by distance on rail is preferred by some.**

Respondents indicated that the measured distance option is preferred on the rail system because it is perceived as the most fair way to price transit. There is a strong belief that fares should reflect distance travelled. Responses to the refined zones option found that—even among those who agreed with the option—zones are generally considered confusing. Respondents' primary concern with the flat by distance option on the rail system is that the fare price would be too high, especially for short trips. A minority found the inverse to be true—that measured distance on rail would result in fares that are too high for those who travel far distances.

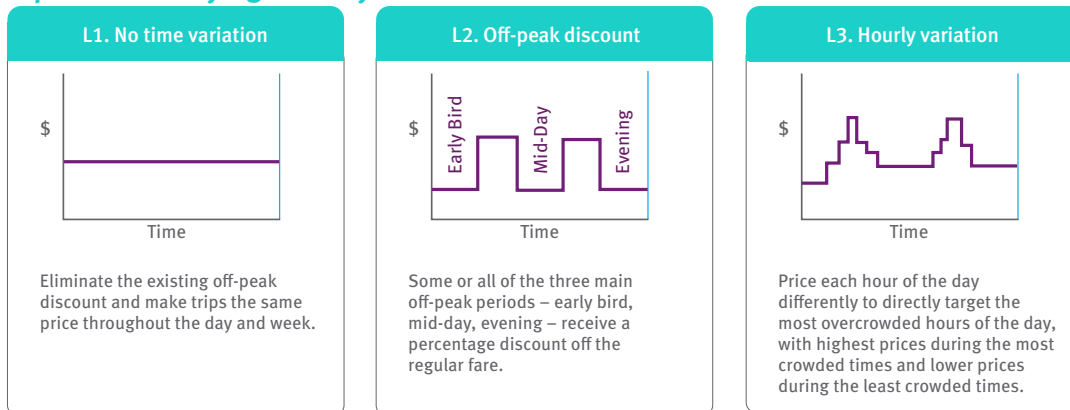
**Flat by distance is the preferred distance option for the bus system, followed by Measured Distance. Refined zones on the bus is preferred by some.**

On the bus, respondents preferred flat by distance due to its perceived simplicity, despite finding the other options to be more fair. Respondents indicated that they would prefer not to have to tap off when exiting the bus, a preference that influenced the levels of agreement with both the refined zones and measured distance options. TransLink is currently working to better understand the viability of tapping off on buses as well as exploring new technology that minimizes the hassle of tapping out. These analyses will be included for consideration in Phase 3.

## Varying fares by time of travel

The rationale for varying fares by time of travel is to encourage price-sensitive riders who have a flexible schedule to shift their travel to less busy times of day, so that there is more space available on the system for riders who need to use the system during its busiest times. Most transit systems experience an influx of riders during a few hours on weekday mornings and weekday afternoons, known as the “peak periods.” Outside of these peak periods, the transit system has less demand, less crowding and more available capacity to accommodate new trips without having to add expensive new vehicles. Three ways for varying fares by time of travel were presented in Phase 2 for consideration and feedback.

### Options for varying fares by time of travel



*Do you agree or disagree with each of the following options as a way to vary fares by time of travel?*

	TransLink Listens Market Research Panel Survey 1,127 respondents		Public Survey 11,587 respondents	
	Agree/ Strongly Agree	Disagree/ Strongly Disagree	Agree/ Strongly Agree	Disagree/ Strongly Disagree
<b>L1. No time variation</b>	33%	56%	42%	46%
<b>L2. Off-peak discount</b>	74%	17%	71%	20%
<b>L3. Hourly variation</b>	27%	60%	20%	68%

### The off-peak discount was strongly preferred as an incentive to travel during off-peak times

The majority of people we heard from feel that the fare structure should contain an incentive to travel during off-peak times to reduce overcrowding. Of the two options proposed that vary fares by time of day, the hourly

variation option is generally perceived as complicated and confusing, while the off-peak discount, which would offer a discount in one or more of the three main off-peak periods, is perceived as fairly simple and easy to understand.

Many of those who disagreed with varying fares by time of travel identified fairness concerns for riders who are unable to shift their travel times and benefit from an off-peak discount.





## Varying fares by service type

Urban regions often deploy a number of transit service types (e.g. rapid transit, commuter rail, bus, ferry, paratransit, etc.) in order to serve different kinds of trips. Often different service types have different prices depending on factors such as speed and frequency of service.

In Phase 1, we heard that only about half of residents supported charging lower fares for slower and less direct service than for faster and more direct service. In Phase 2, we suggested three options for ways that fares could differ by service type with varying tiers of fare prices.




### Options for varying fares by service type

**S1. Fares differ for premium service**





Fares are equal for all services with a premium fare only for West Coast Express, recognizing that it is a high-speed, limited stop service.

**S2. Fares differ for some service types**

Fares differ for some service types.

**S3. Fares differ for all service types**

Fares differ for all services including between local bus service and express bus service.

*Do you agree or disagree with each of the following options as a way to vary fares by service type?*

	TransLink Listens Market Research Panel Survey 1,127 respondents		Public Survey 11,587 respondents	
	Agree/ Strongly Agree	Disagree/ Strongly Disagree	Agree/ Strongly Agree	Disagree/ Strongly Disagree
<b>S1. Fares differ for premium service</b>	68%	22%	68%	21%
<b>S2. Fares differ for some service types</b>	44%	39%	45%	41%
<b>S3. Fares differ for all service types</b>	28%	62%	19%	70%

## **The majority feel the West Coast Express is fast and convenient enough to justify a premium price as fair while allowing the rest of the system to remain integrated and simple to use.**

The option with the least fare variation by service type, fares differ for premium service—in which fares are equal for all services with a premium only for West Coast Express—is preferred by the majority of respondents. There is a perception that West Coast Express is sufficiently fast, convenient, and travels a far enough distance to justify pricing it at a premium relative to the rest of the service

types. This would allow the rest of the system to remain integrated. This option is perceived as being both the most simple and easy to understand as well as the most fair.

In general, levels of disagreement increase as the fare differentiation by service type increases. The most commonly cited explanation is that too much fare variation by service type is complicated and confusing. Respondents also expressed concern that too much fare variation by service type could unfairly penalize low income travellers who may feel compelled to use only the lower cost services.

## **Next steps**

We will use the findings from Phase 2, along with technical modelling of revenue and ridership implications, to help us narrow down the current long list of options into a short list of options for Phase 3. Public Engagement for Phase 3 is planned for late 2017 and will ask for feedback on a short list of options and include an initial discussion of user discounts. Stay tuned for Phase 3!

