

Transit Fares Backgrounder

PHASE ONE

OF THE 10-YEAR VISION FOR METRO VANCOUVER
TRANSIT AND TRANSPORTATION

October 2016





TRANSIT FARES BACKGROUNDER

Fares are an important source of funding for transit service. TransLink currently recovers just over half of its transit operating costs from fares.

TransLink has not increased fares since January 2013. As a result, fares have not kept pace with inflation. This Phase One Plan proposes that transit fares are an important and fair part of funding the expansion of transit service and infrastructure. With the implementation of the Phase One Plan, approximately half of transit operating costs would continue to be recovered by fares, similar to today.

What is the proposed change?

In its funding strategy for the 10-Year Vision, the Mayors' Council identified an additional 2% increase to fares to help support expanded transit service. The Phase One Plan integrates this recommendation with regularly planned inflationary increases. Unlike the old fare system technology, the Compass Card allows for smaller, more frequent increases to be implemented with less inconvenience for transit customers.

The Phase One Plan calls for annual increases of about 5 to 10 cents for single-use fares, and \$1 to \$3 for monthly passes. Increases would be uniformly applied to One-Zone, Two-Zone, and Three-Zone fare products.

Proposed Transit Fares

The proposed fares in the Phase One Plan were developed in order to:

- **Minimize impacts to ridership.** Higher fare rates may discourage some customers from using transit. By implementing small, annual increases—instead of larger, less frequent changes—the Phase One Plan seeks to limit this effect. Fare increases will also be accompanied by a significant expansion in transit service in the region.
- **Maintain TransLink's fare structure.** TransLink is currently conducting a Transit Fare Review (see Box at right). The proposed fare increases in the Phase One Plan would not constitute a change from TransLink's existing zone-based fare structure.
- **Limit impacts on two and three-zone customers.** Customers whose trips require two- or three-zone fares pay higher fares than other customers. By implementing uniform increases—with the same increase applied to all zones—the percentage increase for two- and three-zone customers will be less than that for one-zone customers.

Transit Fare Review

The Phase One Plan will set out the amount of fare revenue that is needed in each of the next 10 years to support transit service and infrastructure improvements. Meanwhile, TransLink is also currently conducting a Transit Fare Review. The focus of this Review is to take the anticipated revenue for fares set out in the Phase One Plan and consider different ways to generate that target revenue from across the different types of trips and users – with a goal of increasing ridership, improving the customer experience, and improving system efficiency.

The Transit Fare Review will not be completed before this Phase One Plan. Therefore, this Plan is proposing to increase fares using the existing fare structure and products. Future phases of the 10-Year Vision will include any fare structure and fare product changes resulting from the Transit Fare Review.

Proposed Transit Fares

The below table presents the proposed fares for the next three years based on the Phase One Plan for TransLink's most common fare products. Proposed fares for all fare products, including West Coast Express fares and Custom Transit, may be found in the Phase One Plan: Draft Technical Documentation.

Fare Rates			Annual fare increases for 2017 through 2019 are assumed effective July 1				Total Increase (2017-19)
			2016	2017	2018	2019	
Regular, Short Term Fares	Adult Cash/Compass Ticket	1-Zone	\$2.75	\$2.85	\$2.95	\$3.00	+\$0.25
		2-Zone	\$4.00	\$4.10	\$4.20	\$4.25	
		3-Zone	\$5.50	\$5.60	\$5.70	\$5.75	
	Concession Cash/Compass Ticket	1-Zone	\$1.75	\$1.80	\$1.90	\$2.00	+\$0.25
		2-Zone	\$2.75	\$2.80	\$2.90	\$3.00	
		3-Zone	\$3.75	\$3.80	\$3.90	\$4.00	
Discounted, Short Term Fares	Adult Compass Stored Value	1-Zone	\$2.10	\$2.20	\$2.30	\$2.40	+\$0.30
		2-Zone	\$3.15	\$3.25	\$3.35	\$3.45	
		3-Zone	\$4.20	\$4.30	\$4.40	\$4.50	
	Concession Compass Stored Value	1-Zone	\$1.75	\$1.80	\$1.85	\$1.95	+\$0.20
		2-Zone	\$2.75	\$2.80	\$2.85	\$2.95	
		3-Zone	\$3.75	\$3.80	\$3.85	\$3.95	
Non-Short Term Fares	Adult Monthly Pass	1-Zone	\$91.00	\$93.00	\$95.00	\$98.00	+\$7.00
		2-Zone	\$124.00	\$126.00	\$128.00	\$131.00	
		3-Zone	\$170.00	\$172.00	\$174.00	\$177.00	
	Concession Monthly Pass	All Zones	\$52.00	\$53.00	\$54.00	\$56.00	+\$4.00

* Changes to West Coast Express fares vary from increases shown. See Phase One Plan: Draft Technical Documentation for complete Fare Table.