

City of Mississauga Corporate Report



<p>Date: November 9, 2023</p> <p>To: Chair and Members of General Committee</p>	<p>Originator's files:</p>
<p>From: Geoff Wright, P.Eng, MBA, Commissioner of Transportation and Works</p>	<p>Meeting date: December 6, 2023</p>

Subject

MiWay Fare Discount for Child and Seniors – Six Month Pilot Update

Recommendation

That the report titled “MiWay Fare Discount for Child and Seniors – Six Month Pilot Update” from the Commissioner of Transportation and Works, dated November 9, 2023 be received for information.

Executive Summary

- Council approved a one year pilot (May 1, 2023 to April 30, 2024) that provides free transit fares for children aged 6 to 12 years old and one dollar (\$1.00) fares for seniors aged 65 and over, available all day.
- Despite an overall increase of approximately 12% in ridership May to October 2023 compared to the same time frame in 2019, MiWay continues to carry fewer senior and child riders.
- The average monthly ridership for the child category between May to October 2023 was 14,000 compared to 21,000 in 2019 for the same time period. The child category makes up 0.3% of MiWay's overall ridership.
- The average monthly ridership for the senior category between May to October 2023 was 214,000 compared to 243,000 in 2019 for the same time period. The senior category makes up 3.4% of MiWay's overall ridership.

Background

On February 01, 2023, Council approved the implementation of a child and senior fare pilot project. This pilot project provides free transit fares for children aged 6 to 12 years old and one dollar (\$1.00) fares for seniors aged 65 and over, available all day.

The pilot project is in effect from May 1, 2023 until April 30, 2024. Additionally, Council requested an update on the projects impact after six months of the implementation.

Comments

After rebounding from the pandemic, MiWay's ridership has exceeded the 2019 pre-pandemic levels by 9% to date. The majority of this progress can be attributed to the adult and student categories, as we have observed significant growth in these areas. However, it's worth noting that the senior and child categories have not yet reached the same level of recovery and remain below 2019 ridership.

During the six-month period from May 1, 2023 to October 31, 2023, MiWay observed and analysed the ridership and revenues in relation to the pilot fare project. The results are summarized below.

Ride Free Pilot - Child (Age 6 to 12 years):

The pilot program allows children aged six to 12 to enjoy free rides when using a PRESTO card with a child concession. The child category represents only a small portion, 0.3% of the overall ridership on MiWay.

From May to October 2023, the average monthly rides for children were 14,000 compared to 21,000 for the same period before the pandemic in 2019.

Total child riders May - October 2019 compared to 2023:

Concession	May-Oct2019	May-Oct2023	# Drop in ridership	% Drop in ridership
Child	127,000	85,000	(42,000)	(33%)

Despite an increase in overall transit ridership, child ridership has not yet returned to pre-pandemic levels. This indicates that providing free fares for children has not proven to be an effective incentive for attracting new riders.

The total reduction in transit revenue as a result of the six-month free child program from May to October 2023 is approximately \$148,000.

Senior \$1.00 Fare Pilot - All Day:

This pilot extends the \$1.00 seniors fare from peak periods during weekdays to all day on weekdays and weekends. Seniors can pay with \$1.00 cash or a PRESTO card set up with a senior's concession.

From May to October 2023, the average monthly ridership for seniors was 214,000 compared to 243,000 for the same period before the pandemic in 2019.

Total senior riders May - October 2019 compared to 2023:

Concession	May-Oct2019	May-Oct2023	# Drop in ridership	% Drop in ridership
Senior	1,457,000	1,285,000	(172,000)	(12%)

Based on the extended discount for seniors, MiWay has not realized a growth in overall seniors riders compared with 2019. The total reduction in transit revenue as a result of the six-month all-day seniors \$1.00 fare program from May to October 2023 is approximately \$569,000.

Fare Enforcement

Measurement of fare evasion remains a challenging task, as it necessitates extensive deployment of limited fare enforcement resources to monitor individuals using a PRESTO card fraudulently. This pilot is still at the early phase to see any meaningful fare evasion impact.

Strategic Plan

The information provided in this report contributes to the strategic pillar of Developing a Transit Oriented City and the strategic goals of ensuring affordability and accessibility.

Financial Impact

After six months of implementing the pilot program, which offers free child fares and discounted senior fares at one dollar for the entire day, the city has incurred a revenue reduction of approximately \$717,000. This encompasses \$148,000 for child fares and \$569,000 for senior's fares covering the period from May to October 2023.

Conclusion

MiWay will continue to monitor the pilot program and provide a report with recommendations to Council at the end of the one-year pilot, including the overall results.



Geoff Wright, P.Eng, MBA, Commissioner of Transportation and Works

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