

Low Income Transit Pass Program Research and Data Summaries

This attachment provides key research and data summaries on the current state and benefits of Calgary Transit’s Sliding Scale Low Income Transit Pass Program. A comprehensive overview of the program can be found in Attachment 5 of TT2019-0637 RouteAhead Update.

Figure 1: Low Income Transit Pass History (2005-2019 Projected)

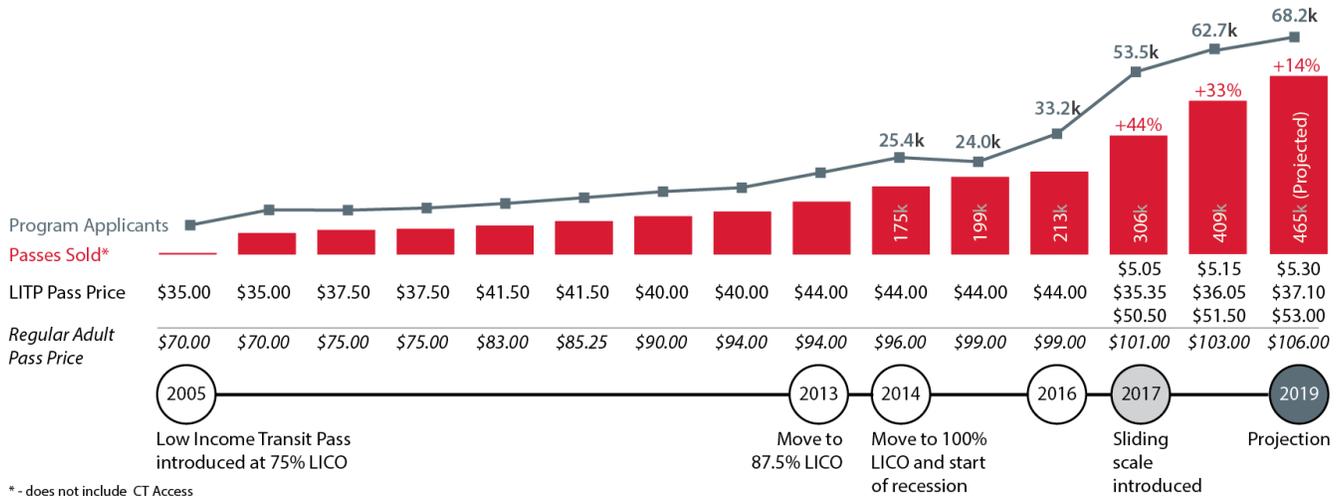


Table 1: 2019 Sliding Scale Fare Structure and Pass Sales

Band	Pass Price (2019)	Low Income Cut-Off Range	Percent Discount off the Adult Monthly Pass	2019 YTD (Sept) Pass Sales	% of Total YTD (Sept) Pass Sales
A	\$5.30	0%-50% LICO	95%	229,000	67%
B	\$37.10	50%-85% LICO	65%	98,100	29%
C	\$53.00	85%-100% LICO	50%	14,800	4%

Figure 2: Low Income Transit Pass Sales by Band

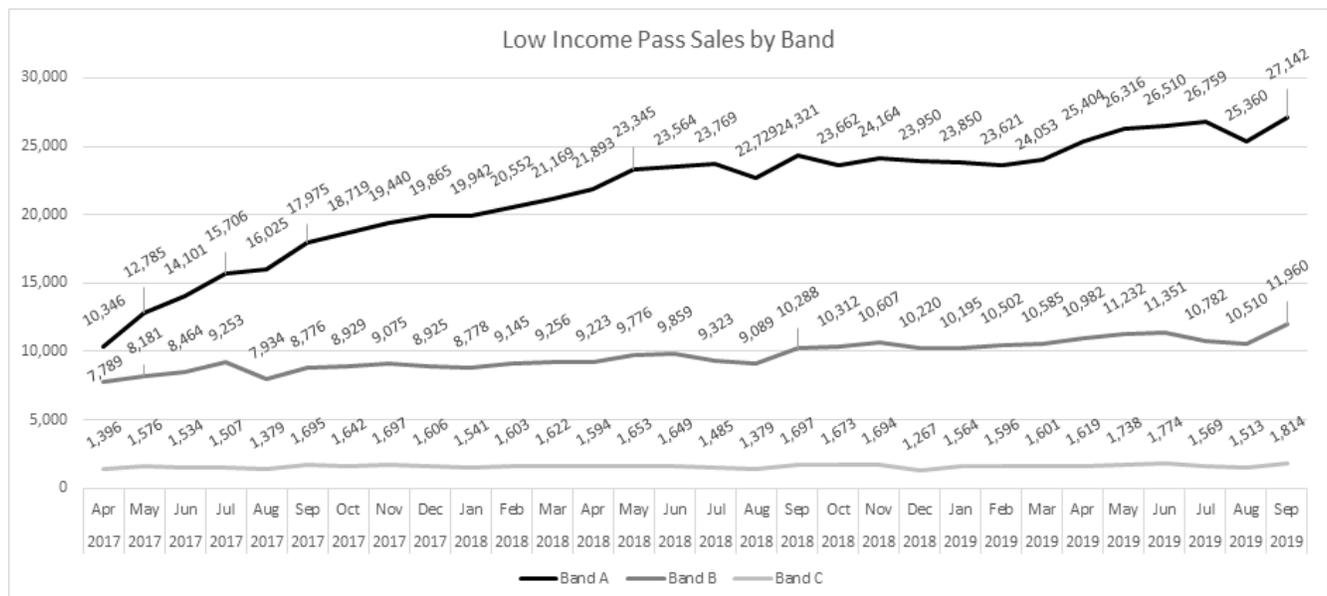
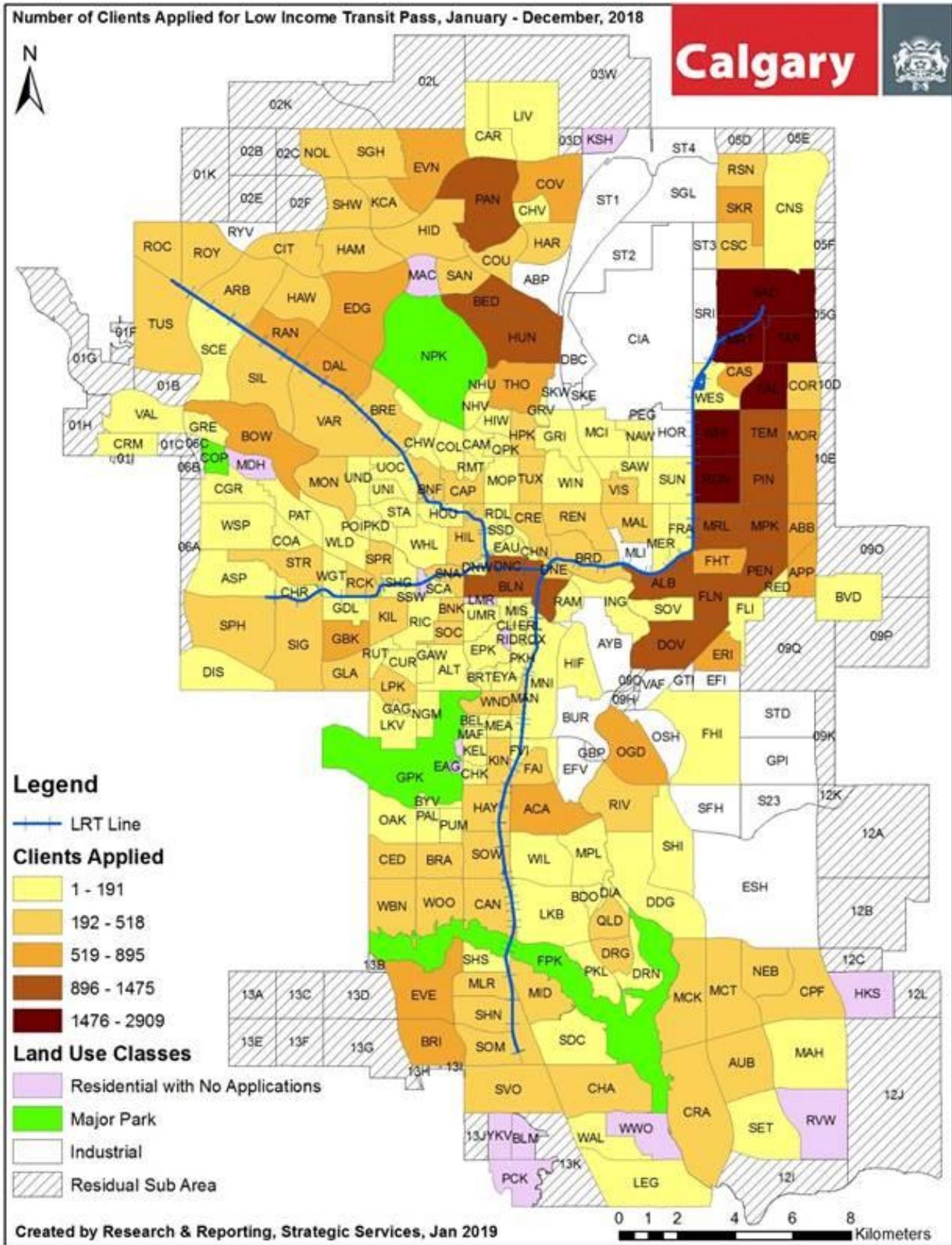


Figure 3: Distribution of Low Income Transit Pass Applicants across Calgary



Direct Customer Impact

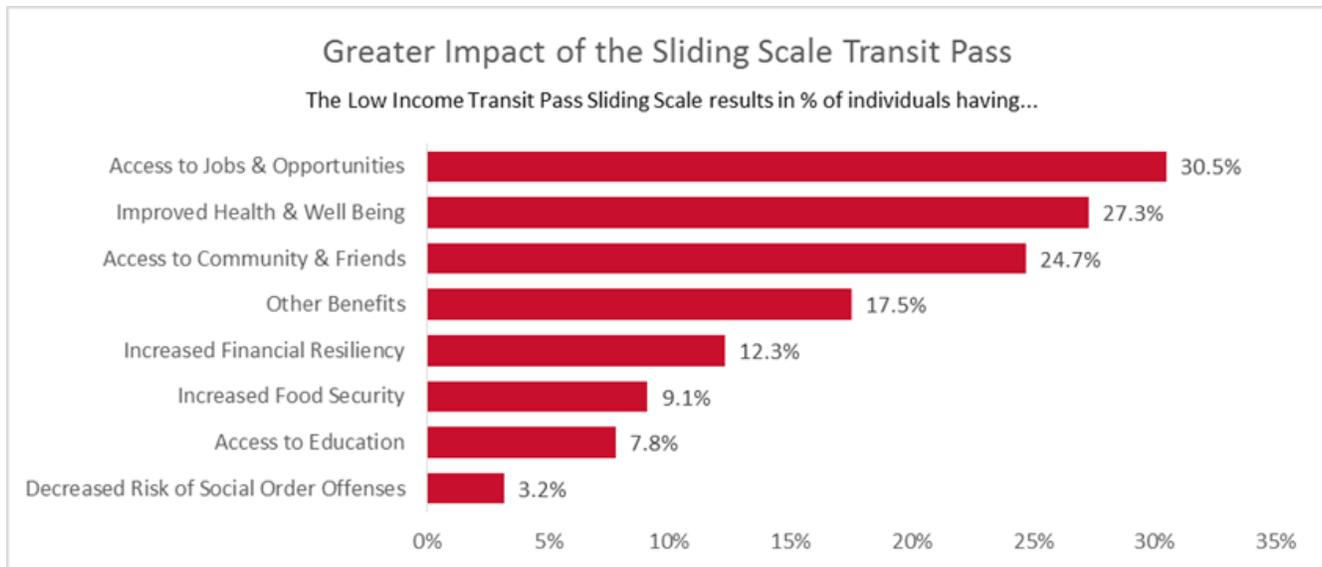
Calgary Neighbourhoods surveyed low-income transit pass customers in fall 2018. The analysis of this data indicated that customers were identifying significant positive impacts of the new sliding scale fare structure. These included:

- 78 percent of respondents said it made it easier to *maintain social supports* through family and friends;
- 84 percent said it was easier to get to *medical and other appointments*;
- 74 percent of respondents agreed the LITP allowed household members to *look for jobs*;
- 91 percent said it *saves their household money*; and
- 87 percent agreed that it *increased their use of Calgary Transit*.

A similar survey was also undertaken in 2017, with 2018 survey responses indicating even greater positive impacts of the program compared to 2017 survey results.

United Way Research – Over the course of the summer and fall of 2018, the Women’s Centre partnered with Fair Fares to further engage customers to identify the impact the Low Income Transit Pass program has had in light of the introduction of the sliding scale fare structure. The United Way undertook an analysis of the data collected.

The analysis outlined the proportion of Calgarians who identified a particular benefit within the data collected:



Transit Low Income Subsidies Research

This section provides an overview of research available on the larger societal and economic impacts of transit low income subsidies. A research study by the Canadian Centre for Economic Analysis (2016) suggests that the return on investment includes employment opportunity and employability as well as health care savings through decreased health care utilization (emergency room visits and hospitalization). This analysis also found that income-subsidized transit passes accrue benefits to all levels of government. One other research study (Stewart et al., 2013) spoke to the decrease in negative interactions between homeless youth and transit staff because of access to affordable transit.

Studies on the introduction of low cost transit options are also telling of its significant impacts on employment and general quality of life. For example, a study that examined employment among disadvantaged areas near the Colombian city Medellin, found that access to employment opportunities doubled for low-income target

populations when a low-cost transit option was introduced (Bocarejo, et al. 2014). As more expansive means of travel, such as automobiles, are often inaccessible for lower income people, their job search ranges tend to be more limited (Blumenberg and Ong, 2001), commute times to work tend to be longer, even though distances to their work are shorter (Taylor and Ong, 1995). Studies examining low-income and public transit also found that policies that improve access to transit can reduce spatial inequities including access to social supports further than walking distance (Stewart et al., 2013) and alternative housing locations thereby reducing concentrations of poverty in neighbourhoods (Pathak, Wyczalkowski, & Huang, 2017).

Most other research pertaining to transit subsidies highlights qualitative benefits to affordable access. “Public transit in particular is more than just a mode of transport: It is a means for people with limited means to fully participate in economic, social, and political life.” (Hertel et al., 2016) Qualitative benefits include: increased access to service and supports; informal supports through family and friends; decreased social isolation and increased safety; increased transit use as well as the ability to travel and access the community more easily (Hertel et al., 2016).

The Canadian Centre for Economic Analysis’s research (2016) also highlighted the impact on social support agencies. Affordable transit access decreases time spent on transportation issues by support agencies. As a result, these agencies can support clients with other areas and more effective support can be provided.

It is important to note that over 30,000 income support recipients (Alberta Works and Assured Income for the Severely Handicapped (AISH)) accessed the City of Calgary’s Low Income Transit Pass (LITP) program in 2018. Certainly, there is benefit to those recipients in accessing transit. As well, a portion of these recipients receive a transportation supplement over and above their core benefit. The recipients of the transportation supplement are compensated for out of pocket expenses, including the cost of the LITP. As a result, any increase or decrease to the price of the LITP directly impacts payouts to transportation supplement recipients and the net investment in the LITP from the Government of Alberta could be less than the grant provided.

Citations:

Taylor BD and Ong PM. (1995). Spatial mismatch or automobile mismatch? An examination of race, residence and commuting in US metropolitan areas. *Urban Studies*.

Blumenberg E and Ong P. (2001). Cars, buses and jobs: Welfare participants and employment access in Los Angeles. *Transportation Research*.

Stewart M, Evans J, Currie C, Anderson S and Almond A. (2013). Routes to Homes: Transit and Social Support Intervention for Homeless Youth. *Homeward Trust Edmonton*.

Bocarejo JP, Portilla IJ, Velasquez JM, Cruz MN, Pena A and Oviedo DR. (2014). An innovative transit system and its impact on low income users: the case of the Metrocable in Medellin. *Journal of Transport Geography*.

Canadian Centre for Economic Analysis. (2016). Toronto Transit Fare Equity Cost Benefit Analysis: Final Results.

Hertel S, Keil R and Collens M. (2016). Next Stop: Equity. *The City Institute at York University*.

Pathak R, Wyczalkowski CK and Huang Z. (2017). Public transit access and the changing spatial distribution of poverty. *Regional Science and Urban Economics*.