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## 2014 OPERATING BUDGET BRIEFING NOTE

### Fare Discounts for People with Disabilities

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#### Issue/Background:

- The City of Toronto Budget Committee has requested that the Chief Executive Officer, Toronto Transit Commission, provide briefing notes on the following items:
  1. Extending half tariff fare to all persons on Ontario Disability Support Program (ODSP);
  2. Extending half tariff fare to all adults with a disability as defined by provincial law and as defined by Wheel-Trans; and
  3. List of outstanding station conversions from 2013 to 2025 and the costing to meet provincial accessibility guidelines.
- This briefing note provides a consolidated response to items 1 and 2. A response to item 3 will be provided in a separate briefing note.

#### Key Points:

- For both of the items detailed below, a range of estimated revenue loss has been identified due both to the fact that the current annual TTC trip rates for the subject groups are unknown and to the inherent uncertainty associated with forecasting how customers will respond to the proposed pricing.

#### Extending Half Tariff Fare to all Persons on Ontario Disability Support Program (ODSP)

- A recent Board Report entitled *TTC Fare Policy – Requests for Fare Discounts* estimated an annual revenue loss of \$6.3M to \$12.6M if reduced TTC fares, equivalent to the average discount of about 19% that is currently provided to Seniors/Students, were provided for Ontario Disability Support Program (ODSP) and Ontario Works (OW) recipients.
- It was estimated that the mix of potential recipients was ODSP – 60,000 (36%) and OW – 160,000 (64%); therefore, the revenue loss associated with ODSP-only recipients would be \$2.3M to \$4.6M.
- Using the same calculation and costing criteria that were used for the above-noted scenario, providing a 50% discount (“half tariff”) to ODSP recipients would result in an estimated revenue loss of \$6.0M to \$12.0M.

Extending Half Tariff Fare to all Adults with a Disability as Defined by Provincial Law and as defined by Wheel-Trans

- The provincial definition of “disability”, as reflected in the Ontario Human Rights Code, covers a wide range of physical and mental disabilities. In the Wheel-Trans context, the definition is more limited and focuses on people who have mobility restrictions and who require mobility devices.
- Depending on how disability is defined, available census-based data indicate that the proportion of adults with disabilities in the City of Toronto could range from 15% to 24%.
- For this analysis, an estimate of 15% was used, which corresponds to approximately 300,000 disabled adult residents in the City of Toronto.
- Using the same calculation and costing criteria that were used for the first item, providing a 50% discount (“half tariff”) to 300,000 disabled adults would result in an estimated revenue loss of \$30.0M to \$60.0M.

Public Transit Fare Discount Programs in the Greater Toronto and Hamilton Area (GTAH)

- Discounted public transit fares are offered in the following jurisdictions in Ontario: cities - Guelph, Hamilton, Kingston, Waterloo, Windsor; regions – Peel, York.
- In each case, eligibility for fare discounts is based on an individual having a low income as defined by the Statistics Canada Low Income Cut-Off (LICO). Some jurisdictions also require that applicants be employed. ODSP and OW recipients are also eligible for most of the programs; in two instances, programs are specifically targeted to ODSP/OW recipients.
- One program for which details are readily available is York Region’s Transit Fare Subsidy Pilot Program, which is comprised of two components. The first component provides a 50% discount on an adult monthly YRT/Viva transit pass to ODSP and OW recipients. Based on 2013 prices, a one-zone pass can be purchased for \$60 instead of \$120 and a two-zone pass can be purchased for \$82.50 instead of \$165. The second component provides community agencies that serve low-income residents with up to \$2,500 in annual funding to purchase YRT/Viva tickets, which are subsequently provided at no cost to agency clients.
- York Region’s program is operated through the Community and Health Services Department in partnership with York Region Transit. For 2012, the overall program had a budget of approximately \$1.33 million. Specific allocations were \$966,000 for passes, \$250,000 for tickets, \$96,000 for administration, and \$15,000 for evaluation. The funds were allocated to the Community and Health Services budget and were drawn from the York Region Social Assistance Reserve Fund, which is primarily funded through the municipal tax levy.

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**Prepared by:** Michael Roche, Head of Finance and Treasurer, Toronto Transit Commission,  
(416) 393-3954, [Michael.Roche@ttc.ca](mailto:Michael.Roche@ttc.ca)

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