MEETING DATE: March 1, 2011

SUBJECT: POST-SECONDARY STUDENT METROPASS ELIGIBILITY

RECOMMENDATION

It is recommended that the Commission:

1. Receive an update on the Post-Secondary Student Metropass program for information;

2. Approve an amendment to TTC Corporate Policy 6.17.0 Post-Secondary TTC Student Discount Card Eligibility (Attachment “C”), changing the eligibility criteria for the Post-Secondary Student Metropass to be full-time Post-Secondary students only, with no age restriction, enrolled in degree or diploma programs at a university, college or private career college (PCC) registered under the Private Career Colleges Act, 2005, located in the City of Toronto, effective with the sale of September 2011 Metropasses; and,

3. Forward this report to the Ministry of Training, Colleges and Universities.

FUNDING

Currently, the estimated annual revenue loss is $7.7 million for the expanded eligibility criteria as approved at the December 15, 2010 Commission meeting to include full-time and part-time degree and diploma students and full-time PCC students, with an increase of approximately 0.5 million rides in annual ridership. The annual revenue loss associated with the amended Post-Secondary Student Metropass eligibility criteria as recommended above is estimated to be approximately $6.3 million, with an annual ridership increase of approximately 0.4 million rides; the revenue loss is $1.4 million less, with a ridership loss of approximately 0.1 million rides less than the current estimate. The impact of the recommendation above is budgeted in 2011 to save another $0.5 million. The full annual impact of this change will be included in the development of the 2012 Operating Budget.

BACKGROUND

At the public meeting held on November 17, 2009, the Commission approved:

a) Student prices for the Metropass be extended, starting in September 2010, to post-secondary students enrolled in full-time or part-time degree or diploma granting programs.

b) The age limit for the Student Metropass be removed.

c) Staff be directed to report back on implementation issues as required.
At the July 14, 2010 public meeting, the Commission approved TTC Corporate Policy 6.17.0 Post-Secondary TTC Student Discount Card Eligibility:

*Full-time or part-time post-secondary students, with no age restriction, that are enrolled in degree or diploma granting programs as defined under the Post-Secondary Education Choice and Excellence Act, 2000, administered by the Ontario Ministry of Training, Colleges and Universities, are eligible to use the Post-Secondary Student Metropass. Students in a post-secondary certificate program are not eligible for the Post-Secondary Student Metropass.*

The annual revenue loss for full-time and part-time degree and diploma students was estimated to be $7.3 million, with an annual ridership increase of 0.5 million.

At the December 15, 2010 public meeting, the Commission approved broadening the eligibility criteria to include post-secondary students enrolled in full-time programs at private career colleges (PCC) registered under the *Private Career Colleges Act, 2005*. The annual revenue loss for full-time private career college students was estimated to be $0.4 million, with a negligible annual ridership increase. This broader eligibility criteria of full-time or part-time degree and diploma and full-time PCC post-secondary students has increased the estimated total annual revenue loss from $7.3 million to $7.7 million and the increased annual rides remains constant at approximately 0.5 million.

At the same meeting, the TTC Commission requested staff report back on a review of the current policy in respect to eligibility of part-time students.

**DISCUSSION**

In order to consider the impact of part-time students on the eligibility criteria, staff reviewed the original principles of establishing a Post-Secondary Student Metropass.

**Reduced Transit Fare for Post-Secondary Students**

The most prevalent Canadian discount transit fare program for post-secondary students is the Universal Pass (U-Pass) program. Mandatory participation is approved through a student referendum to include transit fees in student activity fees. Most U-Pass programs are based on full-time undergraduate student eligibility.

Significant effort was made to implement a TTC U-Pass program for full-time post-secondary students in the City of Toronto at the University of Toronto, York, Ryerson, George Brown, Seneca, Centennial, Humber and Ontario College of Art and Design. The key principle was universality, with consistent terms and conditions for all participating schools. Numerous difficulties were encountered, especially with the no-opt out clause. Further to the referendum failing to pass at the University of Toronto, Scarborough campus, staff began to assess other means of providing discounted transit fares to post-secondary students, based on the volume of passes purchased and not on the ability of a student to pay.
When the 2010 fare increase was approved by the Commission on November 17, 2009, the staff recommendation was to extend the $99 high-school Student Metropass pricing to full-time post-secondary students enrolled in degree and diploma programs. As shown in Attachment A, transit usage typically declines after age 21. The Commission amended the eligibility criteria and approved full-time or part-time post-secondary students enrolled in degree or diploma granting programs to be eligible. Certificate students were excluded.

The Post-Secondary Student Metropass was introduced in September 2010 and is available for $99 at Collector Booths, Pass Vending Machines and at external fare media sellers (formerly TTC Ticket Agents). From September 2010 to January 2011, approximately 175,000 Post-Secondary Student Metropasses have been sold.

The Post-Secondary Student Metropass is only valid with a Post-Secondary Student TTC Photo ID. Students are required to show the Post-Secondary Student Photo ID to the Operator/Collector on duty each time they use their Post-Secondary Student Metropass. The Post-Secondary Student Photo ID cannot be used with Student Tickets, Student Weekly Passes or Student Cash fares. Post-Secondary Students not using a Post-Secondary Student Metropass have to pay an Adult fare.

Attachment B is a summary of post-secondary student fares at 15 selected Canadian and U.S. transit properties covering 15+ post-secondary schools. Of the 15 transit properties listed, seven properties have a U-Pass program. Of the 10 Canadian transit properties, only York Region does not currently offer discounted post-secondary fares. Seven properties include full-time students only while two (TTC and Edmonton) include full time and part-time students.

Post-Secondary Education

In Ontario, post-secondary education falls under provincial jurisdiction. It is regulated by the Ministry of Training, Colleges and Universities and is provided by universities, colleges of applied arts and technology (CAAT) and private career colleges (PCC’s).

Degree and diploma granting institutions are authorized under the Post-secondary Education Choice and Excellence Act, 2005. The Ministry of Training, Colleges and Universities website maintains a list of organizations with this authority at www.tcu.gov.on.ca/eng/general/postsec/degereauth.html.

PCC’s must be registered and have their programs approved by the Ministry of Training, Colleges and Universities under the Private Career Colleges Act, 2005. This act ensures that PCC’s meet certain standards and qualifications for the programs they offer. A list of registered PCCs and approved programs is available at http://www.tcu.gov.on.ca/pepg/audiences/pcc/private.html.

The applicable legislation does not define “full-time student” or “part-time student” per se, but the regulations of the Ministry of Training, Colleges and Universities Act outline the requirements, including the minimum required course load, for the purpose of eligibility for a Canada-Ontario...
student loan. For example, at the University of Toronto, a full-time student would take at least 3.0 credits per term and if a student is attending a PCC or enrolled in a non-degree program, the student must be receiving at least 20 hours of instruction per week for the period of study.

Revenue and Ridership Impact

The Post-Secondary Student universe in Toronto is approximately 315,000 students and includes 227,000 full-time and 88,000 part-time students from universities, colleges and private career colleges as previously defined who are pursuing degrees, diplomas and certificates. From the TTC 2010 Post-Secondary Student Survey, it was found that approximately 85% or over 266,000 post-secondary students were TTC riders; approximately 63% were Metropass users, 30% token users, and 7% cash and other fare media users.

Based on the review of the eligibility of part-time students, the recommendation is to make a change to the eligibility criteria to be consistent with the original principle of the Post-Secondary Student Metropass program by removing the eligibility for part-time degree and diploma students.

The estimated annual revenue gain by removing the eligibility of part-time post-secondary students attending universities and colleges in Toronto to obtain a degree or diploma is $1.4 million, with an annual ridership loss of approximately 0.1 million rides.

If the recommended eligibility change is approved, the net impact for full-time degree, diploma, and private career college post-secondary students would be an annual revenue loss of $6.3 million with a ridership gain of 0.4 million and is summarized on the following table:

<table>
<thead>
<tr>
<th>ELIGIBILITY CRITERIA</th>
<th>Annual Impact</th>
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<tbody>
<tr>
<td></td>
<td>Revenue</td>
<td>Ridership</td>
</tr>
<tr>
<td>FT and PT degree + diploma + FT PCC (approved Dec. 15/10)</td>
<td>– $7.7 M</td>
<td>+ 0.5 M</td>
</tr>
<tr>
<td>Remove PT degree + diploma</td>
<td>+ $1.4 M</td>
<td>– 0.1 M</td>
</tr>
<tr>
<td>Net Impact for FT degree + diploma + PCC</td>
<td>– $6.3 M</td>
<td>+ 0.4 M</td>
</tr>
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The estimated $7.7 million annual revenue loss and increase of approximately 0.5 million rides annually associated with the expanded eligibility criteria as approved at the December 15, 2010 Commission meeting to include full-time and part-time degree and diploma students and full-time PCC students. The net impact of the recommended change to the eligibility criteria to remove all part-time students is expected to decrease the annual revenue loss by $1.4 million to $6.3 million, with a small decrease in ridership of 0.1 million. This will be factored into the development of the 2012 budget.
Implementation Process

The current Post-Secondary TTC Photo ID in use is valid from September 2010 until October 31, 2011 and will allow full-time and part-time students to purchase a November 2011 Metropass prior to expiry. Consequently, the revenue and ridership impact is expected to be negligible for 2011. If the eligibility criteria is amended as recommended to be full-time students only, no new Post-Secondary TTC Photo ID’s will be issued to part-time students after July 31, 2011. All new Post-Secondary TTC Photo ID’s issued effective August 1, 2011 will only be to full-time post-secondary students enrolled in degree, diploma programs at universities, colleges, and Private Career Colleges. Corporate Policy 6.17.0 Post-Secondary TTC Student Discount Card Eligibility has been revised to reflect the recommended amended eligibility criteria for full-time degree, diploma and Private Career College students only. See Attachment C for details.

A transit marketing campaign that communicates the introduction of the new eligibility criteria for the Post-Secondary Student Metropass will be implemented before the 2011/2012 school year. The new eligibility criteria and Post-Secondary Metropass sales locations, including Pass Vending Machines, will be posted on the TTC website.

JUSTIFICATION

Removing part-time students is consistent with the principle originally recommended for the Post-Secondary Student Metropass program. Amending the eligibility criteria for the Post-Secondary Student Metropass to remove part-time students has an estimated annual net impact of $6.3 million revenue loss with a 0.4 million gain in rides.

The impact of the recommendation is budgeted in 2011 to save another $0.5 million. The full annual impact of this change will be included in the development of the 2012 Operating Budget.

February 18, 2011
3.54.54
AVERAGE TRANSIT TRIPS BY AGE
Toronto - 11 Years & Over -
All Population by Age Category

Transit Trips per Day

Source: Transportation Tomorrow Surveys (TTS)

PUBLIC TRANSIT as a % OF TOTAL TRANSPORTATION BY AGE GROUP

SOURCE: CITY OF TORONTO
<table>
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<tr>
<th>Property</th>
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<th>Part-Time</th>
<th>U-Passes</th>
<th>Other Fares</th>
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1.0 RESPONSIBILITY

Chief Marketing Officer

2.0 PURPOSE

To ensure that post-secondary students can use a Post-Secondary Student Metropass ("P") on all TTC vehicles in regular service within the City of Toronto, a Post-Secondary Student must produce a valid Post-Secondary TTC Student Photo ID ("P") card.

3.0 ELIGIBILITY

3.0.1 To receive a Post-Secondary TTC Student Photo ID ("P") card, the student must be a full-time degree or diploma student in a recognized university, college or private career college.

3.2 RECOGNIZED EDUCATIONAL INSTITUTION

A recognized educational institution is:

3.2.1 One that offers degrees, or programs leading to degrees, which must comply with the Post-Secondary Education Choice & Excellence Act, 2000 which governs degree-granting Institutions. The Act prevents institutions from granting degrees, providing programs of Post-Secondary study leading to a degree, or being known as universities, unless they are so authorized by an Act of the Legislative Assembly of Ontario or have the consent of the Minister of Training, Colleges and Universities.

3.2.2 Private Career Colleges registered under the Private Career Colleges Act, 2005.

3.2.3 One that offers diplomas through a college diploma program which takes 2 or 3 years to complete.

4.0 CONDITIONS OF USE
4.1 The Post-Secondary TTC Student Photo ID card can only be used by the eligible post-secondary student whose true name and photograph (taken by the TTC's contractor or TTC-approved satellite facility photographer), and bearer's signature appear on the card.

4.2 If for any reason a post-secondary student leaves the eligible school system during the school year, e.g. to enter the workforce, he or she is no longer eligible for the reduced price Post-Secondary Student Metropass ("P"), the Post-Secondary TTC Student Photo ID card ("P") must be returned to the TTC. Failure to do so could subject the cardholder to prosecution. Eligible post-secondary students, who graduate in June, may continue to use their card until the following Labour Day.

4.3 If a post-secondary student cannot or will not produce a Post-Secondary TTC Student Photo ID card, the equivalent of a regular adult fare must be paid in order to gain transportation. If the post-secondary student does not comply, he/she will be required to leave the vehicle, or will not be permitted entry to the subway station.

4.4 If a post-secondary student loses his/her card, he/she must obtain a letter from the Post-Secondary institution confirming he/she is an eligible post-secondary student. The letter and a piece of photo identification is then taken to the TTC's central photo facility or a satellite facility where the post-secondary student is photographed for a replacement card.

5.0 REFERENCE SOURCES
- Confiscated Fare Media Policy
- TTC By-law No. 1
1.0 RESPONSIBILITY

Chief Marketing Officer

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To ensure that post-secondary students can use a Post-Secondary Student Metropass ("P") on all TTC vehicles in regular service within the City of Toronto, a Post-Secondary Student must produce a valid Post-Secondary TTC Student Photo ID ("P") card.

3.0 ELIGIBILITY

3.1 To receive a Post-Secondary TTC Student Photo ID ("P") card, the student must be a full-time or part-time degree or diploma student in a recognized post-secondary institution university, college or private career college. Students in a post-secondary certificate program are not eligible for the reduced price Post-Secondary Metropass program.

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A recognized educational institution is one that offers:

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