

MEMORANDUM

NTC-C 24-2025

Subject: Secondary Student Access to Transit at No Cost

Date: Tuesday, August 26, 2025

To: Niagara Transit Commission Board

From: Brad Griffin, Manager of Financial Strategy and Performance

At the May 20, 2025 Niagara Transit Commission Board Meeting, the Commission's Chair requested that staff investigate the feasibility of providing secondary students access to transit at no cost and to also consider providing access to co-op secondary students at no cost.

As part of the review process, staff conducted a jurisdictional scan of transit agencies across Ontario to better understand how other municipalities approach fare concessions for high school-aged students. The scan focused in particular on Kingston, Burlington, and Guelph—three municipalities that have implemented targeted initiatives to improve youth access to transit. Staff reviewed program details such as eligibility criteria, hours of free access, and evaluation metrics. These case studies offered valuable insight into the different strategies used to increase ridership among secondary students, reduce transportation barriers, and promote long-term transit use. Scanning these and other jurisdictions also supported the ability to respond to information requests and provide relevant context for potential local policy development. Staff broke down the analysis into separate sections to be able to differentiate between access to co-op, full access and alternatives explored.

Full Access for High School Students at No Cost

As part of the evaluation of potential fare policy changes, staff have assessed the operational implications of offering free transit fares to high school students in Niagara. While the initiative aligns with broader objectives of improving youth mobility, promoting lifelong transit use, and advancing equitable access, the current timing raises several operational and financial concerns—particularly in terms of system capacity and funding sustainability.

On conventional transit, the most immediate impact would occur during peak periods—specifically around school start and dismissal times—which already represent the highest ridership times of day. Offering free fares could drive additional demand during these periods, potentially requiring more transit operators, an expansion of the vehicle fleet, and increased frequency to prevent overcrowding. The cost of these enhancements is currently unknown and would depend on the scale of student uptake, which could vary widely by school and municipality.

It is also critical to emphasize it is preferred that any future youth transit initiatives not interfere with or duplicate existing school board transportation services. The goal is not to replace school bus networks, but to improve mobility outside their traditional parameters. Should service expansion be considered during school bell times in the future, staff recommend engaging in discussions with the school boards to understand funding.

Many municipalities that have explored free youth transit have done so through carefully phased pilot programs or targeting smaller segments of the high school student population. These pilots are often limited by grade level, time of day, or geographic area. Cities such as Kingston, London, Burlington, Barrie, and Guelph initially launched targeted initiatives—such as free evening or weekend travel, or partnerships with select schools—to evaluate demand and service impacts before considering broader implementation.

Among these, Kingston stands out as the only municipality to have fully expanded to system-wide free transit for all high school students. Starting in 2012, Kingston introduced the program in stages over a five-year period, gradually increasing eligibility as positive outcomes were observed and as operational and financial feasibility allowed. The incremental approach enabled the city to manage demand, monitor ridership trends, and maintain service quality throughout the expansion. It's worth noting that Kingston introduced express services and increased service frequency after implementing free transit for high school students. While not all of these changes were driven by student demand, it was certainly a contributing factor—and the overall service investment was substantial.

Other communities remain in earlier or more limited phases of implementation, using pilot results to inform future decisions. This measured strategy reflects a broader best practice: beginning with manageable scopes and scaling up based on performance, funding availability, and system capacity.

In Niagara's case, communities served primarily by microtransit (on-demand and specialized) would face greater challenges. During the second quarter of 2025, the microtransit system experienced significant capacity constraints, resulting in over 11,000 trip denials—representing approximately 17% of total requested trips. These services are sensitive to fluctuations in demand due to limited vehicles and operators. A recent example from a specialized zone that experienced increased post-secondary ridership demonstrated how quickly capacity can be overwhelmed, leading to delays and reduced service availability for other transit-dependent populations, such as individuals with disabilities and seniors.

Beyond operational concerns, the financial impact of implementing a fare-free high school program is considerable. The total estimated cost is approximately \$975,000 annually, including both direct fare revenue loss and reductions to the Provincial Gas Tax (PGT) funding, which is tied to reporting ridership of the number of paying riders. Of this amount, \$50,000 is associated with microtransit, and the remaining \$925,000 is related to conventional local and regional services.

The centralized call center for Specialty Services is already operating at or near capacity, handling 57,000 calls year-to-date with a 16% call abandonment rate—highlighting a critical need for more dispatch and booking support. The proposed fare-free transit access for high school students is expected to significantly increase booking volume, especially from students and caregivers seeking trip scheduling and real-time assistance. Without additional FTEs to manage dispatch and booking functions, service quality will decline, risking longer wait times, higher abandonment rates, and reduced access for existing transit users.

While the benefits of youth engagement with transit are clear, particularly in building long-term ridership and removing financial barriers, staff do not recommend implementing full system-wide free transit access for high school students at this time. Instead, staff recommend considering a smaller-scale pilot or revisiting the concept during a broader service and fare strategy review. This would allow for further exploration of funding options, capacity enhancements, and strategic partnerships with school boards to design a program that is both impactful and sustainable.

Access for Co-op Secondary Students No Cost

In parallel with the review of a full fare-free high school program, staff also examined the potential of offering free transit to secondary students participating in co-operative education (co-op) placements. This initiative is narrower in scope and could serve as a focused pilot, though it still presents operational challenges, particularly within microtransit zones.

On the conventional transit system, the addition of co-op students is expected to have a manageable impact. These students represent a smaller and more dispersed group, and while their travel generally aligns with peak hours, the system currently has sufficient capacity to accommodate the additional ridership without the need for immediate service expansion. That said, the financial impact remains notable, with an estimated cost of \$165,000 annually stemming from lost fare revenue and reduced PGT funding.

More complex challenges emerge in communities that rely on microtransit and specialized services. Co-op placements require students to reach specific destinations at specific times, and the flexible, shared nature of on-demand transit may not reliably meet these needs. This raises concerns about the system's ability to provide timely and dependable transportation for students participating in structured learning opportunities.

Moreover, increased ridership from co-op students could strain already limited microtransit resources, potentially reducing service availability for other priority users such as seniors and individuals with disabilities. Addressing these concerns may require additional vehicles, expanded service hours, or changes to scheduling algorithms—all of which would increase operational costs. The estimated financial impact for microtransit services is approximately \$100,000 annually, resulting in a total projected cost of \$265,000 for the co-op program. The financial impact does not factor in any potential service increases to accommodate increased demand beyond capacity.

Similar to the full fare-free access model, the co-op student option would also place additional strain on specialized dispatch and booking agents, which are already operating near capacity. To effectively support the structured and time-sensitive booking needs of co-op students—particularly during peak school transition periods—additional full-time equivalent (FTE) staff member would be required. This added capacity would help manage increased inquiries, ensure timely trip coordination, and maintain service quality for both new and existing users.

While the intent to improve access to educational opportunities is commendable, staff remain cautious about proceeding at this time. Given the pressures on microtransit systems and the potential for unintended consequences on service reliability, staff do not recommend implementing free transit for co-op students currently. As with broader fare initiatives, this option may be better suited for exploration through targeted pilots or future service planning reviews.

Alternatives Reviewed

Free Transit for High School Students on Evenings and Weekends

A potential future initiative could involve offering free transit to high school students during evenings and weekends. While similar programs in Guelph and Burlington provide useful models for design and implementation, local capacity constraints—particularly within microtransit and specialized services—must be addressed before moving forward.

The proposed pilot would provide free transit to high school students after 6:00 p.m. on weekdays and all day on weekends and statutory holidays. This would enhance access to jobs, activities, and services while promoting long-term transit use and equity. It should be noted that regional specialized and conventional routes and services do not run on Sundays and holidays at this time and that local service hours in the evening (Monday to Saturday) are still inconsistent from city to city.

This initiative would complement, not replace, existing student transportation. It would apply only outside of school and extracurricular hours, leaving current school bus operations unaffected.

To participate, students would register and receive a designated transit card or pass. This system would support fare validation, encourage responsible use, and help manage behaviour concerns through increased accountability.

The concept relies on existing off-peak transit capacity. However, microtransit and specialized services currently face limitations, even during off-peak hours. Rising demand from youth riders could quickly exceed constrained capacity, leading to unserved trips and reduced reliability. As such, the program should only be considered once microtransit and specialized services are adequately resourced and capacity constraints are reduced.

The initiative is estimated to cost approximately \$500,000 annually, primarily due to lost fare revenue and reduced Provincial Gas Tax funding tied to paying ridership. This estimate does not include potential costs associated with service expansion to meet increased demand.

Similar to the full access and co-op student models, the evening and weekend service option would place additional pressure on specialized booking and dispatch staff, who are already operating near capacity. To handle the expected rise in call and booking volumes, more full-time equivalent (FTE) staff will be needed to support these critical functions. This added capacity is vital to ensure timely trip coordination, maintain service responsiveness, and deliver a consistent customer experience.

If pursued in a future budget cycle, the pilot would include ongoing monitoring of ridership, registration, and operational impacts. A comprehensive evaluation would inform decisions on permanent implementation, adjustments, or discontinuation.

Offering free evening and weekend transit to high school students has the potential to improve youth mobility and foster equitable access to community resources. However, due to current service limitations, particularly in microtransit and in still inequitable hours of service across local and regional conventional routes, it is recommended that this initiative be considered in a future budget once capacity challenges are addressed and services are properly resourced.

Passes are available for purchase

Passes are available for purchase by schools or other partner organizations. Each school can distribute passes based on their co-op program needs and the availability of transit services to support student travel to and from placements.

Other Pertinent Reports

- NTC 21-2024- Expansion of Transit Benefit Pass Eligibility
- NTC 7- 2025- Transit Benefit Pass Update
- NTC 22-2024- Harmonization of Fares

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Respectfully submitted and signed by



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