

TRANSPORTATION DEMAND MANAGEMENT: BUILDING RIDERSHIP THROUGH INNOVATION



U-Pass partnerships with universities in Greater Vancouver give students unlimited, low-cost access to public transit

Greater Vancouver Transportation Authority

Recent growth in Canadian transit ridership shows that supply-side investment—the renewal and expansion of transit infrastructure and services—is working. It also shows that Canadian transit systems are doing more to manage demand—that is, motivating individuals to choose transit by influencing their needs, wants and opinions.

This approach, known as transportation demand management or TDM, is becoming more popular as Canadian communities take on the challenge of making their transportation systems more sustainable. TDM strategies proactively shape travel demands so they can be served efficiently, effectively and equitably. They represent an inexpensive way for transit systems to maximize the value generated by greater investments in fleets, facilities and operations.

This issue paper examines the nature of TDM and its role in supporting public transit, and highlights some applications across Canada.

What is TDM?

TDM strategies include policies, programs, services and products that influence how, why, when and where people travel.³ They offer several key benefits:

- They are an affordable and flexible way of changing individual travel choices over a short period of time.
- They can defer or eliminate the need for new infrastructure by reducing trip lengths and volumes, and by shifting trips out of congested corridors and peak hours.
- They can maximize personal mobility by helping people to understand their travel options and try something new.

There are two types of TDM measure. *Travel incentives and disincentives* offer individuals a tangible benefit or disbenefit related to one or more travel modes. *Education, promotion and outreach* raise awareness, improve understanding and build positive attitudes about sustainable transportation choices. TDM strategies support, but are distinct from, supply-side transportation improvements (such as better transit service or new cycling facilities) and supportive land use practices (such as growth management or transit-oriented development).

TDM and transit

While not always calling it TDM, Canadian transit systems have long managed demand through marketing, pricing and promotion strategies. However, in recent years their efforts have expanded in two important ways.

First is a new focus on *modal integration*. Because most transit users also walk, bike, carpool or telework to make their travel ends meet, transit is often positioned as one option in a “suite” of transportation alternatives. Sustainable transportation campaigns and events increasingly cross-promote transit with these other modes—one example being programs that encourage cyclists to park their bikes at transit stations, or even bring them on board.

Second is a new focus on *partnerships*. TDM strategies often require governments and transit systems to join forces with a range of partners. These include workplaces and schools that provide a channel to reach commuters, and external service providers like non-governmental organizations that can efficiently deliver labour-intensive education and outreach programs.

Of course, an emphasis on modal integration and partnerships will only work if transit service is available, attractive and affordable. To that end, transit systems are putting in place innovative operational and promotional measures like electronic fare collection, payroll-deduction transit pass programs, web-based trip planning software and special branding for premium transit services. These tools add value to TDM programs, and help them attract new riders to transit. The new federal tax credit for transit pass purchases also gives leverage to TDM strategies—however, extending tax-exempt status to employer-provided transit benefits could substantially magnify the incentive to individual transit users. It would target the journey to work, and create a more level playing field with parking benefits that are generally not taxed.^b

In the United States, TDM as we know it has a longer history. Federal transportation and air quality legislation in the early 1990s required states and large cities to battle congestion by actively managing travel demand, and led to mandating of trip reduction programs in areas with poor air quality. These “sticks” were complemented by a major “carrot”—federal legislation that exempted employer-provided transit benefits from income and payroll taxes. That simple tax break has evolved into national programs such as the Best Workplaces for Commuters and supporting Commuter Choice initiatives—broad national partnerships helping employers create customized multimodal solutions to workers’ commuting challenges.^c

As with most urban transportation and transit issues, the Canadian perspective on TDM is different. Transit ridership levels here are already much higher than in the United States, and further gains will depend on capturing more of the difficult “choice” rider market. What approaches to TDM will be most effective in this country? Will transit systems and stakeholders exhibit the creativity and persistence they need to succeed? Answers to these questions are only beginning to emerge.

Canadian TDM programs and projects

TDM efforts in Canada involve a broad range of partners. The federal government actively funds TDM research, development and demonstration. Provincial governments play a more limited role, but are gradually becoming engaged. Local and regional authorities have taken on most of the responsibility for TDM planning and funding, while non-governmental organizations are active in critical research, professional development, outreach and service provision. Employers and educational institutions are vital channels for delivering TDM incentives and information in partnership with governments and TDM service providers.

Canadian TDM practice is evolving quickly. First efforts are underway in many communities, and important lessons are being learned. Some of the most dynamic TDM strategies (with some examples highlighted in the following profiles) are:

- Universal transit pass (U-Pass) programs at post-secondary institutions
- Community-based social marketing programs that provide customized travel information to interested households

- Transportation management associations that bring employers together with transit service providers

There are several issues to watch for as TDM efforts progress. One is the adequacy and accessibility of TDM funding, which to date has been generally inadequate and halting. A second issue concerns the channels through which transit systems and other TDM service providers engage key clients like major employers—transportation management associations are being tested in several communities, but their effectiveness and sustainability remain to be confirmed. A third issue is how TDM efforts that focus on transit, which are typically conducted by transit service providers, are integrated with the broader multimodal programs of municipal governments and non-governmental organizations.

TDM clearly has the potential to make urban transportation more sustainable, and its benefits warrant a coordinated national effort. It is equally clear that success will not be straightforward. As a major stakeholder in TDM, the transit industry has an important role to play and will only grow more involved with time.

Greater Vancouver Transportation Authority, British Columbia

Getting employers, schools and communities on board

The GVTA (also known as TransLink) is working with partners on several innovative programs to shape travel demands in Greater Vancouver.

OnBoard. Since 2002, the GVTA has worked with over 250 employers to improve alternatives to driving alone. The OnBoard program is the GVTA’s venue for targeting eligible employers, supporting data collection and analysis, engaging senior executives and assisting their efforts. Commuting options explored through the program include a discounted Employer Pass sold through payroll deduction, ridematching for carpooling and vanpooling, active transportation (cycling and walking), car sharing, parking management, teleworking and shuttle buses.

U-Pass. U-Passes are universal, low-cost transit passes offered to an entire student population. In partnership with TransLink, the University of British Columbia (UBC) and Simon Fraser University (SFU) began U-Pass programs in 2003. Students at both institutions have unlimited access to bus, SeaBus and SkyTrain services, and discounts on West Coast Express. In the program’s first 18 months, weekday transit trips to UBC and SFU increased by 54% and 84%, respectively, while trips by solo drivers decreased by 22% and 10%.

Community pass. TransLink’s Community Pass program was launched at SFU’s UniverCity development in 2006. It offers a low-cost monthly pass to residents of the sustainable community. UBC is considering whether to offer the program to residents of its on-campus housing developments.

TravelSmart. In partnership with Transport Canada’s Urban Transportation Showcase Program and local municipalities, the GVTA is conducting the TravelSmart program. This innovative approach to promoting transit, cycling, walking and ridesharing is being tested in six different Greater Vancouver neighbourhoods. TravelSmart identifies households whose occupants are interested in making their travel habits more sustainable, then offers direct information and support that are tailored to individual needs.

For more information visit www.translink.bc.ca

Smaller community plans big things for TDM

In 1998, the Regional District of Central Okanagan and City of Kelowna decided to expand TDM efforts in support of their regional growth management and congestion reduction strategies. They have since partnered to implement a TDM program, with the City providing services on behalf of the Regional District with support from the Westbank First Nation. Their goal is to reduce regional peak period traffic volumes by 12% below projected trend levels by 2013.

The tools and services offered by the Central Okanagan TDM program, known as i-go, include:

- A comprehensive website with detailed information and links for the Kelowna Regional Transit System as well as active transportation, telecommuting, carpooling, and energy-efficient driving.
- Regional coordination of special events including Bike to Work Week, which involved 1,200 individuals in 2006. In the national Commuter Challenge event, Central Okanagan has five successive first-place finishes among communities with 100,000 to 500,000 people. Almost 6% of the region's population (about 8,500 residents) participated in 2006.
- A variety of interactive programs to educate youth about sustainable transportation with the goal of shaping lifelong travel choices. The Class Rides Free program allows students to

experience Kelowna Regional Transit System's regular services for free, as part of a field trip or transportation-related curriculum.

- Recent agreement by the University of British Columbia's Okanagan campus and Kelowna Regional Transit System to offer a U-Pass to UBC-O students for the 2007-2008 academic year.

For more information visit www.kelowna.ca or www.i-go.ca.



City of Kelowna

Kelowna Regional Transit (delivered through a partnership among local government, BC Transit and Farwest Transit Services Inc.) is an active participant in the Central Okanagan TDM program

Reaching out with allégo

Since 2000, the Agence métropolitaine de transport (AMT) has worked with businesses, institutions and non-governmental groups to promote sustainable transportation in Greater Montreal. Financial assistance from the Quebec Ministry of Transport and Transport Canada has enabled the *allégo* program to implement a number of innovative pilot projects.

Allégo has made alternatives to driving more attractive, affordable and competitive for over 270,000 commuters at 25 businesses, schools and health centres. It supports five transportation management associations that work directly to promote transit, active transportation and ridesharing among local employers and institutions.

The AMT has created an *allégo* toolkit containing a guide, seven theme booklets and a CD-ROM, and developed an accompanying training course. Other tools available to partners include:

- An online ridematching service available to carpoolers at 175 businesses and institutions, as well as to users of preferential carpool parking spaces in 17 AMT park-and-ride lots
- An online survey of commuter travel habits, and a mapping utility to help evaluate options by showing commuters' home locations
- An event kiosk, branded promotional items and free trial transit passes

Allégo also sponsors an annual stakeholder conference to encourage information exchange and announce award recipients. It has developed a discounted payroll-deduction transit pass program in collaboration with eight local transit providers, as well as a program to teach primary and secondary school students about the health, safety and environmental benefits of sustainable transportation.

The Province of Quebec's comprehensive public transit policy, announced in 2006, proposes support for alternatives to driving that will help to ensure *allégo's* future success.

For more information please visit www.allego.amt.qc.ca.



Agence métropolitaine de transport

The allégo program's comprehensive TDM toolkit for employers in Greater Montreal

Building capacity for TDM

The Association for Commuter Transportation of Canada (ACT Canada) was formed in 2001 as a distinct voice for Canada's multidisciplinary community of TDM practitioners.

In late 2005 and early 2006, ACT Canada conducted the "Building Capacity for TDM in Canada" project with financial support from Transport Canada and several municipalities. The project included one-day workshops in Victoria, Calgary, Waterloo, Greater Toronto, Ottawa, Quebec City and Halifax with a total of 445 registrants. The workshops were organized and conducted with the help of local partners and an advisory team that included CUTA and 13 other transportation, land use, municipal, health and environmental organizations.

The workshops gathered insight from TDM professionals and stakeholders about best practices, needs, opportunities and challenges, and educated non-TDM professionals about their potential role in achieving key goals. Following the workshops, ACT Canada prepared *Building Capacity for TDM in Canada: Needs Assessment Report* to identify the key opportunities, challenges and priority actions that emerged from the project. The report's six major strategic recommendations to build capacity for TDM in Canada include:

- A federal program to enable TDM research, development and promotion

- A national social marketing program to build awareness of TDM and sustainable transportation among the public and key stakeholders
- Policy leveraging to encourage TDM through infrastructure funding mechanisms (e.g. Gas Tax Fund, Canada Strategic Infrastructure Fund)
- Extension of preferential tax treatment beyond monthly transit passes to include employer-provided benefits for transit and other commuting alternatives

ACT Canada will build on the results of this project at its first national conference, scheduled for November 2007 in Calgary.

For more information visit www.actcanada.com.



City of Calgary

Some of the 80 participants at ACT Canada's Calgary workshop in December 2005

Smart Commute — Greater Toronto and Hamilton

Transportation management associations take the stage

With support from local governments and Transport Canada's Urban Transportation Showcase Program, the Smart Commute project is promoting commuter options in partnership with business associations and employers in the Greater Toronto Area and Hamilton.

The umbrella Smart Commute Association provides central coordination and promotion, and has developed key tools including the Carpool Zone ridematching website. A number of transportation management associations (or TMAs, referred to as local Smart Commutes) work directly with employers in specific geographic areas.

In the region's northeast, Smart Commute 404-7 is hosted by the Richmond Hill Chamber of Commerce and Markham's Board of Trade. Among its initiatives is a free Lunch Express shuttle bus that links major employers to local shops and restaurants for three hours

in the middle of two weekdays each week. Other partners in this four-month pilot project include York Region Transit, the Town of Richmond Hill, the Town of Markham and the Markham Environmental Sustainability Fund.

For more information visit www.smartcommute.ca.



York Region Transit

York Region Transit buses serve the Lunchtime Express for Richmond Hill and Markham workers

References: ^a Information in this section is drawn from Transport Canada's TDM Resource Centre at www.tc.gc.ca/utsp

^b IBI Group for Canadian Urban Transit Association, *Tax Exemptions for Employer-Provided Transit Benefits*, 2005 (available at www.cutaaactu.ca)

^c See www.bwc.gov and www.commuterchoice.com for more information

The Canadian Urban Transit Association (CUTA) is the voice of Canada's public transit industry. For additional information including research reports, industry updates, news bulletins and more, please contact us or visit our website.



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