

REPORT TO SALT SPRING ISLAND LOCAL COMMUNITY COMMISSION MEETING OF THURSDAY, DECEMBER 11, 2025

SUBJECT Salt Spring Island Transit Service - Fare Review

ISSUE SUMMARY

To seek direction from the Salt Spring Island (SSI) Local Community Commission (LCC) on fare options to present to the community for feedback in 2026 to inform a potential fare increase.

BACKGROUND

BC Transit undertakes periodic fare reviews across its systems to ensure fare structures remain fair, simple, and financially sustainable. The SSI fare structure was last adjusted in 2012. Since then, inflation and operating costs have increased significantly.

According to the Bank of Canada's Inflation Calculator, the \$2.25 cash fare introduced in 2012 equates to approximately \$3.04 in 2025. Salt Spring Island Transit's fares have not kept pace with this increase, resulting in lower cost recovery and a growing gap between operating expenses and revenues.

The Fare Review utilized BC Transit's recommended Fare Strategy to:

- Adjust fares to reflect inflation and cost recovery needs;
- Simplify fare options to improve customer understanding and convenience; and
- Reduce concession discounts to align with BC Transit guidelines.

Three options were developed and analyzed for their financial impact and user effects (Appendix A).

Option 1 proposes incremental fare adjustments over multiple years to bring fares in line with inflation while minimizing the immediate impact on riders. This approach supports a steady increase in revenue and allows customers to adapt to fare changes.

Benefits of Option 1 include:

- Gradual implementation that minimizes fare shock for riders;
- Improved cost recovery to help fund system operations;
- Consistency with BC Transit fare strategy and inflationary trends;
- Enhanced ability to reinvest in service improvements;
- Supports long-term fare stability and financial sustainability.

Other Options Considered:

- Option 2 – Immediate Alignment with Inflation: Would raise fares to inflation-adjusted levels immediately but could discourage ridership due to the larger initial increase.
- Option 3 – Larger Single Ride Increase, More Discounted Passes: Focuses on encouraging pass use but creates a more complex structure and less predictable revenues.

Based on the comparative analysis, Option 1 offers the most balanced and sustainable approach to achieving fare equity, affordability, and revenue stability. Should the LCC wish to proceed with any of the options above staff are recommending that an open house be held in January 2026 to present the options and gather feedback. Feedback received would be presented back to the LCC in February for final consideration and approval of the preferred option for implementation.

Once approved, staff will coordinate with BC Transit to implement the new fare structure in the summer of 2026. The public will be informed through BC Transit's communication channels, local advertising, and community outreach. Fare tables and program details will be published in advance of implementation.

ALTERNATIVES

Alternative 1

That the Salt Spring Island Local Community Commission requests that staff proceed with presenting the three options for public input and report back prior to giving the fare review and potential fare increases additional consideration.

Alternative 2

That the Salt Spring Island Local Community Commission refers the report back to staff for additional information.

IMPLICATIONS

Financial Implications

Option 1 – Gradual Increase to Align with Inflation

- Implements small, phased fare increases over several years to reach inflation-adjusted levels.
- Balances revenue growth with rider affordability, reducing the impact on passengers while gradually improving cost recovery.
- Provides predictable revenue growth to help offset rising 2026 operating costs and inflationary pressures.

Option 2 – Immediate Alignment with Inflation

- Implements a single fare adjustment to fully align with inflation in one step (e.g., increasing adult cash fare from \$2.25 to approximately \$3.00).
- Generates the most immediate revenue benefit, helping offset increased operating costs quickly.
- However, the larger fare increase could discourage ridership in the short term, particularly among lower-income and concession riders.

Option 3 – Larger Single-Ride Increase with More Discounted Passes

- Increases single cash fares more sharply while offering larger discounts on monthly and multi-ride passes to encourage frequent use.
- Encourages ridership loyalty but risks lower total fare revenue compared to Options 1 and 2 due to deeper pass discounts.
- More complex to communicate and implement, with potential for confusion among riders.

No Fare Increase (Status Quo)

- As 2026 operating costs rise, maintaining current fares would result in a growing funding gap and increased reliance on property taxes or potential service reductions.
- Cost recovery would continue to decline, limiting the ability to maintain or improve service quality and infrastructure over time.

CONCLUSION

Gradually increasing fares will improve cost recovery and support the long-term financial sustainability of the SSI Transit System. The options presented maintain affordability for passengers and align with BC Transit's fare strategy and best system-wide practices. Staff recommend community consultation as the next step in the fare review process.

RECOMMENDATION

That the Salt Spring Island Local Community Commission requests that staff proceed with presenting the three options for public input and report back prior to giving the fare review and potential fare increases additional consideration.

Submitted by:	Dan Ovington, BBA Senior Manager, Salt Spring Island Administration
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ATTACHMENTS:

Appendix A – BC Transit Fare Review Presentation, Dated Nov 20, 2025.