Fare Review

Salt Spring Island

February 13, 2026

1.0 OVERVIEW

BC Transit has prepared this report for the Capital Regional District's Salt Spring Island Local Community Commission to consider options to grow transit fare revenue. The report considers revenue and ridership trends over the past 17 years and compares Salt Spring Island's fares to similar sized transit systems and BC Transit's fare guidelines.

Transit operating costs on Salt Spring Island have increased significantly in recent years, driven by rising labour expenses, higher maintenance and bus parts costs, and elevated fuel prices. During this same period, fares have remained unchanged, resulting in fare revenues that have not kept pace with growing operating pressures. Consequently, cost recovery has declined from 32 per cent in 2019/20 to 17 per cent in 2024/25, shifting more of the financial burden onto local property taxes. Updating fare pricing is therefore necessary to help close this gap and ensure the long-term financial sustainability of the Transit System.

The report identifies three options for updating transit fares with public feedback on each option. These options align with BC Transit's fare strategy by creating a simple, easy to understand fare structure that supports ridership growth, increases fare revenue, is cost-effective to administer, and is compatible with Umo, BC Transit's electronic fare payment technology.

2.0 CURRENT FARES

The following table outlines the current fare structure on Salt Spring Island. This fare structure was implemented in May 2017, when the price for tickets and DayPASS was reduced by 25 cents. Previously, the single ride fares were $2.25 with DayPASS at $5.00, and tickets at $20.25, effective July 2012. Monthly pass rates have remained unchanged since the establishment of the Salt Spring Island Transit System in 2008.

Table 1: Current Fare Structure

Fare Product	Audience	Current Fare
Cash	All	$2.25
Tickets (10)	All	$20.00
DayPASS	All	$4.50
Monthly Pass	Adult	$50.00
	Student / Senior*	$40.00

*Student passes are eligible for youth aged 18 and under. Senior passes are available for adults aged 65 and over.

3.0 FARE REVENUE COMPOSITION

Revenue composition can be understood by examining the balance between single-ride (cash) fares and pre-paid fare products such as tickets and monthly passes. A greater share of revenue from cash fares generally indicates more full-fare one-time riders since cash users do not receive pre-payment discounts. This results in a higher average revenue per trip.

In contrast, pre-paid fare products contribute to more stable and predictable revenue by encouraging repeat travel among regular riders. Increased use of pre-paid products also supports operational efficiency by reducing boarding times, improving on-time performance, and lowering the likelihood of fare disputes on board.

Figure 1 below illustrates the composition of fare revenue by each fare type as a portion of total revenues, and **Figure 2** shows historical revenue composition which is trending towards a shift from cash to tickets and monthly passes.

Figure 1: Revenue by Fare Type 2024/25

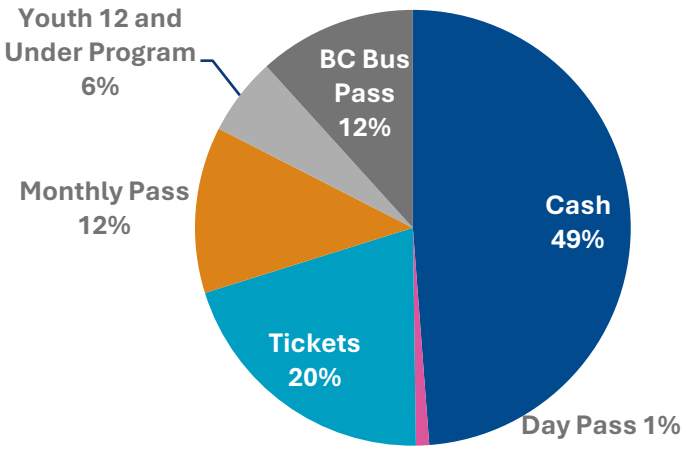
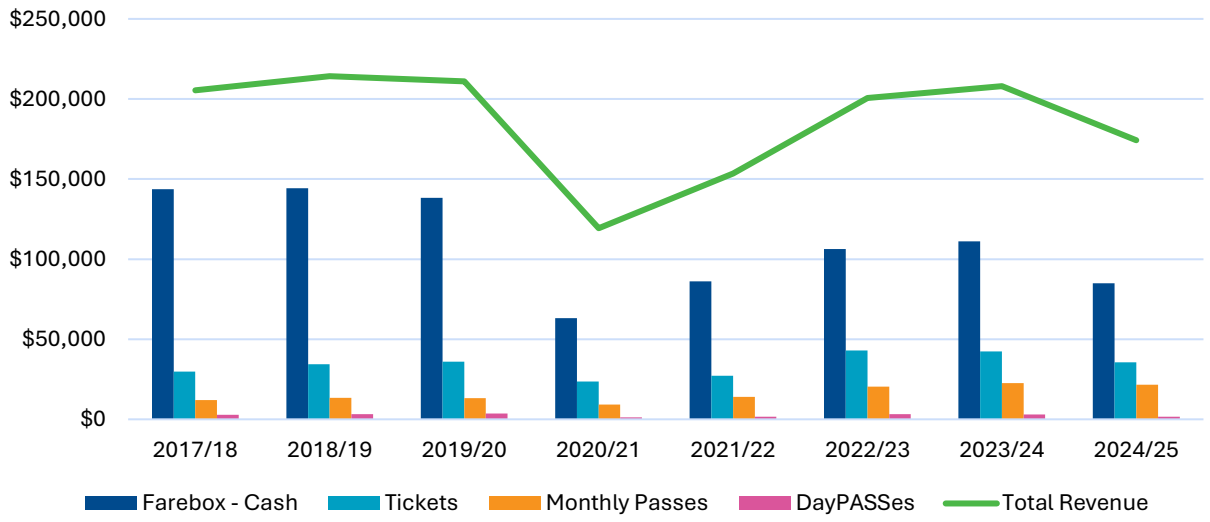


Figure 2: Salt Spring Island Transit System Annual Revenue Performance by Product



4.0 SUPPORTIVE TRANSIT PROGRAMS

The Salt Spring Island Transit System has two key supportive programs that provide access to transit for individuals that might not be able to afford it.

4.1 BC Bus Pass Program

The BC Bus Pass Program is a province-wide program funded and administered by the Ministry of Social Development and Poverty Reduction that provides a low-cost annual bus pass for all transit services operated by BC Transit and TransLink – except for the West Coast Express and handyDART. Access to the BC Bus Pass is provided to low-income seniors and people receiving disability assistance. Information about the BC Bus Pass program can be found on the BC Bus Pass webpage.[1] In the 2024/25 fiscal year, funding for the BC Bus Pass program made up 12 per cent of Salt Spring Island Transit System's total revenues.

4.2 Youth 12 and Under – Get on Board Program

The Get on Board Youth 12 and Under program is another provincially funded program that allows children aged 12 and under to ride all BC Transit and TransLink transit services free of charge.[2] Funding for the Youth 12 and Under program made up 6 per cent of Salt Spring Island Transit System revenues in 2024/25.

5.0 KEY PERFORMANCE MEASURES

The table below outlines some key performance indicators for the Salt Spring Island Transit System at the conclusion of the 2024/25 fiscal year.

Table 2: Key Performance Measures

Measure	Performance
Total Ridership	106,100
Total Revenue	$174,200
Total Revenue from Fare Sources*	$143,730
Total Cost Recovery	17.2%

*Excludes BC Bus Pass program funding, Youth 12 and Under Program funding, and miscellaneous revenue. This represents revenue that can be affected by a fare change.

Annual ridership on Salt Spring Island peaked in 2019/20 at approximately 116,000 trips. While ridership declined sharply during the first two years of the COVID-19 pandemic, it has steadily recovered over the past three years and is now approaching pre-pandemic levels. In the 2024/25 fiscal year, ridership is estimated at 106,100 trips; as a result, compounded annual

[1] https://www2.gov.bc.ca/gov/content/transportation/passenger-travel/buses-taxis-limos/bus-pass

[2] https://www2.gov.bc.ca/gov/content/transportation/passenger-travel/buses-taxis-limos/get-on-board

ridership growth over the past five years is approximately -2 per cent, reflecting the impact of pandemic-related declines and a more acute ridership drop seen specifically in the 2024/25 year that has been largely attributed to the impacts resulting from Ganges Hill construction.

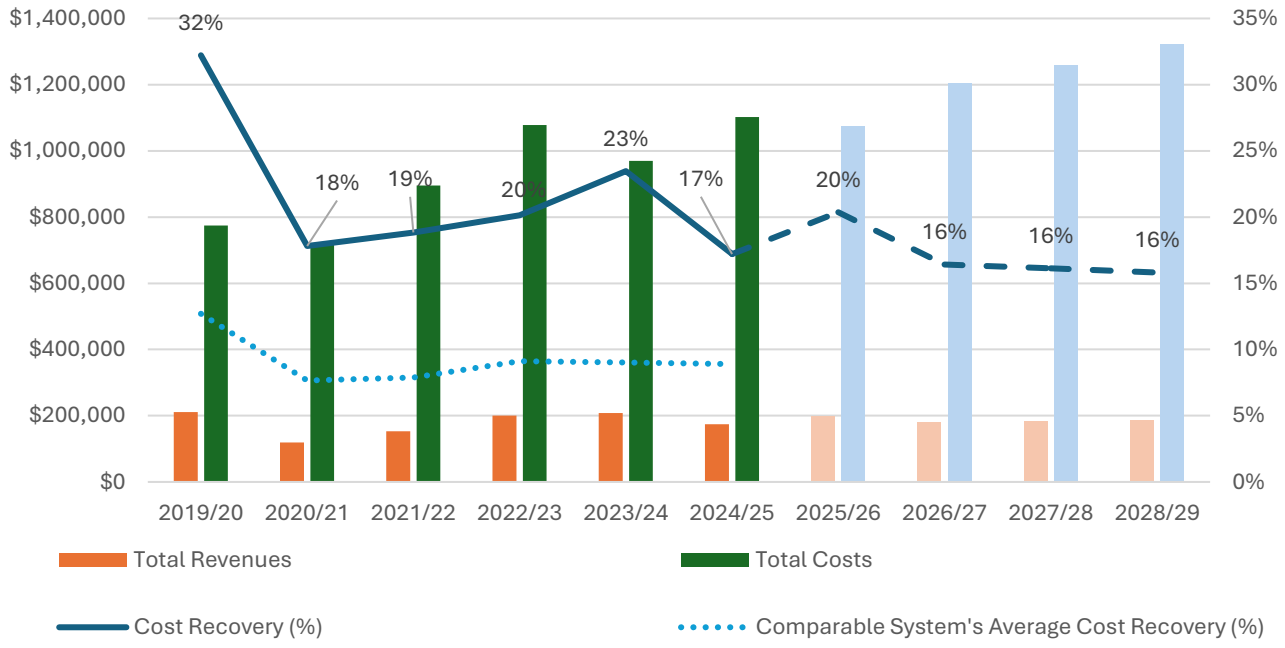
Revenues also peaked pre-pandemic at $211,074 in 2019/20 and have been recovering gradually over time. In the 2024/25 fiscal year, total revenue was recognized at $174,200; compounded annual revenue growth over the past five years is -4 per cent.

Changes in fare product usage help explain recent revenue trends. Over the past five years, cash fares have been the primary driver of fare revenue, accounting for 49 per cent of total fare revenue in the most recent year. The decline in cash farebox revenue in 2024/25, as seen in **Figure 2** is largely attributable to Ganges Hill construction, which reduced schedule reliability—especially for ferry connections—and disproportionately affected tourist/occasional riders who are more likely to pay cash. Regular riders increasingly used pre-paid products (tickets/passes), which helped stabilize total fare revenue but reduced average yield per ride.

All fare types have experienced growth over the five-year period, with particularly notable increases in ticket and monthly pass usage over the past three years, reflecting a gradual return to more regular travel patterns. Discounted pre-paid fare products, such as tickets and monthly passes, provide more stable and predictable revenue and support regular riders; however, they reduce the system's potential maximum revenue growth.

Figure 3 presents total fare revenue alongside total operating costs and the corresponding cost recovery over the past five years.

Figure 3: Salt Spring Island Transit System Costs and Revenues 2019 – 2028



Cost recovery is a performance metric that evaluates the percentage of revenues over total operating costs. Any lease fees and debt service that make up the total costs of the transit service are not considered in the cost recovery calculation. **Total Costs = Total Operating Costs + Lease Fees**

6.0 ALIGNMENT WITH BC TRANSIT FARE GUIDELINES

Since its introduction, BC Transit's Fare Strategy has guided fare decision-making across transit systems with the objective of improving the net yield of fare revenues, defined as fare revenue collected after accounting for the costs of fare collection. The strategy was developed in collaboration with local government partners and reflects both local operating conditions and BC Transit corporate priorities.

To support improved net yield, fare structures are evaluated against four core objectives:

1. The fare structure is attractive to customers and encourages ridership.
2. The fare structure is marketable and easy to produce and sell.
3. The fare structure has low operating and administrative costs.
4. The fare structure is secure and minimizes opportunities for fraud.

Consistent with these objectives, BC Transit emphasizes fare structure simplification. Simpler fare structures improve customer understanding and ease of purchase, reduce administrative complexity and costs, and help limit misuse and fare evasion.

BC Transit's fare guidelines are based on industry best practices and are intended to assist local governments in setting fares that balance revenue generation, affordability, and ridership growth. The guidelines promote fare products that attract customers, encourage frequent transit use, and are straightforward to administer and sell. They also aim to maintain appropriate discounts for students and seniors while minimizing opportunities for misuse.

For consistency, the adult single-ride cash fare is used as the base fare from which all other fare products and discounts are calculated. The BC Transit Fare Strategy has been applied in multiple transit systems, and while outcomes vary by community, systems that have aligned with the guidelines have generally experienced positive revenue and operational results. Table 3 compares the Salt Spring Island Transit System's current fare structure with BC Transit's recommended fare guidelines.

Table 3: Alignment with BC Transit Fare Guidelines

Fare Product	Audience	BC Transit Fare Guideline	Salt Spring Island Fare Structure
Cash	All	Base Fare	Base Fare
Tickets	All	9 times Base Fare	8.9 times Base Fare
Day Pass	All	2 times Base Fare	2 times Base Fare
Monthly Pass	Adult	20 – 30 times Base Fare	22.2 times Base Fare
	Student/Senior	Adult Monthly Pass less 15%	Adult Monthly Pass less 20%

Table 3 shows that the Salt Spring Island fare structure is generally consistent with the BC Transit fare guidelines.

7.0 COMPARISON OF PEER SYSTEMS

Table 4 presents a comparison of the Salt Spring Island Transit System with other BC Transit systems that operate similar services and have comparable annual ridership or overall system scale. The data is drawn from the Canadian Urban Transit Association (CUTA) 2023 Operating Data Report.

As shown in **Table 4**, both cash fares and monthly concession passes on Salt Spring Island are priced below those of comparable systems. Monthly adult pass prices are more closely aligned with some peer BC Transit systems; however, they remain significantly lower than those observed in similarly sized transit systems across Canada.

Table 4: Comparison to Peer or Neighboring Systems

Transit System	Population Served*	Ridership*	Adult Cash Fare	Adult Monthly Pass	Concession Monthly Pass
Salt Spring Island, BC	**8,792**	**110,417**	**$2.25**	**$50.00**	**$40.00**
Merritt, BC	8,644	65,383	$2.50	$50.00	$42.50
Agassiz-Harrison and Hope, BC	15,108	33,596	$2.50	$50.00	$43.00
Nelson, BC	16,459	339,402	$2.25	$60.00	$45.00
Moose Jaw, SK	33,665	183,954	$3.25	$80.00	$54.50
Victoria, BC	365,352	24,754,924	$3.00	$85.00	$45.00
Vancouver, BC	2,950,509	231,559,416	$3.35 - $6.60	$111.60 - $201.55	$63.80

CUTA's Canadian Transit Statistics identify that the average single-ride adult fare was $3.50 in 2023.[3] Fares on Salt Spring Island have not kept up with inflation. If fares were indexed to inflation the $2.25 fare in 2012 would now be $3.04.[4]

[3] Canadian Transit Statistics Dashboard compiled by CUTA

[4] Bank of Canada's Inflation Calculator

8.0 COMMUNITY ENGAGEMENT

BC Transit held a fare engagement open house at the Rainbow Recreation Centre on the afternoon of January 23rd. Community members were invited to learn about the fare review, provide feedback on the options, and identify their preferred option.

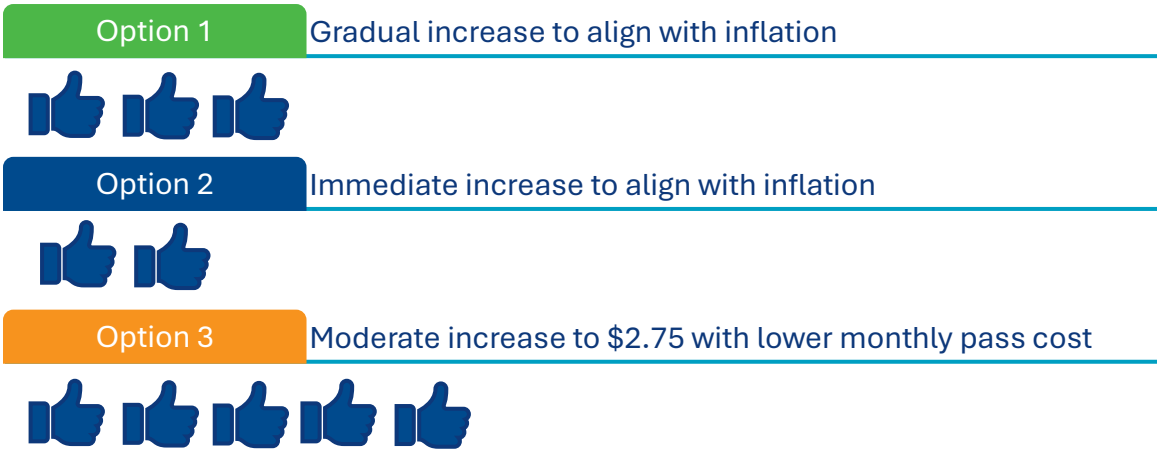
The open house also provided an opportunity for meaningful discussion about how transit services are funded, including the respective roles of provincial and municipal government contributions, as well as the importance of passenger fare revenue and property taxes in supporting the municipal share of funding. Approximately 20 members of the public engaged in the open house discussions, and 15 provided their input on their preferred option through an in-person dot-voting activity. Option 3 received the highest level of support at the open house (67 per cent).

An online survey was also conducted to gather public input and offer an accessible method of providing input without needing to attend the in-person event. The survey received a total of 44 responses, and a summary of the survey results is provided in **Appendix A**. Option 3 also received the highest level of support among survey respondents (45 per cent). Additionally, 51 per cent of respondents indicated that the proposed fare changes would not affect how frequently they use transit.

Respondents identified increased service frequency, continued investment in service improvements, and maintaining affordable monthly passes for regular riders as the most important factors that would encourage them to use transit more often.

The graphic below illustrates community preferences for the proposed options, based on a combined total of online survey responses and in-person voting, expressed as a percentage of total responses across both methods.

Figure 4: Community Responses to Fare Options



Future Considerations – Electronic Fare Collection System

BC Transit has begun implementing its digital fare payment platform, *Umo*, with implementation in over 30 transit systems beginning in 2024. Umo allows customers to pay for and manage their fares in an account-based environment using mobile phones or reloadable contactless cards, reducing reliance on cash and physical fare products.

Digital fare payment technology offers several benefits, including improved customer experience, increased revenue security, and enhanced data on fare usage and travel behaviour. It also provides greater flexibility for BC Transit to support additional fare programs across regional transit systems, creating opportunities for future revenue generation. Through this technology, fare products such as monthly passes and tickets can be purchased online or reloaded at vendor locations, improving ease of access for riders travelling between systems.

Once a secure bus storage facility is established, the Salt Spring Island Transit System will be able to consider the implementation of the electronic fare collection system, balancing the additional costs of the technology with the greater ease in collecting revenues from fares. With Umo, passengers will be able to pay fares using mobile applications, reloadable cards, and debit or credit cards.

9.0 PROPOSED FARE STRUCTURES AND PRODUCTS

The fare change options presented below were developed using BC Transit's Fare Guidelines, which are detailed in the three options identified in the following pages. Fare changes were developed with consideration to support cost recovery to enable ongoing service expansions while maintaining affordability. The ridership and revenue impacts of the fare options were calculated using established industry-standard fare product elasticity models commonly applied in transit fare analyses.

When applying a price elasticity model, changes in ridership are assumed to occur primarily through a reduction in trip frequency among existing riders rather than a proportional loss of individual riders. Some customers may respond to a fare increase by travelling less often, by reducing discretionary or non-essential trips, while continuing to use transit for core travel. As a result, the model reflects an overall decrease in total boardings or number of rides, even if the number of unique riders declines less. While useful for estimating trends, elasticity models have limitations: they assume average responses across all rider groups, do not account for external factors such as service changes or weather, rely on historical data that may not fully reflect current conditions, and assume other factors remain constant. Rider responses may also be non-linear, so results should be interpreted as indicative rather than precise predictions.

Option 1 – Gradual Price Increase to Align with Inflation

In this multi-year option, it is proposed to have a gradual increase of twenty-five cents over the course of three years until fares align with 2025 inflationary values. This option would set the Monthly pass at 22.2 times a single ride fare, and concession pass at 15 per cent less than a monthly pass. A ten-ticket booklet will be available at 9 times the cost of a single ride fare.

Table 5: Option 1 of a multi-year fare increase schedule

Fare Product	Current	2026	2027	2028
Cash – Single Ride	$2.25	$2.50	$2.75	$3.00
DayPASS	$4.50	$5.00	$5.50	$6.00
Tickets (10)	$20.00	$22.50	$24.75	$27.00
Monthly Pass – Adult	50.00	$55.00	$60.00	$65.00

Fare Product	Current	2026	2027	2028
Monthly Pass – Student/Senior	$40.00	$47.00	$51.00	$55.00
Forecasted Revenue*	**$143,730**	**$156,894**	**$168,917**	**$180,731**
Forecasted impact on revenue	0 (0%)	$13,164 (9%)	$12,023 (8%)	$11,814 (7%)
Forecasted impact on # of rides	0 (0%)	-2,586 (-2%)	-2,052 (-2%)	-1,870 (-2%)

*Projected Revenues exclude revenues from Youth 12 and Under Program and the BC Bus Pass estimated at ~$30,456

If Option 1 is selected, the price elasticity model forecasts modest declines in ridership alongside incremental increases in fare revenue. In year 1, ridership is estimated to decrease by approximately 2 per cent, while fare revenue is projected to increase by 9 per cent. Similar ridership impacts are expected in year 2, with a further 2 per cent decrease in rides and an 8 per cent increase in revenue. By year 3, fare revenue is projected to increase by 7 per cent, with ridership declining by an additional 2 per cent. Overall, Option 1 is projected to increase fare revenue by approximately $12,000 annually.

Option 2 – Immediate increase to Align with Inflation

In this option, it is proposed to jump straight to a one time increase to align with inflation this year. This option would maintain the Monthly pass at 22 times a single ride fare and bring concession pass discount to 15 per cent less than a monthly pass. A ten-ticket booklet will be available at 9 times the cost of a single ride fare.

Table 6: Option 2 – One time fare increase

Fare Product	Current	25/26
Cash – Single Ride	$2.25	$3.00
DayPASS	$4.50	$6.00
Tickets (10)	$20.00	$27.00
Monthly Pass – Adult	$50.00	$65.00
Monthly Pass – Student/Senior	$40.00	$55.00
Forecasted Revenue*	**$143,730**	**$179,650**
Forecasted impact on revenue	0 (0%)	$35,920 (25%)
Forecasted impact on # of rides	0 (0%)	-7,043 (-6.6%)

*Projected Revenues exclude revenues from Youth 12 and Under Program and the BC Bus Pass estimated at ~$30,456

If Option 2 is selected, the elasticity model estimates an immediate 6.6 per cent reduction in ridership alongside a 25 per cent increase in fare revenue. This option offers the greatest potential to improve cost recovery; however, it also presents affordability risks, as fares would increase significantly, even though they would remain below the average transit fares observed across Canada.

Overall, Option 2 is projected to generate approximately $35,900 in additional fare revenue.

Option 3 – Moderate increase to $2.75 with lower monthly pass cost (BC Transit Recommendation)

In this multi-year option, it is proposed to jump to a fifty-cent increase in the first year and then increase again by twenty-five cents. While this is similar to Option 1, this option would set the monthly pass at 20 times a single ride fare instead of 22, resulting in greater affordability for regular riders. Concession pass will be 15 per cent less than the monthly pass and a ten-ticket booklet will be available at 9 times the cost of a single ride fare, which aligns with BC Transit's Fare Guidelines.

Table 7: Option 3 of a multi-year fare increase schedule

Fare Product	Current	2026	2027
Cash – Single Ride	$2.25	$2.75	$3.00
DayPASS	$4.50	$5.50	$6.00
Tickets (10)	$20.00	$24.75	$27.00
Monthly Pass – Adult	$50.00	$55.00	$60.00
Monthly Pass – Student/Senior	$40.00	$47.00	$51.00
Forecasted Revenue*	**$143,730**	**$166,865**	**$178,675**
Forecasted impact on revenue	0 (0%)	$23,135 (16%)	$11,810 (7%)
Forecasted impact on # of rides	0 (0%)	-4,302 (-4%)	-1,912 (-2%)

*Projected Revenues exclude revenues from Youth 12 and Under Program and the BC Bus Pass estimated at ~$30,456

If Option 3 is selected, the elasticity model forecasts a modest decline in ridership alongside a significant increase in fare revenue. In year 1, ridership is estimated to decrease by approximately 4 per cent, while fare revenue is projected to increase by 16 per cent. In year 2, ridership is expected to decline by a further 2 per cent, with fare revenue increasing by an additional 7 per cent.

Overall, Option 3 is projected to generate approximately $23,000 in additional revenue in the first year and a further $12,000 in the second year.

10.0 RECOMMENDATIONS

BC Transit recommends **Option 3** as the approved fare change. This option was selected for its alignment with BC Transit's recommended fare guidelines, its gradual adjustment of fares to account for inflation, and its consistency with fare levels in similarly sized transit systems. It also supports improved cost recovery for the transit system while providing the greatest benefits to regular riders who rely on transit most, balancing affordability with increased revenue.

Option 3 maintains affordability for frequent riders via a lower pass multiplier, aligns with the most selected engagement option, and adjusts single ride fares toward inflation while improving cost recovery.

It is recommended that the Salt Spring Island Local Community Commission and Capital Regional District:

1. Receive this report as information.
2. Approve the recommended proposed fare structure Option 3.
3. Direct staff to work with BC Transit to implement the fare change.

Following LCC approval, BC Transit will implement the fare change at the next feasible service change. This will include coordinated customer communications and updates to fare posters, rider guides, and other supporting materials to ensure transit users are adequately informed.

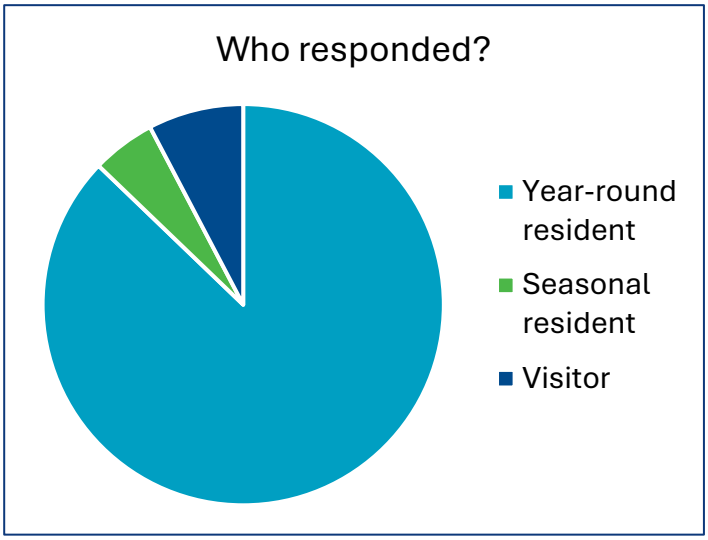
APPENDIX A – SURVEY RESULTS

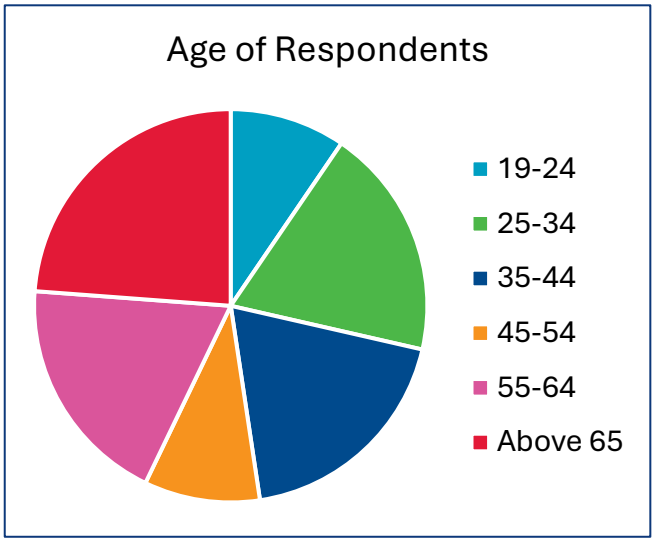
- The survey was open from January 9th to January 25th, 2026.
- A total of 44 responses were received.

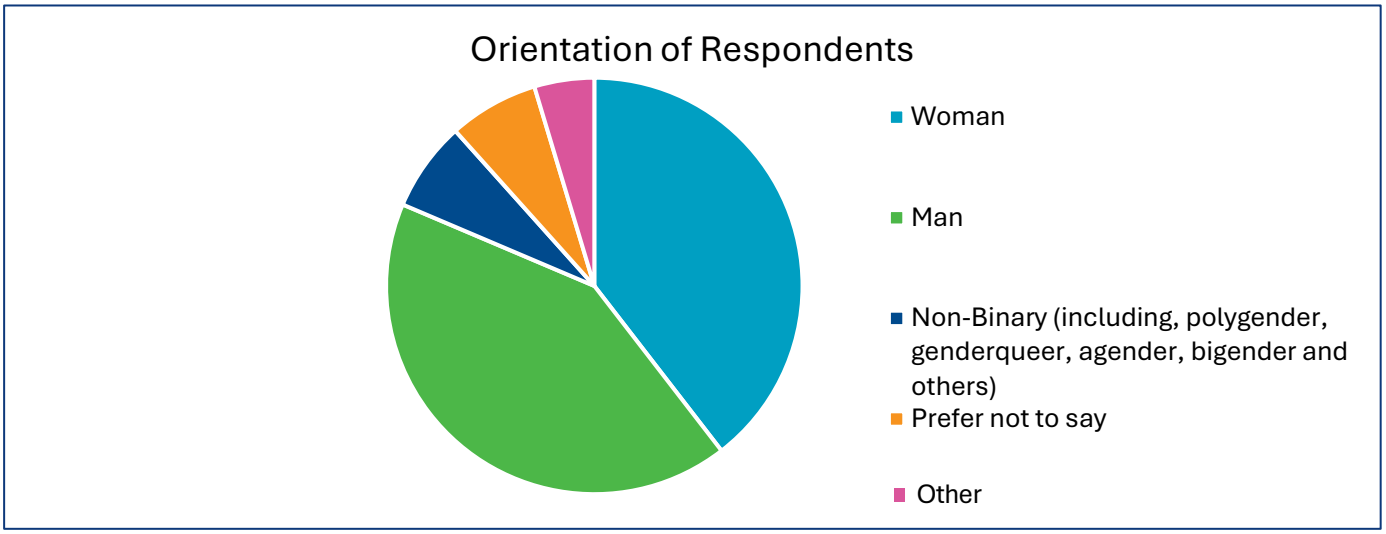
Most respondents identified as local residents, with a relatively even distribution across age, gender, and frequency of transit use. The majority of respondents were employed (59 per cent), either in-person or with flexible work schedules, followed by retirees (21 per cent) and students (9 per cent).

In terms of perspectives on transit funding, forty per cent of respondents preferred that a greater share of operating costs be covered through transit fare revenue rather than property taxes. Twenty per cent of respondents expressed a neutral view, while thirty-five per cent preferred a greater reliance on property taxes over fare increases.

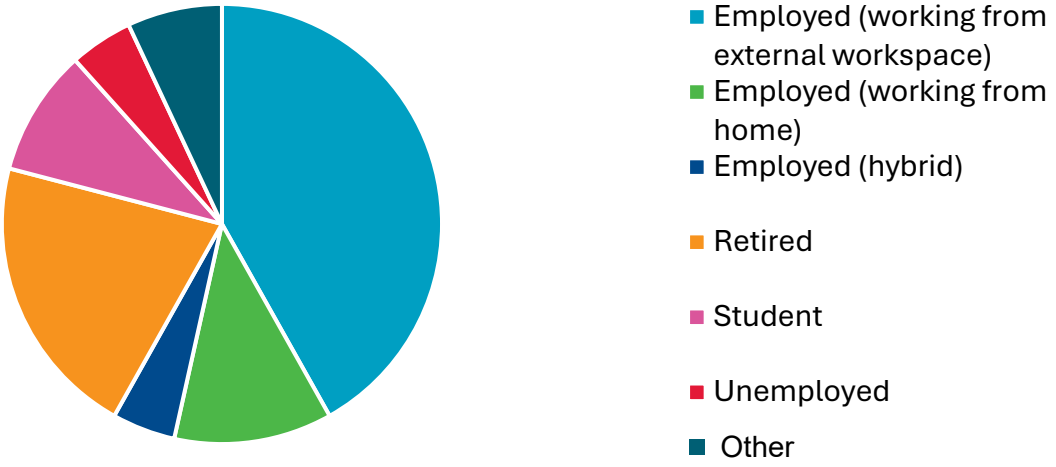
Respondents identified increased service frequency, continued investment in service improvements, and maintaining affordable monthly passes for regular riders as the most important factors that would encourage them to use transit more often. A plurality supported Option 3 and about half indicated no expected change in frequency of riding transit with a moderate increase.



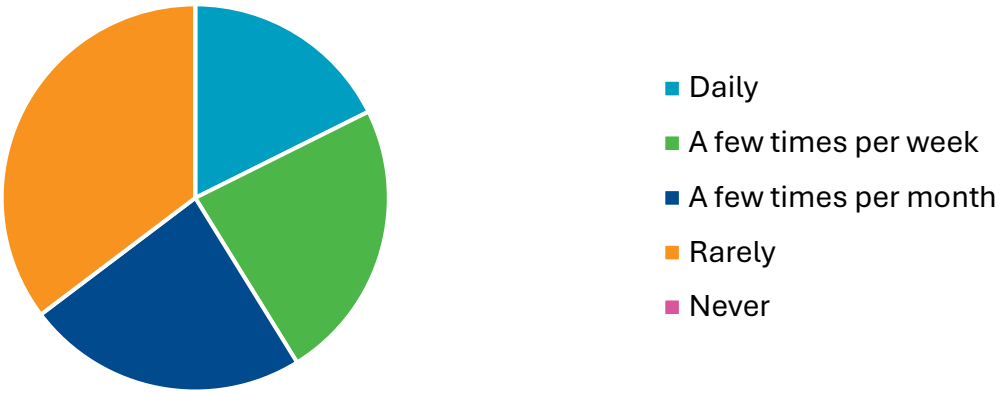




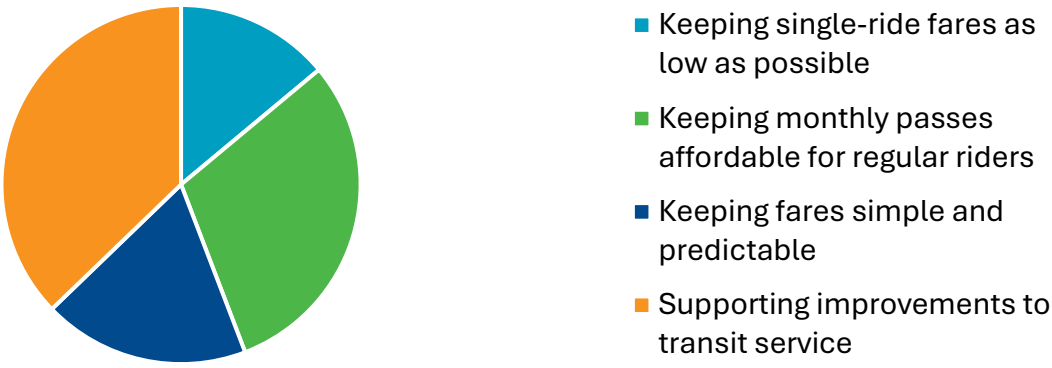
Respondents Employment Status

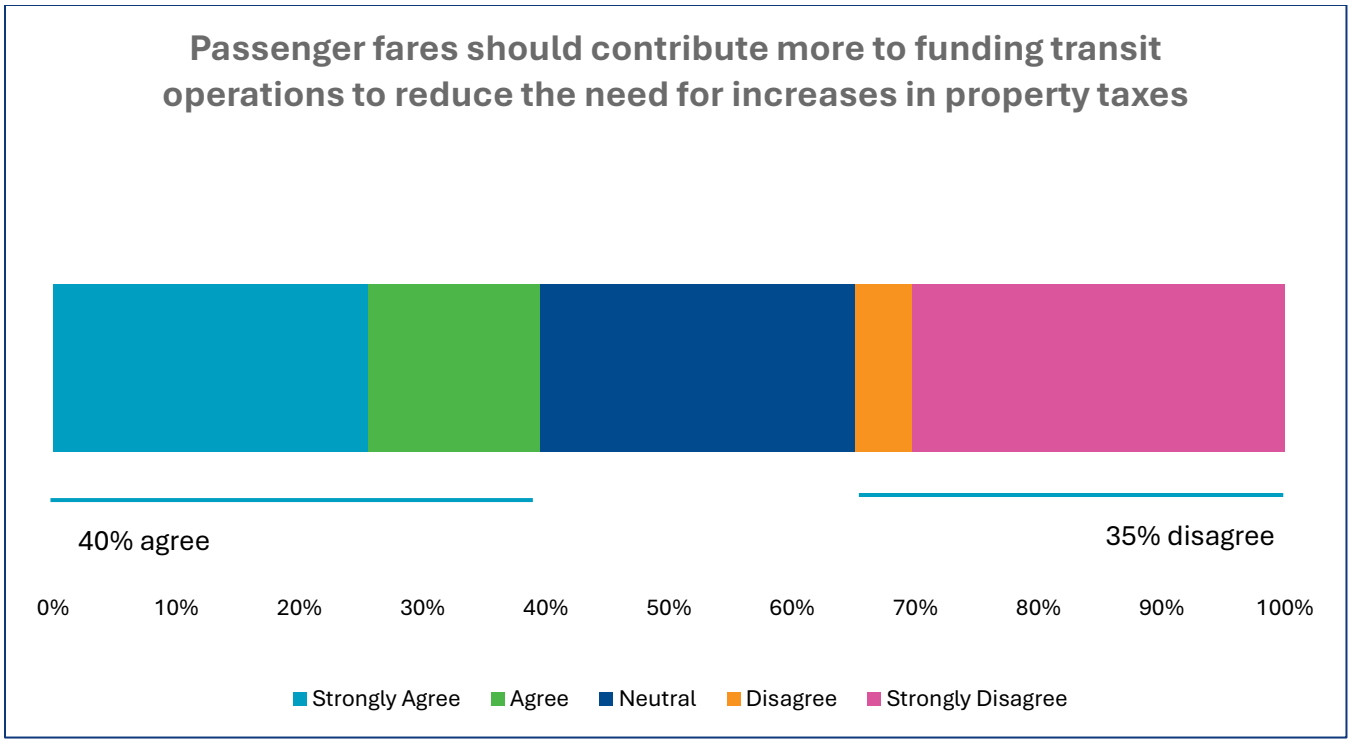


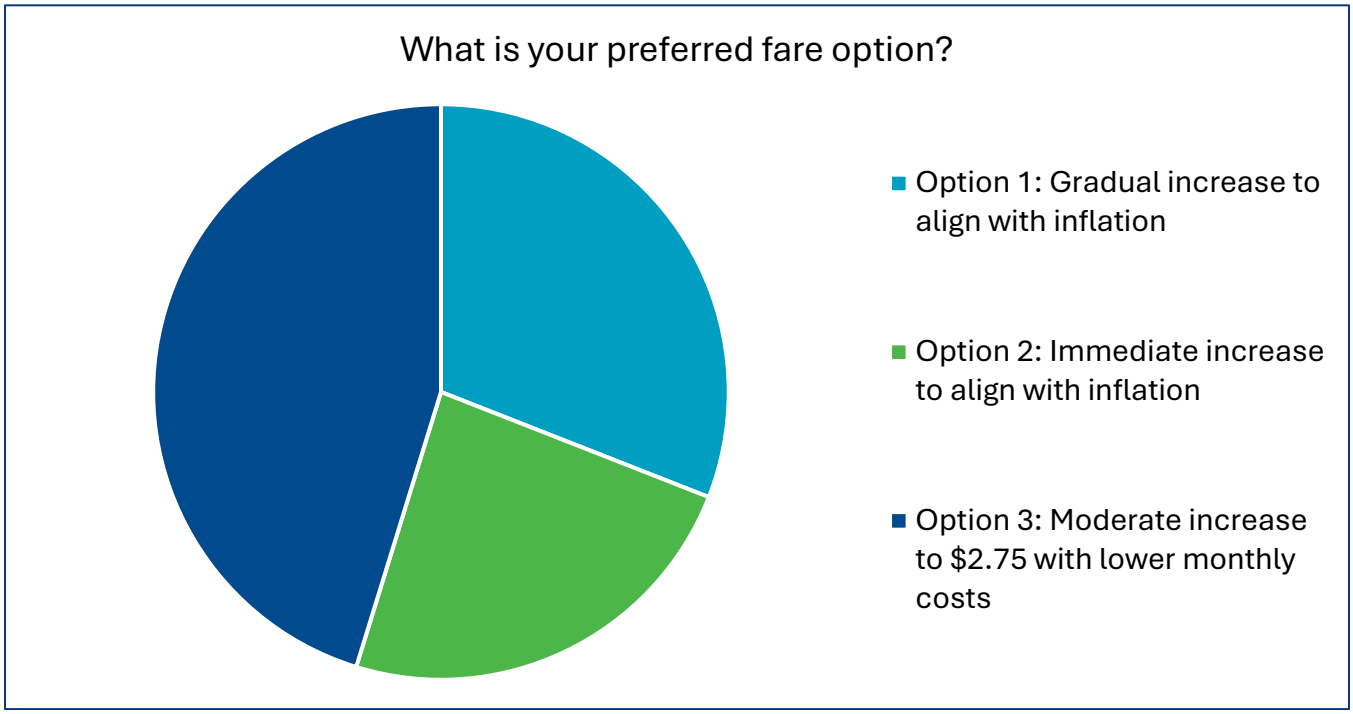
How frequently do you currently use Salt Spring Island Transit?



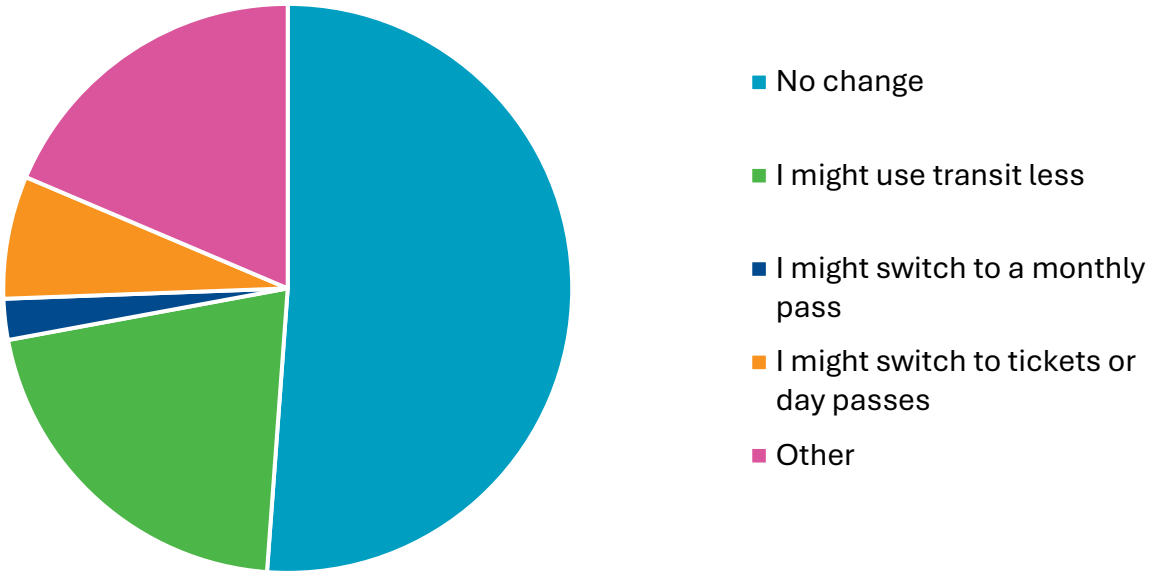
Which of the following is most important to you when considering transit fares?




Passenger fares should contribute more to funding transit operations to reduce the need for increases in property taxes
40% agree
35% disagree
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%
Strongly Agree
Agree
Neutral
Disagree
Strongly Disagree


What is your preferred fare option?
Option 1: Gradual increase to align with inflation
Option 2: Immediate increase to align with inflation
Option 3: Moderate increase to $2.75 with lower monthly costs

How would a fare increase affect your transit use?



If fares increase, what would help you continue using transit?