



Toronto Transit Commission's Fare Modernization Journey

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Acknowledgement: Fare Policy & Systems Strategy, and Customer Policy Groups

| TTC's Fare Modernization Journey



TTC's modernization journey has been policy driven.



Policy and technology must evolve together.



Both impact the customer experience

| FIFA 2026 World Cup™ in Toronto



Background



- The City of Toronto is home to over 3M people.
- Culturally diverse with over 250 ethnicities and 180+ languages represented.
- Geographically ranges from city living to suburban areas, requiring various transportation options.
- Economically a vast range of opportunities.

Toronto Transit Commission

- The TTC is a City of Toronto agency that provides public transit services for Toronto that extend into surrounding municipalities. Its mandate is to establish, operate and maintain the local transportation system in the city of Toronto.
- The TTC is Canada's largest public transit system and the third-largest in North America. It is also integrated with other neighboring transit systems.

TTC by the numbers



1.3 million
Linked trips per
weekday

2.5 million
Customer boardings
per weekday



195K
weekly
service hours



1.2 million
Customer
boardings per
weekday on bus



2,044
buses



138
battery-electric
buses — the
largest fleet in
North America



238K
Customer boardings
per weekday on
streetcar



239
streetcars



18,000
employees



1.1 million
Customer boardings
per weekday on
subway



143
trains



6,400+ km
of routes

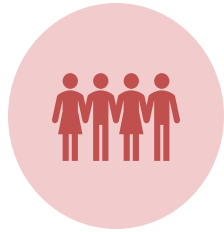
Inclusivity at the TTC

Embedding equity and belonging into how we lead, work and serve.



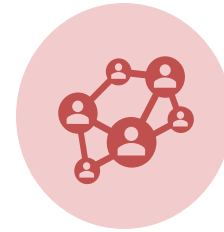
LEADERSHIP IN ACTION

100% of TTC executives have completed Phase 1 of the Upskill Inclusive Leadership Program – setting the tone for inclusive values-driven leadership across the organization.



REFLECTING OUR CITY

We're proud of our diverse workforce and are continuing to build equitable pathways into leadership and decision-making roles.



CAMPAIGNS THAT BUILD BELONGING

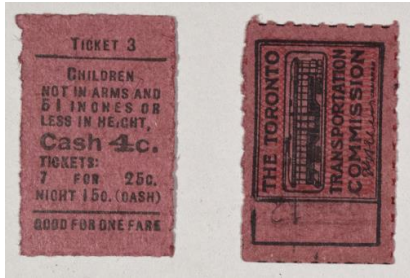
Through initiatives like PRIDE at TTC, Orange Shirt Day and Black History Month, we create space for dialogue, reflection and celebration.



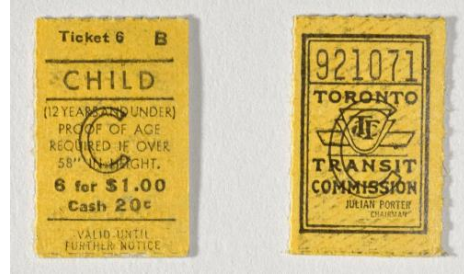
STRATEGIC ALIGNMENT

This work supports our Corporate Plan, which prioritizes building a future-ready workforce.

Background – Fare Media



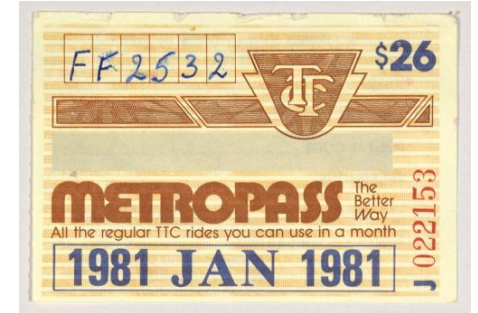
Child's fare ticket, back and front, between 1921 and 1929



Child's fare ticket, back and front, between 1979 and 1987



TTC Token 1954



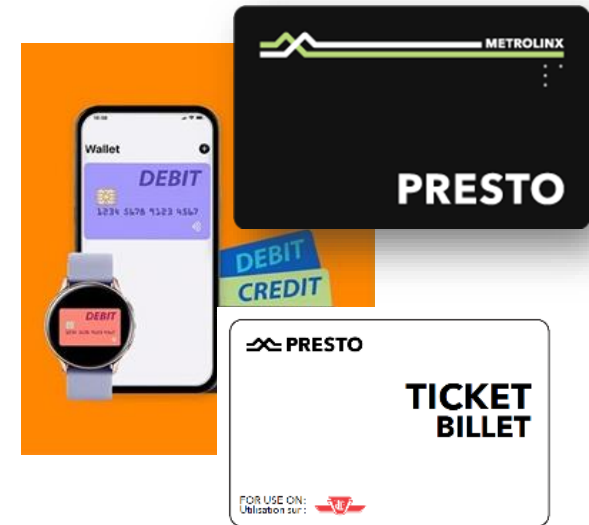
Metropass January 1981



TTC Token 2007



TTC Legacy Fare Media 2010s



PRESTO Fare Media 2025

Fare Policy Development Objectives

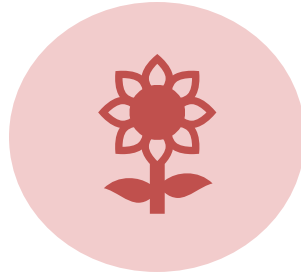
Who Benefits from Fare Policies?



**LOW-INCOME
RIDERS**



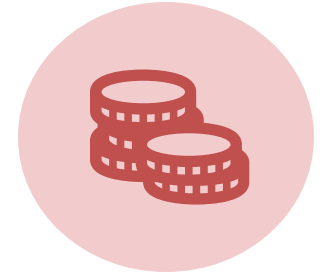
SENIORS



**INDIVIDUALS
WITH DISABILITIES**



**UNBANKED/
UNDERBANKED
INDIVIDUALS**



**CASH-PAYING
CUSTOMERS**

Strategic Outlook

5-Year Fare Policy

- **Develop** a comprehensive fare policy encompassing all fare options, from zero-fare to full-cost recovery.
- **Identify and balance key policy goals**, including equity, affordability, revenue, and ridership.
- **Assess current fare structure** to determine limitations and opportunities impacting fare policy decisions.

10-Year Fare Collection Outlook

- **Develop** a 10-year fare collection outlook aligned with the goals and objectives of the established 5-Year Fare Policy.
- Ensure the **long-term outlook is guided** by the direction and principles outlined in the 5-Year Fare Policy.

Public Consultations



External Stakeholder Category	Organizations
Transit Advocacy Organizations	TTC Riders CodeRedTO
Social Advocacy Organizations	Ontario Coalition Against Poverty East Scarborough Storefront Jane & Finch Action Against Poverty
Regional Prosperity Organizations	Toronto Foundation CivicAction Toronto Region Board of Trade Canadian Urban Institute
Academic Organizations	Toronto Metropolitan University UofT School of Cities The City Institute (York)
Partner Stakeholder Category	Division or Working Group
City of Toronto	City Manager's Office Financial Planning City Planning Transportation Services Transit Expansion Office Social Development, Finance and Administration Toronto Public Health Employment and Social Services
York Region	To be identified by York Region Staff
Metrolinx	Planning and Policy Sponsor's Office PRESTO
Greater Toronto Area Transit Agencies (that connect into TTC and YRT)	Mississauga Transit Brampton Transit Durham Region Transit

Stakeholder Engagement

- **Focus Groups (2):** 24 participants
 - Frequent users (12)
 - Infrequent users (12)
- **Virtual Town Halls (2):** Public, online
- **External Workshops (2):** 42 participants
 - School boards
 - Colleges/universities
 - Social service groups/NPOs
- **Public Survey:** 3,450 responses



5-Year Fare Policy – Long List of Options

CATEGORY	OPTION
Service Based	<ul style="list-style-type: none"> • Flat fare across network • Differential pricing by mode
Zone Based	<ul style="list-style-type: none"> • Honeycomb zones • Radical zones • Bespoke solution
Distance Based	<ul style="list-style-type: none"> • Distance based pricing • Leg based pricing • Removal of cross boundary penalties
Time Based	<ul style="list-style-type: none"> • Time based pricing • Review of time allowed for free transfers • Removal of free transfers
Product Based	<ul style="list-style-type: none"> • Carnet products with small/ large quantity of days/ trips • Options for different season tickets – including flexible products • Time of day variants (peak/ off-peak) • Fare capping (daily/ weekly/ monthly) • Loyalty programs (transit/ non- transit) • Group travel
Concessionary	<ul style="list-style-type: none"> • Free travel for all • Free travel for specific groups (low income, seniors, students, post secondary students, accessibility needs) • Discounted travel (75%/50%/25%) for specific groups (children < 12, employees) • Removal of free travel for children < 12 • Complete overhaul of concessions

5-Year Fare Policy Goals



Affordability & Equity

The price of public transit should reflect customers ability to pay, minimizing cost as a barrier to travel wherever possible.



Integration

Travel around the Toronto and York regions should be as intuitive as possible, regardless of the operator of the services that customers decide to use.



Mode of choice

Public transit is a key part of a livable city and should be the favoured mode for a variety of journeys.



Simplicity & Accessibility

The customer proposition should be easily understood by all users.



Maximizing Benefits

Fares should stimulate growth in demand where and when there is sufficient capacity to accommodate it and enable greater access to destinations.



Collaboration & Transparency

The process of establishing fares will be conducted publicly to ensure agency accountability and enhance public trust.



Financial Sustainability

The Fare Policy and all aspects of its implementation should ensure fiscally sustainability and improve resiliency so that customers may maximize the service benefits they receive.

CUSTOMER

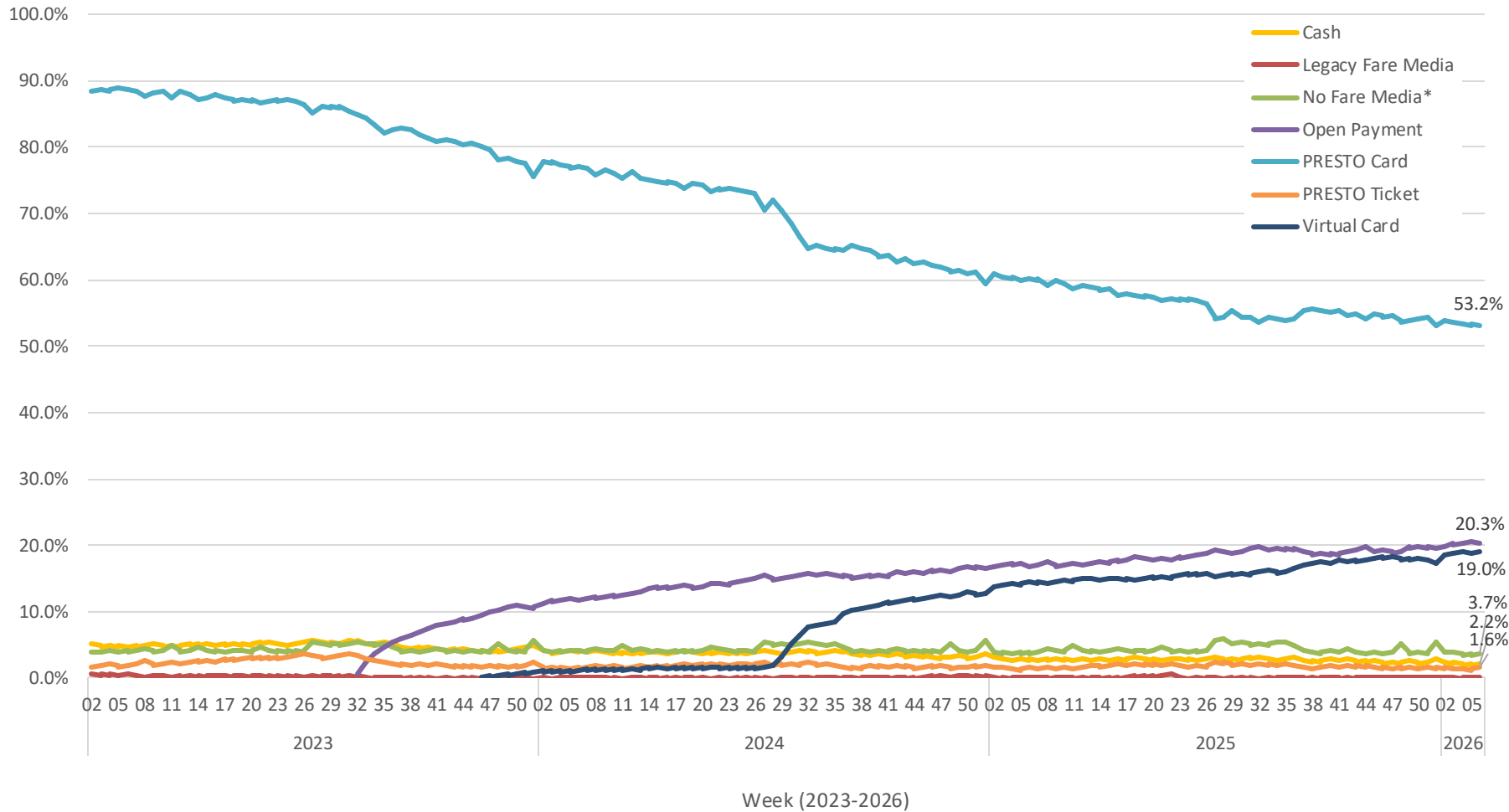
COMMUNITY

FINANCIAL



Fare Media Mix

Weekly Fare Media Mix



~93% **TTC's PRESTO adoption rate**

- PRESTO Card
- PRESTO in Mobile Wallet
- Open Payments: Debit or credit card
- PRESTO in Apple Wallet and PRESTO in Google Wallet (virtual PRESTO cards)
- PRESTO Tickets

*Free Child rides without PRESTO cards



Automated Fare Collection System

- Metrolinx's PRESTO system has evolved since 2012.
- The TTC is collaborating with PRESTO to enable a transition from a card-based to cloud-based technology (PRESTO 2.0).
- PRESTO 2.0 will enable innovative fare products (i.e., multi fare capping, time of day pricing, QR codes, etc.)

Initial System	Modern System
Closed-loop smart card	Cloud and modular technology ecosystem
Card-based architecture	Account-based architecture
Dedicated transit fare media	Multiple payment channels

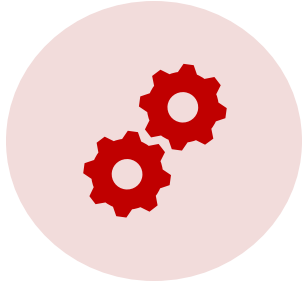
New Technology: Opportunities



- The TTC through PRESTO launched open payments-allowing customers to pay with your debit or credit card.
- Expanded to PRESTO in Apple Wallet and PRESTO in Google Wallet (virtual PRESTO cards).

- Enhanced data collection for service planning
- Opportunities for fare discounts via fare capping, dynamic pricing.

New Technology: Challenges



- Unbanked and underbanked populations
- Seniors and tech-averse users
- Digital literacy barriers
- Maintaining cash options for inclusivity

- **Cost of cash fare collection is high but still needed**
- Mitigations:
 - Change the point of sale for cash paying customers
 - Review how we accommodate cash on buses



Challenges: Third-Party Retail Network

Business Goal



To expand PRESTO Retail network across Toronto, thereby increasing access to residents in Retail Gap Regions and Neighbourhood Improvement Areas (NIAs).

Load Locations Target

95% of City of Toronto residents can load a PRESTO card using cash (in addition to debit/credit) within a 15-minute walk

Current: 72%

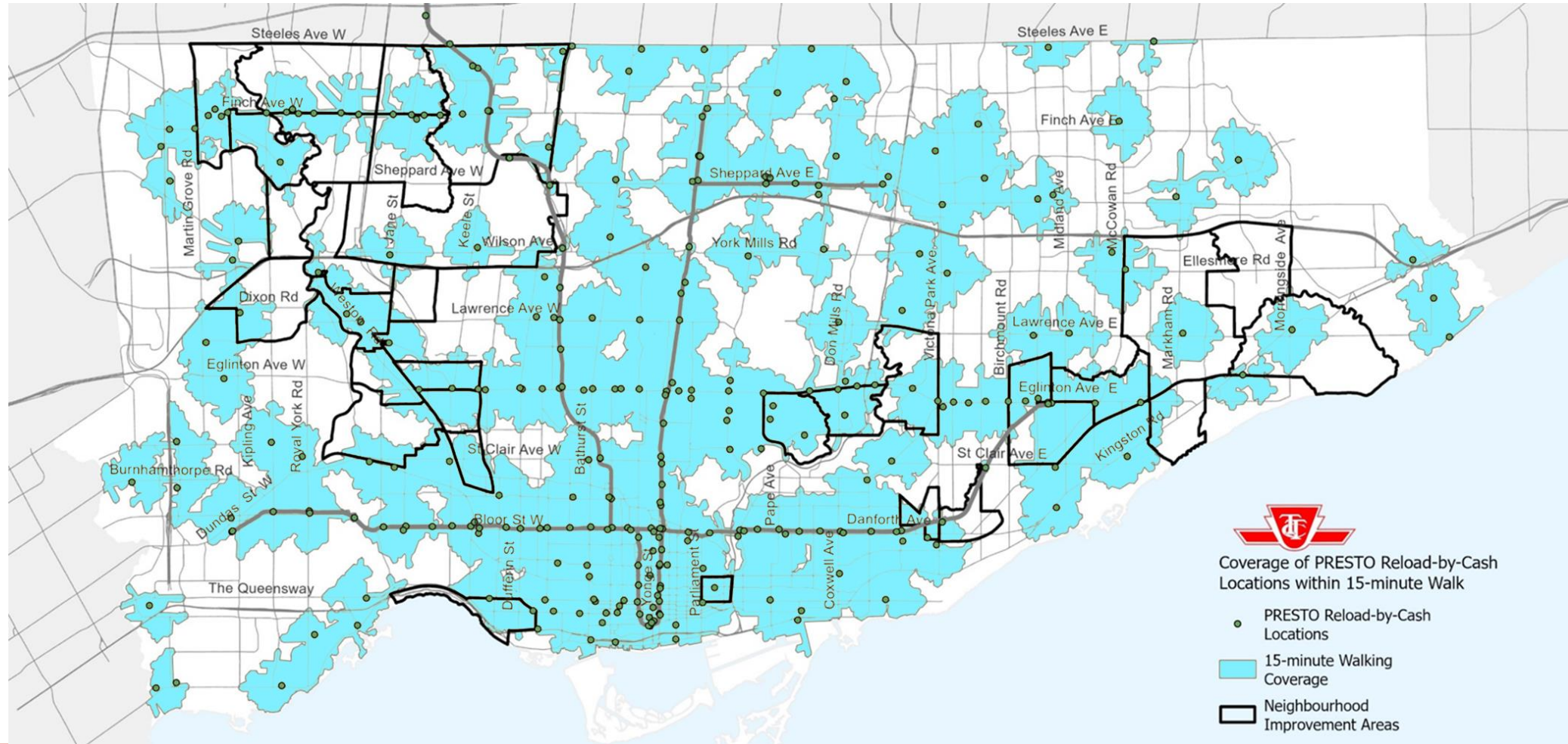
Concession Setting Target

95% of City of Toronto residents can obtain a concession (fare type) within a 15-minute transit journey

Current: 91%

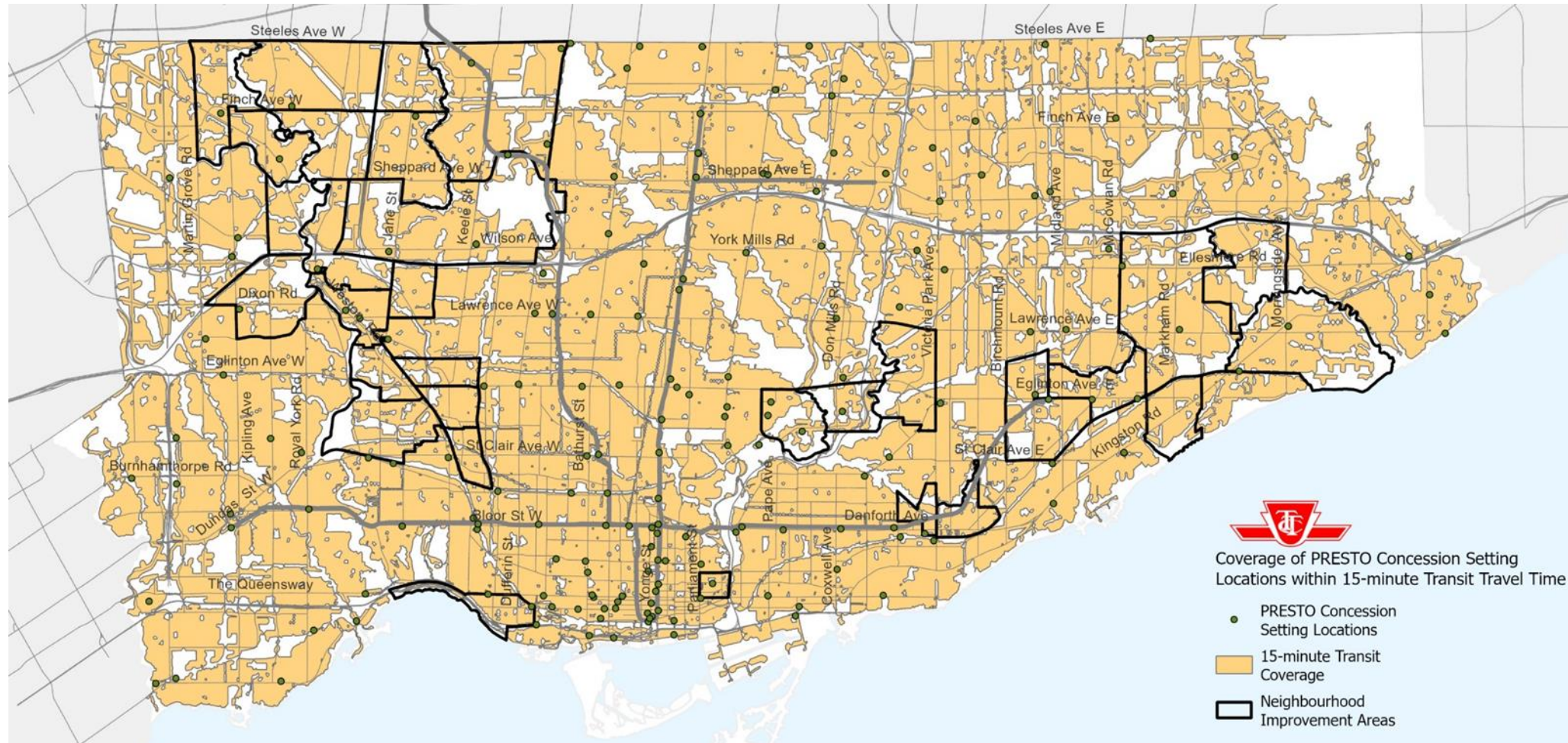
Third-Party Retail Network

Load Locations: 72% within a 15-minute Walk



Third-Party Retail Network

Concession Setting: 91% within a 15-minute transit ride



Solutions: Digital Channels (Third-Party Retail Network)



Phase 1

- Deploy 4 Self-Serve Kiosks Fare Vending Machines (FVM's)
- Deploy to 4 priority intersections with 23,000 daily boardings
- Additional 15-minute access to NIA area residents
- Pilot to test and learn complexity and efficacy of approach to address neighbourhood gaps

Phase 2

- Assess pilot
- Develop and implement plan to further increase reach to target

Solutions: Expanding Social Access and Equity

Complimentary PRESTO Card Initiative

- Toronto Public Library - providing complimentary PRESTO cards to people who do not yet have one and may face challenges in purchasing one
- PRESTO cards available at select Toronto Public Library branches, while quantities last
- Cards contributed by: TTC, City of Toronto and Metrolinx



TOTAL PRESTO CARDS DISTRIBUTED SINCE 2021

280K+

PARTICIPATING LIBRARY BRANCHES

50+

| Key Insights

TTC's modernization journey has been policy driven.
Policy and technology must evolve together.



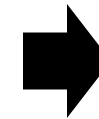
FARE POLICY OUTCOMES

- Concession programs
- Fare integration across agencies
- Equity programs
- Flexible fare products



TECHNOLOGY

- Account-based system
- Open payments
- Real-time fare calculation & capping



Both impact the customer experience

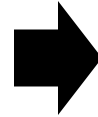


CUSTOMER EXPERIENCE

- Reduced friction
- Greater accessibility
- Improved convenience for visitors and occasional riders

Lessons Learned: Governance is Critical

As TTC does not control the fare system itself, governance is essential.



Key Elements

- Joint decision-making structures
- Performance oversight
- Technology roadmap coordination
- Project delivery alignment

TTC's Fare Modernization Journey: Opportunities



Fare modernization is not only a technology upgrade



Policy objectives must drive technology decisions



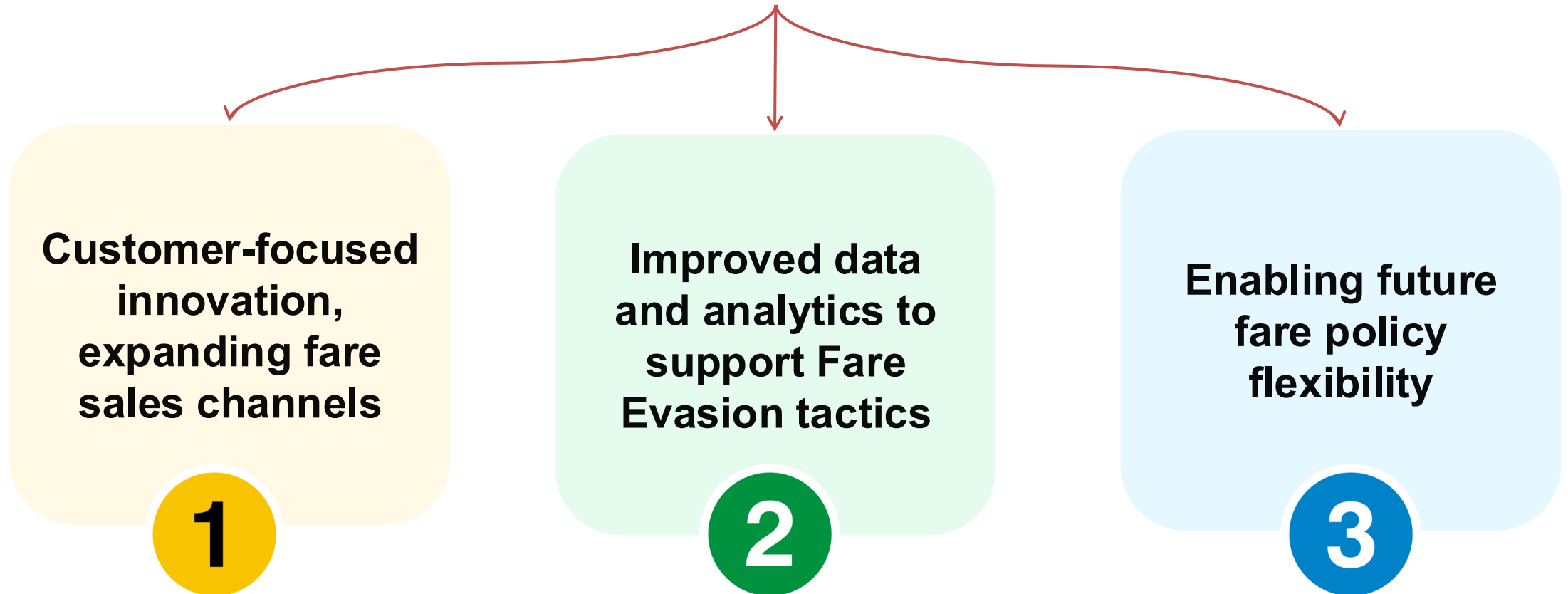
Regional systems require strong governance frameworks



Transit agencies must balance local needs with regional platforms

Future Fare Modernization Outlook: 2027 & Beyond

Fare Modernization through technology



Conclusion

Policy has driven TTC's Fare Modernization journey

TTC's experience illustrates that successful modernization requires alignment on **Policy, Governance, Technology and Operations**

Fare policies are about **balancing access, equity, and financial health**

Modern fare tech offers promise – but **inclusion** must be a priority

Ongoing engagement will be critical to success



This presentation explores the development of fare policies designed to improve access to public transit while enhancing the overall customer experience and integrating modern technology. By addressing affordability, convenience, and equitable access, fair fare policies aim to ensure that transit systems consider diverse populations, including low-income riders, seniors, and people with disabilities, when designing policies and systems, while ensuring the transit agency remains financially sustainable. While new fare technologies can enhance customer experience, challenges await transit agencies in accommodating unbanked/underbanked individuals and cash paying customers. Public engagement is vital to ensure that customers and community partners are onboard with fare technology transformation.