

### L'abonne BUS

#### Organization

Réseau de Transport de la Capitale (RTC)

#### Status

In progress, started in 2002.

#### Overview

In Québec City, more than 30,000 people work for the provincial government, the region's largest employer. The government decided to teach by example, encouraging its employees to use public transportation. Thus, in 2001, the *Ministère des Transports du Québec* and the *Réseau de transport de la Capitale* (RTC) implemented a pilot project so that fees for public transportation passes would be deducted directly from paycheques. Known as *L'abonne BUS*, today this program has 2,831 members from 36 employers in the public and private sector and from *Communauto*, a car-sharing organization.

With *L'abonne BUS*, everyone benefits. RTC is increasing its customer base and developing client loyalty. Member benefits include a discount on their monthly passes and the employer is increasing its visibility among its employees and the public.

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#### Resources

RTC: [www.stcuq.qc.ca](http://www.stcuq.qc.ca)  
 Ministère des Transports du Québec : [www.mtq.gouv.qc.ca](http://www.mtq.gouv.qc.ca)  
 Communauto : [www.communauto.com](http://www.communauto.com)



RTC serves the Greater Québec City area

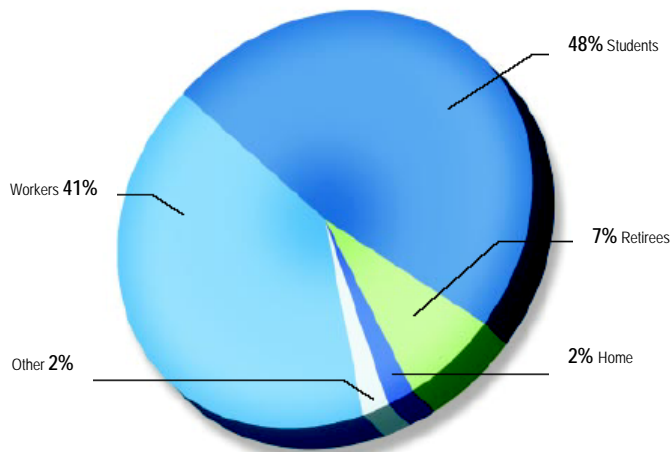
#### Community Context

As a result of the recent wave of municipal amalgamations, the City of Québec has eight municipal districts, covering 542 km<sup>2</sup>, with 507,981 inhabitants (2001). As with all North American cities, Québec City has been experiencing an ever-increasing use of vehicles. In ten years (1991-2001), the number of cars in use increased by 27,000, or 13%. However, population growth during the same period was only 19,000.

With a very well-developed highway network, this population cluster has 22 km of highways per 100,000 inhabitants, compared to 8 km for Montréal and 7 km for Toronto. Town planning is the reason: in recent years, population growth has primarily occurred on the city's periphery. Residential development in these neighbourhoods is still low-density. Furthermore, there are large free parking lots, encouraging car use, but few pedestrian infrastructures or facilities encouraging the use of public transportation.

When cars gain ground, public transportation loses it. Patronage remains stable, but its relative importance continues to sag. In 1991, 16% of motorized trips were made by bus during the week, whereas in 2001, this percentage was only 10%.

However, when we consider travel by workers alone, the picture is more encouraging. This clientele has increased by 12% in five years and constitutes 41% of public transportation passengers. The majority of jobs in the region, 30,000 of which are with the provincial public service, are concentrated in the city centres of Québec and Sainte Foy, as well as Pointe Sainte Foy, which are very well-served by public transportation. Employers are choosing proximity to public transportation as a location factor. Thus, half of the new jobs in Québec City were created in these areas that were already well-served by public transportation.



*Clientele for public transportation by occupation, Québec City, 2001*

The Réseau de transport de la Capitale manages public transportation. Created in 1969 by the provincial government, this public organization provides the population with quality public transportation at the best possible cost. The current RTC network includes:

Regular service covering the entire network and a high-frequency Métrobus in reserved traffic lanes;

Express service during rush hour for workers (and students) to the downtown employment areas, connecting residential sectors to the downtown via highways;

Late-night service on certain routes on Fridays and Saturdays at the end of the evening, as well as a Taxibus service available in areas not served by RTC.

## Policy Context

The problems attributable to increasing automobile use in Québec City, as elsewhere, are concrete: greenhouse gas, smog, noise, road network and parking congestion, decrease in the quality of life, etc.

For these issues, public transportation brings certain relief. It also has several advantages:

Economically speaking, public transportation enables businesses to benefit from larger labour pool, and therefore becomes an important factor in location. It also offers workers greater access to the various jobs available. The more employees take the bus, the more parking spaces there will be for clients of these businesses and shops.

Access to public transportation is essential for many people travelling to work, to school, to access health care or to participate in cultural or leisure activities. A 2001 survey indicates that 13% of households in Québec City do not have a car.

According to data from CAA Québec, families who prefer to use the bus rather than a car, or those who give up their second cars, save more than \$8,000 per year. This money may be injected into the local economy, in sectors that have greater social benefit than does the automobile sector.

Less car use makes it possible to recover space, specifically by reducing overly large streets or by decreasing the number of parking lots. It is estimated that 36 km<sup>2</sup> are used for parking in Québec City. A portion of this space could be recovered to accommodate pedestrian infrastructure, parks or public gardens.

Despite the undeniable advantages of public transportation, users do not benefit from preferential measures or financial incentives from government.

RTC is rising to the challenge of increasing public transportation patronage and developing client loyalty. For this purpose, L'abonne BUS is a marketing tool targeted to employees in the Greater Québec City area.

## Rationale and objectives

L'abonne BUS resulted from the initiative of one employee at the Ministère des transports du Québec. This individual noted that the employer allowed employees to pay their monthly parking fees through automatic deductions from their paycheques. He therefore concluded that the employer, who was attempting to accommodate its car-driving employees, should do the same, in the interests of equality, for its employees who used public transportation.

The idea of encouraging public transit use took off and, in 2001, the Ministry, in partnership with RTC, implemented a pilot project for a public transportation subscription with the cost deducted directly from salary. This project dovetailed well with the ministry's own mission: ensuring the flow of individuals and merchandise via safe, sustainable transportation. Furthermore, it fit perfectly with greenhouse gas reduction efforts under the employer component of the Quebec Action Plan on Climate Change.

For RTC, L'abonne BUS was a way to develop the loyalty of current clients, so that clients only had to make a

decision to buy the pass once a year and not every month. Clients with monthly passes increase their bus use for purposes other than travelling to work. The program benefits also included recruiting new clients.

For the first year, RTC expected a participation rate of at least 15% of employees in the target organizations, or approximately 750 subscribers. It was estimated that, in the first year, 5% of subscriptions would come from new clients and that this percentage would increase in subsequent years.

L'abonne BUS offers specific benefits of interest to employees: a 10% discount on the price of monthly passes and a rate freeze for the first year of the program with the employer, as well as an expanded offer to the subscriber's immediate family members. This is a practical plan because subscribers pay for their passes via source deductions and the passes are delivered directly to the workplace on a monthly basis. Finally, L'abonne BUS affirms the employees' choice because public transportation is recognized and supported in their workplace.

By offering staff economical and practical support for mobility, the employer enhances its image among its employees. By promoting an ecological method of transportation that contributes to improving the environment, it increases its public visibility. Finally L'abonne BUS may make it possible to decrease the number of parking spots reserved for employees.

## Actions

The offices of the Ministère des Transports du Québec, located in downtown Québec City, were an appropriate location for the L'abonne BUS pilot project. Of approximately one thousand employees, 48% travelled by bus. This project was intended to test the interest in an RTC subscription via source deductions, as well as the project's operating methods and the terms and conditions of such a subscription.

After a year of conclusive experience, the program became permanent and was expanded to area employers with potential for at least 25 subscribers. This minimum was set as a result of the administrative effort required to implement and follow up on the program.

Monthly billing was already in place. L'abonne BUS enhanced it with a 10% decrease in the purchase price of 12 monthly passes. The employer also provided a guaranteed return by taxi for subscribing employees if they had a family or medical emergency.

In addition to promoting the program among its employees, the employer must manage and administer it for its subscribers. It must use internal resources for the various tasks related to the subscription, such as source deductions, monthly follow-up on the subscribers' files,

distribution of the passes and payment of the amounts due to RTC.

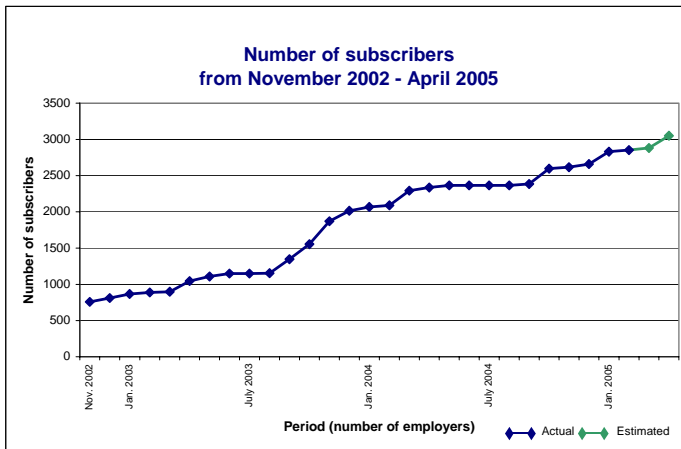
In order to promote L'abonne BUS, RTC made significant marketing efforts:

The organization approached employers by letter or e-mail and asked for meetings with decision-makers;

In 2003, RTC also organized a one-day symposium, inviting mainly private-sector employers to become involved in promoting ecological transportation among their employees. This event was held as part of Québec City's Semaine des transports collectifs et alternatifs.



Marketing Materials



RTC promotes L'abonne BUS one-on-one

Once an employer confirms implementation of the *L'abonne BUS* program, RTC and the employer set up an information table at the workplace. New subscribers can obtain their subscription card and personalized information on all the bus routes and schedules. RTC provides a tool to calculate the cost-effectiveness of *L'abonne BUS* for each situation. In some cases, non-users can obtain a free, two-week trial.

RTC has expanded *L'abonne BUS* to organizations connected directly or indirectly with transportation and the environment. Since November 2004, *Communauto*, a car-sharing business, has offered its clients the opportunity to subscribe to the program.

## Results

Results of the 2001 pilot were good. Of the 1,000 MTQ employees, 17% became subscribers. Of these, 6% were new clients, some of whom had subsidized parking. A survey of subscribers revealed a 100% satisfaction rate!

Since the *L'abonne BUS* program became permanent in 2002, the number of subscribers has continued to increase.

In January 2005, 36 partner employees and *Communauto* were participating, for a total of 2,831 subscribers.

Statistics show that there is an 11% participation rate for workers whose employers provide this program. Participation rates reach 34% for employers located right in downtown Québec, exceeding preliminary estimates.

A survey conducted in September 2004 revealed that, out of the 1,539 subscribers who responded:

- 17% always or often used their car to get to work before subscribing to the program;
- 18% bought fewer than six monthly passes before subscribing to the program;
- 14% have one or more family members who have subscribed.

## Participants

- RTC has 37 partners in the L'abonne BUS program, presented below in chronological order of membership:
- Société de l'assurance automobile du Québec (SAAQ)
- Ministère du Développement durable, de l'Environnement et des Parcs
- Ministère des Transports
- Société de la faune et des parcs du Québec
- Ministère de l'Éducation, du Loisir et du Sport
- Ministère des Affaires municipales et des Régions
- Commission de la santé et de la sécurité du travail (CSST)
- Bureau d'audiences publiques sur l'environnement
- Tourisme Québec
- Régie des rentes du Québec
- Office des professions du Québec
- Laval hospital
- Ministère de l'Emploi et de la Solidarité sociale
- Commission administrative des régimes de retraite et d'assurances
- Société d'habitation du Québec
- Ministère de l'Agriculture, des Pêcheries et de l'Alimentation
- Ministère de la Culture et des Communications
- La Capitale MFQ inc.
- National Assembly of Quebec
- Ministère du Développement économique, de l'Innovation et de l'Exportation
- Radio-Canada/CBC
- Régie de l'assurance maladie du Québec
- La Capitale Assurance générale
- Ministère du Conseil exécutif
- Commission des transports du Québec
- Taléo Canada
- Ministère des Finances
- Institut de la statistique du Québec
- Tribunal administratif du Québec
- Québec City
- Ombudsman
- Conseil du Trésor
- SSQ – Société d'assurance-vie
- Le Soleil
- Institut national de la recherche scientifique
- BMO – Bank of Montréal
- Communauto



## Resources

RTC contributes resources to the administration, management and promotion of the program. During the first years of the program, preparation of a information pamphlet for employers and a significant recruitment effort required additional resources. However, although in subsequent years recruitment was less significant, administration time increased with the number of subscribers. All in all, the resources are equivalent.

With respect to the 10% discount on the cost of the pass, this did not result in any income loss because the employees using public transportation usually only bought 10.8 passes per year. In fact, there was a 16% increase in the number of passes sold per year, even after the 10% discount was excluded. Furthermore, the rate freeze granted during the first year of the program with an employer is an inexpensive marketing tactic that develops client loyalty and brings in more clients.

The following table presents the expenses assumed by RTC for 2004.

Administration and management		
Recruitment, signature and management of agreements	1 person = 4 months/yr	\$20,000
Monthly administration (billing, mail-out preparation, distribution)	15 days/mo	\$25,000
Promotion and information		
Information tables	22 days x 2 people/day	\$9,000
Promotion (draws, preparing subscriber cards, etc.)		\$5,000
<b>Total for 2004</b>		<b>\$59,000</b>

The employer must also contribute resources to the program because it is responsible for its internal administration. These data were not included in the table above.

During the pilot project, the Ministère des Transports (MTQ) prepared and developed various administrative forms, information posters and computer files. MTQ made these tools available to other employers.

## Timeline

- 2001** Implementation of a one-year pilot project with staff at the Ministère des Transports.
- 2002** RTC offered a permanent *L'abonne BUS* program to employers with potential for at least 25 subscribers. Approached government employers directly or indirectly related to transportation and environment.

- 2003-2004** Approached all employers in the public and para-public sectors  
Approached private sector employers

- 2005** *Communauto* joined the program  
Assessed other types of membership  
Recruited other partners  
Co-ordinated with partner employers  
Responded to requests for information

## Lessons learned

- **Develop a solid argument.** In order to address the objections of employers, who may perceive the program as a burden, program promoters must emphasize the benefits of *L'abonne BUS*.
- At the same time, they must reassure employees that they will not be deprived if they give up their cars. Also, the employer will pay for a taxi if there is a family or medical emergency. The average cost per employee was not calculated. On the other hand, employers say that this measure is greatly appreciated, although seldom used.
- **Be flexible.** Although *L'abonne BUS* was originally intended only for employers, RTC offered the program to environment-related organizations. RTC also made exceptions for businesses with slightly fewer than 25 subscribers.
- **Promotion should be repetitive and individualized.** The decision to stop using a car and travel by public transportation is not always an easy one. RTC must have a range of tools to convince those who are undecided: trial pass, personalized information on schedules and routes, etc.
- **Use an electronic smart card rather than a monthly pass.** Currently, RTC must prepare an envelope for each employee subscriber every month and ensure that these envelopes are distributed to the 37 partners who then, in turn, must give them to the relevant individuals. RTC is therefore awaiting, with interest, the arrival of the smart card (anticipated in 2006) that will enable a single action, per subscriber, to validate the smart card when he or she subscribes.
- **Exploit the multiplier effect.** *L'abonne BUS* is an access point for new clients. Through 37 partners, RTC reaches 33,000 people. Employer participation in promoting public transportation gives the employee a new take at subscription.

## **Next steps**

Recruitment in the public and private sectors will continue during 2005. Three new partners confirmed they will enrol for spring and a dozen employers are looking at the relevance of offering the program to their staff. This may increase the number of subscribers to 3,500 by the end of 2005.

RTC will assess requests for other types of subscriptions programs that would meet different needs, such as subscriptions by semester for students at CEGEPs and universities.

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