
Major impact of a 15% shift of transit users to cars

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A 60% fare increase that would have raised the cost of an STM monthly pass from \$45 to \$72 would generate \$90 million in revenue but would also have reduced transit use by about **15 %** according to a 1996 study.

And this decline would have cost the Montreal community at least an additional **\$150 million**¹.

<i>(in million \$)</i>	<i>Annual costs</i>
Cost of traffic congestion	56
Net variable expenses related to the use of cars	22
Variable expenses assumed by truckers	15
Parking costs	12
Social costs of traffic accidents	12
Costs related to air pollution	27
Costs related to noise pollution	0.8
Total annual costs	\$148.8 M

This is only a partial evaluation. For example, the impact on employment, population shifts and the local economy was not considered. Such a situation would no doubt prompt citizens and businesses to move away from Montreal to outlying residential, commercial or industrial areas.

This trend would have repercussions on land values and would affect the city's fiscal base and finances.

1. ADEC Inc., *Évaluation des effets socio-économiques d'une variation tarifaire*, April 1996.