

Equitable Growth



Key Technical Applications

Impact Study

Policy Analysis

Equitable Growth Analysis

“SEPTA’s fare restructuring has significant equity benefits, reducing relative costs for low-income riders across Philadelphia.”

– Dr. Richard Voith, President,
Econsult Solutions

Equity Impacts for Philadelphia Residents of a SEPTA Fare Restructuring Proposal

Econsult Solutions Inc. (ESI) was asked by SEPTA to examine the equity implications for residents of SEPTA’s proposed fare restructuring for its city transit division for FY 2021-2023.

ESI undertook an analysis of the patterns in ridership and fare products utilized in order to understand changes in average costs for different communities and populations across the city. Equity measures were defined based on the share of income that riders pay for a roundtrip under the current and proposed fare structure, relative to changes in income.

The lowest income Philadelphians will spend less of their income on transportation with this proposal. On net across all Philadelphia residents, the restructuring decreases the average roundtrip fare as a share of income by 0.6%. Analysis of ridership patterns shows that the incidence of the change in fare is significantly progressive in its effects:

- Average fares as a share of daily household income fall by more than 1% for communities with incomes below the city median;
- Average fares as a share of daily household income also fall in areas of the city with above average concentrations of residents in poverty, residents with lengthy commutes, children, and minority residents.

In addition, SEPTA’s proposed fare policy will unlock long-term benefits to SEPTA and its riders by enabling more efficient system design and use.

Project Information

Location: Philadelphia, PA
Client: Southeastern Pennsylvania Transportation Authority
Client Representative: Erik Johanson, Dir. of Innovation
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