



DEPARTMENT OF TRANSPORTATION

NEWS

URBAN MASS TRANSPORTATION ADMINISTRATION

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A jointly funded study of the effect of reduced transit fares on the mobility of older people and on the finance of transit companies involved was announced today by the U.S. Department of Transportation and the U.S. Department of Health, Education, and Welfare.

The study will be made by the Senior Citizens Division of the Chicago Department of Human Resources with a \$29,720 grant from the two Federal Departments - one half provided by DOT's Urban Mass Transportation Administration, and half by HEW's Administration on Aging under the Older Americans Act.

A reduction in fares for the elderly, earlier planned by the Chicago Transit Authority, went into effect on April 20. The newly funded study will conduct surveys of the use of the system by older riders, before and after the reduction.

In announcing the grant, Carlos C. Villarreal, Administrator of DOT's Urban Mass Transportation Administration said, "Transportation is of vital importance to the elderly. In fact, it is central to some of their major problems. Limited in mobility and lacking income to pay for transportation, they are isolated from the mainstream of community life and denied ready access to necessary public health services."

"I eagerly await the report from this study."

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Administrator Mary Switzer of HEW's Social and Rehabilitation Service said, "This research should help guide public policy by providing definite answers to the questions of whether a reduced fare program increases ridership by older persons and whether transit authorities must inevitably suffer a loss in revenue that can be directly attributed to instituting such a reduced fare program."

There are now approximately 20 reduced fare plans for the elderly in existence in various parts of the country. However, there has been little information available to provide a systematic basis for a community's decision to embark on such programs, or for determining actual net cost of such programs."

The current study is designed to answer two basic questions: (1) Does the implementation of a reduced fare program for the elderly increase with ridership and to what extent; and (2) To what extent will the transit system's revenues increase or decrease as a result.

In addition to providing information useful nationally on methods of measuring ridership and reduced-fare costs, the Chicago study is expected to provide local information on mobility patterns and habits of various subgroups of Chicago's senior population which could pave the way for improvement or changes in that transit system.

The Illinois Institute of Technology Research will handle the research aspects of the project for the Division of Senior Citizens.

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