



Drive Down the Rising Cost of Commuting:

Strategies for Businesses and Employees



TransitCenter, Inc.
A Nonprofit Corporation



Drive Down the Rising Cost of Commuting: Strategies for Businesses and Employees

Shifting Gears on Commuting Can Help Employees and Companies Save on Rising Gas Costs

Chances are your company is feeling the pressure of rising energy costs. At the same time, many employees are facing the financial hardships of prices at the pump. And with more cars on the road today than ever before, employers are finding that traffic has become a common culprit of reduced workforce productivity and profitability.

Corporate Social Responsibility – Companies Going Green

With greater awareness of the need for corporations to reduce energy consumption, protect air quality and reduce greenhouse gas emissions, many companies are taking innovative steps that wouldn't have been dreamed of a few years ago. Some businesses are planting trees to offset emissions produced from their facilities, developing products that are more environmentally friendly and purchasing hybrid electric vehicles for shipping goods. And more and more companies are finding that it is good for business to help reduce traffic congestion and the "wear and tear" on their employees by presenting alternatives to driving alone to work.

As fuel costs continue to rise, there are other ways that employers can help soften the impact, saving employees money, reducing dependence on energy resources and contributing to a cleaner environment – all the while adding to the bottom line and improving productivity. Start by looking within your organization and at your employees who travel to and from the office every day.

Road, Rail, or Bus: How do your Employees Commute?

Anyone who has missed an important meeting because they were stuck in traffic knows the value of a fast and reliable commute. And while roughly 12 percent of workers in the U.S. rely on mass transit and five percent use car or vanpools, the 2000 Census showed that, in the United States, 78% of all trips to and from work are in single passenger vehicles. All of those hours in traffic mean higher costs and less productivity, not to mention more pollution.

So what's a company to do?

Encouraging Alternatives to the "Drive-Alone" Commuter



Did you know?

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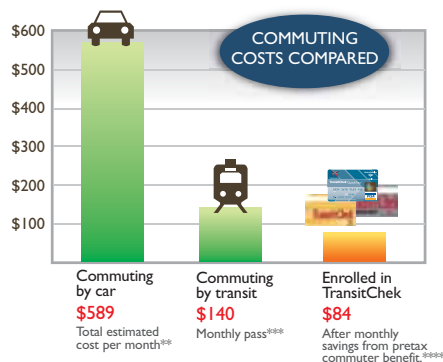
1. Survey the Field. First, find out how your employees get to work. Conduct a simple employee survey to determine their modes of transportation, where they commute from and how long it takes them on average.

2. Talk About It. Based on your survey results, communicate with employees about the findings and the benefits of using mass transit or ride-sharing as a way to save money and time. With gas prices hovering around the \$3.00 mark and rising, there is a tremendous opportunity for commuters to save by taking transit or starting a carpool or vanpool. A comprehensive guide to transit services across the U.S. is available at www.apta.com/links/state_local/

3. Encourage Teamwork. It's no secret that most people don't like change. So, consider offering incentives like flexible schedules to accommodate carpoolers, or prime parking spots for employees willing to double or triple up for their commutes.

4. Promote Transit Savings. IRS tax laws allow companies to offer employees commuter benefit programs, so that they can use up to \$105 per month of their pretax earnings to pay for commuting by mass transit or vanpool. Employees who take advantage of these benefits can save up to 30 percent or more on commuting costs, and employers can realize substantial payroll tax savings as well. For more information on tax-free commuter benefits, go to www.transitcenter.com

5. Illustrate the Benefits. There is no better motivator than the opportunity to save money so, be sure to give your employees a means to see how much they can save. For an easy-to-use online calculator that illustrates what employees can save by sharing a ride, go to www.commuterlink.com/whyssharearide/money.php. For employees who are considering switching to transit, they can go to www.transitcenter.com for a calculator that will show them what they could save.



* SOURCE: MapQuest driving distance between Montclair, NJ and New York, Penn Station.

** Based on results from the New Jersey Department of Transportation's Commuting Cost Calculator at www.state.nj.transportation.com, driving a mid-sized vehicle, paying \$35.64/month with gas costing \$3/gallon. Figure also includes \$482.95/month in Estimated Ownership Cost, which covers maintenance, insurance, license, registration, depreciation, finance charges and taxes.

*** SOURCE NJ TRANSIT monthly pass for Montclair/Boonton Line from Montclair Heights Station to Penn Station, New York.

**** Based on an annual salary of \$48,000. Employee tax savings include: Federal, NYS and NYC income tax, Social Security and Medicare. Annual savings of up to \$500 or more based on the maximum \$105 monthly deductible allowed for mass transit. Lower deductible may result in a smaller savings. Individual savings may vary. Estimated savings based on 2004 Federal Income Tax Rates.

6. Provide Resources. Most metropolitan regions also have organizations that can assist companies in identifying alternative commuting options for employees. For assistance in locating such an organization, contact the Association for Commuter Transportation (ACT) at www.actweb.org

7. Celebrate Success. Look for examples of how using mass transit and carpools has benefited your company and employees, and recognize those who have contributed as a way to create an incentive for others to follow. By implementing a workplace program that reduces drive-alone commuting, your company may be eligible for recognition by the EPA as one of its “Best Workplaces for Commuters.” For more information, visit www.bwc.gov

Tips For Conserving Gasoline Consumption

Even if you're successful in getting some employees in your organization to leave their cars at home for their commute, the fact is that driving is a part of life. Share the tips below with your employees on ways to save on fuel consumption.

1. Slow Down. The faster you drive, the more fuel your car burns and the more money you spend. So next time you have the urge to speed your way to the office, think of your pocketbook (and the energy supply) and go the speed limit.

2. Combine Trips. If you must drive to the office, try combining your commute with other errands – or “trip chaining” – so that all your errands are done in the course of one trip. You'll be surprised at the amount of time and gas money you'll conserve.

3. Off-Peak Travel. Driving during peak commuting times means a greater likelihood of stop-and-go traffic as a result of more cars on the road. If you can avoid commuting at peak times, especially in the afternoon and evening, when ozone levels are highest, you'll save time and money and also reduce emissions levels that contribute to ozone pollution.

Everyone Wins When Employees Are Smart About Commuting

You have the power to effect positive change by offering your employees viable alternatives to the drive-alone commute. This, in turn, can improve the quality of life for your employees and the productivity of your organization. Companies that implement innovative commuting programs are contributing to a significant reduction in vehicle emissions, helping to increase mobility, preserve natural resources and create a stronger, more vital economy for the future.

For more information, e-mail contact person at transitcenter@transitcenter.com.



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