

*Original Research Article*

# Implementation Problems and Improvement Strategies of Free Ride Policy for the Elderly

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**Abstract:** Shanghai has abolished the policy of free travel for the elderly and changed it into a comprehensive allowance for the elderly. This paper analyzes the problems existing in the free ride policy for the elderly from the perspective of citizens, enterprises and the government, and then puts forward three feasible improvement strategies: one is free for limited time, the other is free for limited times, and the third is to change the unlimited implicit subsidy to the quota explicit subsidy, which has reference significance for improving the free ride system for the elderly.

**Keywords:** Free Ride for the Elderly; Existing Problem; Improvement Strategy

## 1. Research background

With the deepening of China's aging degree, the increase of the elderly has brought many problems. At present, most cities implement the free ride system for the elderly who meet the requirements of a certain age. This system fully reflects the public welfare characteristics of public transport, the state's respect and welfare for the elderly, but the elderly free ride also brings many problems. Especially in today's increasingly prominent aging problem in China, the conflict between free ride welfare for the elderly and social and economic efficiency has attracted much attention from all walks of life. According to the people's daily, Shanghai has terminated the free public transport system for the elderly over 70 years old, and changed it to a comprehensive allowance for the elderly over 65 years old, ranging from 75 yuan to 600 yuan per person per month. On the first working day of the implementation of the policy, the number of elderly passengers dropped by 80%<sup>[1]</sup>.

The reform of abolishing free riding for the elderly

in Shanghai has caused heated discussion and Discussion on the free riding policy in various places. Whether to retain or change the elderly bus riding welfare will be a hot topic for scholars. Is the abolition of free rides for the elderly in Shanghai worth following? Whether it is necessary to adjust the policy of free public transport for the elderly in China in the future? This paper analyzes the problems existing in the policy of free public transport for the elderly, looks for the places worthy of reference from the reform of abolishing free public transport for the elderly in Shanghai, and explores where to go and how to adjust the policy of free public transport for the elderly in order to maximize social benefits and benefit the society. Free bus for the elderly is a preferential policy of respecting and loving the elderly in China. To explore this problem, we hope that the elderly free ride system can be further improved, so that the system can not only reflect the social welfare, but also coordinate the interests of all aspects.

## 2. Multi-angle analysis of the problems of free riding for the elderly

The free ride for the elderly reflects the traditional virtue of respecting and loving the elderly in our country. The policy has achieved good humanistic care effect: it enhances the welfare of the elderly, facilitates their travel, improves their happiness index, and reflects the respect and care of the society and the government for the elderly. Due to the relative lack of public transport resources at this stage, there is a certain contradiction between the elderly free riding and social and economic efficiency, which also exposes the problems existing in the elderly free riding.

The free ride policy for the elderly involves the elderly, other citizens, public transport enterprises, public finance and other aspects. The way to adopt it has different degrees of impact on all aspects. The disadvantages of free riding for the elderly are as follows.

### 2.1 From the perspective of the public

From the perspective of citizens, the free ride policy for the elderly is easy to cause the double losses of fairness and efficiency. Firstly, from the perspective of efficiency, public transport, as a quasi-public product, is non-competitive and non-exclusive. However, when it comes to the crowded area, it will be competitive and then exclusive. Some consumers will be forced to give up consumption, thus reducing the use efficiency. It will not only be unfair to some consumers, but also have a negative effect on the economic development of the whole city. However, due to the implementation of the free ride policy for the elderly, the number of trips for the elderly has increased significantly. In addition to the normal travel demand, some “non-rigid and irrational” travel demand has been induced<sup>[2]</sup>. Therefore, it is easy to cause the phenomenon of disordered travel, peak travel and the elderly walking alone, which produces unnecessary passenger flow, and to a certain extent, crowding public resources, increasing the congestion of public transport during peak hours, thus reducing the operation efficiency of urban public transport. Especially in the peak period of traffic congestion, some elderly people travel by bus regardless of distance and time, and frequently get on and off in a short distance, which leads to the decline of vehicle speed, which easily affects the

travel efficiency of office workers and students, and causes social contradictions. Office workers and students should be in a hurry. Most young people think that the old people have plenty of time after retirement. The old people should be considerate and travel less on peak. However, the old people think that it is their right to send their children to school, go to the vegetable market and go to the park for morning exercises during the rush hours, which leads to contradictions. Moreover, some old people take the preferential policies given by the state, rely on the old to sell the old, make noise in the car, force their children to give up their seats, or kidnap young people morally on the issue of giving up their seats. The frequent occurrence of these incidents makes young people have a stereotype of the old and aggravates the contradiction between the old and office workers. According to the relevant survey, the peak time of “senior citizen card” swipe coincides with the morning rush hour of work, which will not only intensify the intergenerational contradiction, but also cause certain risks to the safety of the elderly themselves.

Secondly, from the perspective of social equity, some elderly people don't just need to travel by bus because of the range of activities, travel habits, physical conditions and other factors. They travel by bus less often or can't travel, occupy less bus resources and enjoy less welfare. Therefore, there is an unfair phenomenon between the elderly who enjoy preferential treatment and those who don't. According to the data of 2015, only 40% of the elderly in Shanghai actually use the “respect for the elderly card”<sup>[3]</sup>. This shows that most elderly people are excluded from the policy because of their inconvenient activities, so they can't enjoy the benefits of free rides. This is unfair to these elderly people who don't often take buses, and it doesn't meet the goal of inclusive welfare policies.

### 2.2 Business perspective

After the implementation of the free ride policy for the elderly, the frequency of travel of the elderly will increase, which will inevitably increase the pressure of urban bus operation, and the similar traffic congestion and traffic insecurity factors will also increase. During the rush hour, the elderly crowded buses, crowded buses and bumpy roads will pose certain risks to the personal safety of the elderly. As the elderly are vulnerable groups,

their physical functions decline in all aspects, and it is inevitable that there will be long-term congestion and emergency braking when the bus is running, and accidents of the elderly will happen from time to time, which increases the probability of traffic medical accidents. Moreover, free ride does not exempt the bus company from the responsibility of safety guarantee, and the bus company has to pay for the injuries of the elderly. During the peak period of operation, a large number of elderly people who are free to get on the bus may affect the boarding of ordinary passengers, thus affecting the income of bus companies, increasing the travel risk and increasing the burden of the bus system. For bus companies, it generally shows that there is great pressure on the safe operation of the elderly under the free ride policy, and the inevitable economic burden brought by the lag of government subsidy mechanism and timeliness. Public transportation is a public welfare undertaking that cannot make ends meet, and bus companies pay for the injuries of the elderly that happen from time to time, which further increases the burden of bus companies.

### **2.3 Government perspective**

At the beginning of the implementation of the free ride policy, there are not many elderly people in Shanghai. With the deepening of the aging degree, the elderly population is increasing, and more and more elderly people enjoy free ride. The government needs to continue to increase financial subsidies. As a tool or means of public management, the effect of government subsidies is not entirely positive. As the elderly free ride is an unlimited implicit subsidy, it is easy to produce the negative effect of government subsidies. Some elderly abuse the right of free ride, wasting social resources and affecting social and economic benefits. At the same time, there are subsidy loopholes caused by illegal use of the card. Due to the particularity of free public transport, a considerable number of people who do not meet the conditions of use are driven by interests, and the phenomenon of using the card is not uncommon. Illegal use of cards not only destroys the construction of social credit system, but also increases the labor cost and management cost of the government and enterprises.

## **3. Improvement measures of free riding for the elderly**

It is difficult to solve the problems of the system only relying on moral constraints. In order to alleviate the conflict between the elderly free ride and social economic efficiency, we must make some adjustments to the existing system. Due to the above problems, this part mainly puts forward some suggestions for policy improvement.

### **3.1 Limited discount at specific time**

As a quasi-public product, public transport has a certain degree of consumption competitiveness when resources are scarce in peak hours. At this time, the elderly and ordinary passengers should be treated equally, and they all use the way of buying tickets. In a specific period of time for the elderly to implement non-free measures, through the price adjustment mechanism to guide the elderly off peak travel, to provide a good bus travel environment for people to go to work and school, reduce congestion. The implementation of limited concessions for the elderly can reduce the unnecessary travel of the elderly in peak period, reduce the injury of the elderly due to congestion, reduce the burden of compensation for the bus companies, increase the income, benefit the sustainable development of public transport, and improve the utilization rate of limited public transport resources. For example, the Greater Manchester area of the UK provides for fare relief for the elderly in addition to the weekday morning peak<sup>[4]</sup>.

### **3.2 Scientific setting of swipe times**

According to the actual needs of the elderly, the number of card swipes should be set scientifically, and the annual number of card swipes should be about 760<sup>[5]</sup>. the preferential form of “limited times and free of charge” can not only ensure that the elderly can travel by bus every day, implement the preferential policies for the elderly to travel by public transport, but also control and reduce disorderly or unnecessary travel. On the one hand, it is conducive to saving social public resources, on the other hand, it can alleviate the contradiction between the elderly and young people in public transport travel to a certain extent, so that people in need can enjoy public resources.

### **3.3 “Unlimited dark supplement” is changed to “fixed bright supplement”**

When it comes to changing “unlimited hidden

compensation” to “fixed explicit compensation”, we have to mention Shanghai’s reform experience. Shanghai changed the dark supplement into the bright supplement, and replaced the previous free ride system with the comprehensive allowance system for the elderly. Instead of reducing the welfare of the elderly, it upgraded the implicit welfare of public transportation to the explicit welfare of all the elderly, which expanded the coverage of the system and the benefits of the elderly groups, making the system more fair and reasonable, and at the same time filtered out the irrational travel of the elderly, which was conducive to reducing traffic pressure and avoiding the waste of social resources<sup>[6]</sup>. Shanghai’s plan can make the bus welfare of the elderly more scientific and efficient, so is it worth emulating everywhere? This problem still needs to be analyzed in detail. The free ride policy for the elderly involves many interests, and the implementation of specific policies should be combined with local actual traffic conditions and financial support. The root of Shanghai’s successful promotion of policy change lies in the strong financial support of the government. If local governments want to follow Shanghai’s example and simply cancel the free ride policy for the elderly without financial support or supporting measures, it will inevitably be strongly opposed by public opinion. Although Shanghai’s policy of issuing comprehensive allowance for the elderly may not be used for reference by different places, the method of changing from the dark to the bright one is worth popularizing.

By changing the “hidden subsidy” for the elderly to “clear subsidy” for the bus, public transportation subsidies are given to the elderly in the form of money, which not only overcomes the waste caused by “hidden subsidy”, but also plays the role of price mechanism, reflecting fairness. “Ming Bu” directly uses monetary subsidies, and the cost of subsidies can be used flexibly. The elderly can choose various modes of travel to relieve the pressure of public transportation. Turning the dark supplement into the bright supplement, on the one hand, it reduces the dispensable ride demand of the elderly and rationally utilizes the limited urban transportation resources; On the other hand, the welfare needs of the elderly are personalized, so that the elderly with less travel needs can feel the sense of gain brought by the policy. In addition, the fraudulent use of “respect for the elderly card” can be completely eliminated, and the labor cost

and management cost of relevant government departments can be reduced.

## 4. Summary and discussion

There are some problems in the free ride policy for the elderly: it is easy to cause double losses of fairness and efficiency of citizens, increase the operational pressure and compensation risk of enterprises, and cause negative effects of government subsidies. All localities have taken measures such as limited time free, limited time free, direct payment of allowances, etc. Recently, the free ride policy for the elderly over 60 years old in Shandong Province has aroused widespread concern in the society. Today, with the acceleration of urbanization and the aggravation of aging, it is undoubtedly a good policy to benefit the people and the people. However, in order to make its system operate scientifically and effectively, it is necessary to actively improve and refine supporting measures to guide the elderly to plan their trips reasonably, so as to coordinate the interests of all parties, make the travel of citizens more convenient and make the free ride policy more scientific and effective. This requires more refined policy design, such as how to unify free travel vouchers, reduce the workload of bus drivers due to the need to check valid documents, and improve traffic efficiency; How to divide the liability for compensation of the elderly injured by bus. The elderly and young people enjoy equal travel rights, and the necessary restrictions on free rides are just to filter out “irrational” travel. If the time limit and preferential times are explained from the beginning of policy formulation, the psychological gap caused by policy adjustment can be avoided, and the resistance to policy implementation can be reduced. In addition to improving the problems existing in the policy itself, we can also start from the external environment. Broaden roads and improve traffic congestion; Optimize the public transportation environment, increase the bus frequency of crowded lines, and improve the bus capacity; On the basis of the original frequency, an exclusive bus for the elderly will be added to the local routes where the elderly are densely populated; Improve the construction of community infrastructure, so that the elderly can carry out recreational activities, educational activities and shopping consumption around the community without running around for a long time. In a word, the problem of free ride for the

elderly involves a wide range and concerns the interests of the elderly groups. It is suggested that all sectors of society should study this problem from multiple levels, balance the interests of all parties, and put forward more reasonable and effective suggestions and measures, which can not only ensure the welfare policy of the elderly unchanged, but also ensure the improvement of the overall social benefits.

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