

POLICY BRIEF

VIA Rail on the Kingston Subdivision:

Service Erosion, Funding Collapse, and the National Rail Risk from ALTO HSR

ALTO HSR Citizen Research Initiative (CRI) | altohsrcitizenresearch.ca
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EXECUTIVE SUMMARY

ALTO HSR will trigger a foreseeable and severe erosion of VIA Rail passenger service along the Kingston Subdivision between Toronto and Montréal, regardless of which corridor is ultimately selected. Transport Canada's own documents confirm that the "eventual transfer" of VIA Rail's Québec City–Windsor Corridor operations to the private Cadence consortium is official policy. Because VIA Rail derives more than 80 percent of its revenue from this corridor, that transfer will strip the financial foundation on which Canada's entire national passenger rail network depends, placing at risk not only Eastern Ontario lakeshore communities but also transcontinental services to the Maritimes and western Canada.

Warning signals are already visible: VIA Rail attempted a non-stop Montréal–Toronto pilot in September 2025 that would have cut Kingston's weekly stops by 33, eliminating the first morning trains, a direct preview of what routine operations will look like once ALTO absorbs the profitable express market.

This brief documents the mechanism of that risk, the communities affected, and the policy interventions municipal leaders and stakeholder organizations must demand before the April 24, 2026 public consultation deadline.

1. The Structural Problem: What ALTO Does to VIA Rail

ALTO HSR is designed as a dedicated, privately operated high-speed rail line spanning approximately 1,000 km between Toronto and Québec City. It will not serve Oshawa, Cobourg, Port Hope, Trenton Junction, Belleville, Napanee, Kingston, Gananoque, Brockville, Cornwall, or any other community currently on the VIA Rail Kingston Subdivision. Instead, it will serve only seven cities: Toronto, Peterborough, Ottawa, Montréal, Laval, Trois-Rivières, and Québec City.

This geographic exclusion is structural. Both corridor options under study, a northern alignment via the Havelock Subdivision through Peterborough, and a southern alternative dipping closer to Kingston, would bypass the Kingston Subdivision entirely, drawing a new rail geography that leaves communities from Oshawa to Dorval without access to the primary intercity rail system.

1.1 The Transfer of VIA Rail Operations

Transport Canada's budget supplementary estimates for 2025–26 state explicitly:

VIA Rail received \$8M ... to support the planning and eventual transfer of their Québec City–Windsor Corridor passenger rail services to the private partner.

— Transport Canada, Supplementary Estimates 2025–26

This is not speculation. The transfer of VIA Rail's most profitable corridor to the Cadence consortium, the private entity composed of CDPQ Infra, AtkinsRéalis, Keolis, SYSTRA, Air Canada, and SNCF Voyageurs, is settled federal policy. Once that transfer is complete, VIA Rail will be left operating what Railway Age has described as residual "local services in between freight trains along the existing CN right-of-way."

The Cadence consortium is for-profit. It will be incentivized to maximize revenue on the lucrative Toronto–Montréal–Ottawa triangle and will have no obligation, and no incentive, to maintain service to Eastern Ontario lakeshore communities. Any subsequent service changes will require negotiation with the private consortium, potentially resulting, as Wikipedia's Alto article notes, in "costly litigation."

1.2 The Two Routes — Same Outcome for Eastern Ontario

Northern Route (Via Peterborough and Ottawa)

ALTO traverses the CN Havelock Subdivision north of Kingston through Peterborough to Ottawa. The Kingston Subdivision is bypassed entirely. VIA Rail is left as a legacy operator on a freight-dominated corridor with no pathway to investment, no committed frequency, and a revenue base that will erode as ALTO absorbs the dominant travel pairs.

Southern Route (Under Ongoing Study)

A southern greenfield corridor would run parallel to or within the existing Kingston Subdivision corridor. This introduces additional risks: land expropriation along the existing right-of-way, construction disruption to existing VIA services for a decade or more, and, once ALTO opens, the same revenue transfer problem as the northern corridor option. Southern corridor construction could additionally impair VIA service continuity during the construction period itself.

In either case, the communities of Eastern Ontario face the same outcome: they are bypassed by the new system and left with a diminished, underfunded legacy service.

2. The Warning Signals Are Already Visible

The trajectory of VIA Rail's service decisions since ALTO's announcement provides a clear preview of what operational reality will look like once the corridor revenue transfer is complete.

2.1 The September 2025 Non-Stop Express Pilot

In September 2025, VIA Rail announced a three-month pilot project to operate four daily express trains non-stop between Montréal and Toronto, bypassing all intermediate Eastern Ontario communities. The proposal would have:

- Cut Kingston's weekly train stops by 33, eliminating five trains per day;
- Pushed the first eastbound departures from Kingston to 11:00 AM, making same-day business travel to Montréal or Ottawa impractical;
- Eliminated early morning service from Belleville, Napanee, and Trenton Junction;
- Proceeded without consultation with affected municipalities.

The pilot was postponed only because of "operational constraints with CN", not because VIA withdrew the proposal. VIA stated publicly that it "remains confident" in the express service model and "will continue pursuing direct trips between Montréal and Toronto." The pilot is deferred, not cancelled.

This doesn't have to be a zero-sum game, where in order to service Montréal and Toronto, you have to take something away from the communities in between. There are around a million people living along the rail corridor between those two cities.

— Kingston Mayor Bryan Paterson, CBC, September 2025

2.2 Kingston City Council Unanimously Withdraws Support

Kingston City Council voted unanimously in March 2025 to formally withdraw its support for the ALTO project, a rare and significant act by a city with one of the highest VIA Rail ridership rates in Canada. ^[refs. 7, 8, 17, 18] Councillors noted that ALTO's shift from the original HFR model (which included Kingston as a Regional Hub) to a greenfield HSR bypassing the city represented a broken promise. The motion called for VIA Rail to "honour their original commitment to Kingston for a Regional Hub."

Following the September 2025 pilot announcement, Kingston passed a second motion demanding maintenance and enhancement of local service. Belleville City Council and Napanee Council both backed that motion. The Eastern Ontario Wardens Caucus, representing 103 member municipalities in Eastern Ontario, has expressed concern about disruption and expropriation risk throughout the ALTO planning process.

2.3 Fleet Undercapacity and Service Cuts

VIA Rail is already struggling with fleet availability. As of early 2025, at least one daily Ottawa–Toronto return trip and some weekend departures had been cut due to the gap between retiring legacy equipment (LRC cars) and the limited availability of the new Siemens Venture fleet. The Venture fleet was sized for an HFR system arriving in the early 2030s; that assumption has been overtaken by the ALTO pivot, leaving VIA under-equipped for at least another decade on existing infrastructure.

Transport Action Canada noted in April 2025 that the Kingston Subdivision is currently served by only six daily passenger paths in each direction, with many trains already running seven or eight cars to meet demand. Travel times are approximately one hour longer than in the 1980s. Without

infrastructure investment, and with ALTO's express pilot signalling the direction of service decisions, the trend is irreversible.

3. The National Network Cascade: Beyond Eastern Ontario

The impact of ALTO's corridor revenue transfer extends far beyond the Kingston Subdivision. Because VIA Rail uses corridor revenue to cross-subsidize its entire national network, the privatization of that revenue stream places intercity passenger rail at risk from Halifax to Prince Rupert.

3.1 VIA Rail's Revenue Structure

VIA Rail's financial structure is straightforward and stark:

- More than 90 percent of VIA Rail's passengers travel in the Québec City–Windsor Corridor;
- More than 80 percent of VIA Rail's revenue derives from that same corridor;
- All non-corridor routes (the Ocean, the Canadian, and remote services) are sustained by the cross-subsidy this revenue provides;
- No passenger rail system in the world operates without government subsidy; the corridor is VIA's most commercially viable asset by a wide margin.

The Wikipedia entry for Alto (updated April 2026) states that the loss of corridor revenue to a private, for-profit operator "could 'profoundly compromise' Via Rail's ability to maintain services elsewhere in Canada." This assessment reflects a growing consensus among transport analysts, labour organizations, and opposition parliamentarians.

3.2 Routes at Risk Nationally

Route	Frequency	Risk if Corridor Revenue Lost
The Ocean (Montréal–Halifax)	3×/week	Critical — already no other funding source; serves Atlantic Canada
The Canadian (Toronto–Vancouver)	2×/week	Critical — transcontinental; suspended then restored; no commercial case
Winnipeg–Churchill	3×/week	Critical — essential remote service; no road alternative to Churchill
Jasper–Prince Rupert	Weekly	High — essential to remote northern B.C. communities
Sudbury–White River	2×/week	High — only intercity transport for many northern Ontario towns
Montréal–Jonquière/Senneterre	2×/week	High — remote Québec service; tourism and essential access

3.3 Parliamentary and Labour Concerns

Former NDP transport critic MP Taylor Bachrach (Skeena–Bulkley Valley) raised the concern directly at the time of the ALTO announcement: "The Liberals plan to essentially hand over ridership to the private sector... and Via Rail is going to be left with the crumbs. They're going to be left with a fraction of the revenue that they use to operate rail all across the country." He warned that this puts "long-distance rural routes in peril at a time when really we should be investing more."

Unifor, whose members operate VIA Rail trains, described the ALTO announcement as "an assault on good unionized jobs" and a "direct threat to the stability of Canada's public passenger rail system." The union launched a "Get Canada Back on Track" campaign calling ALTO a "VIA Rail sell-off" and noting that Canadians have already contributed over \$1.5 billion in public investment in corridor enhancements now slated to be transferred to private hands.

4. Communities at Risk Along the Kingston Subdivision

The following communities are currently served by VIA Rail on the Kingston Subdivision and will receive no benefit from ALTO under either corridor option under study. With the exception of Dorval, none has a viable airport. For all of them, VIA Rail is the primary, and for most, the only, intercity connection to major urban centres, healthcare, post-secondary institutions, and economic opportunity. The table runs in geographic order from Toronto eastward to Montréal.

Community	Key Dependencies on Rail	Specific Risk
Oshawa	~170,000 people; Durham Region seat; Ontario Tech University; no viable airport; eastern GTA commuter hub	Full bypass by ALTO; largest bypassed community on the corridor; no airport alternative
Cobourg / Port Hope	Northumberland Hills Hospital; growing commuter population; arts community; tourism	Limited service already; express pilot bypasses entirely; no airport
Trenton Junction / Quinte West	CFB Trenton (Canada's busiest military base); manufacturing; healthcare	First morning trains eliminated; same-day regional travel to Ottawa or Montréal impractical
Belleville	Loyalist College; healthcare; Quinte region hub; manufacturing	First morning trains eliminated; council passed motion opposing service cuts
Napanee	County seat; aging population requiring healthcare access; limited alternative transport	Among first stops cut in 2025 fleet crisis; early morning service eliminated
Kingston	Queen's University, KHSC, CFB Kingston, tourism, commerce; highest per-capita VIA ridership in Canada	33 weekly stops lost under September 2025 pilot; Regional Hub promise abandoned; no airport
Gananoque	1000 Islands tourism gateway; flag stop between Kingston and Brockville	Minimal service today; would be eliminated; no airport or viable intercity alternative
Brockville	Leeds & Grenville county seat; healthcare; justice facilities; emerging tourism destination	Ottawa non-stop (Train 50) already bypassed Brockville on Sundays in the September 2025 pilot

Cornwall	~48,000 people; Quebec border city; Hôpital de Cornwall; manufacturing; no airport	Only VIA stop in a 150 km gap between Brockville and Dorval; bypassed by ALTO under both corridor options under study
Dorval (QC)	Montréal suburb; site of only VIA Rail–Montréal airport shuttle connection (free YUL service)	ALTO will not serve Dorval; the airport shuttle serving the entire corridor will be lost

5. Key Findings

Finding 1 | Tier 1

The transfer of VIA Rail corridor operations to a private operator is official federal policy

Transport Canada's own 2025–26 budget documents confirm that VIA Rail's \$8M allocation supports "the planning and eventual transfer of their Québec City–Windsor Corridor passenger rail services to the private partner." This is not a risk scenario, it is stated government intent.

Finding 2 | Tier 1

ALTO will strip VIA Rail of more than 80% of its revenue

With over 80% of revenue and 90% of passengers in the Québec–Windsor Corridor, the transfer to Cadence will hollow out VIA Rail's financial viability. No protected funding mechanism for VIA's national network has been legislated or promised.

Finding 3 | Tier 1

Service erosion on the Kingston Subdivision has already begun

The September 2025 express pilot, cutting 33 weekly stops from Kingston alone, was postponed only by operational constraints, not withdrawn. VIA stated it will proceed. This is the template for post-ALTO operations.

Finding 4 | Tier 2

Canada's national passenger rail network faces existential threat

The Ocean, the Canadian, the Churchill route, and all remote services depend on corridor cross-subsidies. If those transfer to Cadence, VIA Rail will face a funding crisis that historically leads to route suspension — as occurred with the 55% service cuts in 1990.

Finding 5 | Tier 2**Eastern Ontario communities have no viable alternative to VIA Rail**

Oshawa, Cobourg, Port Hope, Trenton, Belleville, Napanee, Kingston, Gananoque, Brockville, and Cornwall have no viable airports. Rail is their primary, in most cases their only, intercity connection. Dorval additionally stands to lose the only VIA rail-to-airport shuttle serving the corridor. Loss of morning service alone will sever the practical link between these communities and economic, healthcare, and educational centres.

6. What Municipal Leaders and Organizations Must Demand

The April 24, 2026 ALTO public consultation deadline represents the critical window for intervention. Municipal leaders and stakeholder organizations along the Kingston Subdivision should advance the following demands through every available channel, including formal submissions, coalition statements, parliamentary advocacy, and media engagement.

Demand 1 — Statutory Service Guarantee

Any federal legislation enabling ALTO must include a statutory charter guaranteeing minimum VIA Rail service levels on the Kingston Subdivision. The charter must specify minimum daily frequencies, must protect morning and evening service windows, and must require public consultation before any schedule changes affecting intermediate communities.

Demand 2 — Dedicated National Network Funding

Parliament must establish a dedicated, legislated funding stream for VIA Rail's non-corridor network (the Ocean, the Canadian, and remote services) entirely independent of corridor revenue. This fund must be protected from reduction as a condition of any ALTO implementation agreement.

Demand 3 — Rejection of the Non-Stop Express Model

The September 2025 pilot demonstrated that VIA Rail's current commercial logic, under pressure from ALTO, defaults to sacrificing intermediate communities for end-to-end speed. Municipalities must formally reject this model and demand that any future express service be additive to, not substitutive for, existing Kingston Subdivision stops.

Demand 4 — Kingston Subdivision Infrastructure Investment

If the federal government is committed to investing \$60–90 billion in ALTO, it must also invest in the existing Kingston Subdivision: signal upgrades, track improvements, and CN access agreements that improve VIA Rail reliability and reduce the travel time disadvantage that currently drives passengers away from intermediate communities.

Demand 5 — Municipal Coalition and Formal Submission

Oshawa, Cobourg, Port Hope, Trenton, Belleville, Napanee, Kingston, Gananoque, Brockville, Cornwall, and the Eastern Ontario Wardens Caucus should coordinate a joint formal submission to the ALTO public consultation, asserting that the project as designed fails the public interest test for communities along the existing VIA route. The submission should cite Transport Canada's

transfer language as evidence that corridor privatization is imminent and demand explicit legislative protection before the Final Investment Decision.

7. References and Sources

The following sources underpin the analysis in this brief. All are publicly accessible.

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ALTO HSR Citizen Research Initiative

An independent, non-partisan citizen research project examining the ALTO HSR proposal in the public interest.

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