ALTO HSR CITIZEN RESEARCH INITIATIVE
Cost & Ridership Brief · May 2026

Reading the Answer

What the government tells Parliament about ALTO's costs, riders, and subsidies — and what two independent academic studies show

On April 22, 2026, the Minister of Transport answered Order Paper Question Q-923 with three numerical claims about the ALTO project: that operations would be "financially self-sustaining," that the project would cost $60 to $90 billion, and that it would carry 43 million annual riders by 2084. Two independent academic studies of the same corridor — one recent and corridorwide, one earlier and focused on Toronto–Montreal — reach quantitatively different conclusions. This brief sets out what each claim says, what the academic record shows, and where the two pictures differ.

Executive Summary

The question. On April 22, 2026, the Minister of Transport answered Order Paper Question Q-923, submitted by Philip Lawrence (MP, Northumberland–Clarke). The answer contained three specific numerical claims about ALTO: that operations would be “financially self-sustaining,” that the total project cost would be between $60 and $90 billion, and that the project would carry 43 million annual riders by 2084.

The academic record. Two independent academic studies of the same corridor reach quantitatively different conclusions. The corridorwide analysis published by Transportation Research at McGill (Zhang, Negm and El-Geneidy, 2025) is the more recent and authoritative source; an earlier analyst report from the Munk School’s Global Economic Policy Lab at the University of Toronto (Bien, Iqbal, Li and Stecher, under Professor Mark Manger, 2021) examines the Toronto–Montreal segment specifically. Both studies were prepared independently of the ALTO process. Both describe high-speed rail in broadly favourable terms. Both reach figures that differ from the government’s.

What this brief argues. None of the three claims in Q-923 is factually inaccurate. Each is constructed using the most favourable available definition, range, or horizon. The combined

effect is a headline picture that the academic record does not support. The brief sets out the three claims, the two studies, and the side-by-side comparison so that readers can judge for themselves whether the government's framing is realistic.

The Three Claims in Q-923

On March 5, 2026, Philip Lawrence submitted Order Paper Question Q-923 asking, among other things, whether the project would require ongoing public subsidies, what its total cost would be, and what ridership it was projected to carry. The Minister of Transport's answer was tabled in the House of Commons on April 22, 2026. Three numerical claims are at the heart of that answer.

> *Operations are expected to be financially self-sustaining, with revenues covering operations and maintenance costs and eliminating the need for ongoing operating subsidies. The total project cost is estimated at between $60 and $90 billion. The project is forecast to carry 43 million annual riders by 2084.*
>
> Paraphrase of three propositions from the Minister's response to Q-923, April 22, 2026.

Each of these three propositions is what the rest of this brief examines. Each is technically defensible on a particular reading. None is, on the academic record now publicly available, the only available framing of what is being described.

The Academic Record

Two independent academic analyses of the ALTO corridor are publicly available. They differ substantially in age, scope, methodology, and authority. They reach quantitatively similar conclusions on the questions both address.

The McGill study (2025)

The primary academic comparator for this brief is the corridorwide analysis published in 2025 by Transportation Research at McGill, by Bingyu Zhang, Hisham Negm and Ahmed El-Geneidy (McGill University). Titled High-Speed Rail in Canada: Insights from a corridorwide survey and a financial analysis, the study combines a 6,738-respondent travel-demand survey across six Census Metropolitan Areas with a 50-year financial model. It uses ALTO's own published cost assumptions as its inputs. It was funded by Queen's University and the Natural Sciences and Engineering Research Council of Canada (NSERC). The study describes high-speed rail throughout in favourable terms; its findings are not advocacy against the project. Where the government's framing and the McGill model differ, that difference is a difference in calculation, not in disposition.

The Munk School analyst report (2021)

An earlier independent reference point is the analyst report High-Speed Rail: Toronto - Montreal Economic Analysis, prepared by the Global Economic Policy Lab at the University of Toronto's Munk School of Global Affairs and Public Policy. The authors — Philipp Bien, Saad Iqbal, Amy Li and Ian Stecher — were graduate-level Clean Energy Analysts within the Lab, working under the direction of Lab Director Professor Mark Manger. The report is not a peer-reviewed publication. It addresses only the Toronto–Montreal segment (approximately 540 km), not the full Toronto–Quebec City corridor. Its cost figures are in 2021 dollars and predate both the formal designation of ALTO and the consultation period that closed in April 2026.

The Munk report's value as a comparator is as an earlier, independent reference point. It was written four years before the ALTO process began, by analysts with no involvement in the federal program, using standard cost-projection and net-present-value methodology. It reaches quantitatively similar conclusions to the more recent McGill work on the questions both studies address. The brief below treats the McGill study as primary and cites the Munk report where it provides confirming or complementary evidence.

Claim by Claim

The three claims in Q-923 are addressed in turn. For each, the brief sets out the government's wording, the corresponding finding from the academic record, and a short note on why the difference matters.

Claim One — On subsidies

THE GOVERNMENT SAYS	THE ACADEMIC RECORD SHOWS
Operations are expected to be financially self-sustaining, with revenues covering operations and maintenance costs and eliminating the need for ongoing operating subsidies.	McGill (2025): operations cover their own costs at full ridership; capital must be repaid by public funds at an average of C$1.23 billion per year for 47 years, totalling approximately C$61.62 billion before full cost recovery in year 48. Munk (2021): operations cover their costs at a breakeven ticket price of C$109; at a more affordable C$75 ticket, the Toronto–Montreal segment alone requires C$5.08 billion in subsidy. Neither study treats capital servicing as outside the scope of public obligation.

Why the difference matters. The government's statement defines "subsidy" narrowly, as operating subsidy — the cash transfer required once trains are running, to keep them running. The academic studies extend the analysis to capital servicing, which is the much larger lifetime obligation. McGill's estimated C$61.62 billion in public subsidy over 47 years describes the

same financial structure that the government's statement describes; the two are not contradictory. They are differently bounded. A reader who acts on "self-sustaining" as a description of the project's lifetime public cost is reading the phrase against the narrowest available technical definition.

Claim Two — On cost

THE GOVERNMENT SAYS	THE ACADEMIC RECORD SHOWS
The total project cost is estimated at $60 to $90 billion. (ALTO's May 8, 2026 blog post classifies this as an AACE Class 5 estimate, carrying an accuracy range of –50% to +100%.)	McGill (2025): total construction cost of C$79.8 billion in 2025 dollars, full corridor. This figure sits within the upper portion of the government's stated range. Munk (2021): C$11.94 billion in 2021 dollars for the Toronto–Montreal segment alone, with a 66% contingency already built in. The two studies use different methodologies and apply to different scopes; neither extrapolates straightforwardly to the other.

Why the difference matters. The government's range is wide enough to encompass quite different methodological approaches. The accuracy band attached to the underlying AACE Class 5 classification — addressed in the Initiative's companion brief Reading the Footnote — extends the realistic outturn substantially beyond the stated upper bound. The McGill estimate sits at the upper end of the government range; the Munk segment estimate, even scaled judgmentally for length, sits below the government's lower bound. "$60 to $90 billion" is doing the work of multiple very different methodological assumptions, none of which the published figure distinguishes between. Access to Information documents published by The Canadian Press on May 28, 2025 also show that the corporation now answering for the $60–90 billion figure was, beginning in September 2023, paying a marketing firm to rebrand the project from HFR to HSR — eighteen months before any HSR-specific cost analysis had been tabled to Parliament. The Initiative's companion brief The Report That Vanished examines that documentary record and its consequences for the parliamentary disclosure base in detail.

Claim Three — On ridership

THE GOVERNMENT SAYS	THE ACADEMIC RECORD SHOWS
The project is forecast to carry 43 million annual riders by 2084. (Assuming construction begins in 2029, this corresponds approximately to year 55 of operations.)	McGill (2025): 20.80 million annual riders on the full corridor by year 50 of operations. Munk (2021): 10.45 million annual riders on the Toronto–Montreal segment by year 30; using Munk's own observation that this segment generates approximately 57% of corridor ridership on average, this implies roughly 18 million annual

THE GOVERNMENT SAYS	THE ACADEMIC RECORD SHOWS
	riders on the full corridor at year 30. The two academic projections converge within 15%; both are approximately half the government figure.

Why the difference matters. The government's 43-million figure is roughly twice the academic consensus and is attached to a horizon two to three decades later than the academic projections. By selecting the latest available year and roughly doubling the mature-corridor ridership the academic studies support, the answer constructs a number that is neither directly comparable to the published analyses nor easily falsifiable for several more decades. The technique is not unique to this file; it is, however, conspicuous when the academic studies are set beside the parliamentary answer.

How the Project Changed: A Short Chronology

The three numerical claims in Q-923 are the most recent point in a project whose definition has shifted substantially over eight years. Understanding why the government's figures differ from the academic record requires understanding how the thing being costed and forecast changed shape along the way. The sequence below is drawn from the public parliamentary record, principally the September 2024 committee report and the Government Response tabled in October 2025.

2016–2021 — A VIA Rail proposal for higher frequency, not higher speed. The project began as a VIA Rail concept assessed under Budget 2018. Its defining objective was frequency and reliability on dedicated track, not top speed. A witness who had worked on the original proposal told the committee it was "decision-ready by summer of 2018" and could have been in service by 2025; the original aim was described as putting passenger rail back on a sound financial footing. The estimate publicly associated with that early concept was approximately $12 billion.

2022–2023 — Procurement, with the scope deliberately left open. A federal Crown corporation was incorporated in late 2022 to manage the project, and a procurement phase launched. Three consortia were invited to bid. Crucially, bidders were asked to submit two options: one running at up to 200 km/h, and one with some high-speed segments to reduce overall travel time. The corporation's own leadership repeatedly told the committee that the scope, technology, and route were not yet defined, and that it would be "imprudent to throw numbers out, because the scope is not defined." The 2021 $12 billion figure was confirmed to the committee as "probably not adequate anymore," but no replacement figure was offered.

September 2024 — The committee reports, still on the frequency-first premise. The committee tabled its 18-recommendation report under the title Issues and Opportunities: High

Frequency Rail in the Toronto to Quebec City Corridor. The report is framed throughout around high-frequency rail. Its recommendations asked the government to define cost and timetable (including an explicit analysis of the incremental cost between the higher-frequency and high-speed options), to release the unredacted Joint Project Office report, and to analyse the effect of a dedicated line on existing VIA Rail service. The premise of the report was that the speed question remained open and that the cost difference between the two options had not been established.

February 2025 — The pivot to high-speed rail. The government announced on February 19, 2025 that the scope of the project would shift to delivering high-speed rail. This is the decision that resolves the speed question the committee had treated as open — and it resolves it toward the more expensive of the two procurement options, the one requiring a fully protected, fenced right-of-way without at-grade crossings. The decision was made before the committee's requested incremental-cost analysis had been produced. Access to Information records indicate the rebranding toward this framing had been operationally under way since September 2023, some seventeen months before the public announcement.

March–September 2025 — Partner selected, timeline halved. The procurement concluded with the selection of a private developer partner, and a Pre-Development Agreement was signed on March 19, 2025, launching a multi-year co-development phase. On September 11, 2025, the government announced that construction would now be accelerated to begin in four years rather than the original eight. The acceleration was announced even as the Government Response would shortly confirm that "all costing information remains subject to change" through co-development.

October 2025–April 2026 — The Response, then the figures. The Government Response to the committee's report was finally tabled on October 10, 2025, more than a year after the report itself. It agreed with the intent of all 18 recommendations but downgraded several of the most consequential — including the cost-and-timetable recommendation and the release of the unredacted Joint Project Office report — to support "in principle," deferring substance to the co-development phase. The incremental HFR-versus-HSR cost analysis the committee had asked for was never produced as such. Q-923, answered on April 22, 2026, then placed firm-sounding figures — $60 to $90 billion, 43 million riders, no operating subsidy — on a project whose own governing documents still described its costs as undefined.

The throughline is this: the project began as a frequency-first concept with a roughly $12 billion estimate, was procured with its scope deliberately undefined, was redirected to high-speed rail before the cost comparison the committee requested had been done, had its construction timeline halved while its costs were still officially "subject to change," and only then acquired the specific $60–90 billion and 43-million-rider figures that Q-923 presents. The figures did not emerge from a defined scope; the scope was redefined around an ambition, and the figures followed. That is the context the academic comparison in this brief is read against.

The Parliamentary Context Q-923 Sits In

Q-923 was answered on April 22, 2026. As the chronology above sets out, the parliamentary record on ALTO that surrounds it is materially thinner than it might otherwise have been. The committee's 18-recommendation report asked specifically for an HFR-versus-HSR cost analysis (Recommendation 4), the release of the Joint Project Office's full unredacted report (Recommendation 6), and an analysis of the impact of a dedicated rail line on existing VIA Rail service (Recommendation 8). The first of these was never produced as such; the second was downgraded to release "in principle" in redacted form. The $60–90 billion figure cited in Q-923 therefore sits within a disclosure context in which the central cost question the committee posed was redirected rather than answered.

The Initiative's companion brief The Report That Vanished sets out this parliamentary-process record in detail — including the documentary evidence on the marketing-led pivot, the procedural mechanics of prorogation, and the parliamentary mechanisms by which the unanswered recommendations remain available to be revived. The two briefs are intended to be read together: Reading the Answer documents the headline framing of the three specific numerical claims in Q-923, and The Report That Vanished documents the parliamentary record into which those claims were placed.

Same Project, Three Different Pictures

The three claim cards above can be read as a single comparison. Across cost, ridership, and subsidies, the government's framing in Q-923 and the academic record diverge in the same direction at each turn: the government number describes the largest, latest, or narrowest-defined version of each quantity, and the academic record describes a more constrained or more comprehensively defined version.

Subsidies: Government — no operating subsidies. Academic record — C$61.62 billion in capital subsidies over 47 years.

Cost: Government — $60–90 billion (Class 5 range, with a –50%/+100% accuracy band). Academic record — between C$11.94 billion (segment, 2021$) and C$79.8 billion (full corridor, 2025$), depending on scope and methodology.

Ridership: Government — 43 million by 2084 (year "55"). Academic record — approximately 18 to 21 million annual riders on the full corridor between year 30 and year 50.

Is the Government's Framing Realistic?

The honest answer depends on what “realistic” is asked to mean.

If realistic means technically defensible, the answer is yes. Each of the three figures in Q-923 can be constructed using some defensible technical methodology, and none is factually inaccurate. The Minister’s answer is a carefully drafted parliamentary response. It would survive most reasonable tests of literal accuracy.

If realistic means consistent with the picture an informed reader would expect, the answer is more complicated. The two independent academic studies converge on a project that:

- **carries roughly half the ridership** that the government’s 2084 figure implies, at a horizon closer to year 30 to 50 than year 55;
- **requires substantial sustained public capital subsidy** over four to five decades, even when operations cover their own costs;
- **could plausibly cost as much as the upper end of the government’s range,** or, depending on methodology and scope, materially less.

The framing in Q-923 is not the only available framing of the same underlying material. It is the framing that produces the most favourable headline impression at each of the three points where a definitional, range, or horizon choice could be made. Whether to characterise this as “realistic” is finally a judgment for the reader. What the brief documents is that the framing is a choice, and that the academic record provides the basis for reading what each statement leaves out.

Three Questions to Ask of the Next Federal Statement

Where the next federal statement on ALTO is concerned — whether in answer to a future Order Paper Question, in a ministerial statement, in a corporate plan summary, or in a public communication from ALTO itself — three questions follow naturally from this brief.

- **On subsidies,** what definition of “subsidy” is being applied? Does the figure cover operations only, or operations and capital servicing? If capital servicing is excluded, what is its size and duration, and over what time horizon is the public obligation expected to extend?
- **On cost,** what is the basis of the figure? Is it a bottom-up engineering estimate, a reference-class-adjusted estimate, or some other methodology? What accuracy band does it carry, and how does that band move the realistic outturn range? Where does the figure sit relative to comparable international HSR projects, adjusted for distance, geography, and construction context?

- **On ridership,** at what horizon is the figure cited? How does it compare to the academic projections at the same horizon? If the comparison is unfavourable, on what basis is the higher figure defended? What sensitivity analysis has been conducted, and what does it show?

None of these questions presupposes opposition to the project. Each is the kind of question a reasonable reader would ask before forming a view. Each is also the kind of question that the parliamentary record has so far not been pressed to answer.

Sources

Order Paper Question Q-923, 45th Parliament, 1st session. Asked by Philip Lawrence (MP for Northumberland–Clarke), March 5, 2026. Answered by the Minister of Transport and Leader of the Government in the House of Commons, April 22, 2026.

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ALTO, “How Much Will Alto’s High-Speed Rail Cost Canadians and how is it Funded?”, blog post published May 8, 2026 (the underlying AACE Class 5 classification of the $60–90 billion figure).

ALTO HSR Citizen Research Initiative, Reading the Footnote (Cost Estimation Brief), May 2026 — the companion brief analysing the AACE Class 5 footnote in detail.

ALTO HSR Citizen Research Initiative, The Report That Vanished (Parliamentary Process Brief), May 2026 — the companion brief setting out the TRAN Report 18 record, the documented marketing-led HFR-to-HSR pivot, and the procedural mechanisms by which the committee’s recommendations remain unanswered.

Where Things Stand

As of May 2026, Q-923 stands as the most specific federal statement on ALTO’s expected cost, ridership, and subsidy structure. The McGill TRAM corridorwide study and the Munk School

analyst report are the two publicly available independent academic analyses of the same corridor. The two academic studies and the government's parliamentary answer use the same project as their subject. They produce, at every numerical point of comparison, different pictures.

This brief is offered as a reference document for federal decision-makers, parliamentarians, journalists, and constituents tracking the file. It is intended to make clear, in plain comparative form, what the parliamentary record says about ALTO's cost, ridership and subsidies, and what the independent academic record adds to that picture.

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