

# High Cost, Low Benefit — For Whom?

*Testing ALTO’s public case against the rail alternatives*

*In a recent public video, an ALTO Vice-President argued that high-frequency rail would cost roughly the same as high-speed rail while delivering less — a “high cost, low benefit” option. This brief tests that argument against the government’s own earlier rail proposal, ALTO’s published document, and the Initiative’s financial analysis.*

## The argument, and two problems with it

The video makes one argument: that high-frequency rail would still require new dedicated infrastructure, would therefore cost about as much as high-speed rail, and would deliver lower travel-time, ridership, and economic benefits. Two problems sit beneath it before any figure is examined.

**It claims a cost convergence the government’s own reports contradict.** The video does not say high-frequency rail would share track with freight — it accepts that HFR needs dedicated track, and argues that building it pushes the cost up to roughly high-speed rail’s. The government’s own reports say otherwise, on both cost and time. A dedicated-track, electrified HFR was costed at \$27.7 billion in the December 2021 Business Case (and roughly \$4–6 billion in its original 2016 form), and judged buildable in about four years — against high-speed rail’s \$60–90 billion and a build horizon stretching into the 2040s. What evidence moved HFR’s cost and schedule up to “similar” to high-speed rail has never been explained, and no side-by-side comparison has been made public.

**And it does not engage the alternative the Initiative proposes.** The video treats high-frequency rail as the only alternative to high-speed rail. The Initiative’s proposal is different again: High Performance Rail (HPR) builds dedicated passenger track along existing transportation corridors (such as the CN right-of-way and the Highway 401) and frees the Kingston Subdivision for freight. ALTO has never assessed it.

## Testing the three claims

The claim in the video	What the evidence shows
<p><i>“It would cost on a similar scale to high-speed rail.”</i></p>	<p><b>Contradicted by the public record.</b> The government’s own 2021 Business Case put a dedicated-track HFR at \$27.7 billion, against ALTO’s \$60–90 billion. Even ALTO’s Annex B places its own “conventional rail” comparator 20–30% below high-speed rail. The Initiative’s reference-class model puts ALTO at \$142M/km and HPR at \$28M/km — a five-fold gap. “Similar scale” holds on none of these.</p>

The claim in the video	What the evidence shows
<p><i>“Without significantly faster travel times.”</i></p>	<p><b>Conventional speed already captures most of the benefit.</b> Dedicated-track HFR at 177 km/h was set to cut Toronto–Ottawa from over four hours to about two hours fifty. By ALTO’s own travel-time table, going to 300 km/h saves only a further 17 minutes on Toronto–Ottawa, 19 on Ottawa–Montréal, and 25 on Montréal–Québec. Most of the time saving comes from leaving freight-priority track — not from the extra speed.</p>
<p><i>“Lower ridership and reduced economic benefits.”</i></p>	<p><b>The benefit case rests on ridership the reference class does not support.</b> ALTO’s 24-million-trip target sits outside the achievable modal-shift frontier (5–12 million annual riders). No operating posture is subsidy-free; each requires roughly \$1–3.5 billion per year. The central benefit-cost ratio is about 0.11.</p>

**One further point on travel time.** An access-to-information release (A-2025-00333) shows that only the 177 km/h base case was ever simulated for this corridor; every faster journey time was a spreadsheet estimate benchmarked to international averages — described in the project’s own memorandum as “for information and comparison purposes” and left to be refined later. The faster trip now used to sell high-speed rail has no corridor-specific modelling behind it.

## Why the cost gap is real

The gap is not an accounting artefact. A 300 km/h design forces a new dedicated greenfield alignment — grade separation, gentle curves, continuous fencing, and large-scale land acquisition — through terrain that scores high on both engineering complexity and community friction. Both HFR and the Initiative’s HPR instead run on or alongside existing corridors, which is why each comes in well below the high-speed option. In the Initiative’s model, the gap between high-speed rail and HPR splits roughly evenly between physical engineering and community friction.

## Conclusion

The video’s thesis — that high-frequency rail is high cost and low benefit while high-speed rail delivers both — is contradicted by the government’s own record. High-frequency rail was a fully studied, dedicated-track plan, priced at \$27.7 billion in the 2021 Business Case (and a fraction of that in its original form) and due to be carrying passengers now. The decision to replace it with a 300 km/h, \$60–90-billion private project was taken without a published comparison; the video supplies the missing conclusion after the fact. On the evidence available, the high-cost option is the one that was chosen — and the lower-cost alternatives, the government’s own and the Initiative’s, were set aside without being weighed in public.

## Sources

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ALTO cost ranges, travel times, and ridership targets: ALTO, *Fast Forward: Shaping Canada's Future with a High-Speed Rail Network* (March 2025), main text and Annex B.

High-frequency rail design, cost, and timeline: Joint Project Office High Frequency Rail Project, Business Case Update V.002 (December 10, 2021). Original 2016 concept cost: *The Globe and Mail*, "Transport Canada reviewing studies on Via Rail expansion" (July 2017).

Journey-time methodology (simulated base case vs. estimated higher-speed times): "VIA HFR-TGF Journey Times" memorandum and accompanying email chain, released under the Access to Information Act as file A-2025-00333.

Cost-per-kilometre model, ridership frontier, subsidy spectrum, and benefit-cost ratio: ALTO HSR Citizen Research Initiative methodology paper and supporting research notes ([citizenresearch.ca](http://citizenresearch.ca)).

Statements examined: public video by an ALTO Vice-President, June 2026.