ALTO HSR CITIZEN RESEARCH INITIATIVE · COMPARATIVE BRIEF

Canada’s Rail Exceptionalism

Freight or passenger first? Rail priority across the G7 and high-income peers, and where Canada stands alone

29 JULY 2026 · WHY THIS BRIEF, NOW

Ottawa has just committed $1.95 billion to renew VIA Rail’s fleet — and every dollar of it is about the train, not the track.

On 29 July 2026, Transport Minister Steven MacKinnon announced $1.95 billion for 45 Swiss-built Stadler locomotives, most assembled in Montréal, to renew VIA Rail’s long-distance fleet — welcome industrial policy that nonetheless leaves the problem this brief describes untouched. VIA owns under 3% of the track it runs on; almost everywhere else it is a guest on CN- and CPKC-owned rails,

Canada has already run this experiment: the last new fleet, the Siemens Venture trainsets, is today hobbled by CN speed restrictions on CN-owned track, now in litigation. A new locomotive changes neither who owns the track nor who goes first. The trains are Swiss — yet Switzerland is this brief’s clearest counter-example, a network built around a passenger-priority clock-face timetable. Canada is importing the Swiss hardware without the Swiss model: it is buying the train, not the timetable. Today’s $1.95 billion improves the machine; the exceptionalism this brief documents is about the track, and it remains untouched.

Bottom line

No G7 country has a law that grants freight trains blanket priority over passenger trains. Where an explicit statutory priority rule exists at all, it runs the *other* way — in favour of passengers. The other five G7 members reach the same practical result through a neutral infrastructure manager, an independent access regulator, or a structure in which freight is a secondary tenant on passenger-controlled track.

Canada is the only G7 country in which intercity passenger trains run as guests on freight-owned track, under confidential commercial agreements, with no statutory preference, no neutral infrastructure manager, and no regulator empowered to allocate capacity or protect passenger performance. Freight priority is not written into Canadian law — it is the default that fills the vacuum left by the absence of any law or institution protecting passenger rail. That is the sense in which Canada is the outlier.

1 — A necessary distinction: three meanings of “priority”

Debates about rail priority routinely conflate three different things. Separating them is essential to any honest comparison.

1. **Statutory movement priority** — a law stating which class of train goes first when trains conflict. This is rare. Where it exists (the United States), it favours passengers.

2. **Regulated capacity allocation** — a neutral infrastructure manager and an independent regulator decide who gets which train paths, under published rules and an appeals process. This is the European and Japanese model. Passenger services are generally protected; freight receives defined, enforceable access rights but not dominance.

3. **De facto operational priority** — what actually happens when a dispatcher chooses in real time. On freight-owned track, freight tends to win regardless of what any law says.

Canada’s situation is distinctive because it lacks *both* of the first two protections. It has no statutory passenger preference and no neutral capacity regulator — so de facto freight priority on freight-owned track operates unchecked.

2 — The G7, country by country

United States — statutory passenger preference. Federal law (49 U.S.C. §24308(c), originating in the Amtrak Improvement Act of 1973) gives intercity and commuter passenger rail preference over freight in using a rail line, junction, or crossing, except in an emergency. Freight railroads own most of the track Amtrak uses and frequently disregard this preference in practice — which is why Congress has repeatedly attempted enforcement legislation and the U.S. Department of Justice has pursued settlements (e.g. Norfolk Southern, 2025). But the law is unambiguous: passengers first.

Japan — freight is a secondary tenant on passenger-owned track. Under the 1987 privatisation, the six regional JR passenger companies own the track; the single nationwide freight operator, JR Freight, owns almost none (roughly 35 km of a ~7,800 km network) and runs on passenger-owned lines by paying access charges. Freight is structurally the secondary user. The Shinkansen high-speed network carries no freight at all.

United Kingdom — neutral infrastructure manager, independent regulator. Track is held by a neutral manager (Network Rail, transitioning to Great British Railways). The independent Office of Rail and Road approves and, where necessary, directs access rights for both passenger and freight under the Network Code, with a formal disputes and appeals process. Freight holds protected access rights — it cannot simply be pushed aside — but neither mode holds blanket priority. Capacity is allocated by rule, not by the track owner’s commercial self-interest.

France — EU open-access model. Governed by EU Directive 2012/34/EU: a neutral infrastructure manager (SNCF Réseau) and an independent regulator (Autorité de régulation des transports) allocate capacity under published priority rules. Express passenger services generally rank at or near the top; freight receives defined paths.

Germany — EU open-access model. The same framework: a neutral infrastructure manager (DB InfraGO) and an independent regulator (Bundesnetzagentur). Regulated capacity allocation; no statutory freight-over-passenger priority.

Italy — EU open-access model. A neutral infrastructure manager (RFI) and an independent regulator (ART), on the same EU basis.

Canada — no statutory preference, no neutral manager, no capacity regulator. VIA Rail owns only a small fraction of the track it runs on; the overwhelming majority is owned and dispatched by the freight railways, CN and CPKC. Priority is set by confidential commercial track-access agreements, not by statute or an independent regulator. Legislation to change this (the proposed Rail Passenger Priority Act, modelled on the U.S. preference) has been introduced but not enacted. In the meantime, freight wins by default.

Comparative summary. Read across the bottom row: Canada is the only G7 country to answer "no" to all three protections. Every other member has at least one — a statutory preference, a neutral track owner, or an independent regulator — standing between passenger service and the commercial interests of freight. Canada has none.

Country	Statutory passenger preference?	Neutral infrastructure manager?	Independent capacity regulator?	Net position
United States	Yes (49 U.S.C. §24308(c))	No (freight-owned)	Partial (STB)	Passenger favoured in law
Japan	No	Passenger cos. own track	n/a (tenant model)	Passenger favoured structurally
United Kingdom	No	Yes (Network Rail / GBR)	Yes (ORR)	Neutral, regulated
France	No	Yes (SNCF Réseau)	Yes (ART)	Neutral, regulated
Germany	No	Yes (DB InfraGO)	Yes (Bundesnetzagentur)	Neutral, regulated
Italy	No	Yes (RFI)	Yes (ART)	Neutral, regulated
Canada	**No**	**No (freight-owned)**	**No**	**Freight favoured by default**

STB — Surface Transportation Board · GBR — Great British Railways · ORR — Office of Rail and Road · ART — Autorité de régulation des transports

3 — Beyond the G7: high-income peers

Widening the lens to other high-GDP-per-capita economies reinforces the pattern rather than weakening it.

EU / EEA high-income states (Switzerland, the Netherlands, Norway, Sweden, Denmark, Austria, Belgium, Ireland and others) all operate on the neutral open-access model: separated infrastructure managers and independent regulators allocating capacity under published rules. Switzerland is the strongest counter-example to Canada — its national clock-face passenger timetable (the Taktfahrplan) is the organising principle of the network, and freight is scheduled around passenger service, not ahead of it.

South Korea runs on a state infrastructure manager (Korea National Railway) with passenger high-speed service (KTX) prioritised.

Australia is the only high-income peer that genuinely resembles Canada: much of its interstate and heavy-haul track is freight-owned or freight-oriented, and freight enjoys de facto priority. But two differences matter. First, Australia has an economic access regulator — the ACCC oversees the Australian Rail Track Corporation's access undertakings — so access and pricing are supervised, even where movement priority is not legislated. Second, Australia runs very little long-distance passenger rail on those corridors, so the passenger interest being subordinated is small. Canada, by contrast, subordinates a national intercity passenger service carrying millions of trips a year — with no economic regulator supervising the access terms at all.

4 — Why this matters for the ALTO project

The rhetorical claim that "freight priority is normal — lots of countries do it" does not survive contact with the evidence. Among the G7 and the wealthy democracies Canada benchmarks itself against, freight priority by law is effectively a null set, and passenger service is protected almost everywhere by statute, structure, or an independent regulator.

Canada's arrangement is not the international norm. It is a Canadian anomaly — the product of passenger rail having been built on top of privately owned freight networks without ever establishing the legal preference (as in the U.S.), the ownership separation (as in Japan and Europe), or the independent capacity regulator (as in the UK and the EU) that its peers rely on. The ALTO project has to reckon with the fact that, on this dimension, Canada starts from behind every comparable country in the world.

None of this is technical or geographic destiny. Every instrument Canada lacks — a statutory passenger preference, a neutral infrastructure manager, an independent capacity regulator — already exists and is in everyday use among its peers, and adopting any of them would cost a fraction of a single locomotive order. The gap is, above all, political in its making: the freight-priority regime endures not because it cannot be changed but because successive governments have lacked the political will to change it — choosing, as on 29 July, to announce new trains and new funding rather than confront the freight railways and legislate passengers' place on the track. The exceptionalism this brief documents is a policy choice, not a constraint, and closing it is a matter of political will, not engineering.

The remedy has been placed before Parliament again and again — and set aside every time. Since 2013, at least half a dozen private members' bills have sought to give passengers legal priority or to put VIA Rail on a statutory footing: Philip Toone's VIA Rail Canada Act (Bills C-614 and C-640), the latter defeated in 2015; Irene Mathyssen's successor bill (C-370, 2017), which died on the order paper; Elizabeth May's repeated reintroductions (C-251 and C-236); and, most recently, Taylor Bachrach's Rail Passenger Priority Act (C-371, 2023), which would have amended the Canada Transportation Act to require freight railways to give way to passenger trains, enforced by penalties of up to $250,000 per violation. Every one of these bills came from an opposition member; not one was taken up as government legislation; and the only one to reach a vote was voted down. The freight railways and their shippers have opposed each attempt — one shippers' association called passenger priority 'the tail wagging the dog' — even as VIA's own president has publicly asked Ottawa for exactly the Amtrak-style preference these bills propose. The instruments are drafted and the precedent understood; what is missing is a government willing to enact them.

5 — Sources & notes

Today's announcement

- *Transport Canada, news release, 29 July 2026, "Passenger Rail Locomotive Assembly Returns to Canada Through a $1.95 Billion Government of Canada Investment" (canada.ca).*

Canada — VIA Rail and the Corridor

- *VIA Rail owns under 3% of the track it operates and runs predominantly on CN- and CPKC-owned lines under confidential access agreements — Transport Canada, briefing note on operating restrictions affecting VIA's Venture fleet in the Québec City–Windsor corridor, 2025.*
- *The vast majority of Corridor trackage is CN-owned; on the VIA-owned Ottawa–Montréal segment on-time performance approaches 90% — CBC News, 7 November 2024.*
- *CN's ability to prioritise its own freight is by far the leading cause of VIA delay, with the Montréal–Toronto scheduled time lengthening to 5 h 33 m by 2022 — VIA Rail application to the Canadian Transportation Agency for a new track-access determination, 2023, reported by The Canadian Press, 26 November 2024.*
- *VIA holds no government-mandated priority over freight, unlike Amtrak — Railway Age, November 2022.*
- *CN's speed and operating restrictions on VIA's new Venture fleet are the subject of VIA–CN Federal Court litigation — The Canadian Press, 2024; Transport Canada, 2025.*
- *The corridor programme's shift from shared-track "high-frequency rail" to a dedicated high-speed line reflects the same freight-priority constraint — Transport Canada / VIA HFR programme materials, 2022–2025.*

Canada — passenger-priority legislation

- *Bill C-640 (and its predecessor C-614), VIA Rail Canada Act (Philip Toone), 41st Parliament — accorded VIA scheduling and operational preference over freight; defeated 29 April 2015. Parliament of Canada; openparliament.ca.*
- *Bill C-370, VIA Rail Canada Act (Irene Mathyssen), 42nd Parliament, 2017 — statutory mandate and passenger priority; died on the order paper at dissolution in 2019. Parliament of Canada.*
- *Bills C-251 and C-236, VIA Rail Canada Act (Elizabeth May), 43rd–44th Parliaments — legislative mandate for VIA and protection of scheduled routes. Parliament of Canada.*
- *Bill C-371, Rail Passenger Priority Act (Taylor Bachrach), 44th Parliament, first reading 13 December 2023 — would amend the Canada Transportation Act to require freight railways to give priority to passenger trains, enforced by penalties of up to $250,000 per violation; did not advance to a vote. Parliament of Canada.*
- *VIA Rail CEO Mario Péloquin's October 2023 call for Amtrak-style statutory priority, and freight-sector opposition (Railway Association of Canada; Freight Management Association of Canada). Trains, 2 February 2024; CBC News, 23 December 2023.*

United States

- *49 U.S.C. §24308(c) — statutory passenger preference.*
- *Amtrak Improvement Act of 1973.*
- *Rail Passenger Fairness Act (S.1500, 117th Cong.; H.R.9961, 118th Cong.).*
- *U.S. Department of Justice settlement with Norfolk Southern re: the Crescent route, 2025.*

Japan

- *JR Group post-1987 structure and JR Freight's avoidable-cost track-access model.*
- *JR Freight owns roughly 35 km of a ~7,800 km network — JR Freight corporate disclosures.*

United Kingdom

- *Office of Rail and Road, Network Code and access-rights framework.*
- *ORR access-planning factsheets, 2025.*
- *Great British Railways Access and Use Policy discussion paper, 2025.*

France / Germany / Italy / EU

- *Directive 2012/34/EU establishing a single European railway area (neutral infrastructure managers and independent regulators).*
- *France — SNCF Réseau / Autorité de régulation des transports (ART).*
- *Germany — DB InfraGO / Bundesnetzagentur.*
- *Italy — RFI / ART.*
- *RailNetEurope, Overview of the Priority Rules in Operation.*

Australia

- *Australian Competition and Consumer Commission, Australian Rail Track Corporation access undertaking.*
- *World Bank, Track Access Laws and Regulations.*

Switzerland

- *Integrated clock-face passenger timetable (Taktfahrplan) — SBB / Swiss Federal Office of Transport.*

Method — *this brief distinguishes statutory movement priority, regulated capacity allocation, and de facto operational priority; the comparison rests on the first two, the legal and institutional protections a country affords passenger rail, not on real-time dispatching outcomes, which favour freight on freight-owned track in most jurisdictions regardless of the legal framework.*