Not a Cost-Benefit Analysis

What ALTO's November 2026 economic report, An Economic Ambition, adds to the $24.5 billion claim, and what it states it does not include

November 2026

$24.5B
GDP figure, unchanged from June 2026; the report describes it as 2024 modelling

0
Mentions of the $60–90B capital cost in 89 pages

1,470
Additional intercity commuters in the report's own illustrative estimate

1 — What the report is

The document. An Economic Ambition: How Alto's High-Speed Train Can Transform Canada's Economy is an 89-page report prepared by Aviseo Consulting for ALTO, dated November 19, 2026, using data available as of October 30, 2026 (p.9). It brings together an international literature review, a description of transportation pressures in the corridor, and the results of the computable general equilibrium (CGE) model first published in Aviseo's June 2026 summary.

What it says it is not. The report states on p.9 that it is not a cost-benefit analysis, that risks and potential adverse effects fall within the scope of a comprehensive cost-benefit analysis "which this study does not undertake", and that fares are not taken into account because fare information "remains unknown at the time of writing." Construction-phase and operating impacts are excluded from the modelling (p.62), and the rest of Canada outside Québec and Ontario is not modelled (p.63).

Review. Four academics are named as an independent review committee (p.9). The report states that their participation does not imply endorsement of its content. The committee's comments are not published.

Why it matters. The report is the most complete public statement yet of ALTO's economic case. Read alongside its own scope statements, it also sets out clearly which parts of that case have been estimated and which have not. This brief takes the four points where that distinction has the largest effect on the headline figures: the GDP percentage, the fare, the capital cost, and the cost of not building.

2 — The headline figures are unchanged

Every headline figure in the report matches the figures ALTO published in June and August 2026. The breakdown of the $24.5 billion is identical to the June Aviseo summary and to Canada's Moment (August 2026).

Figure	June / Aug 2026 (Aviseo summary; Canada's Moment)	Nov 2026 (An Economic Ambition)	Page
Annual real GDP gain	$24.5B	$24.5B	p.5, p.63
of which productivity	$21.0B	$21.0B (86%)	p.63
of which labour supply	$2.7B	$2.7B	p.64
of which international tourism	$0.8B	$0.8B	p.64
Construction jobs	up to 50,000	50,000	p.64

Figure	June / Aug 2026 (Aviseo summary; Canada's Moment)	Nov 2026 (An Economic Ambition)	Page
Permanent operating jobs	5,000	5,000	p.64
Ridership, 2055	24M	24M	p.40

GDP figures in constant 2019 dollars as labelled in each document. All values quoted from the named documents.

The report describes these figures as superseded. A note under the headline chart (p.5) and a paragraph in the results section (p.63) state that the results are based on modelling carried out in 2024, that the estimates have since been updated with a revised CGE model and refined assumptions, and that the new results will be released in 2027. The report therefore publishes, in November 2026, figures that its authors state have already been revised, without the revised figures.

Average or single year. The executive summary (p.5) gives the gain as "an average of $24.5 billion a year"; p.63 states that the figure "refers to a single indicative year of operation." A static CGE model produces one equilibrium, not a time series, so the report does not say what the word "average" is an average of.

Jobs. The 50,000 construction and 5,000 operating jobs are restated with no source, and p.64 states that these impacts "were not taken into account in modelling." The Initiative's paper *Fifty Thousand Jobs* (September 2026) sets out what that figure implies for annual spending and owner engineering.

3 — The 1.1%: a different denominator

3.1 What was published before

Aviseo's June 2026 summary (p.13) expressed the gain as about 1.1% of Canada's 2019 GDP. ALTO's benefits page rendered the same figure as $24.5 billion "in today's value." The Initiative's brief *Two Point Two Trillion* (July 2026) showed that, against GDP at market prices for Q1 2026, the same claim is either about $36.5 billion or about 0.74%, but not both $24.5 billion and 1.1%.

3.2 What the new report uses

On p.63 the report gives the $24.5 billion as "about 1.1% of Canadian real GDP" and, for reference, gives Canada's 2025 real GDP as about $2,330 billion, citing Statistics Canada's accounts by industry. The table cited (36-10-0434-01) reports GDP at basic prices in chained 2017 dollars. The numerator is labelled constant 2019 dollars (p.63, Figure 39).

Denominator	Basis	Value	Share
Real GDP 2025, by industry (report, p.63)	Chained 2017 $, basic prices	$2,330B	1.05%
GDP Q1 2026, annualized, as first published (Two Point Two Trillion)	Current $, market prices	$3,321.6B	0.74%
GDP Q1 2026, annualized, as revised Aug 28, 2026	Current $, market prices	$3,328.5B	0.74%
GDP Q2 2026, annualized (latest published)	Current $, market prices	$3,437.7B	0.71%

Shares are Initiative calculations: $24.5B divided by each denominator. Market-price GDP from Statistics Canada Table 36-10-0103-01, seasonally adjusted at annual rates, as reported in The Daily of May 29, 2026 (Q1 first estimate) and August 28, 2026 (Q1 revised; Q2).

On the arithmetic set out here, the report now reaches 1.1% by dividing a constant-2019-dollar figure by a chained-2017-dollar total valued at basic prices, which excludes taxes on products and is therefore smaller than GDP at market prices. The numerator is unchanged; the denominator is different from the one used in June. The report does not explain the change, or why the two price bases can be combined.

4 — The fare: decisive, and held outside the analysis

The report is explicit that the fare determines the size of the benefits. P.9 states that a service that is too expensive, and therefore has limited ridership, would reduce the scope of the benefits. P.32 states that capturing older travellers "will nevertheless depend on the fare chosen." P.40 states that the project's economic value depends "as much on its performance as on its affordability." P.9 then states that the fare question is not taken into account.

The report nonetheless relies throughout on ALTO's ridership outputs: 24 million passengers in 2055 (p.40), 80% of trips from modal shift (p.40), rail's Montréal–Toronto share rising from 10% to 40% (p.3), and 6.8 million boardings diverted from car by 2055 (p.35). A ridership forecast cannot be run without a price for the service, so these figures carry a fare assumption that the report says is unknown. ALTO has not published that fare or the average yield behind it.

The Initiative's brief *Three Claims, One Fare* (August 2026) sets out why the same fare links ALTO's ridership, its time-savings benefit and its operating-cost recovery. An Economic Ambition adds a fourth claim to that list: on the report's own statement, the GDP gain also depends on it.

5 — The capital cost: not stated

ALTO's own capital estimate, $60–90 billion (a 2024 AACE Class 5 estimate, as published in Canada's Moment), does not appear anywhere in the report. P.35 states that building a high-speed network "requires significant investment"; the Conclusion (p.77) states that building it "incurs costs." No figure is given. This is consistent with the report's statement that it is not a cost-benefit analysis. It also means that none of the report's benefit figures can be set against what the project would cost, from this document alone.

The fiscal figures show the effect most directly. The report presents $6.4 billion a year in additional government revenue (p.65–66):

Government	Additional revenue per year	Share
Canada (federal)	$2.6B	41%
Ontario	$2.1B	33%
Québec	$1.6B	25%
Total (as published)	$6.4B	—

Revenue figures quoted from p.66; the components sum to $6.3B, which the report attributes to rounding (note 199). Shares are Initiative calculations against $6.4B.

The financing side appears as one sentence on p.66: financing costs "would likely be borne nationally." No financing cost, operating subsidy, or public share of capital is given against the $6.4 billion. Canada's Moment declined to publish a benefit-cost ratio on the grounds that the Class 5 estimate is too immature (p.62 of that document). An Economic Ambition presents an annual fiscal return without stating the cost that would produce it.

6 — The cost of inaction: stated, not estimated against ALTO

The report argues that the alternative to ALTO is not zero spending but continued expansion of roads and airports (pp.35–38). The report's own text bears on how far that argument has been quantified.

The $50 billion figure. The executive summary (p.3) states that investment needs "could exceed $50 billion for Québec and Ontario combined by 2050." The body (p.37) states that transportation investment in the two provinces is projected to exceed "$50 billion per year by 2050," more than double its 2025

level. One reads as a total and the other as an annual rate. The only source given is Aviseo Consulting (2026), note 100; no method or underlying projection appears in the report.

As reported. CBC News (November 20, 2026) summarized the figure as communities along the route needing to invest "something like $50 billion" in roads, airports and railways without ALTO, and quoted Aviseo's co-founder: "There's a cost of doing nothing." The report's own text, set out below, bears on how far that spending is an alternative to ALTO rather than an addition to it.

Planned spending is not avoided. The report cites Ontario's $27.4 billion ten-year highway plan and Québec's $35.7 billion road allocation in the 2026–2036 infrastructure plan, then states (p.36) that these "are not expenditures that would automatically be avoided thanks to Alto." No avoided-cost estimate is given for any road or airport project.

Maintenance, not capacity. Of Québec's $35.7 billion road allocation, the report gives $31.6 billion as asset maintenance and $4.1 billion as enhancements (p.36). On that breakdown, about 89% of the figure is upkeep of the existing network (Initiative calculation), which a new rail line would not replace.

Urban, not intercity. The report states (p.30) that most congestion in the corridor stems from daily commuting within metropolitan regions rather than long-distance intercity travel, and that high-speed rail "would therefore not resolve urban congestion." Its stated contribution is limited to reducing intercity motorists on the most congested segments entering and leaving the major cities.

Scale of diversion. The report gives corridor intercity trips as growing from about 80 million to 115 million by 2059, an increase of about 35 million (p.35). ALTO's forecasts in the same report give 24 million riders in 2055 (p.40), of which 6.8 million boardings would otherwise have been made by car (p.35).

Quantity	Value	Source
Growth in corridor intercity trips, to 2059	≈35M	Report, p.35
ALTO ridership, 2055	24M	Report, p.40
ALTO boardings diverted from car, 2055	6.8M	Report, p.35
Car-diverted boardings as share of trip growth	≈19%	Initiative calculation
Total ridership as share of trip growth	≈69%	Initiative calculation

Calculations divide the 2055 ALTO figures by the 2059 growth figure. Boardings and trips may not be counted on the same basis; the shares are orders of magnitude only.

On this arithmetic, the road diversion in ALTO's own forecast corresponds to roughly a fifth of the projected growth in corridor trips. Most of the pressure the report describes under the status quo would remain with ALTO built, which is consistent with the report's own statement that planned road spending would not automatically be avoided.

Communities without stations. ALTO plans seven stations (p.28); a Kingston station is being assessed and is not included in any figure (p.27, note 65). Communities between stations — in Eastern Ontario, for example Cobourg, Belleville, Napanee, Gananoque, Brockville, Cornwall and Smiths Falls — receive no stop. The report states that the benefit to such communities depends on their access to the broader transportation network and to stations (p.25, p.51), and that spillovers can extend up to about 110 km around certain stations, on the basis of studies elsewhere (p.51). Reaching a station from these communities means using the existing road network, and trips between non-station communities, or to their own regional centres, are not served by the line at all. For these communities the road investment the report describes is required whether or not ALTO is built; on the arithmetic set out here, the relevant comparison is ALTO plus that investment, not ALTO instead of it.

7 — Other figures to reconcile

7.1 Labour market

The report states that ALTO would bring together labour markets accounting for 36% of Canada's labour force (p.4, p.58). Its one worked estimate (p.59) applies a German elasticity to the corridor and finds 1,470 additional intercity commuters, from 11,740 to 13,210 (a 12.5% increase on a base of 0.3% of employed people in the station cities). The report calls this illustrative and conservative. P.60 adds that Québec and Ontario have the lowest interprovincial labour mobility rates in Canada, that language is a plausible part of the explanation, and that these frictions could limit the effect across the provincial boundary.

7.2 Welfare figures

The report gives four monetized non-GDP figures, each attributed to ALTO: time savings with a present value of $38.4 billion over 60 years (p.39); GHG reductions of up to 39.1 Mt valued at up to $7.2 billion in 2024 dollars (p.71); road safety benefits of about $610 million, from up to 26,000 injuries and 400 deaths avoided (p.69); and air-pollutant reductions of $27 million (p.71). These sum to about $46.2 billion (Initiative calculation). Canada's Moment gave direct welfare benefits of $49.5 billion as an upper estimate. The report does not state whether its four figures are components of that total; if they are, about $3.3 billion is not identified. The dollar-year and discounting basis of the $38.4 billion, $610 million and $27 million figures is not stated.

7.3 Freight and VIA Rail

Canada's Moment did not cite the CPCS freight study. This report does (p.33, note 86), and describes the mechanism as travellers using VIA Rail migrating to high-speed rail so that capacity is freed on the freight network. P.74 states that ALTO's value will be "highly dependent" on its connectivity with VIA Rail's network, among others. The two statements depend on opposite outcomes for conventional passenger service. The Initiative's working note The Freight Benefit Has a Passenger Cost sets out this point in relation to the CPCS study.

7.4 Tourism

The report is more careful here than ALTO's earlier summaries. It states that the CGE tourism shock covers international visitors only (p.64), that domestic tourism spending would in many cases be a reallocation within Canada rather than new spending (p.64), and that the CPCS estimates ($0.2B, $1.0B and $3.9B under low, moderate and high coordination, in 2025 dollars) "do not necessarily correspond to net spinoffs" (Figure 40, p.65). The CGE figure ($0.8B, constant 2019 dollars) and the CPCS figures remain on different bases and are not reconciled.

7.5 Kingston

Note 65 (p.27) states that an additional station in Kingston is being assessed at the request of the Minister of Transport, made in June 2026. As in Canada's Moment, Kingston is not included in any figure in the report.

7.6 Comparator corridors

Table 2 (p.29) compares ALTO's 17.0 million population served with major high-speed corridors, without corridor length. Using the line lengths the report itself gives for three of them, population served per route-kilometre is as follows:

Corridor	Population served	Length	Population per route-km
Tokyo–Osaka	61.1M	515 km	≈118,600
Frankfurt–Cologne	13.0M	177 km	≈73,400

Corridor	Population served	Length	Population per route-km
Seoul–Busan	17.4M	400 km	≈43,500
ALTO (Québec City–Toronto)	17.0M	1,000 km	≈17,000

Population from Table 2 (p.29); lengths from pp.13, 14, 17 and 28 of the report. Population per route-km is an Initiative calculation.

On this measure ALTO's corridor is less than half as dense as the least dense of the three comparators that the report sizes. The international case studies (pp.12–19) cover operating successes; California and HS2 are mentioned in one sentence as examples of weak planning (p.26).

8 — What the report adds

Taken on its own terms, An Economic Ambition adds several statements that ALTO's summaries had not made:

- it is not a cost-benefit analysis and does not consider risks or adverse effects (p.9);
- the fare would determine the scope of the benefits, and is not taken into account (p.9);
- its headline results are from 2024 modelling that has since been revised, with new results due in 2027 (p.5, p.63);
- planned road spending would not automatically be avoided (p.36);
- most corridor congestion is within metropolitan regions, which high-speed rail would not resolve (p.30);
- domestic tourism is largely a reallocation of spending within Canada (p.64);
- its commuting estimate is about 1,470 people, and interprovincial frictions may limit even that (pp.59–60).

On the arithmetic set out here, the report supports a narrower reading than its title. Its central figure is an unrevised 2024 estimate; the 1.1% rests on a denominator in a different price basis from the numerator; the variable the report identifies as decisive is not in the analysis; and the cost against which the benefits and fiscal returns would be weighed is not stated. These are the report's own scope statements, set side by side. The Initiative will review the revised modelling when it is released in 2027.

Status of the figures

Figures attributed to a source are quoted from the named published document, with page numbers, and can be checked there. All other figures are Initiative calculations from those inputs and are identified as such; the inputs are named in each table note. Ratios and per-kilometre figures are estimates, not measurements. Where ALTO or its consultants have not published a figure (the fare, the revised CGE results, the method behind the $50 billion projection), this brief says so rather than inferring it. No claim is made about why any particular figure was or was not published. This brief makes no statement about the motives or conduct of any person or organisation.

Sources & notes

Aviseo Consulting for Alto, An Economic Ambition: How Alto's High-Speed Train Can Transform Canada's Economy, November 19, 2026 (89 pp.); page references are to its printed page numbers. Aviseo Consulting, An Overview of the Structural Economic Impacts of Alto (CGE macro summary), June 2026. Alto, Canada's Moment: The Economic Opportunity of High-Speed Rail, August 2026. CPCS with HDR, High-Speed Rail and Freight Capacity: Potential Freight Benefits of Alto, June 2026. CPCS with HDR, Tourism in the Alto Corridor: Current Conditions and Potential Impacts, June 2026. Statistics Canada, Table 36-10-0434-01, Gross domestic product (GDP) at basic prices, by industry, monthly (chained 2017 dollars). Statistics Canada, Table 36-10-0103-01, Gross domestic product, income-based, quarterly (GDP at market prices, seasonally adjusted at annual rates), as released in The Daily, May 29 and August 28, 2026. CBC News, "Alto-backed study predicts major economic gains along proposed rail corridor," November 20, 2026. ALTO HSR Citizen Research Initiative: Two Point Two Trillion (July 2026), citizenresearch.ca/post-consultation/two-point-two-trillion/;

Three Claims, One Fare (August 2026), citizenresearch.ca/post-consultation/3-claims-1-fare/; Fifty Thousand Jobs (September 2026), citizenresearch.ca/post-consultation/where-do-50000-jobs-come-from/; The Freight Benefit Has a Passenger Cost (working note, unpublished).