



HIGH FREQUENCY RAIL IN CANADA

The Federal Government is once again talking about developing a better rail system in Canada. Having realized that a High-Speed Rail system in this country is not financially realistic given our land mass and the relatively small population, the Government is now talking about the option of High Frequency Rail.

The "Request for Expressions of Interest on High Frequency Rail" issued in March by the Government of Canada reiterates the decades-old arguments that High-Speed Rail proponents have put forward in past attempts at fulfilling this unrealistic Canadian political dream.

This billion-dollar ten-year project using public funds would shoulder Canadians not only with a huge long-term debt, but the inevitable and very significant on-going operational deficits as evidenced by the current VIA Rail taxpayer financed subsidies.

The Government's eagerness to massively support a rail transportation system is to the detriment of other modes, in this case the aviation industry. In 2019, the last year before the pandemic, taxpayers supported VIA Rail in the order of \$281 million in operational funding and another \$268 million in capital funding. The operational funding alone amounts to a 42% subsidy of each of the roughly two million tickets sold. Total government financial support climbed in 2020 to \$669 million. Keep in mind that not only does the Government marginally support the commercial aviation industry, but it also imposes on aviation well over \$1 billion a year in special fees, rent and taxes that no other transportation mode is burdened with.

Shamelessly, the Government largely ignored regional air carriers during the pandemic, a sector that carries many more passengers than those travelling by rail, and in many cases provides a unique and vital link to remote regions with the rest of the country and the world.

Past government feasibility studies on developing a new rail system in Canada stated that it could only be financially self-sustainable on certain high-volume corridors if the airlines agreed not to compete on these high yield routes. What legal substance can possibly induce the authors of such studies to imagine that the airline sector would agree to give up high yield routes to help support operations of a competing financially unsustainable sector already financed by taxpayers?

The shorter travel time of High Frequency Rail boasted by the Government does not warrant a financial commitment of such magnitude to be imposed on generations to come. The ambitious predictions of increased annual trips, trip frequency, and seat capacity, are not supported by tangible data. The increase in operating costs and upkeep of any publicly funded operation will likely at least equal the potential revenue increase from growth in demand.

As for the environmental protection argument, expected reductions in GHG emissions by rail travel are now rightfully being questioned by scientists when comparing rail operations to the more efficient aircraft now in use and even more so for those planned for use in the near future. Has the very significant environmental impact to the land from the construction of a dedicated rail line, not to mention the huge green space expropriation that building this line would require, been adequately taken into consideration?

There isn't a single rapid intercity transit system in the world that is financially self sufficient, even in densely populated countries in Asia and Europe where train travel is inbred in consumer travel habits. The idea that building the system will in itself generate the highly optimistic increase in demand is an illusion.

High Frequency Rail sounds like a developing country's expensive compromise to High-Speed Rail. Once completed, this project would already be outdated by new technology and would soon require an additional disproportionate injection of capital to modernize it and make it appealing to the next generation.

We certainly support greater multimodal transport in Canada. The consumer and taxpayer could benefit largely from a multimodal system that is based on a greater complementarity of the existing modes of transport. This would add to the efficiency and efficacy of our transport system. There are also many other short-term solutions that the Government should consider if its objective is to reduce GHG emissions, such as investing in better commuter rail systems across the country, increasing the charging network nationally and a subsidy to encourage the purchase of electric automobiles, and of course focus on helping to modernize the regional air transport system in Canada.

Our country cannot afford projects that are not grounded on our socio-economic reality. Rather than announcing studies on electorally attractive projects, should the Government not be presenting a national transportation plan with a vision that integrates all modes of transportation in Canada?



