4.0 Recent Federal and Provincial Initiatives

While the current state of VIA, intercity bus service and most urban transit systems in Southwestern Ontario is distressing, there have been indications that the federal and provincial governments at least recognize the need to invest in the expansion of these services to provide non-automotive solutions. However, the key problems remain the slow pace and the disjointed, uncoordinated application of public funding and policy revisions to encourage greater use of these public transportation options.

A scattering of intercity passenger transportation initiatives have been announced recently and some actually undertaken by the federal and provincial governments, but few have yet delivered any of the improvements their political sponsors have promised. Many have been announced just prior to recent elections and, to some industry observers, they appear to be more about carrying ridings rather than riders.

Another major problem, which is endemic to the entire Canadian transportation industry, is the fact that the multitude of players – operators, users, politicians and civil servants at the various levels of government – rarely engage in effective conversation. It partially accounts for the disjointed and sometimes even conflicting planning, funding and service delivery found in too many aspects of publicly-funded passenger transportation.

4.1 GO Transit Expansion

In many respects, the roots of the provincial government's embrace of automotive alternatives can be traced back to the 1967 launch of the first GO rail service on the Lakeshore Line. Tentative though it may have been, it was a North American breakthrough: The first all-new commuter rail service in more than half-a-century. Championed by Premier John Robarts in preference to a plan for massive expansion of the parallel highways, GO's creation and its rapid success sent a strong message about the wisdom of selecting rail-based public transportation alternatives to the car.

Today, GO's Lakeshore Line is what could best be described as a high-performance commuter rail operation thanks to its 30-minute all-day, two-way frequency and its plethora of connecting regional bus and urban transit services at its intermodal stations.

While the response to the calls for growth of the GO system was slow, each service expansion or extension only brought public calls for more. However, it is only in recent years that there has been a political recognition of the power of GO's rail and bus services. Its central and often under-appreciated role in easing the gridlock and improving the mobility of the GTHA and its border regions has now been secured.

The 2006 creation of Metrolinx as the province's GTHA transportation planning authority, its inclusion of GO as its operating division and long-range master plans for substantial GO expansion and intensification initially bode well for those portions of Southwestern Ontario within or bordering the expanding GTHA.

Although plans for sweeping expansion of GO's routes and service levels date back to the early 1970s, it's only within the last decade that the system's growth has been more than sporadic. For residents of the easternmost portion of Southwestern Ontario, these improvements have included the extension of GO rail and/or bus service to numerous points, such as Orangeville, Barrie, Guelph, Kitchener and Brantford.

The doubling of train frequency on the Lakeshore Line to provide a half-hourly service, combined with feeder buses, has opened up non-automotive travel options for those living on or close to what is GO's busiest corridor. Although it has been a controversial project, the aim of the $456-million UPX project to link Toronto Union Station and Pearson International Airport is to lure travellers out of their cars and on to rail transit.

GO will grow even more as a result of the provincial government's Moving Ontario Forward plan. Announced by Premier Kathleen Wynne prior to the provincial election of 2014, and reaffirmed numerous times afterward, this program will allocate $29 billion over 10 years to transportation improvements province-wide, including transit, roads and bridges. Southern Ontario will receive $15 billion of this total spending package.

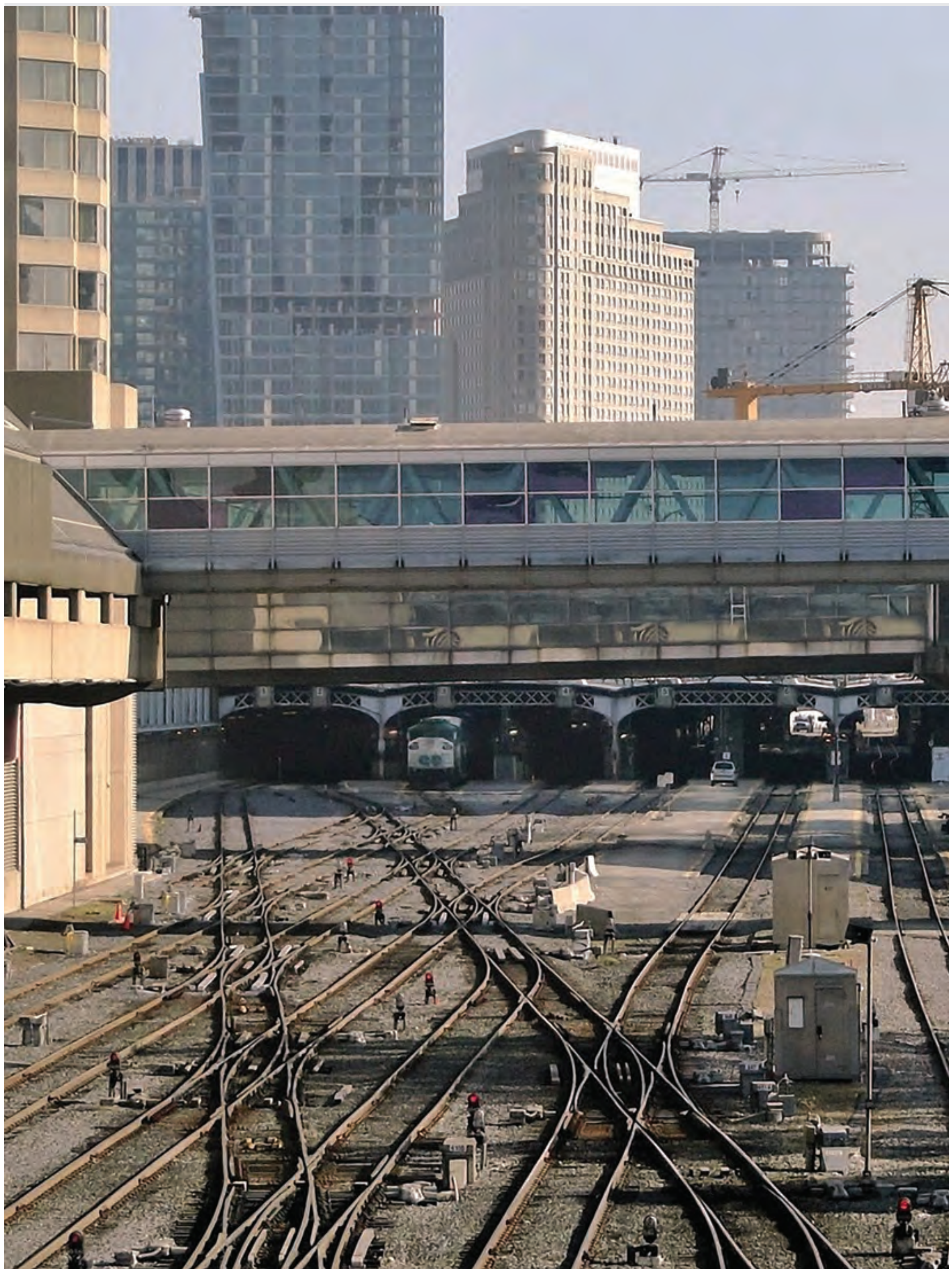
Among its many components, Moving Ontario Forward calls for:

- a 10-year, $10-billion conversion of the core GO rail system into an electrified, high-frequency service on fully-owned GO lines, to be known as Regional Express Rail (RER);
- substantial investment in the GO-owned infrastructure for RER (which will positively impact the performance of the VIA services operated over those GO lines); and
- negotiations to expand GO service on lines owned wholly or in part by CN and CP.

Previously, Premier Wynne and her predecessor, Premier Dalton McGuinty, committed to various other GO rail improvements. These include an extension of all-day, two-way Lakeshore West Line to Hamilton and Niagara Falls, and future increases in the four-train, weekday-only Kitchener-Toronto GO rail service as part of the high-frequency RER plan. The recent GO purchase of the CN Georgetown-Kitchener line is part of the latter commitment and adds to previous CN and CP line acquisitions, some of which also host VIA's intercity trains.

In total, the GO improvements and expansion are now budgeted at $23 billion over a decade.

These developments have positive long-term implications for parts of Southwestern Ontario, but there are concerns. The GO expansion plans are expensive, long range and dependent on many fiscal, physical and operational factors. The RER plan on its own is a massive undertaking that will take several years to deliver its first benefits; the complex process of converting the GO routes has not yet been prioritized and the launch dates remain to be set.



Major capital projects, such as the complete revision of Toronto Union Station and the complex rail infrastructure that serves it, are part of the $23-billion Metrolinx service expansion program for its GO Transit operating division.
Photo by Walter E. Pfefferle

There are also issues to be resolved between GO and the freight railways concerning those RER routes that will require the use of their lines. The long-promised all-day, two-way service for Kitchener is still without firm funding and definitive, practical timelines, and there are some large capacity issues to be resolved with CN concerning the GO and VIA North Main Line services that operate on a portion of CN's heavily-used freight corridor.

The chokepoint on the CN freight line occurs between Bramalea and Georgetown, where the GO and VIA trains branch off to reach Guelph and points further west, while the CN freight trains curve south to join the lakeshore line in the Hamilton area at the busy Bayview Junction, near the Royal Botanical Gardens. Here, the line branches again to serve Hamilton and Buffalo via one route, and London, Windsor and Sarnia via the other. The solution now proposed by the Ministry of Transportation of Ontario (MTO) and Metrolinx is an $8-billion CN freight bypass from Bramalea to Milton. This eight-year project is dealt with in more detail later in this report.

While the promised GO investments will improve mobility in the easternmost portion of Southwestern Ontario, how and when they will be delivered remains to be clarified.

Furthermore, GO expansion is a double-edged sword. On the one hand, it will improve the quality and extent of the provincially-owned rail infrastructure, which VIA uses for portions of its Southwestern Ontario services. But this expansion also cuts into and destabilizes the VIA services. Even with its longer running times and the lower comfort levels of its short-haul commuter rolling stock, GO's lower fares and complementary off-peak bus services have attracted former VIA passengers on portions of the two Southwestern Ontario VIA routes. The loss of these passengers has helped justify VIA's service reductions.

At the same time, GO's ridership to and from certain points has been low and acquired at great cost. The extension of four GO Georgetown weekday rush-hour trains to Acton, Guelph and Kitchener has attracted less than 1,000 daily passengers, although the addition of off-peak bus service between Toronto and Brampton, connecting there with bus service to Kitchener, has been useful to many travellers, especially since the fare is generally half of what VIA charges on the same route. As well, the summer weekend GO service to Niagara Falls has also generated low ridership, but the year-round GO bus service from Burlington to Niagara Falls, which connects with the GO Lakeshore West rail service, has been popular.

The inauguration of the initial GO Kitchener service and its seasonal Niagara rail service had a bearing on VIA's decision to reduce its Toronto-London North Main Line and Toronto-Niagara Falls services when it had to contend with a federally-imposed budget cut in 2012.

Both these moves by the province have unintentionally damaged VIA's utility and cost-effectiveness in Southwestern Ontario. In essence, one publicly-funded service now competes with another publicly-funded service – and not to the advantage of taxpayers, in terms of mobility or finances.

This situation does serve to demonstrate the power of frequency and fares. While the GO services on these two routes have longer journey times than VIA, they offer more frequency and cost users about half of what VIA charges. This needs to be of prime concern in the formulation of a public transportation solution for Southwestern Ontario. Simply increasing VIA frequency without addressing the cost issue will not result in a significant shift of travelers from cars to rail and related "first and last mile" feeder services.

4.2 Ontario Intercity Bus Deregulation

In response to growing public and industry calls for a government attention to the accelerating decline in privately-operated intercity bus service, the Ministry of Transportation of Ontario launched a study and consultation process focused on deregulation as a possible solution. Consultation sessions held in the summer and fall of 2016 brought forth multiple calls for the need for public assistance to maintain and expand bus service, not deregulation.

MTO's August 11, 2016, Toronto session produced the following participant reactions:

- Some participants cautioned that modernization could lead to increased competition on profitable routes ("cherry picking"), service gaps on less profitable routes and a reduction in the quality of services.
- Other options for modernization included appropriately enhanced regulations, e.g. market exit controls, pricing.
- The need to improve connections between communities and between intercommunity bus services and other modes of transportation, including rail and air was identified as the main issue, rather than modernized regulations.
- A hybrid or franchise model for intercommunity busing would create more opportunities for smaller operators to bid on routes owned by larger operators.
- A transit hub, established with the help of local government and the province, would provide a space where all services can be better integrated and rolled out.

Equally revealing were these comments made at the London and Sarnia sessions:

- Health and social service providers are delivering transportation services that they have not previously offered. The Ministry of Transportation should involve other relevant ministries in the decision-making process.
- Ensuring access to education for youth and students, some of whom are travelling in new and different ways, requires better linkages to neighboring communities than was required in previous eras.

While Ontario's interest in addressing the deterioration of the province's once-massive system of intercity bus services is welcome, the continued government focus on deregulation instead of funding as a panacea is disturbing.

This process has so far produced nothing that will address the decline, which has recently included yet more frequency reductions on privately-operated bus routes in Southwestern Ontario and in the North. The only tangible improvement has come from the provincially-owned and –funded Ontario Northland Transportation Commission, which added a new route and increased the frequency of others in January 2018.

4.3 Ontario Community Transportation Grants

On December 1, 2017, the Ministry of Transportation of Ontario announced it was launching a new Community Transportation Grant Program that would provide up to $30 million over five years to municipalities to expand or launch new intercommunity services. An additional $10 million will be available to Indigenous communities, Indigenous-led organizations and not-for-profit organizations starting in the summer of 2018. This is on top of a minor two-year pilot program announced in 2015.

In its press release on the program, MTO said it was "seeking initiatives that can meet growing regional and intercommunity travel demand by:

- Developing long-distance intercommunity bus services in priority areas of the province where there is no or insufficient intercommunity service;
- Providing local community transportation services that connect to existing, new or planned intercommunity bus routes and other transportation systems; and
- Creating and supporting local transportation hubs to connect passengers safely and conveniently to transportation services."

While this appears to be a positive move at first blush, its timing only seven months before the provincial election is suspicious and the amounts involved are paltry on a province-wide basis. The maximum local community transportation project grant is $500,000 over five years, while the maximum intercommunity bus project grant is $1.5 million over five years.

Furthermore, the announcement led to numerous communities scrambling to prepare last-minute plans in order to qualify for the funding, which had an application cut-off date of February 28, 2018.

One fear is that this provincial funding is leading to multiple parties preparing applications for services that will be disjointed and will fail to reach the full potential possible through the development of a coordinated plan for intra-regional services.

A program to award upper-level government funds for the development of intercommunity transportation is undeniably necessary, as the widespread decline of the intercity bus industry has demonstrated. But the question remains whether this is the best way to do it, whether the proposed services will be sustainable once the five-year grant program is over and if these services, implemented willy-nilly, will really deliver the benefits they should and could through comprehensive and coordinated planning by the municipal, regional and county governments.

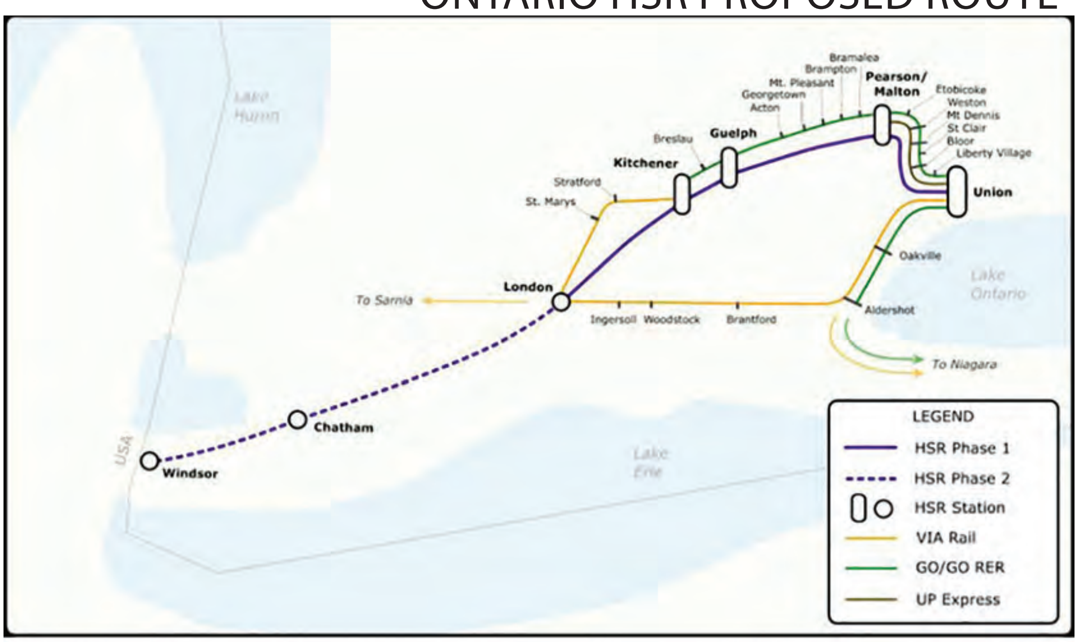
A number of municipalities in Southwestern Ontario have applied for this funding, including Perth, Norfolk and Middlesex counties, Chatham-Kent, Waterloo Region, the cities of Stratford and Sarnia and the Town of Tillsonburg. While funding has been awarded to a number of applicants, the details of these applications are still unknown, including which proposals include the need to connect and coordinate the intercommunity services with VIA's trains or privately-operated intercity bus lines. It is admittedly difficult to factor this into the other service needs of these proposed intercommunity services given the infrequent and unpredictable service now being provided in Southwestern Ontario by VIA and the private bus operators.

To its credit, Perth County Council hired a consultant to work with municipal and private stakeholders across the county to develop its application, which is said to include consideration of the feasibility of connecting with not just municipal transit services, but also VIA and intercity bus routes.

4.4 Southwestern Ontario High-Speed Rail Proposal

Just prior to the June 2014 provincial election, Premier Kathleen Wynne announced her government would build a 300-km/hour, electrified Toronto-London HSR line, which would also serve Pearson International Airport and Kitchener-Waterloo. It would be a hybrid route using existing GO Transit and CN rights-of-way, plus an all-new Kitchener-London alignment.

ONTARIO HSR PROPOSED ROUTE



Ministry of Transportation of Ontario

An unsubstantiated cost of at least $2.5 billion and an estimate of up to 12 years for the service's start-up were given, based on a pre-feasibility study that lacked detailed analysis and was done without any on-the-ground inspection of the route. That study also indicated the proposed HSR line could attract about 6 million passengers annually and operate profitably, repaying most of its capital cost.

There is no doubt that an Ontario HSR project would dazzle some members of the public. Since the world's first true high-speed train pulled out of Tokyo for Osaka on the all-new Tokaido Line in 1964, it has become the gold standard of intercity rail passenger service. In addition to growing into an extensive, multi-line system in its birthplace, it has taken root in nations as diverse as France, Turkey and China.

HSR has become a global phenomenon and a logical transportation solution in those corridors where the population, potential ridership and other conditions are suited to its application. When it's part of a seamless network of integrated services, HSR can offer a highly attractive alternative to car and air travel.

Despite these impressive credentials and the headline-making power of any HSR proposal, the provincial announcement has drawn a mixed public reaction. Some of the skepticism is no doubt due to the fact that HSR has been studied 22 times since the mid-1970s. These studies have all proved HSR is technically feasible and it could divert large numbers of travellers from air, bus and, to a lesser extent, the highways. But the studies have also determined HSR would have to be publicly funded, with at best a small percentage of private investment. That funding has never materialized.

Following her June 2014 re-election, Premier Kathleen Wynne reconfirmed the preliminary HSR proposal and extended it west to include Windsor, announcing the government would undertake environmental assessments and planning. She also said she hoped the federal government would contribute, in as much as it already funds conventional VIA service in the same market. The private sector would be also expected to shoulder a large portion of the cost through a public-private partnership.

Former federal Minister of Transport David Collenette was appointed as the HSR project's advisor. He led a short round of invitation-only presentations in January 2015, conducted one-on-one consultation with outside parties and commissioned a business case analysis by an outside consultant. Initially, the study team was slated to investigate and compare 300-km/h electrified HSR alongside two 200-km/hour options, one conventional diesel-electric and the other fully electrified. These 200-km/h options are not true HSR, but would be more accurately described as "higher speed" and would come with lower costs and faster delivery timetables.

However, the two 200-km/h options were dropped from the detailed examination because they reportedly didn't generate any "political attraction" at Queen's Park. Instead, the study evaluated both 250-km/h and 300-km/h electrified service using a routing that would include:

- the existing, shared GO/CN alignment from Toronto Union Station to Baden, west of Kitchener;
- a new "greenfield" route from Baden to the east side of London, built on a hydro transmission corridor that would bisect approximately 60 farm properties and require numerous road closures; and
- a new bi-directional, electrified track adjacent to the existing CN and CP corridors and a possible future extension to Detroit through the existing CP tunnel.

The final advisor's report recommended the 250-km/h option, to be delivered on what would be a three-phase basis, although the report defined the staged introduction of the Toronto-Kitchener and Kitchener-London services as comprising a single phase, with an estimated launch date of 2025.

The study could not present a business case for the London-Windsor end of the project, but said "the case for HSR can be recommended on socio-economic and regional development grounds. The preliminary business case results demonstrated that this portion of the service is best built in a second phase, once ridership to London and revenues have been established." The target date for the London-Windsor service is 2031.

In total, the cost estimate for all the phases of the HSR project would be at least $21 billion. However, assumed in the study was that the constrained, CN Bramalea-Georgetown line segment would be freed up through the construction of an $8-billion freight bypass from Bramalea to Milton, which would require eight years to construct, although this cost was not included in the HSR budget estimate.

The freight bypass, which is discussed elsewhere in this report, is also required for the implementation of the electrified GO Regional Express Rail (RER) service on the Toronto-Kitchener route. This high-frequency service would be in addition to HSR, which would operate with three trains in both directions during peak hours and two trains off-peak over the full route.

It should be noted that delivery of the oft-promised RER service has proven difficult, causing the government to push back the estimated service date from 2019 to 2025, the same date promised for HSR and many other GO RER services on other routes.

The controversial Union Pearson Express (UPX) service would also continue to operate with a 15-minute frequency in both directions over the portion of the route shared with the HSR and RER trains between Toronto Union Station and the junction with the line accessing the airport.

The complicated mix of trains operating over various segments of the Toronto-Kitchener route, as well as several speed-limiting curves, would result in the HSR trains operating at considerably less than their maximum permissible design speed of 250-km/h. This speed could only be attained and sustained on the greenfield portion of the route west of Kitchener.

The new HSR alignment would also exclude Stratford and St. Marys, although the original Toronto-London pre-feasibility study did suggest that some lower-speed Kitchener-London service could be maintained on the current line to connect with the HSR trains at either end.

Similar suggestions were made concerning the possible maintenance of the conventional service now provided by VIA on the Toronto-Brantford-London and London-Sarnia routes. This was repeated in the HSR report delivered by Collenette's team, although little explanation was given as to how this could be accomplished

Equally disturbing is the revelation that Ontario HSR team had minimal contact with VIA. Consequently, there is no explanation as to how the two competing services can mesh operationally on the line segments they will share. Nor was there any discussion of the impact of the diversion of VIA passengers to HSR at the points served by both.

The expectation is that HSR would siphon off all of VIA's current traffic between the major revenue-generating points and leave it with only the traffic to and from the many intermediate points bypassed by the HSR service. These would include Woodstock, Ingersoll, Brantford, Stratford, St. Marys, Glencoe, Strathroy, Wyoming and Sarnia.

Would these VIA Southwestern Ontario services remain, given that the ridership will drop and the cost of providing them would increase dramatically? No answers have been provided by those involved in the provincial government's HSR project or VIA.

As well, the HSR route would not actually reach Pearson International Airport, but "would be served from an expanded Malton GO Station. The Province would work with the Greater Toronto Airports Authority (GTAA) to provide a people-mover system linking HSR riders to Terminals 1 and 3 and to parking facilities. In the future, the Province could work with the GTAA to provide direct access for HSR to support their plans for the Pearson Airport multimodal hub."

Most distressing is the HSR plan's failure to include and support a system of intercommunity transportation feeder services. It merely suggests that future work on the project "should include identifying opportunities to integrate local transit to ensure first-mile/last-mile connections are made."

In his final report of December 2016, Collenette encouraged the Government of Ontario to proceed with HSR and, on May 19, 2017, Premier Wynne announced that his recommendation had been accepted and the project would proceed. Collenette was appointed on February 13, 2018, to lead Ontario's High Speed Rail Planning Advisory Board and the government released the official notice of the issuance of the terms of reference for an environmental assessment on February 27, 2018. This is expected to be a two-year process, which will include "the alternatives to be considered and the public consultation activities to be carried out."

Of great concern as this project begins to roll is the experience of the California HSR rail project, which is the only one of this type now under way in North America. Like the Ontario proposal, it has undergone a similar process and a history of presenting low-ball costs, questionable delivery schedules, fierce agricultural community opposition and unfulfilled promises of private-sector funding.

After many years of proposals and preliminary work, the California HSR project officially started in late 2008 with voter approval of a $9-billion bonding proposition based on a promise to deliver the full San Diego-Los Angeles-San Francisco/Sacramento system in stages by 2029 at a total cost of $48 billion. All of these critical details have changed as it has encountered massive financial, physical, institutional and political challenges. The cost has grown to $64 billion and is expected to increase.

Furthermore, some aspects of the original 320-km/h project proposal have had to be scaled back to provide less than HSR service over the full route. California is now taking a "blended" approach that will use upgraded existing track in the two largest urban regions and create a full San Diego-Los Angeles-San Francisco/Sacramento system in stages. Amtrak will use the new line segments in the Central Valley between Merced and Bakersfield to provide 200-km/h diesel-hauled passenger service prior to the launch of the electrified Los Angeles-San Francisco service in 2029. No revised dates or costs have been given for the extensions south to San Diego and north to Sacramento.

4.5 VIA Rail Canada High-Frequency Rail Proposal

In isolation from the Ontario HSR plan for Southwestern Ontario, VIA brought forward a scheme for the Montreal-Ottawa-Toronto segment of the corridor in late 2014. This has since been expanded to include Montreal-Quebec route via Trois-Rivières. It is partially HPR-like, but most of it can be characterized as HSR Lite – without the high speed.

Dubbed high-frequency rail (HFR), it arises from VIA's contention that it can't offer frequent, reliable and cost-effective service so long as it uses infrastructure owned by the freight railways. To overcome this, VIA proposes a combination of the trackage it now owns with new trackage on abandoned and active freight rights-of-way to create a dedicated, passenger-only line providing up to 15 roundtrips daily.

VIA Rail HFR Proposed Route

VIA Rail

VIA first suggested HFR could be implemented by 2021 if it received government approval and funding now, but this has subsequently been pushed back to 2022. At last report, the proposed HFR service would provide the journey times shown below.

ROUTE SEGMENT	JOURNEY TIME
Montreal-Ottawa	1:20
Ottawa-Toronto	2:30
Montreal-Toronto	3:50

VIA's HFR proposal is a hybrid that requires the priority passenger use of some light-density Canadian Pacific (CP) freight trackage, the 225 km of passenger-only trackage VIA currently owns within this triangle and the rebuilding of 145 km of abandoned CP trackage between Glen Tay (west of Smiths Falls) and Havelock. This line was superseded in 1914 by a new CP main line from Agincourt to Glen Tay through major centres such as Oshawa, Cobourg and Belleville. The portion of the old line that VIA proposes to rebuild was abandoned from Glen Tay to Tweed in 1971 and west to Havelock in 1987. Passenger service on this line segment ended on January 23, 1966.

While the rebuilt CP track segment would be passenger only, VIA would still require access to some trackage that is heavily used by Canadian National (CN) and CP, as well as the commuter rail services in the Toronto and Montreal areas. It would not be a pure passenger railway.

The HFR trains could be diesel-electric, straight electric or dual-mode electro-diesel hybrids; all have been mentioned. They would operate at speeds of 160 to 200 km/hour, although this, too, has varied through the course of VIA's public promotion. At this speed, HFR would not be much more time competitive with air service than VIA's current corridor operations on the well-populated routes along the north shores of Lake Ontario and the St. Lawrence River.

VIA says its existing services on those routes would continue on the trackage owned by CN and others, but it would be "reconfigured" to provide the same frequency with greater reliability. How this is possible when the heavy freight traffic on these non-VIA lines would not vanish remains unclear. These routes include major passenger points such as Oshawa, Cobourg, Belleville, Kingston and Brockville, which generate considerable VIA traffic today.

The HFR proposal promises to serve smaller communities on its route, such as Pontypool, Havelock, Tweed, Sharbot Lake and Perth, but the only point on the Smiths Falls-Toronto segment with a significant population is Peterborough. Consequently, many rail professionals – including some retired VIA executives – doubt the claim that HFR would triple VIA's current corridor ridership by 2030 and generate profits sufficient to eliminate its need for public funding of its entire Quebec-Windsor Corridor system.

VIA's proposal has shifted several times in terms of costs, stations, routings into Toronto and Montreal, ridership and revenue projections, equipment types and various other major issues. The Montreal-Quebec City extension appears to have not altered a previous cost projection of $4 billion for the infrastructure. This would increase to $6 billion if the line were electrified.

This infrastructure investment would allegedly trigger a public investment of $1.5 billion in new and urgently needed motive power and rolling stock, an issue that is covered in detail later in this report. As for the infrastructure funding, VIA said right from the start that its proposal would attract private-sector investment. It hasn't materialized. A newspaper report revealed the HFR proposal was declined by the institutional investor Caisse de dépôt et placement du Québec, but the Canada Infrastructure Bank is still an option.

As for the federal government, it has issued a series of cheery but non-committal statements about the HFR project. Hints have been dropped by VIA and Minister of Transport Marc Garneau that the federal government would also be looking for financial contributions from Ontario and Quebec. In Budget 2017, $3 million was allocated for Transport Canada and outside consultants to study the plan and a further $8 million, spread out through 2021, was added to this extended investigation, indicating no decision will be made for another three years.

HFR's potential impact on Southwestern Ontario's rail passenger service was covered in an analysis provided to and endorsed by Oxford County Council on September 27, 2017. A major concern should be VIA's suggestion that its HFR proposal will have a positive spillover effect on its current services in this region. VIA implies that the HFR line would be so profitable that it would generate revenue sufficient to cover the cost of all the other Quebec-Windsor Corridor services, including those in Southwestern Ontario, leading to increased service levels and a new fleet of locomotives and rolling stock.

The profitability promise makes HFR immediately suspect. Due to directly and indirectly-subsidized car, bus and air travel, profitable passenger train operations are extremely rare. Claims of passenger train profitability should be viewed cautiously and analyzed carefully.

The one North American intercity rail passenger route said to be profitable is Amtrak's Boston-New York-Washington Northeast Corridor (NEC). This densely-populated, intensely-served passenger route is considered profitable on what is known as an "above the rail" basis. Under this criteria, only the operating costs are included, not the capital investment and renewal.

Former Amtrak president David Gunn, now living in retirement on Cape Breton, was consulted in the preparation of this report and he established that Amtrak's NEC is not profitable when all its costs – above and below the rail – are included. When asked about the profitability of VIA's HFR proposal, he replied, "If you believe that, then I've got a bridge in Brooklyn to sell you."

Also of concern is VIA's track record in delivering on its promises. On June 16, 2015, VIA president Yves Desjardins-Siciliano announced in Stratford and again in Sarnia the following day that VIA would soon introduce several new trains on its Southwestern Ontario routes. To date, not one of these additional trains has materialized. The problem, says VIA, is that the owners of most of the required infrastructure won't allow the new trains on their tracks for a variety of reasons VIA won't specify.

In fact, at the 2015 Stratford luncheon announcement, Desjardins-Siciliano revealed that prior to making his announcement, the corporation hadn't even discussed the new services with the three track owners that would have been required to accommodate them on their tracks.

In short, VIA's HFR proposal appears to be a potentially dangerous pile of shifting sand that is altered frequently and lacks any hard data the corporation is willing to make public. This can only lead to major concerns about VIA's ability to deliver on the HFR proposal, its promised benefits and, given the inordinate amount of managerial attention focused on, the fate of VIA's current corridor, long-haul and remote services.

Until Transport Canada completes its in-depth investigation in 2021, HFR remains an untested and unfunded concept. It appears to have no benefits for Southwestern Ontario and could easily wind up having a detrimental effect on the low level of VIA service being provided today.