

High-Speed Hype: Taxation Without Benefit

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Canadians are about to be victimized and defrauded once again. Mark Carney's ambitious plan to build high-speed rail between Toronto and Quebec City¹ is going to cost an awful lot of money, take an awful lot of time, and benefit a very small segment of Canada's population, while the vast majority of taxpayers will never use the service.

One of the obvious challenges for this proposed high-speed line is the expropriation of land required for its development. When the first rail lines were laid across Canada, much of the land was more easily acquired because there was less existing infrastructure in the path. Fewer highways, rail lines, etc.; fewer developed homes and farms and far less bureaucratic resistance regarding environmental concerns or indigenous land claims. The challenges this government and Alto—the company chosen to run the project—will face are of magnitudes more difficult than those faced by the developers of CN and CP Rail.

One limiting factor for high-speed rail is that it requires relatively straight lines with very few gradual curves. This means that engineering, acquisition and construction cannot go around obstacles, whether physical or legal. That means the developers (and taxpayers) must pay much higher legal and acquisition costs.²

I love the concept of rail travel and firmly believe that Canada must renew, replace and reinvigorate our transnational railway passenger service. It makes sense that a single locomotive carrying hundreds of passengers at a time would not only reduce the number of vehicles on Canada's highways but would also free up parking spaces and vehicle congestion in destination cities. All that is predicated, of course, on the system being operated efficiently and economically, something at which governments often fail miserably.

I worked on The CN main line in Alberta for six years in the track maintenance department, pounding spikes, replacing old ties, fixing broken rails and cleaning iced switches and crossings in winter. That was before Via rail was carved off of CN and made a separate entity. Since that time, we've seen a steady deterioration in passenger service, at least in the West. Passenger stations that once provided convenience and comfort for travellers have been closed. Schedules have been changed and rates have been raised to the point where fewer and fewer citizens are inclined to use the service. One can no longer take an eastbound or westbound train any day of the week. Potential customers must gear their travel to an inconvenient schedule set by others.

Passenger use of the rails here in northern BC has been replaced by endless container traffic bringing electronics, snowmobiles, televisions and snowmobiles from China. Apparently, Canadians don't know how to produce these items. We have traded jobs, businesses and revenue for cheaper foreign imports...and to ensure that these products reach their distribution points on time, passengers have become second-class citizens and are forced to wait on sidings for the cash-producing foreign freight.

No, I'm not opposed to rail travel. I think our failure to protect passenger service is one of the tragedies of the last 40 years.

But I am opposed to forcing Canadian taxpayers to foot the bill for a very expensive high-speed rail connection designed to serve the elite few at the expense of the many. The projected cost of this high-speed rail project is \$90 billion. There's virtually zero chance that the government or Alto will be able to keep costs below that number. For starters, today's inflation rate—a direct result of government over-spending and money-printing—will automatically and significantly increase costs. The first shovel in the ground is not expected until 2029, and no completion date has yet been promised. Does anyone think the price of steel or copper in 2029 will be the same as it is today? How about land? Labour?

In an article by Gage Haubrich on the Canadian Taxpayers Federation website, April 17, 2026,³ the author lists three similar projects that have generated huge cost overruns and lengthy delays.

The California High Speed Rail project was projected to cost \$46 billion in 2008. Now almost two decades later the cost has ballooned to \$174 billion and not a single piece of track has been laid.

The United Kingdom's high-speed rail line called HS2 was projected to cost \$59 billion in 2011. The latest numbers show the budget is more than \$148 billion. And it won't open for almost another 10 years.

The same story has played out here at home. The Ontario government announced it would build a light rail line across Toronto, the Ontario Line, for \$10.9 billion. But costs ballooned to \$27.2 billion before a single track was laid."

Another area of concern is the expropriation of land with little or no opportunity for land owners to resist. While promising fair market value for land that will be so acquired, "fair market value" may not reflect costly and inconvenient changes to access or the separation of portions of a farm that will create new logistical challenges to existing farm operations. The government recently passed bill C-15 specifically to make expropriation cheaper and faster. Any bill that allows government to steamroll any dissent is suspicious.

The high-speed rail project was first announced by then-Prime Minister Justin Trudeau on Feb. 19, 2025.⁴

The CHP opposes this project for a number of reasons but primarily because it will directly add to our federal debt. The fact that it would allow some politicians, business people and students to cut their travel time does not even come close to offsetting the additional cost to taxpayers across Canada already hard hit by inflation and who will never make use of this expensive luxury platform. The government should instead focus on paying down the debt and—if planning to spend money on passenger rail service—apply those funds first to improving access and service on existing transcontinental lines that will benefit all Canadians. Join CHP⁵ today for a better Canada for future generations.

Footnotes

¹ ottawacitizen.com/news/ottawa-montreal-high-speed-rail

² www.thewhig.com/news/52-billion-over-budget-researcher-crunches-alto-high-speed-rail-numbers

³ www.taxpayer.com/newsroom/high-speed-rail-project-just-an-expensive-fairy-tale

⁴ www.pm.gc.ca/en/news/news-releases/2025/02/19/canada-getting-high-speed

⁵ www.chp.ca/get-involved/

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