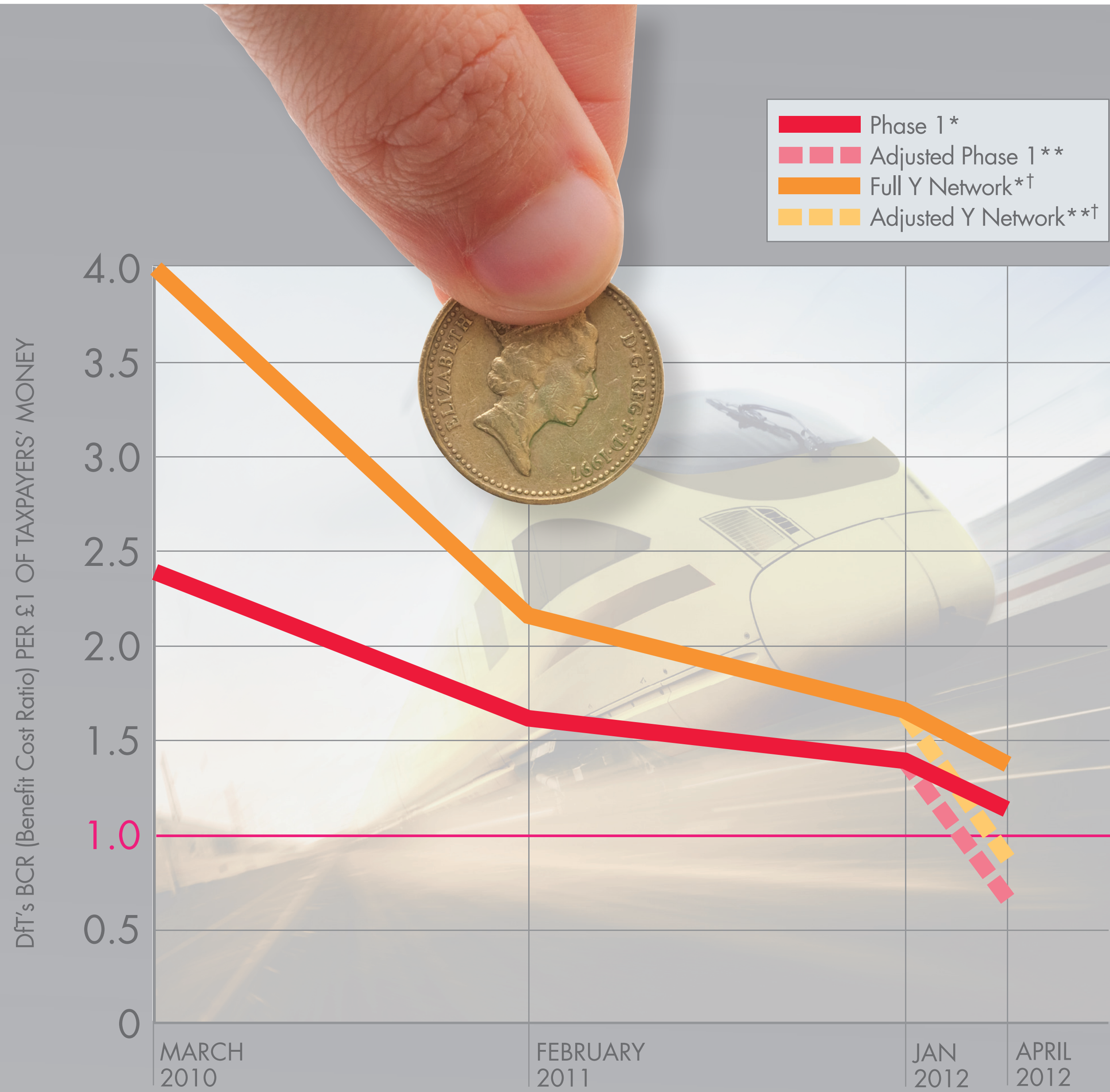

High Speed Rail and the law of diminishing returns.

Since the first business case for HS2 was published, the figures for the economic and welfare benefits of the high speed rail project have been on a very slippery slope.

The Department for Transport (DfT) has been forced to reduce the Benefit Cost Ratio (BCR) to as little as £1.20 for every £1 of taxpayers' money for Phase 1 and £1.40[†] for the full Y, and to admit that the best alternative to HS2 (from 51m) offers over £5 benefit.

And it gets worse. Use the latest demand forecast model and the November 2011 GDP forecast and DfT's BCR figures for HS2 dip well below £1.

But the real 'leaves on the line' in this case have yet to be included – DfT's use of 11 year old data on businessmens' earnings, assuming all time spent on trains is wasted and ignoring and deliberately over-inflating the cost of real alternatives.

Just how low can they get? Visit our website to see the full picture. It will be time well spent.

HS2 ACTION ALLIANCE

www.hs2actionalliance.org

* Not including the Wider Economic Benefits
** Including Nov. 2011 GDP forecasts and latest rail demand model (income elasticities in PDFHv5.0)
† The midpoint of DfT's quoted range