

Automakers Endorse Greater Certainty, Predictability of Cleantech Transition & Supply Chain Focus

March 28, 2023. (Ottawa)

In today's Federal Budget, Finance Minister and Deputy Prime Minister, Chrystia Freeland announced a number of measures, including a 30% investment tax credit, intended bolster investment in electric vehicle manufacturing and the production of batteries and components, as a means of offsetting the sizable tax incentives of the Inflation Reduction Act in the United States.

“This is about continuing to create the right environment in Canada to ensure that we can capitalize on the cleantech transition generally, and specifically as it relates zero emission vehicle manufacturing and the manufacturing of the batteries and components that are part of them. It provides a framework of predictability for investment and as well as mechanisms to de-risk that investment,” said David Adams, President and CEO. “The investment tax credit is very important as it applies throughout the supply chain with respect to equipment used to extract and process critical minerals to the equipment used in the production of both EVs and their batteries,” he added.

“This Budget forms part of a strategic and focused approach to ensure that Canada can continue to compete for investment throughout the EV ecosystem, as well as focusing efforts on the traditional supply chain and Canada's infrastructure that will be necessary to support this transition,” added Adams.

“However, we have funds allocated and we have a plan, all of this will be for naught if we are unable to execute the plan. Importantly too, the Budget emphasizes the need to move forward with a variety of clean fuels – not just electricity – to meet the net zero challenge”

For more information:

David Adams
(416) 333-2873
dadams@globalautomakers.ca