

# **OPENING REMARKS**

**Standing Committee on Environment and Sustainable  
Development**

***Zero-Emission Vehicles in Canada***

**ISED Appearance**

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Good afternoon Madam Chair and Honourable Members. Thank you for the opportunity to appear before you today to discuss zero-emission vehicles.

My name is Sharon Irwin and I am the Acting Director General of the Automotive, Transportation and Digital Technologies Branch at Innovation, Science and Economic Development Canada, also known as ISED. The Branch focuses its work on research, policy, and engagement specifically related to automotive, transportation and digital technologies.

Which, of course, means that zero-emission vehicles is of key importance. For ISED, this means a focus on ensuring a competitive environment that encourages investments by automotive manufacturers, as the industry transitions towards clean technologies, to ensure that it remains vibrant and is positioned for success today and in the future.

With over 550,000 direct and in-direct jobs, the automotive sector is one of the largest sectors of the Canadian economy and contributes \$16 billion to our gross domestic product.

As such, automotive manufacturing is a touchstone of Canada's economy, and it encompasses expertise in advanced technologies, a highly skilled workforce, an abundance of natural resources, and a world-class IT cluster. Combined, these attributes well position Canada in designing and building the vehicles of the future, while also working towards achieving a carbon-neutral future.

Through the Innovation and Skills Plan launched, ISED has shaped a policy environment designed to strengthen the

competitiveness of the Canadian automotive industry.

As part of the Innovation and Skills Plan launched in 2017, the Strategic Innovation Fund was established, also called SIF; its objective is to spur innovation providing funding for large projects (over \$10 million in requested contribution) and we continue to ensure that this flagship program is an effective tool in attracting new investments to Canada.

Since the launch of the SIF, ISED has announced over \$555 million in support of

the automotive sector, leveraging more than \$4.6 billion in total investment. This includes the recent announcement from Ford, as it pivots to begin to produce battery electric vehicles, a first for Canada's automotive sector, one that we expect will shape and influence production and adoption of EVs in Canada in the coming years.

Over the past number of years, SIF has made important investments in the automotive sector, from modernizing automotive manufacturing plants, upgrading

assembly lines to make them more flexible, to retooling production lines.

In addition to recent support to projects to electrify transportation and the automotive industry, SIF supports large-scale, transformative and collaborative projects that help position Canada to prosper in the global knowledge-based economy.

SIF plays a key role in the continuum of innovation funding, providing support for projects through simplified application processes, accelerated processing, and

assistance that is responsive and focused on results.

In addition to investments through SIF, ISED supports the research and development that will lead to the next generation of transportation.

We are seeing the automotive sector adjust to meet the demand for the vehicle of the future – connected, automated, shared and electric.

Advances in vehicle technologies, such as zero-emission vehicles, have the potential



to enhance the productivity, efficiency, and environmental performance of Canada's transportation system as well as drive innovation and economic growth.

As the country transitions to a carbon-neutral future, another area of focus in the transportation sector is the manufacture of batteries. Canada has the resources – from nickel to copper – needed to support the supply chain for these clean technologies.

Canada is the only nation in the Western hemisphere with an abundance of cobalt, graphite, lithium and nickel, the minerals

needed to make next-generation electric batteries.

This, combined with Canadian expertise – is Canada's competitive edge.

There is potential for Canada to seize this opportunity by working with industry to attract zero-emission vehicle manufacturing facilities through large-scale investments.

We can also use our Canadian research expertise to carve out a niche for solving barriers to ZEV adoption, such as the

challenges of operating electric vehicles in cold weather.

By supporting investments through SIF, as well as our collaborative work with interdepartmental colleagues, the work of ISED is helping to position the Canadian automotive sector to be a leader on electrification across the supply chain, while supporting the competitive needs of the industry and seeking to attract further investment.