

2026

POLICY TRACKER

2026 Q1 REPORT

OVERALL ASSESSMENT

The first quarter of 2026 underscored a transitional moment for Canada's electric mobility policy framework. While governments reaffirmed long-term electrification objectives and committed some funding, the rollback of existing sales or EV availability standards and the introduction of new trade arrangements bring uncertainty that could affect near-term investment and market momentum. EMC's sustained engagement across federal and provincial governments positioned the organization as a credible and constructive voice during this reset, ensuring that industry perspectives were reflected in ongoing policy discussions and laying the groundwork for influence as new regulations and programs are developed.

POLICY DEVELOPMENTS AND GOVERNMENT RELATIONS

- Major federal announcements reshaping the regulatory, trade, and affordability landscape, alongside notable provincial developments
- A shift toward a more industrial and trade-oriented approach to electrification
- Introduction of new uncertainties for market growth and investment
- EMC was active in engaging with federal and provincial decision-makers to influence policy design and implementation

FEDERAL POLICY RESET ON VEHICLES AND TRADE

- **Feb 5:** the Prime Minister announced the repeal of the Electric Vehicle Availability Standard – to be replaced with new greenhouse gas emission standards. The revised framework sets goals of 75% zero-emission vehicle sales by 2035 and 90 percent by 2040.
- A new 5-year EV Affordability Plan (EVAP) was announced of \$2.3 billion, offering rebates of up to \$5,000 per vehicle. Eligibility is limited to Free Trade Agreement-built vehicles under \$50,000, except Canadian-made EVs.
- Additional funding commitments were made for public charging infrastructure through the Canada

Infrastructure Bank

- **Jan 16:** The federal government announced a preliminary joint arrangement with China, including a 49,000-EV annual import quota at the MFN tariff rate—raising concerns about competitiveness, domestic manufacturing, and charging/standards compatibility; EMC responded publicly and engaged federal officials on conditions to protect Canadian investment, jobs, and infrastructure readiness.
- **Feb 24:** Canada and Germany signed a joint declaration of intent to deepen cooperation in strategic industrial sectors (auto manufacturing, batteries, and critical minerals), aligning with EMC's supply-chain priorities and creating collaboration opportunities on technology, standards, and industrial policy.

PROVINCIAL POLICY SIGNALS

- Provincial Q1 policy signals were mixed for market development.
- Nova Scotia: 2026 budget adds a biennial EV/hybrid registration levy starting Oct. 1, 2026, increasing costs and risking affordability in an emerging market.
- Manitoba: 2026 budget extends EV rebates for one year (new and used), supporting short-term stability; China-made vehicle and select manufacturer exclusions persist.

EMC'S PARLIAMENTARY AND GOVERNMENT ENGAGEMENT

- EMC intensified government relations in response to a shifting EV policy environment
- Appeared before the House of Commons Industry and Technology Committee on federal EV policies, highlighting concerns on regulatory certainty, affordability, charging infrastructure, and policy alignment
- Held 33 federal and provincial government meetings during the quarter across multiple departments and jurisdictions
- Early-quarter discussions focused on the EV Availability Standard, affordability measures, job impacts, and Canada-China import issues
- March engagement expanded to technical implementation, charging standards for imports, MHDV strategy, and national charging infrastructure planning
- Led a major advocacy day at Queen's Park in March with broad provincial ministry and parliamentary engagement
- Key provincial themes included EV affordability, charging access (MURBs and public spaces), workforce training, battery recycling, and electric freight corridor planning.

FIRST QUARTER ANNOUNCEMENT

DATE	GOV	ANNOUNCEMENT
2026-01-16	FED	<p>EV Import Agreement with China https://www.pm.gc.ca/en/news/news-releases/2026/01/16/prime-minister-carney-forges-new-strategic-partnership-peoples</p> <p>Backgrounder: https://www.international.gc.ca/news-nouvelles/2026/2026-01-16-china-chine.aspx?lang=eng</p> <ul style="list-style-type: none">• Preliminary Joint Arrangement on Addressing Bilateral Economic and Trade Issues between Canada and the People's Republic of China.• Canada intends to provide an initial country-specific quota of 49,000 electric vehicles (EVs) per year at a most-favoured-nation tariff rate of 6.1%. <p>EMC Reaction: https://emc-mec.ca/news-post/emc-response-to-ev-import-agreement-with-china/</p>
2026-02-05	FED	<p>EVAS repeal and New Auto Strategy https://www.pm.gc.ca/en/news/news-releases/2026/02/05/prime-minister-carney-launches-new-strategy-transform-canadas-auto</p> <ul style="list-style-type: none">• EVAS will be repealed and new GHG emission standards will be proposed to put Canada on a path to achieve a goal of 75% EV sales by 2035 and 90% EV sales by 2040• New 5-year EV Affordability Program (EVAP) : \$2.3B for rebates of up to \$5k, eligibility linked to véhicules made in a country with whom Canada has a free trade agreement and a «final transaction value» capped at \$50k except for EVs made in Canada.• Program information documents (from TC webinars) shared here : 2026-02 EV Affordability Program (EVAP)• \$1.5B for public Charging Infrastructure (CIB)*• \$3B from the Strategic Response Fund and up to \$100M from the Regional Tariff Response Initiative to help the auto industry adapt, grow and diversify to new markets.• Strengthen Canada's automotive remission framework to reward companies that produce and invest in Canada• New worker sharing grant, a workforce alliance (industry, labour and training partners), and \$570M for employment assistance and reskilling supports for up to 66,000 workers. <p>EMC Consultation submission : https://emc-mec.ca/blog-post/a-unified-perspective-on-canadas-ev-availability-standard/</p> <p>EMC Reaction : https://emc-mec.ca/news-post/electric-mobility-canadas-statement-on-the-federal-auto-strategy-announcement/</p>
2026-03-24	FED	<p>Canada and Germany to work together in key industrial sectors https://www.canada.ca/en/innovation-science-economic-development/news/2026/02/canada-and-germany-to-work-together-in-key-industrial-sectors.html</p> <ul style="list-style-type: none">• Joint declaration of intent with Germany to expand bilateral industrial cooperation in strategic sectors—in particular, auto and battery manufacturing and critical minerals. <p>EMC Reaction : https://emc-mec.ca/news-post/emc-statement-on-canada-germany-joint-declaration/</p>

2026-02-24 NS Nova Scotia Budget includes a new Electric and Hybrid Vehicle Levy
<https://www.novascotia.ca/sites/default/files/documents/6-4173/ftb-bfi-046-en-budget-2026-2027.pdf>

- Effective October 1, 2026, to be paid when a prescribed vehicle is registered and every two years thereafter when the vehicle registration is renewed.
- Fully electric vehicle owners will pay \$500 every two years, and electric-hybrid vehicle owners will pay \$250 every two years.

This levy is expected to raise \$1.6 million in 2026–27 and \$3.3 million in 2027–28 when fully implemented.

2026-03-24 MB Manitoba 2026 Budget – EV Rebate extended another year
<https://www.gov.mb.ca/budget2026/index.html>

- \$4,000 rebate for a qualifying new electric vehicle or plug-in hybrid and \$2,500 for a qualifying used electric vehicle or plug-in hybrid vehicle.
- Previous program conditions (likely to remain the same):
 - *Purchase price cap: Must be below 70K\$*
 - *Must be sold from an authorized dealership in Manitoba*

Tesla and EVs manufactured in China purchased after March 19, 2025 are not eligible for the rebate.

FIRST QUARTER EMC PARTICIPATION IN STANDING COMMITTEES

MONTH	COMMITTEE	TOPIC	LINK
2026-03-12	Industry and Technology (INDU)	Federal Government’s Electric Vehicle (EV) Policies	https://www.ourcommons.ca/documentviewer/en/45-1/INDU/meeting-28/notice

FIRST QUARTER EMC GOVERNMENT MEETINGS

MONTH	NB	WHO	TOPICS
JANUARY	3	ECCC, ISED, NRCan, Transport	EVAS, Affordability, EV Jobs, EV Import Agreement with China (conditions and charging standards), ZEVIP, Battery Recycling,
FEBRUARY	5	Transport, ECCC, NRCan	Affordability, Rebate program, GHG Standard, ZEV Council
	6	Measurement Canada, ISED, ZEV Council, Transport, ECCC, Global Affairs, NRCan	kWh billing, EV Charging Standards for Chinese EV imports, MHDV strategy, Charging infrastructure strategy, GHG Standard, iMHZEV
	1	Transport Québec	Truck weight – Driver Class (battery weight exemption)
MARCH	2	BC Energy	ZEV Standard
	14	MPPs, Transportation, Energy and Mines, Environment, Labour	Queen’s Park Advocacy Day: Affordability, Charging (MURBs & Public), Workforce training, Battery Recycling, Automotive Task Force, 401 Electric Freight Corridor.
TOTAL	33		

FIRST QUARTER EMC PUBLICATIONS

DATE	PUBLICATION AND DESCRIPTION
2026-02-03	When the automotive industry misleads Canadians: The case of CVMA’s recent publication Response to a CVMA publication which cited EMC multiple times.
2026-03-18	Zero-Emission Vehicle Standard: Organizations Highlight the Importance of Maintaining Quebec’s Leadership Op-Ed by Propulsion Québec and Electric Mobility Canada (EMC) reiterating the importance of maintaining an ambitious zero-emission vehicle (ZEV) standard in Quebec.
2026-03-25	Electric Mobility Canada’s top five reasons why BC must keep its ZEV standard Countering traditional carmakers’ efforts to have B.C.’s ZEV Act repealed or diluted.