

Minister of Innovation,  
Science and Industry



Ministre de l'Innovation,  
des Sciences et de l'Industrie

Ottawa, Canada K1A 0H5

July 6, 2023

Yves Giroux  
Parliamentary Budget Officer  
99 Bank Street, Suite 900  
Ottawa, Ontario K1A 0A9

[yves.giroux@parl.gc.ca](mailto:yves.giroux@parl.gc.ca)  
[pbo-dpb@parl.gc.ca](mailto:pbo-dpb@parl.gc.ca)

Dear Yves Giroux:

Thank you for your correspondence of June 22, 2023, regarding Information Request IR0698.

Innovation, Science and Economic Development Canada (ISED) is pleased to make available the attached documents. The information contained in this response includes materials used to inform the estimates of the economic impact of the PowerCo battery manufacturing facility investment and implications to federal revenues.

As with our response to Information Request IR0687, we are also providing a report published by the Trillium Network for Advanced Manufacturing. The report, entitled *Canada's New Economic Engine*, presents four possible future scenarios in Canada's automotive sector ranging from "off-target," with no additional government support and limited economic benefits, to "enhanced contribution," with strong support and significant contribution to the Canadian economy. With the recent PowerCo investment, ISED's analysis indicates that Canada will likely fall within the "continued momentum" scenario, which predicts \$6.7 billion annually in government revenue, compared to the "off-target" scenario, which predicts only \$2.7 billion annual revenue. This result is not only due directly to the PowerCo investment, but to other anticipated investments made throughout the supply chain.

I trust that the attached documents, including a signed reply form, will assist your office in fulfilling its mandate. My officials would be happy to answer any other questions your analysts have with regard to this data or the agreements with PowerCo.

...2

I look forward to our continued collaboration.

Sincerely,

A handwritten signature in black ink, appearing to read 'F. Champagne', with a stylized flourish at the end.

The Honourable François-Philippe Champagne, P.C., M.P.

Attachments