

EV Rebates Are Just Taxes in Disguise

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Prime Minister Mark Carney has just announced a new government rebate for consumers purchasing electric (EV) and hybrid vehicles.¹ The previous rebate program instituted by Justin Trudeau was cancelled because the government ran out of money allocated for that purpose. In fact, as readers of this column know, the government ran out of money for any purpose long ago. Every dollar added to the budget is a dollar borrowed from our kids and other future taxpayers. Today, we are living on the fumes of yesterday's prosperity and hoping for a return to solvency based on tomorrow's yet unproven economic strategies.

One of the many tangled webs of Mr. Carney's attempt to appear reasonable, conciliatory and wise is his ideological commitment to a so-called 'green economy' while backpedaling hard to create a plausible story of future economic prosperity for Canadian families. It's the old theme of 'taking with one hand while giving with the other'. It creates the illusion of generosity. It would be laughable if not for the fact that so many Canadians fail to see through the ruse.

Another part of Mr. Carney's recent announcement about changes to his EV promotion strategy is his dropping—for now—the strict mandate previously imposed that would have forced Canadian automakers to eliminate the sale of new internal combustion vehicles by 2035.² The motivations for this seeming change to the dreaded EV mandate are many. First, it was plainly unachievable, even with government pressure. Folks don't want EVs and can't afford them, and Canada will not, by 2035, have the electrical capacity or the charging infrastructure to keep that many EVs on the road. Secondly, Mr. Carney's war with U.S. President Trump over trade and tariffs has put automakers and their employees on edge, and the looming deadline for compliance was adding to that angst. It is already assumed that impending negotiations for a renewed U.S.-Canada trade deal will be difficult, and costly trade-offs between various sectors almost guaranteed. The EV mandates in Canada would be one more obstacle to achieving a good trade deal.

Thirdly, the foolish actions of this petulant PM in welcoming even more imports and investments from communist China (including 50,000 Chinese manufactured EVs per year) have further threatened Canada's auto sector and damaged relations with the US. Even Ontario premier Doug Ford—who has spoken highly in the past of Mark Carney's 'elbows up' strategy toward the US—reacted with obvious anger and dismay at the undermining of the Canadian auto sector by this move.³ The fear of alienating auto workers (who also vote) and losing provincial tax revenues from the big auto companies was too much for Mr. Ford. His anger at the China deal no doubt had some influence on the PM.

The biggest sleight-of-hand in all this is the Prime Minister's offer of taxpayer-funded rebates for EVs and hybrids instead of dropping his unworkable 'green' agenda altogether. The extreme costs auto manufacturers have already incurred in trying to produce affordable and efficient EVs are sunk costs. They've spent the money on research and redesigning their supply chains and production facilities. EVs and hybrids are still expensive. The market has tanked. People do not want to pay high prices for a product with so many limitations:

- Shorter distances that can be driven on a single charge.
- Longer times charging the battery than it takes to fill a gas tank.
- Fewer charging stations than gas stations.
- Insufficient electrical infrastructure to support a replacement of all internal combustion vehicles now on Canadian roads and in Canadian driveways.
- Known environmental hazards and violations of labour standards overseas in mining and battery production.

That's why Mr. Carney has reintroduced the EV and hybrid purchase rebates: \$5000 for an EV and \$2500 for a hybrid. Let's be perfectly clear. That money is not coming out of Mark Carney's pocket. It's coming directly from taxpayers, whether they choose to purchase an EV or not. Canadian taxpayers are providing cover for Mr. Carney's terrible decisions.

To the "green economy" crowd—both those within his party and those even farther left—Mr. Carney threw in another sop to try to justify his withdrawal of the EV mandate. He now insists that auto manufacturers must reduce even further their 'tailpipe emissions'. Engine design for more efficient operation and cleaner exhaust has improved remarkably in recent years. Motorists now get far more kilometres on a litre of fuel than was thought possible only 10 or 20 years ago. But all things have limits. Mr. Carney wants current emissions to be cut in half. Whether this is even possible is not yet known. Surely, this will drive up research and development costs in the industry. The PM hopes that the challenge of reaching those goals will push producers and consumers towards EVs but without the hated mandates.

That's similar to his ploy during the last federal election when he magnanimously removed the carbon tax at the pump while applying it broadly to the industry.⁴ For Mark Carney, hidden costs are far preferable to the more visible cost of a tax you see every time you fill up your car. The hidden cost of electing Mark Carney as PM is becoming clearer day by day, but only for those who can read between the lines. The Christian Heritage Party would scrap the mandates, the deadlines, the subsidies and all 'corporate welfare'. We'd end the China deal and negotiate seriously with our best trading partner, the U.S. We'd make balanced budgets mandatory, cut the size and cost of government and drop the industrial carbon tax. Visit www.chp.ca to see more.

Footnotes

¹ www.ctvnews.ca/politics/article/national-automotive-strategy-new-ev-rebates-expected-to-be-announced-today/

² www.cbc.ca/news/politics/carney-dropping-ev-mandate-introducing-new-emissions-standards-9.7075302

³ globalnews.ca/news/11619546/doug-ford-chinese-electric-vehicles/

⁴ truenorthwire.com/2025/11/budget-2025-locks-in-industrial-carbon-tax-regime-tightening-grip-on-provinces/

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