New Economy Canada | Canadian Chamber of Commerce / Chambre de Commerce du Canada | OPEN INSIGHTS

Powering Canada's Growth

The economic case for an electrified Canada

September 2026

Canada can unlock trillions in growth and millions of jobs by doubling its electricity supply and putting more clean power to work across the economy

Doubling Canada's electricity supply—and putting that additional clean power to work across the economy — could deliver substantial economic benefits above and beyond business-as-usual growth.

By the middle of this century, Canada can...

- **Boost** the economy by a cumulative **$3 trillion**
- **Create** an additional **1.6 million** jobs in 2050
- **Deliver** a **5:1 return on investment** — $5 in economic benefits for every dollar invested in the power sector

Realizing the full opportunity will require Canada to attract more investment and expand the workforce needed to support economy-wide growth.

In short

- New macroeconomic modelling conducted by the Open Insights initiative, a consortium led by University of Victoria researchers, shows what Canada could gain relative to a business-as-usual approach by **expanding its electricity supply while accelerating economy-wide electrification.**
- **Canada's reliable, affordable, and clean electricity is one of our clearest competitive advantages.** We can protect that edge by expanding supply, putting the additional clean power to work across industry and in homes and vehicles.
- **The opportunity extends far beyond the electricity sector.** As businesses invest, modernize, and electrify, they support new jobs, higher incomes, and growth across the country.
- **Success hinges on getting several things right at once.** All levels of government must team up to build clean power facilties and grid improvements ahead of demand, accelerate electrification, attract investment, and grow the workforce.

The breakdown

Electricity can power Canada's next era of growth

Canada's abundant supply of reliable, affordable, and clean electricity is one of its clearest competitive advantages; it will become the principal energy source underpinning economic growth this century. Scaling electricity supply can attract investment, enable job creation and — through greater electrification of the economy — contribute to stronger productivity. Maintaining Canada's electricity edge means preparing for demand that could at least double in the coming decades.

In May 2026, the federal government announced **Powering Canada Strong**, a national electricity strategy that commits the nation to at least doubling its electricity supply by 2050 while accelerating electrification across the economy.[1] The government estimates the required investment at more than $1 trillion. But the broader economic implications of such an expansion have received far less attention.

> *"The path to affordability is electrification, the path to competitiveness is electrification, the path to net zero is electrification."*
>
> Prime Minister Mark Carney, May 2026, announcing Powering Canada Strong.

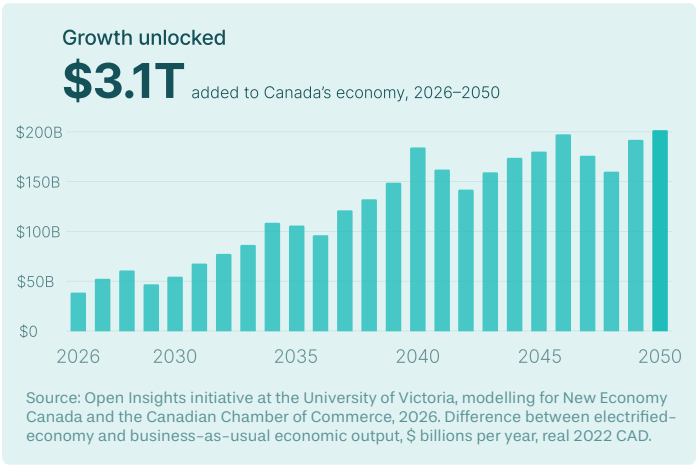
Quantifying the opportunity

New Economy Canada and the Canadian Chamber of Commerce worked with the the Open Insights initiative, a consortium led by University of Victoria researchers, to model the potential macroeconomic effects of doubling Canada's electricity supply and accelerating electrification.

The Open Insights team began with the Canada Energy Regulator's most recent province-by-province projections of energy demand, electricity supply, and prices under a scenario in which generation roughly doubles by 2050. The team incorporated major recent industrial-scale project commitments to better reflect Canada's changing energy landscape, then applied a macroeconomic model covering all 10 provinces.[2] All detailed assumptions, input data and model source code are publicly available.[3] [4]

The results point to significant economic gains. Compared with a business-as-usual future based on current policies and measures, the electrified-economy scenario could add an additional $3 trillion to Canada's economy cumulatively by 2050, create an additional 1.6 million jobs in 2050, and deliver $5 in economic benefits for every dollar invested in the power sector. [4]

But the modelling also carries an important caveat: expanding Canada's grids alone will not deliver the full economic return. The nation must pair that new electricity infrastructure with an influx of investment, economy-wide electrification, and growth in workforce and productive capacity.



Source: Open Insights initiative at the University of Victoria, modelling for New Economy Canada and the Canadian Chamber of Commerce, 2026. Difference between electrified-economy and business-as-usual economic output, $ billions per year, real 2022 CAD.

1. Natural Resources Canada. (2026). Powering Canada strong: A national Strategy for an electrified Canadian economy. https://natural-resources.canada.ca/energy-sources/electricity-infrastructure/powering-canada-strong-national-strategy-electrified-canadian-economy
2. Projects included the proposed West Coast Oil Pipeline and Prince Rupert Gas Transmission pipeline, and the Churchill Falls and Gull Island Agreement, as well as major industrial and critical-minerals projects.
3. For full methodology, please see neweconomycanada.ca/powering-growth
4. To explore a dynamic data visualization of the model results, visit https://ideajs.sesit.ca/view/Okjvj97sm5

Growth cascades across the economy

The modelling shows that a national push to expand electricity supply would bring the largest relative gains to Canada's power and construction sectors — the industries directly responsible for building new electrical infrastructure.

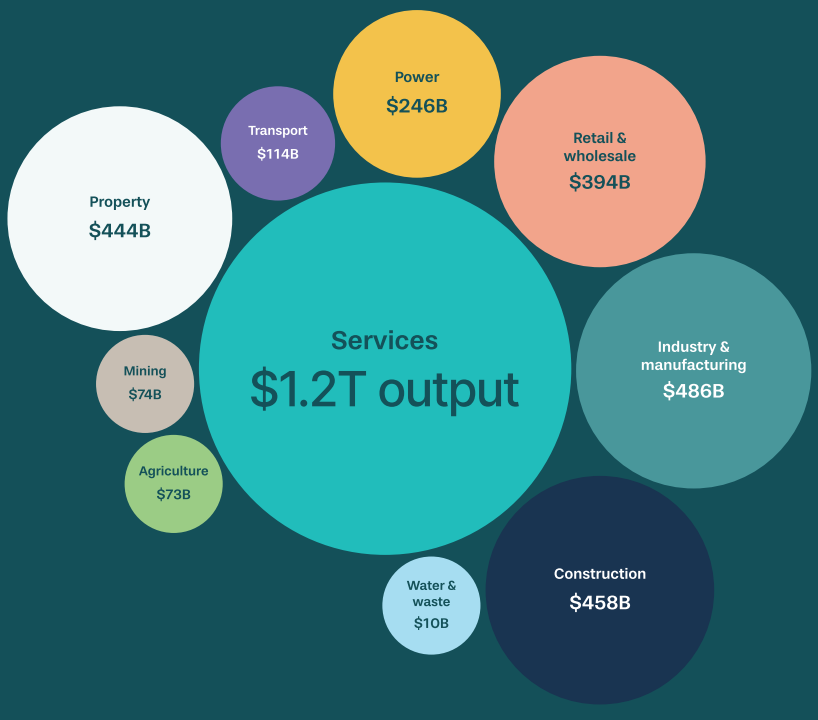
But that is far from the end of the story. In absolute terms, the service sector captures the largest gains. Rising investment and economic activity increase employment and household incomes, giving Canadians more money to spend in their communities.

Industry and manufacturing also benefit as businesses invest in new equipment, modernize their operations, and increase productive capacity. Mining, transportation, retail and wholesale trade all see gains as the benefits cascade across the wider economy.

The results demonstrate that electrification is not simply a strategy for growing the power sector. It is a strategy for growing the entire economy.

Economic output unlocked

Circle area = economic output unlocked, 2026–2050



Source: Open Insights initiative at the University of Victoria, modelling for New Economy Canada and the Canadian Chamber of Commerce, 2026. Circle area = cumulative economic output unlocked vs. business as usual, 2026–2050, $ billions, real 2022 CAD; jobs shown are jobs unlocked in 2050. Fossil fuel energy is the only declining sector.

Sector	GVA unlocked (2026–2050)
Services	▲ $1,217bn
Construction	▲ $458bn
Property (real estate)	▲ $444bn
Industry & manufacturing	▲ $486bn
Retail & wholesale trade	▲ $394bn
Power (electricity, gas, steam)	▲ $246bn
Transport	▲ $114bn
Mining (metal ores & support)	▲ $74bn
Agriculture	▲ $73bn
Water & waste	▲ $10bn
Fossil fuel energy	▼ $381bn
Total	▲ **$3,135bn**

The supply-chain opportunity beyond the model

Rather than anticipating how supply-chain relationships might evolve over the coming 25 years, the model holds them constant based on historical patterns. If Canada develops new domestic supply chains for key electricity and clean technologies — as the national electricity strategy envisions — those industries could serve the Canadian market while opening new export opportunities, generating economic benefits beyond those captured by the model.

The grid creates the opportunity. Economic capacity determines the return.

Canada must increase economic capacity in lockstep with electricity capacity. That means pairing electricity-system investments with policies that mobilize new private investment, accelerate business and household electrification, improve productivity, strengthen domestic supply chains, and grow the needed workforce.

Without these measures, a focused push to rapidly expand Canada's grids could compete with and crowd out other existing industries for investment and labour. That could constrain businesses' ability to modernize, electrify and grow — leaving economic benefits on the table.

The Open Insights modelling underscores that risk: doubling electricity supply without increasing available labour and capital produces no increase in total economic output compared with the business-as-usual scenario. Realizing the full economic benefits of grid expansion requires complementary measures to grow the workforce and attract new capital investment.

> *"Expanding Canada's electricity system is one of the biggest infrastructure opportunities of our generation. These projects harness Canadian engineering, Canadian supply chains, and thousands of skilled trades workers. Expanding the system further would unlock decades of investment and opportunity, and our industry is ready to build it."*
>
> Prabh K. Banga, Vice President, Sustainability, AECON

> *"The transition to a cleaner, more electrified economy depends on a reliable supply of critical minerals. Investments in transmission infrastructure can help unlock that opportunity in Northwest BC, supporting new mining development, jobs and long-term economic growth."*
>
> Brock Gill, Senior Vice President, North American Operations, Teck Resources

The upshot: How to build tomorrow's grid — and the economy to match

Open Insights' modelling validates the economic direction of **Powering Canada Strong** and demonstrates that a national electricity strategy could deliver significant gains in investment, employment, and GDP.

Realizing these benefits starts with building the electricity system needed to double supply — affordably and on time — alongside equally ambitious efforts to efforts to double electrification and energy efficiency. Together, these objectives can help keep clean electricity affordable, put more of it to work across the economy, and generate more economic value from every unit of energy. Four actions can help deliver them:

1. Sustain political commitment and public investment

Doubling Canada's electricity supply is a generational project that will require a sustained commitment across jurisdictions and political cycles. First Ministers should keep electricity and electrification high on their shared economic agenda, with clear responsibilities and regular progress reporting.

Canada should explore a legislated financial framework that clarifies federal, provincial, and territorial roles and provides greater certainty around long-term public investment. Governments, utilities, Indigenous nations, and investors will need to plan and build ahead of demand; such a framework would help reduce the associated risk. One estimate puts the federal contribution at approximately $5 billion annually.[5]

2. Mobilize capital at scale

Public funding alone cannot finance the full build. Utilities, ratepayers, Indigenous nations, pension funds, and private companies will each play important roles.

Governments should ensure investment tax credits, public-finance institutions, and broader business-investment measures work together to attract capital, reduce financing costs and maintain affordability. The federal government could establish its recent Investment Summit as an annual forum to profile opportunities and secure new investment.

3. Build the workforce alongside the grid

Canada needs more engineers, skilled tradespeople, technicians, and operators to build and maintain a much larger electricity system — and to support the industrial and economic development the new capacity can unlock.

Governments, employers, labour organizations, educational institutions, and Indigenous partners should expand training and improve labour mobility. The federal government's $6-billion Team Canada Strong initiative and the industry-led Energy & Electricity Workforce Alliance represent important steps.

4. Strengthen domestic supply chains

Grid expansion and electrification will require enormous quantities of materials, technologies, and equipment. Expanding Canadian production of these goods can capture more domestic economic benefits while opening new export opportunities as trading partners pursue similar electricity and electrification goals.

Where Canadian supply is unavailable or uncompetitive, governments should work with allies to secure stable, reliable sources of the materials, technologies, and equipment the transition requires.

5. Meredith, T. (2026, August 19). Harnessing our electricity superpower means being both the most affordable and the most fiscally responsible investor in the G7. MBP Intelligence. https://www.mbpintelligence.com/blog/meredith-harnessing-our-electricity-superpower-means-being-both-the-most-affordable-and-the-most-fiscally-responsible-investor-in-the-g7

About New Economy Canada

New Economy Canada is a non-partisan alliance uniting more than 70 companies, labour unions, and Indigenous organizations — all committed to building Canada's clean economy. Our partners represent new and traditional industries, employ or represent more than 725,000 workers, and generate annual revenues of more than $200 billion.

About the Canadian Chamber of Commerce

The Canadian Chamber of Commerce is the national voice of business, uniting more than 400 chambers of commerce and boards of trade, 115 sectoral associations, and over 200,000 businesses and organizations of all sizes across every sector of the economy and every region of Canada. Its Decarbonization and Clean Technology Council brings together business leaders and sectoral expertise to advance practical approaches to industrial decarbonization and clean-technology innovation.

About Open Insights

Open Insights contributes to the Canadian climate and energy transition dialogue by enabling reliable, transparent modelling that improves the rigour and quality of policy outcomes. We are a collaborative effort between SESIT at the University of Victoria, Energy Modelling Hub, the Energy & Materials Research Group at Simon Fraser University, and Macrocosm Group — each committed to building a more transparent and accessible Canadian modelling ecosystem. Open Insights always publishes all assumptions, input data (when not restricted by other organization's licensing) and model source code open-source. To find the relevant links to this information for this analysis, please visit: neweconomycanada.ca/powering-growth

> *Throughout Canada, Siemens Energy equipment is generating power, strengthening the grid and decarbonizing industrial processes. Our collective success at meeting growing energy demand will encourage more companies to grow here, unlock new investment and further economic opportunities for our communities."*

Arne Wohlschlegel,
Managing Director, Siemens Energy Canada