



Canadian Vehicle Manufacturers' Association



Association of International Automobile
Manufacturers of Canada

BACKGROUNDER

THE AUTOMOTIVE INDUSTRY IN CANADA

The automotive industry is the number one manufacturing sector in Canada and produced 2.7 million light duty vehicles in 2004. It is estimated that one out of every seven jobs in the Canada is related to the automotive industry. It is number one in employment, wages paid, and contribution to GDP relative to the other manufacturing sectors. Direct and indirect employment amounts to 530,000 jobs.

Collectively, Canada's light duty vehicle manufacturers - DaimlerChrysler, Ford, General Motors, Honda, Toyota and CAMI (a joint venture between General Motors and Suzuki) – have twelve high volume vehicle assembly plants in Canada.

Auto manufacturing is also supported by an innovative and substantive parts production sector. There are more than 550 original equipment manufacturers (OEM) in Canada and the value of automotive parts shipments exceeded \$34 billion in 2003. Automotive manufacturers source more than \$30 billion in parts and services from Canadian-based vendors every year.

Canada is currently the 8th largest vehicle-producing nation in the world.

There are nineteen light duty vehicle manufacturers and distributors in the Canadian market with over 3,900 independently owned and operated new vehicle dealers across the country. Canada sold 1.53 million units in 2004, down 3.7% from 2003.

Canada represents 8% of the North American automotive sales market. Canadian manufacturers produce 16% of all vehicles made in North America – and this represents 13% of all vehicles sold in North America.

In addition, the automotive industry exports over \$100 billion annually, generating a positive trade balance of \$11.5 billion. After the Japan and the United States, Canada is the third largest exporter of automotive products in the world.

The automotive sector has been working with the Government of Canada over the last three years on the Canadian Automotive Partnership Council to define a continued robust role for the automotive sector in Canada. A copy of their report can be obtained at <http://capcinfo.ca> or <http://strategis.ic.gc.ca/epic/internet/inauto-auto.nsf/en/am01561e.html>