



HOW CANADA'S AUTO INDUSTRY CONTRIBUTES TO THE ECONOMY

CANADIAN VEHICLE MANUFACTURERS' ASSOCIATION

Overview:

- Auto manufacturing regularly contributes over \$20 billion to Canadian GDP¹
- Nationally, auto and parts production accounts for about 16.8% of manufacturing sales²
- In Ontario, transportation equipment manufacturing is 20.2% of GDP³
- Direct industry employment in Canada accounts for 130,000. The majority of these jobs – at least 124,000 – are located in Ontario⁴. Both direct and indirect jobs are estimated at 500,000 jobs across Canada
- Vehicles are the top Canadian export valued at \$64.6 billion in 2016 of which 95% was exported to the U.S.⁵

Trade:

- Auto is the lead Ontario trade export at 28.10% of all exports in 2015.⁶
- NAFTA trade totaled \$1.1 trillion in 2015, and about 20%, or \$230 billion of that was automotive-related. Of that, vehicles comprised 45% and parts was 55%⁷
- Given the highly integrated nature of the auto industry, parts and components may cross the NAFTA countries' borders as many as 8 times before being installed in a final assembly plant in one of the 3 NAFTA partner countries (Wilson C.E., 2011).⁸
- The Detroit-Windsor crossing represents the highest number of loaded truck container crossings, 1.6 million annually, along the Canada/U.S. border. A significant percentage of these would be auto manufacturing related.⁹

Employment:

- Estimates suggest that for every one assembly job, nine others in the economy are created in upstream and downstream activities (Stanford, 2014).¹⁰
- Over 90 percent of automotive manufacturing jobs are fulltime high paying jobs with hourly wages that exceed provincial and national averages.¹¹

Production:

- Canada is the 10th leading vehicle producer in the world. ¹²
- CVMA member companies annually produce approximately 60% of all vehicles assembled in Canada. ¹³
- In 2016, CVMA member companies produced over 1.3 million vehicles in Canada ¹⁴
- Canada contributes 13% of all vehicles produced in North America. ¹⁵
- Canada is dependent on exporting outside of its own borders, with domestic consumption of just 12% of the vehicles it manufactures within its borders. ¹⁶

Canadian Vehicle Fleet:

- Total Vehicle Registrations (vehicles under 4,500 kg) = 22,067,778 ¹⁷

Footnotes:

- 1, 10 - "APRC Canadian Automotive Manufacturing Industry Profile 2014", Brendan Sweeney, October 2014, page 1.
- 2, 3 - Canadian Manufacturers' and Exporters (CME)
- 4 - "The Restructuring of Canada's Automotive Industry, 2005-2014", B. Sweeney, G. Mordue, Canadian Public Policy Journal, January 2017, Page S6.
- 5 - Data Source: Statistics Canada & US Census Bureau
- 6 - "Ontario Trade Fact Sheet", Statistics Canada, International Trade Division, August 2016
- 7, 15 - American Auto Policy Council, 2016.
- 8, 16 - "NAFTA Briefing", Center for Automotive Research (CAR), January 2017, pages 7 and 5.
- 9 - U.S. Bureau of Transportation Statistics (2015 data)
- 11 - "Local and Regional Labour Market Trends in the Canadian Automotive Manufacturing Industry", Dan Irvine, Automotive Policy Research Centre (APRC), McMaster University, December 2014, page 2.
- 12 - International Organization of Motor Vehicle Manufacturers (OICA)
- 13, 14 - CVMA Data
- 17 - Statistics Canada - 2015 Data



The Canadian Vehicle Manufacturers' Association is the national industry association representing FCA Canada, Ford Motor Company of Canada and General Motors of Canada Company

www.cvma.ca