

What the Auto Industry Means to:

Canada



Our Most Important Industry

- Canada has the 8th largest auto industry, after the U.S., Japan, Germany, China, France, South Korea and Spain. In 1999, we ranked 4th.
- Six different automakers operate car and light truck assembly plants in Canada, as well as several other firms producing heavy trucks and buses.
- Our auto industry also includes five engine and transmission plants, and over 500 independent parts facilities.
- 2,623,581 cars and light trucks were built in Canada in 2005 (7,188 a day).
- The industry produced vehicles and parts worth an incredible \$106 billion in 2005, (or \$290 million a day).

Jobs and the Economy

- The auto assembly and parts manufacturing industries directly employ 148,000 people in Canada.
- Thousands more jobs are created to supply the industry: jobs in steel, plastics and other manufacturing and services. More jobs are created by the spending power of auto workers' paycheques.
- Auto workers' paycheques pumped \$9.5 billion into the Canadian economy in 2005 (or \$26 million a day).
- The major original equipment manufacturing jobs stimulate an estimated 332,000 jobs throughout the economy.
- Including spin-off jobs, the auto industry is responsible for nearly a half million jobs.

National Impact

- The auto industry is Canada's single largest exporter, accounting for \$80 billion, or 18% of the nation's total exports last year. Auto industry exports valued a fifth more than those from the oil & gas industry, and more than double the level from each of the forestry & paper, primary metals, or agriculture & food sectors.
- As a crucial source of high-technology investment and productivity growth, the industry boosts our national economic performance.
- The benefits of the industry are felt throughout the country through supplier links, consumer spending, taxes and inter-provincial equalization payments.

Supporting Our Communities

- The industry supports services that everyone depends upon, like health care, education and social services. Auto workers' fundraising efforts also directly support community organizations such as the United Way, food banks and women's shelters. In 2005, auto workers paid \$2 billion in federal and provincial income tax (or \$5.5 million a day).
- And most auto workers own homes. Based on average property tax rates, auto workers supported \$319 million in municipal taxes in 2005 (or \$873,000 a day), helping to pay for local services.

Vital for us All

- The CAW fights for good jobs in the auto industry, which are vital for us all.

Direct Jobs:

148,000

Every day in 2005, auto workers in Canada:

• **built 7,188 vehicles**

• **produced \$290 million worth of products**

• **earned \$26 million**

• **paid \$6.3 million in income and property tax**

The CAW represents 265,000 workers in several sectors of the economy.

Sources available: e-mail cawcomm.caw.ca

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Sources for CAW Auto Industry Community Profiles

- Vehicle production: Ward's Automotive Reports, January 30, 2006.
- Engine and transmission production: Harbour and Associates, *2006 Harbour Report* (forthcoming, summer 2006), and company sources.
- Employment: Statistics Canada, Labour Force Survey, custom data for selected Census Metropolitan Areas.
- Spin-off employment: CAW calculation based upon, "*Contribution of the Automotive Industry to the U.S. economy in 1998: The Nation and its Fifty States*," Winter 2001, Alliance of Automobile Manufacturers and the Association of International Automobile Manufacturers.
- Earnings: Statistics Canada, *Employment Earnings and Hours*, 2005, Catalogue Number 72-002-XIB
- Income Tax: Canadian Tax Foundation, "The Finances of the Nation 2005," January 2006.
- Property Tax: The Fraser Institute, Canadian Tax Simulator, 2005.

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