

CANADA'S AUTO INDUSTRY FAST FACTS



What the Auto Industry means to Canada

The automotive industry is a critical part of Canada's economy. The industry is a driver of high skills, good jobs, and research and product innovation. Canada is a world-renowned auto manufacturing centre, from component parts to assembly, and still one of the foremost auto-making jurisdictions. The auto industry, in turn, makes an oversized contribution to the economic well-being of communities, including through high levels of unionization.

What Unifor's Auto Talks 2020 means to Canada

Collective bargaining is the bedrock upon which North America's auto industry has succeeded over time. Workers' ability to negotiate safety protocols, decent wages, health and welfare benefits and retirement security helped set new standards for employment in the industry and beyond.



KEY FIGURES

129,000 direct jobs
475,000 spin-off jobs

Canada's **#1** export industry
with total exports of **\$80 billion**
in 2019

Contributed **\$16 billion** to
Canada's GDP

Autoworkers in Canada
build **5,200** vehicles worth
\$250 million and contribute
\$7 million in payroll, sales,
income, and property taxes
every single day

Today, however, the landscape is changed. Unfavourable labour laws make it increasingly difficult for unorganized autoworkers (including those in foreign transplants) to join a union, despite repeated efforts. Global competition, fueled by unfair trade agreements, and advanced production technologies leads to job losses alongside new challenges to sustain auto sector work in Canada.

Unifor recognizes the tremendous responsibility that comes with auto negotiations: advance the rights and working conditions of autoworkers; position our workplaces for future growth and sustainability.

Canada's Auto Industry

Canada is home to five major automakers operating passenger car and light truck assembly plants, including Fiat Chrysler, Ford, General Motors, Toyota and Honda.

Canada's auto industry also comprises a highly developed component parts sector that includes the manufacturers' own in-house engine and transmission plants as well as hundreds of independent auto parts suppliers. These independent suppliers include Canadian-owned firms that are among the largest in the world, including Magna, Linamar, Martinrea and Multimatic.

Jobs and the Economy

Canada's auto industry directly employs 129,000 people in Canada, in vehicle assembly (44,000) as well as body and trailer (13,000) and parts manufacturing (72,000). Factoring in various other auto-dependent jobs and workplaces, some estimates peg the overall number of direct jobs at over 188,000.



FAST FACTS

- In 2019, Canadian autoworkers **built nearly 1.9 million cars and light trucks (or nearly 5,200 per day)** that are sold in Canada and around the world.
- Canada's auto industry produced vehicles (including heavy trucks) and parts **worth more than \$98 billion in 2019 (or nearly \$270 million per day)**.

Sources: Ward's Automotive Data Center; Statistics Canada CANSIM table 16-10-0047-01

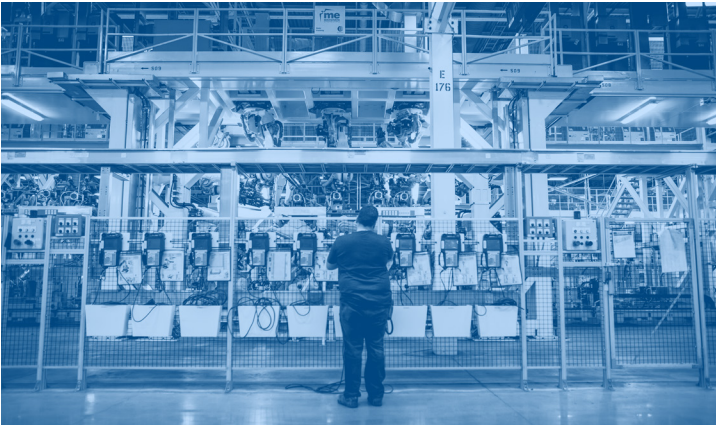
FAST FACTS:

- Decent wages, won by unions, help spur workers' economic activity. Autoworkers wages in 2019 contributed **\$8.7 billion to the Canadian economy**. Auto assembly wages are nearly 30 per cent higher than the national average for all workers.
- The auto sector also has a widely recognized "stimulating" effect on jobs in the economy. Every auto sector job creates or supports nearly four additional jobs elsewhere in the economy. In fact, assembly work has the greatest multiplier effect. **Every one job on the assembly line creates or supports approximately 10 additional jobs** throughout the economy.

Sources: Unifor Research; Statistics Canada, Survey of Employment, Payroll and Hours, CANSIM table 14-10-0220-01; Center for Automotive Research, "Contribution of the Automotive Industry to the Economies of all Fifty States and the United States. Ann Arbor: Center for Automotive Research." (2015)

National Impact

Canada's auto industry is a crucial source of high-technology investment and productivity, and boosts the nation's economic performance.



Diversity

Encouraging greater diversity in Canada's manufacturing sector must be an objective of employers and union alike. That automotive sector is no exception. Expanding hiring practices to be inclusive of women, Black workers, indigenous workers of colour, newcomers and workers with disabilities creates needed economic opportunities.



FAST FACTS:

- The auto industry accounted for nearly **\$80 billion worth of exports in 2019**, 13 per cent of Canada's total. Among all of Canada's manufacturing export industries, the auto industry ranks #1.
- In Ontario, auto industry exports represent **28 per cent of all provincial exports**—the lead export of all industries.
- Auto and parts manufacturing contributes **\$16 billion to Canada's GDP**.

Sources: Statistics Canada, Industry Canada, Trade Data Online; Statistics Canada, CANSIM table 36-10-0434-02.

FAST FACTS:

- Women represent approximately one-quarter of workers in Canada's auto industry (23 per cent in assembly plants; 25 per cent in parts facilities). **These figures lag the share of women in Canada's manufacturing sector**, overall (28 per cent).
- Black women and women who are workers of colour represent 10 per cent of the Canadian workforce, but an estimated 11 per cent of the automotive parts workforce. However, these **workers represent only an estimated 4 per cent of jobs in automobile assembly**.
- **Women participation in the skilled trades remains very low**; approximately 6.5% of key auto-related trades occupations.

Source: Future of Canadian Automotive Labourforce (FOCAL), Women's Participation in Canada's Automotive Industry (April, 2020).

Supporting Our Communities

The direct economic benefits of the auto industry are evident across communities and regions, particularly those that house production facilities.

	Direct auto sector jobs (2020)
Windsor-Essex	16,300
Oshawa (Durham Region)	2,400
Kitchener-Waterloo-Cambridge	14,800
Greater Toronto Area	26,200
London-Oxford	6,900
St. Catharine's-Niagara	2,400
Montreal	4,300
All other regions	55,200
Total	128,500
Approximate spin-off*	475,450
Total direct and indirect	603,950

*Source: Centre for Automotive Research (2015). This is a conservative estimate, based on an industry-wide average multiplier of nearly 4:1. Direct Original Equipment Manufacturer (OEM) jobs yield a higher multiplier effect of nearly 7:1. Auto assembly jobs yield the greatest multiplier of 10:1.

FAST FACTS:

- The industry supports services that people in Canada depend on, such as health care, education and community services. In 2019, **autoworkers contributed more than \$2.6 billion to government coffers** through payroll, sales, income and property taxes— equal to more than \$7 million each day.
- The auto industry is also a major community employer, **generating thousands of jobs in cities and towns across Canada.**

Sources: Unifor Research; Custom Data Table, Statistics Canada, LFS (CMA data); Unifor calculations: Statistics Canada, Census of Population; Statistics Canada, Survey of Household Spending, CANSIM table 203-0021; Statistics Canada, Government finance statistics, statement of government operations and balance sheet, CANSIM table 385-0032; Fraser Institute, Tax Freedom Tables 2019; Canadian Tax Foundation, Finances of the Nation; Employee contributions to CPP and EI (2019 rates).