



## Canada - Honda to invest \$857M in 3 Alliston plants in Ontario

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### Summary

On November 6, 2014 Honda announced that it will invest \$857 million over three years in technologies for vehicle assembly and engine manufacturing in its three plants (two assemblies, one engine plant) in Ontario. Investment will also be used on the worker training, research and development partnerships with Ontario universities and colleges.

### Background

- Honda of Canada Manufacturing facilities in Alliston, ON, employs about 4,000 workers and currently produces mainly CR-V sport-utility vehicles as well as Civic passenger cars.
- The facility will be converted to become the global lead plant for the next generation of Honda Civic passenger vehicles sold to over 16 countries.
- Honda's engine plant in Alliston can produce up to 240,000 four-cylinder engines annually.
- The Ontario Government committed to 10% of the total investment.

### Sector Insight

The auto sector is an important part of the Canadian economy, comprising 12% of the country's manufactured products and 12% of its total exported products. The Canadian automotive industry supplies 25% of the North American automotive market. Production increased by 20% from the previous year; and sales in Canada reached their highest point in a decade at 1.77 million light vehicles.

### Opportunities for US Companies

The Honda project will bolster 1,500 suppliers who are paid about \$2.1 billion a year to provide parts and services. New investment will provide American companies many opportunities in advanced technology products and installations for the automotive industry. American manufacturers of industrial equipment and auto parts may have a business opportunity to supply their products to Honda.

### Sources

#### Honda News

<http://www.hondanews.ca/en/news/release/Honda-of-Canada-Mfg-to-Invest-857-million-in-its-Ontario-Manufacturing-Plants>

#### CBC News

<http://www.cbc.ca/news/business/honda-to-invest-857m-in-3-alliston-plants-in-ontario-1.2825806>

#### Government of Ontario

<http://news.ontario.ca/opo/en/2014/11/ontario-secures-honda-investment-of-857-million.html>

**For More Information**

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