

Honda will invest \$1.3 billion to prepare for electrified future

By Brian Lockhart

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Honda of Canada announced that it will invest \$1.38 billion over six years to upgrade its Alliston manufacturing plant in preparation for an electrified future.

The Federal and Provincial governments announced that each government will provide a conditional contribution of \$131.6 million to the plan.

Prime Minister Justin Trudeau, Ontario Premier Doug Ford, Francois-Philippe Champagne, Federal Minister of Innovation, Science and Industry, and Vic Fedeli, Ontario's Minister of Economic Development, Job Creation and Trade, visited the Alliston automaker on Wednesday, March 16.

After touring the facility, they held a press conference in the plant.

The investment in the plant will allow the Alliston manufacturing facility to become the North America lead plant for the all-new 2023 CR-V Hybrid crossover.

"This represents an important milestone for Honda as we move forward in our ambitious vision to make battery electric vehicles represent 100 per cent of four North America vehicle sales by 2040," said Jean Marc Leclerc, President and CEO of Honda Canada. "HMC is home to a team of remarkably talented associates who build some of Honda's most popular and fuel-efficient products. This investment not only ensures our product and manufacturing competitiveness within Ontario, Canada and abroad, but also significantly bolsters our ongoing efforts to reduce greenhouse gas emissions to help Canada attain its overall climate targets."

Honda's overall fleet emits the lowest greenhouse gas emission among internal combustion engine manufactures in Canada and new hybrid products will reduce GHGs by 30 per cent compared to traditional gasoline powered vehicles.

By retooling both productions lines, Honda will secure thousands of well-paying, high-quality jobs in Alliston and throughout Honda's extensive Canadian supplier network.

"Today, we're investing in workers, in communities, and in our future," said Prime Minister Justin Trudeau. "Building hybrid-electrics will support thousands of good jobs here in Alliston and grow the economy, all while cutting pollution and keeping our air clean. By helping Canadians build, and then drive, cleaner vehicles, we're delivering on our plan to build a better future for all."

Premier Ford emphasized the fact that Ontario is a great place for a manufacturing base.

"Today's announcement is more proof that there is no better place for auto manufacturing than right here in Ontario," Premier Ford said. "We are home to the most skilled workers anywhere in the world, we have all the necessary natural resources, and we have created the best environment for jobs to grow and businesses to flourish. We are so pleased that Honda has made this investment in Ontario and that the cars of the future will be built here in Alliston and all across Ontario for decades to come."

The fact that Honda is going forward with next generation vehicles is a major factor in the government's decision to invest in the re-tooling plan.

"Ontario is proud to support Honda's major investment to retool its Alliston plant to manufacture the company's next-generation

models, including hybrid versions," said Minister Fedeli. "By reducing the cost of doing business in Ontario by nearly \$7 billion annually, our government has created the economic conditions necessary to attract yet another important investment that further positions Ontario as a North American leader in developing and building the car of the future."

Honda of Canada has the capacity to produce more than 400,000 vehicle and 190,000 engines annually, including the Honda Civic, Canada's best-selling passenger car for 24 consecutive years.

Approximately 100,000 Canadian-built Civic and CR-V units are sold annually in Canada.