What federal actions would assist **Canada's businesses** – in all regions and sectors – meet their expansion, innovation and prosperity goals, and thereby contribute to economic growth in the country?

- For example, what actions in relation to support for entrepreneurs, internal and international trade and investment, regional development agencies, taxation and business financing would help businesses maximize their contribution to Canada's economic growth?

JAMA Canada 2017 Pre-Budget Submission:

Key Recommendations:

1. Complete, ratify and implement comprehensive trade agreements including CETA, Trans Pacific Partnership (TPP) and Canada-Japan EPA.
2. Change the Auto Innovation Fund (AIF) structure from taxable, repayable loans to grants (as recommended by the Canadian Automotive Partnership Council (CAPC).

In the aftermath of Prime Minister Trudeau's official visit to Japan in May where he met with Prime Minister Abe as well as a number of Japanese automotive CEOs, we would like to propose in the context of this Pre-Budget Consultation that the Government of Canada commit to the expeditious ratification and implementation of the CETA and the TPP, as well as completing the bilateral EPA with Japan – all of which in our view will give a significant boost to the Canadian economy sustained over the long term, but will also send a positive signal to automotive investors in Japan - that Canada recognizes the significant and growing presence of Japanese automakers and auto parts makers in Canada.

To date, Japanese automakers cumulative investment in Canadian manufacturing facilities is in excess of $11 billion, and has resulted in attracting about 50 auto parts related operations to Canada. The growth of our part of the industry now accounts for 43% of total light vehicle production in Canada, and employs in excess of 31,000 skilled associates and team members in vehicle and parts operations in Ontario, Quebec and British Columbia. As a result, Canada has been a net exporter of Japanese brand vehicles every year since 1993.

Without a doubt, this is a challenging and an exciting time for the auto sector in Canada and around the world.
In addition to intense competition, we face new and sometimes disruptive technologies, as well as tougher safety, fuel and emission regulations. All are factors behind the global restructuring of the auto industry, including the rise of global supply chains.

At the same time, automakers strive to build where they sell, to be close to their customers. In fact, last year was the second consecutive year of record sales, production and exports in Canada; moreover, we are on track for a third year of record performance. New investments in the past year such as the global lead designation for the new Civic in Alliston, as well as the next generation RX and RAV-4 expansion in Cambridge underscore our long-term commitment to Canada, which will benefit Canadian parts suppliers as well.

Our members realized early on the benefits of working together with dealers, with suppliers, with employees, with associations and with government partners to address the challenges for sustainable mobility. This kind of cooperation has been critical to maintaining and growing our operations in Canada, particularly since the recession in 2008, as well as the natural disasters in 2011 in Japan and Indonesia.

As a small market with a large export-focused manufacturing sector, the history of the auto industry in Canada is rooted in trade liberalization.
And over the past 50 years we have become an integral part of that industry. Expanding international relations through comprehensive trade agreements like the CETA, the TPP and the Canada-Japan EPA will increase business opportunities and bring more choice to consumers.

Overall, we are ready to work with you in pursuit of open and balanced trade initiatives, innovative policies and smart regulations. These will all help maintain an economically vibrant, environmentally friendly and globally competitive auto industry in Canada.

Sincerely,

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