



RENEWAL OF AUTOMOTIVE PARTNERSHIP CANADA

Additional Points to letter of 2013 11 15 from Electric Mobility Canada to Honourable James Moore,
Minister of Industry – Government of Canada

2014 01 09

Background

On 2013 11 15, Electric Mobility Canada (EMC) sent the attached letter to the Honourable James Moore urging his Government to extend the Automotive Partnership Canada program beyond its scheduled expiry date of March 31, 2014. The letter described some benefits of the program and reasons why it should be maintained.

On 2014 01 06, Alayna Johnson of Minister Moore's office held a conference call with representatives of Electric Mobility Canada during which a valuable exchange of information took place on points mentioned in our letter of 2013 11 15 as well as additional points. Participating on the call from EMC were: Chair Catherine Kargas and President Al Cormier as well as James Rowland of Ford Canada who chairs EMC's Government Relations Committee and Ali Emadi of McMaster University who chairs EMC's Sector Group for Universities and Colleges.

This document summarizes these additional points which are submitted as further reasons why the program should not be terminated on 2014 03 31.

Why should the APC program be extended?

- APC has been very effective at linking universities and industry and has provided mutual benefits that no other programs can deliver.
- APC is unique in North America in the manner in which it links the auto industry, its supply chain (both existing and potential new companies) and academia. Other programs are too limited and not flexible enough to reach out as necessary to involve all parties.
- Canada's auto industry – located mainly in Ontario – used to lead production in North America but is now second place to Michigan.
- The auto industry's future is strongly dependent on increased R & D to accommodate the need for the next generation of automobiles with its large need for new software and technologies to accommodate the electrification and the autonomous operation of all vehicles. Canada's IT industry is well developed and positioned to develop the needed solutions. As is done in other countries with a domestic auto industry, the Government of Canada should support the R & D needed in this transition. Research between industry and academia that can procure Canada an edge in the areas of connectivity and autonomous vehicle technology would be extremely beneficial for eventual job creation and export possibilities, particularly in a context where technology of this nature can be sold around the world (contrary to the current situation where

Canadian industry needs to be located in physical proximity to the plant). PC is ideally suited for this form of R & D collaboration.

- APC is particularly well designed with the needed flexibility to bring all the needed stakeholders together to address these R & D needs.
- R & D for auto research in Canada should be expanded not shrunk in this critical transition period faced by the auto industry as it can make the difference between Canada being a major player in the new mobility landscape or not.

Benefits of the program

- APC now has momentum and it would be a mistake to terminate it this early in its very useful life.
- APC gives critical mass to academia allowing universities to compete internationally for needed auto R & D.
- Benefits extend beyond large industry companies to SMEs with promising technologies and software needed by the auto industry during this critical transition to the next generation automobile. APC links all the needed stakeholders together. No other funding program can do that.
- Students participating in APC projects typically end up with jobs in the auto industry. These jobs tend to be higher paying employment that we retain in Canada.

Feel free to contact us for more information if needed.

Al Cormier, CAE
President and CEO
Electric Mobility Canada
Tel: 416 970 9242
al.cormier@emc-mec.ca