

On June 19, 2007, Ontario Premier Dalton McGuinty announced the launching of a five-year C\$650M (US\$608M) fund to encourage manufacturers to build “cleaner, greener” cars and other products to curb climate change. Called the Next Generation Jobs Fund, it is expected to stimulate economic growth and prosperity in Ontario by providing grants targeted towards carmakers and other manufacturers of clean energy such as solar and wind power, cleaner alternative fuels, and the manufacturing of ‘green’ automobiles and auto parts.

The fund is to be modeled after the successful \$500M Ontario Automotive Strategy that attracted \$7B in new factories and investment utilized by Toyota, Ford, and General Motors.

General Motors plans to start building its first hybrid autos at its Oshawa truck plant in 2008 with Ford constructing its hybrid cross-over utility vehicles in Oakville before the end of the decade. Honda will be building a new plant in Alliston that will assemble its latest fuel-efficient engines beginning in 2008.

To be eligible to receive financial support from the fund, companies must demonstrate that they possess the following criteria:

- They are able to secure good jobs for Ontarians
- They are able to show that they can reduce greenhouse gas (GHG) emissions
- They are able to help Ontario establish a position as a global leader in an emerging market
- Be able to expand and build on Ontario’s strong research and commercial base, or to be able to create new technologies from the existing base
- Are able to create or further increase synergies among entrepreneurs, business people, and researchers.

In addition to the proposed fund, the McGuinty government plans to make revisions to the Highway Traffic Act to allow automobiles like the ZENN (Zero Emission No Noise) electric vehicles to be allowed on Canadian roads. Currently, Ontario does not allow low speed vehicles (LSVs) on its roads. No specific agenda has been given as of now on when revisions may occur.

The C\$650M (US\$608M) fund will also boost about 25 green projects that are already underway to manufacture products such as vehicle powertrains, cleaner fuels, environment friendly materials, recyclable parts and the creation of more energy-efficient production methods, mentioned by Peter Rise, CEO of Auto21 ([www.auto21.ca](http://www.auto21.ca)), a network of universities, governments and companies, helping to advance Canada as a leader in automotive-related research and development.

### **Opportunities for U.S. Companies**

The Ontario Next Generation Job Fund is expected to encourage new research and development, clean energy projects, and programs that will ultimately result in increased sourcing of U.S. products and services. The resultant expansion will create a demand for a variety of goods and services for a gamut of equipment and supplies related to

numerous industry sectors including construction, automotive, electrical generation and transmission supplies, etc. U.S. companies wishing to take advantage of these new opportunities should have their representatives/agents stay abreast of these opportunities as they come on stream.

### **For More Information**

For additional information regarding this report, or related opportunities in this sector, please contact Madellon Lopes at [madellon.lopes@mail.doc.gov](mailto:madellon.lopes@mail.doc.gov) and/or Phone (416) 595 5412 ext. 227. This report was drafted by Mlopes/Shu-Wai Chong.

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### **Information Sources for this IMI**

CityNews.ca  
Toronto Star  
Ontario Office of the Premier  
Yahoo! Canada News

Exchange Rate used for conversion 1 CAD = 0.933491 USD (June 21, 2007)

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