

Investment In Workers Will Shape the Future of the U.S. Auto Industry

By **Manny Manriquez** November 17, 2021

(AP Photo/David Zalubowski)

The auto industry is in the midst of an incredible technological evolution. As companies compete and collaborate to make the future of mobility cleaner, safer, and more accessible for current and future generations, Japanese-brand automakers in the U.S. are making **major investments** in eco-friendly electrification and other advanced vehicle technologies. It is critical that policy measures support the deep investments these companies are making as they strive to help combat climate change and enhance future mobility, while ensuring that the automotive workforce of the future is prepared to meet the requirements of a rapidly evolving industry.

Japanese-brand automakers have a long history of environmental stewardship. More than two decades ago, the Honda Insight and Toyota Prius were the first mass-produced hybrid-electric vehicles introduced into the U.S. passenger car market, setting the stage for the broader deployment of eco-friendly and fuel-efficient vehicles. Today, 60% of all alternative-powered vehicles on American roads are Japanese-brand cars and trucks – including plug-in hybrid, battery electric, and fuel cell vehicles, such as the Mitsubishi Outlander, Nissan LEAF, and Toyota Mirai – with many more models on the way, such as the Honda Prologue, Mazda MX-30, and Subaru Solterra.

For many years, these companies have also focused on green manufacturing practices and various environmental initiatives in multiple regions around the country. For example, some Japanese-brand automakers have been recognized by the U.S. Environmental Protection Agency (EPA) ENERGY STAR® program for reducing energy use at their U.S. facilities. Likewise, they are leaders in the development of zero-landfill manufacturing operations. Many of our member companies are also heavily involved in supporting other organizations, such as local schools and the National Park Service, to reduce their energy use, eliminate waste, and replenish forests.

Meanwhile, Japanese-brand automakers play a critical role in sustaining the automotive workforce through their commitment to investing in America and providing high-quality U.S. jobs. The strength of these commitments is underscored by the fact that, as of 2020, cumulative U.S. manufacturing investment increased to nearly \$56 billion, while their U.S. employment has remained steady at nearly 95,000 direct jobs despite the overall downturn in production caused by the pandemic. And this fall, the new Mazda-Toyota plant in Huntsville, Alabama began production, adding thousands of high-quality jobs to the local economy.

In the face of a once-in-a-lifetime industrial evolution, the importance of the American automotive workforce cannot be overstated. Therefore, Japanese-brand automakers are also committed to cultivating homegrown talent across the U.S., whether sharing the wonders of science, technology, engineering, and mathematics (STEM) with preschoolers or providing employees with the tools to gain the skills and education required to develop and build increasingly complex and innovative vehicles. It's an ethos and a business imperative. This is why Japanese-brand automakers collaborate with educational institutions to provide manufacturing courses and hands-on experience for employees and local students of all ages. These efforts ensure that the skills needed for next-generation advanced manufacturing are being introduced at varying levels of education to ready the workforce of the future.

Over the next four decades, Japanese-brand automakers have developed longstanding partnerships with

Japanese-brand automakers' clear commitment to strengthening the industry's competitiveness by driving innovation in eco-friendly mobility demonstrates their key role in supporting the future of the industry and the broader U.S. economy during this time of great change. Any policies the Biden Administration or Congress pursue should support Japanese-brand automakers' deep U.S. investments in manufacturing, design, and research and development, as well as the American workers who play an integral role in the U.S. economy's success and competitiveness.