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Japanese automakers boost investment in U.S. by \$5 bln in 2013

4:18pm EDT

By Krista Hughes

WASHINGTON, June 30 (Reuters) - Japanese carmakers boosted investment in their U.S. plants by more than \$5 billion in 2013, the biggest increase on record, new figures from the Japan Automobile Manufacturers Association showed on Monday.

Total manufacturing investment in U.S. plants, vehicles and engines reached \$40.6 billion in 2013, up \$5.2 billion from the previous year and the biggest jump since Japanese automakers started building U.S. factories in the early 1980s.

Since Honda Motor Co began making cars in Ohio in 1982, Japanese automakers have come to rely on locally made vehicles for the U.S. market. About 70 percent of the vehicles sold by Japanese brands in the United States are made in North America.

Japanese automakers cut the exposure to fluctuating currency valuations and shipping expenses by making cars in the United States, Mexico and Canada for the U.S. market.

U.S. employment rose slightly to 82,816 workers last year at the 26 manufacturing facilities, 36 research plants and distributors operated by Japanese automakers Honda, Toyota Motor Corp, Nissan Motor Co, Subaru, a unit of Fuji Heavy Industries, Mitsubishi Motors Corp and Isuzu Motors. The increase in workers employed on research and development was the biggest since 2005.

"Direct employment through manufacturing and R&D increased for the third year in a row, proving the Japanese auto industry's value to America and its many hard workers," said JAMA USA general director Ron Bookbinder.

Another 319,568 workers were employed at the 6,312 dealerships operated by Japanese carmakers last year, JAMA said.

Bookbinder said the number of manufacturing workers at Japanese plants in the United States rose 2.7 percent to 59,494. (Additional reporting by Bernie Woodall in Detroit; Editing by David Gregorio)

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