



Ken Lewenza, president of CAW Local 444, was happy about the announcement by DaimlerChrysler to invest in the van plant in Windsor, Ont. For every assembly worker at the plant, he said, there are four spinoff jobs that depend on the facility's existence.

TED ANDKILDER The Globe and Mail

DaimlerChrysler investment not likely to create jobs

\$1.5-billion infusion seen stabilizing work force at auto maker's 'crown jewel'

DAWN WALTON
The Globe and Mail, Windsor, Ont.

One of the largest investments ever aimed at the Canadian automotive industry — a whopping \$1.5-billion to turn an aging plant in Windsor, Ont., into a "crown jewel" of DaimlerChrysler AG — isn't likely to create any new jobs in the sector.

"Today we're not anticipating an increase in the size of the work force," said Canadian Auto Workers union president Buzz Hargrove, referring to the 2,175 workers who currently assemble full-size Dodge Ram vans and wagons at the Windsor facility. It will more likely "stabilize the work force," he said.

The investment, which includes a \$600-million cash infusion the CAW negotiated last fall, will more than triple the size and highly automate the existing 980,000-square-foot facility.

DaimlerChrysler executives confirmed the massive investment and a new product line that will be brought into the Pillette Road facility at a news conference yesterday, but offered few other details.

"It's too early to decide whether there's going to be additional workers or not," Gary Henson, executive vice-president of manufacturing of DaimlerChrysler, told reporters.

The investment does mean a 400,000-square-foot new paint shop and completely renovated body shop at the 25-year-old plant. It also means the vans and wagons currently produced there will be phased out by the end of the 2002 model year. An "all-new," but undisclosed Dodge product will be moved into the plant at that time.

"An all-new Dodge product. That's it. That's all you're going to

get so all you reporters wanting to know what it is, save your breath," Mr. Henson said.

"Once you see what we announce," Mr. Henson said, "... It's the right market for the future."

Industry sources have speculated that the new vehicle to be produced in Windsor will likely be a hulking sport utility vehicle or a crew cab pickup truck or even both. Light trucks, particularly SUVs, are highly profitable for the auto makers and wildly popular with consumers. DaimlerChrysler, however, has been slower to move into the full-size SUV category, which other car companies, including General Motors Corp. and Ford Motor Co., have been quick to tap into.

A recent study by Merrill Lynch suggests that the auto makers, particularly the Japanese manufacturers, are preparing to flood the North American market with new SUVs and hybrid car-truck vehicles over the next five years. Even high prices at the pumps doesn't seem to deter consumers, who are willing to pay the price for the image and prestige gas-guzzling SUVs offer, observers say.

The Pillette Road facility, which has long lived in the shadow of DaimlerChrysler's Windsor minivan plant, will become one of the crown jewels of the company, said Americus Crawford, manager of the Pillette Road assembly plant. "With this announcement the future for Pillette is assured."

And that's good news for Windsor, according to Ken Lewenza, president of CAW Local 444, who said for every assembly worker at the plant, there are four spinoff jobs that depend on the facility's existence.