

# Auto group to press Ottawa

## Wants \$500 million or more, leader says

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THE GAZETTE

"Where's Quebec's share?" demanded Gilles Gravel yesterday.

The president of Quebec's automotive lobby group said he's going to insist the province get "as much, maybe more" than the \$500 million federal Human Resources Minister Joe Volpe promised to Ontario's car industry in a campaign speech Monday.

"What we're saying is: 'Where's our \$500 million? What's our part going to be?'" Gravel, president of l'Association des manufacturiers d'équipements de transport et de véhicules spéciaux (AMETVS), said in an interview at an automotive conference.

"We're going to start with \$500 million, and take it from there in negotiations."

Gravel said he's going to ask Quebec Industry Minister Michel Audet to press his case with Volpe. Audet was scheduled to speak at the South Shore conference, but couldn't attend.

Gravel also said that despite the constant doomsday refrains for many years about the effect on Quebec's economy of a possible closing of General Motors of Canada's Ste. Thérèse plant, its shutdown in August 2002 has had "no impact whatsoever."

He later amended that to "very little effect," after noting that two longtime GM suppliers, TDS Automotive in Ste. Thérèse and WBF (Woodbridge Foam) in St. Jérôme, either closed a division or shut down after GM's departure.

But he said the overwhelming majority of the 108 car-industry firms in Quebec were left untouched by GM's closing.

"One company (Liberty Spring in Montmagny), for example, loads a container ship full of springs every week and delivers them to Japan."

AMETVS is the latest incarnation of a long-held Quebec notion that it must create an automotive industry, a business at the root of Ontario's prosperity.

Some attempts have ended in costly failures, he said, notably the Hyundai "adventure in Bromont" and GM's shutdown

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15 years after receiving \$250 million in taxpayers' money.

"This is not (former Quebec premier) Bernard Landry flying around the world begging people to take our money for their megaprojects – that was artificial," Gravel said. "This is real."

In one instance, Landry offered more than \$300 million to GM to stay in Quebec. The car-maker turned it down.

The difference, Gravel said, is that for the first time, the industry is playing to its organic strength rather than trying to sprout an industry artificially.

Quebec can't compete with Ontario's assembly-line factories, he said. "We shouldn't even be in that business segment."

"But we have three real strengths in Quebec: light metals (especially Alcan's aluminum and composite technology), propulsion systems (electric and hybrid systems that various Quebec organizations are trying to develop), and sensors and intelligent systems."

Quebec could set up short production runs of specialized vehicles – including the Prius hybrid, which would take that costly burden off Toyota's hands, Gravel said.

Quebec's car sector employs 15,000 people, he noted, compared with 95,000 people in Ontario.

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