

Dire manufacturing sector data renews calls for national auto strategy



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A worker on the production line at Chrysler's Windsor assembly plant. *GEOFF ROBINS / THE CANADIAN PRESS*

Year-end data on Canada's manufacturing industry is renewing calls for a strategy to shore up Windsor's automotive sector.

"(The sector) has picked up. People are busy, but it's off a smaller base," said Matt Marchand, president and CEO of the Windsor-Essex Regional Chamber of Commerce. "The overall view of manufacturing in Canada is that we are not keeping pace with other jurisdictions."

Fresh data from Statistics Canada shows while automotive manufacturing is still a top revenue producer for the province, the money coming in has gone down. At the same time, data released from Scotiabank shows the stark decline in motor vehicle production from a peak in 1999 to less than half the volume, particularly in the production of cars.

Marchand said the Chamber is expecting a visit from provincial auto czar Ray Tanguay in May. Local companies will be asked to offer advice and feedback on their needs from a provincial auto strategy.

Marchand said he'll again raise concerns over the Trans-Pacific Partnership — a trade deal which could disadvantage local parts producers by allowing imports of vehicles with lower North American content.

He is also working on securing a meeting with Navdeep Bains, the new federal minister of innovation, science and economic development. Bains has a background in the auto sector, having worked for Ford for several years, which Marchand said gives him insights into Windsor's needs.

"We're optimistic," Marchand said, adding there are also plans for a policy and solutions forum in the spring.

Marchand said the Chamber wants to secure a better commitment from the provincial and federal governments to develop a strategy for

the sector.

“Clearly whatever we’re doing to attract assembly isn’t working,” said Mike Moffatt, an economist at the Ivey Business School in London.

Moffatt said although the low Canadian dollar has helped spur a bit of work, new assembly plants are opening in Mexico and the southern U.S. — not in Canada.

“I do think it would be helpful for the new government to have a strategy for where they see the industry going,” he said.

Moffatt added that Ontario’s parts sector is going strong, particularly among companies such as Linamar and Magma.

Tony Faria, co-director of the Office of Automotive and Vehicle Research at the University of Windsor, said in 1999, Ontario assembled nearly three million vehicles.

“We’ve been in a slow and steady decline since that time,” he said, adding that in 2013 the number dropped below 2.4 million.

He said the numbers are picking up slightly and Windsor’s auto base is still strong.

Since November last year, there are about 6,500 more people working in manufacturing in the Windsor census metropolitan area, which stretches across Essex County toward Leamington. That’s according to Statistics Canada monthly figures.

Rakesh Naidu, interim CEO of the WindsorEssex Economic Development Corporation, added it’s important to remember the spin-off economic benefits of hires by companies such as Chrysler, which expects to bring on another 1,000 employees.

“I think there is hope and there is a positive side to it,” he said.

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