

## **Mich. gov: Electric cars will create 62,000 jobs**

TOM COYNE - Associated Press Writer - Associated Press

The next generation of electric cars and their batteries could create 62,000 jobs in Michigan over the next decade, which demonstrates the need for government investment in private industry, Gov. Jennifer Granholm said Wednesday.

Granholm made the prediction a day before President Barack Obama is expected to visit Michigan for the groundbreaking of a lithium-ion battery plant that received federal funding. She said such government partnerships are vital to the U.S. manufacturing industry.

"These long-term investments will be critical for Michigan's plan to move from the Rust Belt to the green belt, for us to be able to take our manufacturing center and convert it to advanced manufacturing," Granholm said during a conference call.

"We believe that this partnership with the federal government is the way you crack the code on how you can have manufacturing in this country," she said.

The U.S. has lost more than 5 million manufacturing jobs since 2000, with states from the Midwest hit particularly hard, according to data from the Alliance for American Manufacturing.

California led the nation with 574,600 manufacturing jobs lost, followed by Michigan's 434,700 lost jobs. Ohio was listed third, having lost 391,800 manufacturing jobs, followed by North Carolina (310,000) and Illinois (292,900).

Obama was expected Thursday at a Compact Power Inc. plant in Holland, 25 miles southwest of Grand Rapids. The subsidiary of Korean battery maker LG Chem will supply cells for the Chevrolet Volt rechargeable electric car.

The factory, which received \$151 million from a federal stimulus program to open the \$303 million plant, is expected to employ about 450 people by 2013.

White House spokesman Dan Pfeiffer said Obama will talk about how, if critics in Congress had their way, battery plants like the one in Holland would not be under construction and the batteries would be produced in other countries.

Obama last year announced plans to use \$2.4 billion in federal funds to develop electric vehicles and batteries, and has set a goal of putting 1 million plug-in hybrid vehicles on U.S. roads by 2015.

But some believe that federal money and developing technology aren't enough to jump start the electric car industry in the U.S.

"The rest is consumer demand," said Ilhan Geckil, senior economist for the

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Anderson Economic Group. "For electric cars, we need to see the consumer demand for those vehicles. Because you can do all of the technology and everything to materialize that, but you need some strong demand for what you develop."

David Sandalow, an assistant U.S. energy secretary, said electric cars are key to America's future. He believes there will be high demand when prices drop for the vehicles, noting that they're quiet and cheap to drive.

"We can't succeed in the 21st century relying on 20th century technologies," Sandalow said. "By investing in electric vehicles we are creating jobs, promoting energy security and cutting pollution."

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