GM To Hire 650, Export $900 Million In Goods To China

Dee-Ann Durbin, AP Auto Writer

DETROIT (AP) — General Motors Co. will add a shift and more than 650 jobs at its assembly plant in Flint where it makes the hot-selling GMC Sierra and Chevrolet Silverado pickup trucks, a person familiar with the plan said Saturday. The move is yet another sign that truck sales are on the rise for the recovering automaker.

The person spoke to The Associated Press on the condition of anonymity because the announcement had not yet been publicly made.

An announcement is scheduled for Monday and comes as Chevy sales to small businesses have increased for three straight months, which GM says is an indication that small businesses across the country are beginning to reinvest.

The Detroit News reported earlier Saturday about the additional jobs at the factory.

The plant, which employs more than 2,000 hourly and salaried workers, builds the heavy-duty Chevrolet and GMC Sierra crew and regular cab trucks and the light-duty Chevrolet Silverado crew and regular cab trucks.

The additional workers will come from GM's pool of laid-off workers, so no new employees will be hired, the person briefed on the announcement said. In the fourth quarter of last year, GM had about 3,500 laid-off workers in the pool nationwide.

There will be no added investment at the plant because GM is adding a third shift that will use the same equipment as the first two shifts.

A message seeking comment was left by the AP on Saturday with Ben Mata, president of United Auto Workers Local 598, which represents the plant.

The birthplace of GM, which sits 50 miles (80 kilometers) northwest of the company's headquarters in Detroit, Flint was once was a powerful auto manufacturing town, but its economy and population have steadily declined over the past few decades. Flint Assembly opened in 1947 when the city was in a much different situation.

But like other factories in the state and elsewhere in the U.S., it is about to reap the benefits of the changing good fortunes of the domestic car industry.

Two months ago, General Motors announced a $163 million investment in a separate Flint plant as well as facilities in Bay City, Michigan, and an Ohio foundry to make small-car engines, and Chrysler said it was going to pump $843 million into three Indiana factories to build a new front-wheel-drive transmission.

Both companies are recovering from the 2009 auto industry meltdown when they were forced to take government bailouts to make it through bankruptcy protection.

And just a few days ago, Ford Motor Co. said it would be retaining nearly 3,750 jobs and spending about $400 million to upgrade a Missouri plant that had been in danger of closing.

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Associated Press Writer Mike Householder contributed to this report.

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GM to export $900 million in autos, parts to China

SHANGHAI (AP) — General Motors Co. says it plans to export $900 million in vehicles and parts to China under a two-year agreement signed with its flagship joint venture, Shanghai GM.

The agreement was among various trade and investment deals signed in connection with Chinese President Hu Jintao's state visit to the United States, the company said in a release Sunday.

Vehicle exports will be worth $500 million and components worth $400 million under the agreement. The amount of GM's current exports, excluding the deal, was not immediately available.

"We are committed to working with both countries to promote bilateral trade," Kevin Wale, president and managing director of the GM China Group.

China overtook the U.S. to become the world's biggest auto market, by sales of new vehicles, in 2009. Last year, passenger car sales rose by a third to 13.7 million vehicles, while total vehicle sales topped 18 million.

GM's strong growth in China and other fast growing emerging markets has proven a lifeline in tough times, helping to offset lagging growth in the U.S. and Europe.

Shanghai GM sold 1.03 million vehicles in China last year, as the country's leading passenger car maker. Overall, GM and its joint ventures sold 2.35 million vehicles in China in 2010, up nearly 29 percent from a year earlier.

During the summit between Hu and President Barack Obama, China announced $45 billion in contracts and said it would increase its investments in the U.S. by several billion dollars — deals that Obama said will support 235,000 American jobs.

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