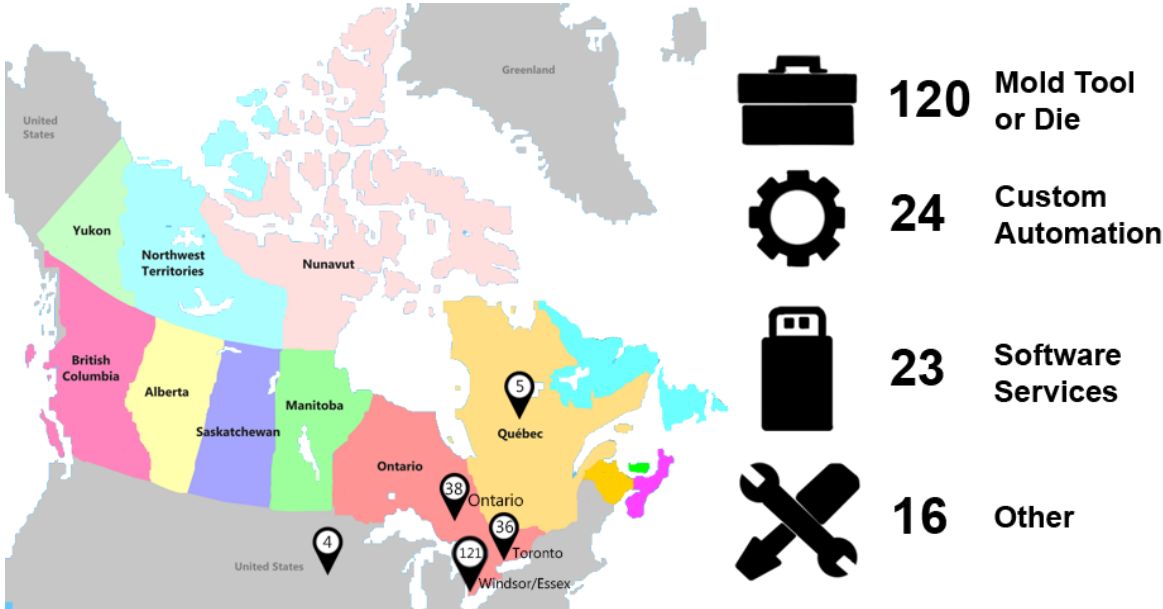


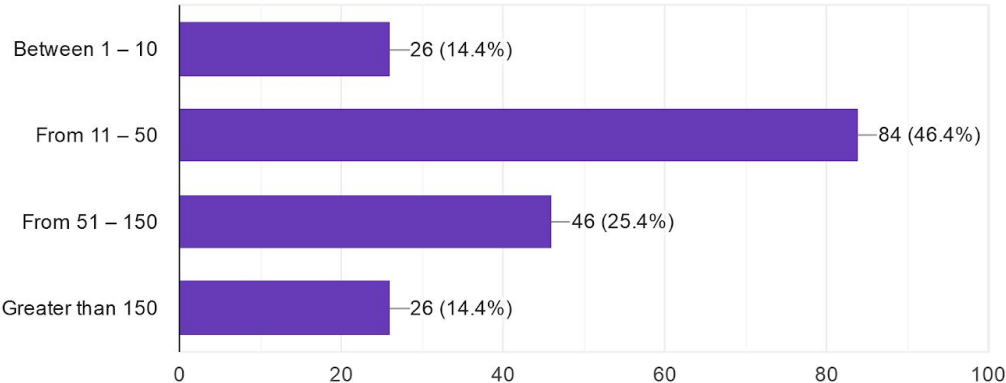
Survey conducted by CAMM and Automate Canada with a total of 90 responses for the Week Two survey (183 responses in total to date).

Location and primary business activity of our respondents to date



Company Size (# of employees on 01/31/2020)

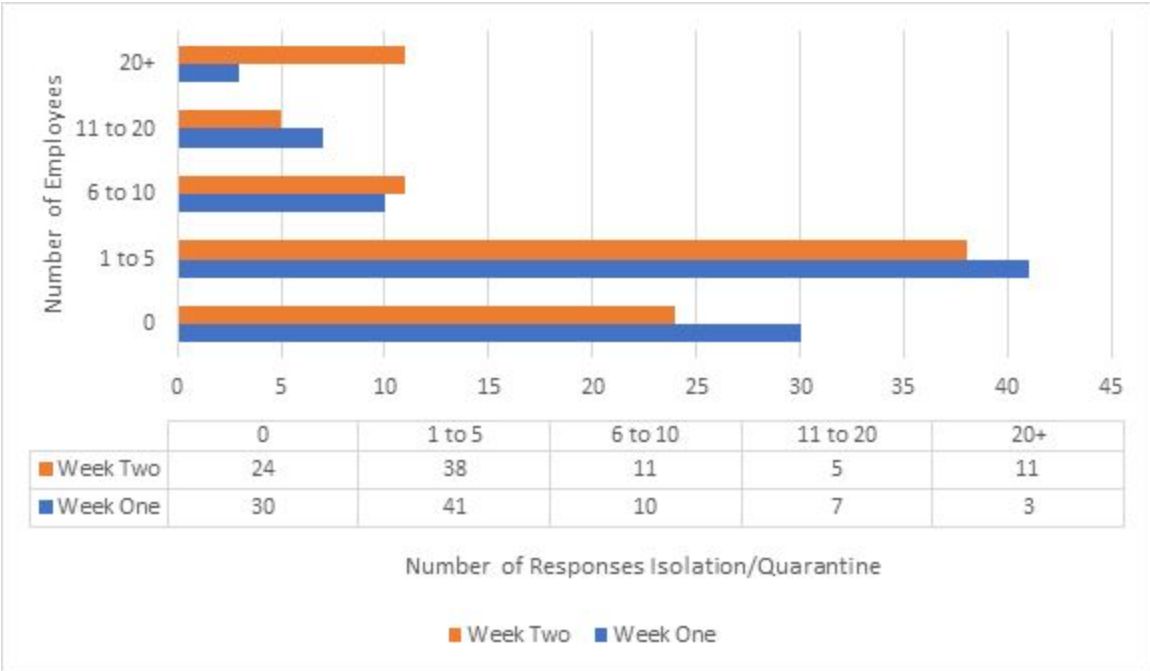
Almost 65% of our respondents are small companies, with between 1 - 50 employees.



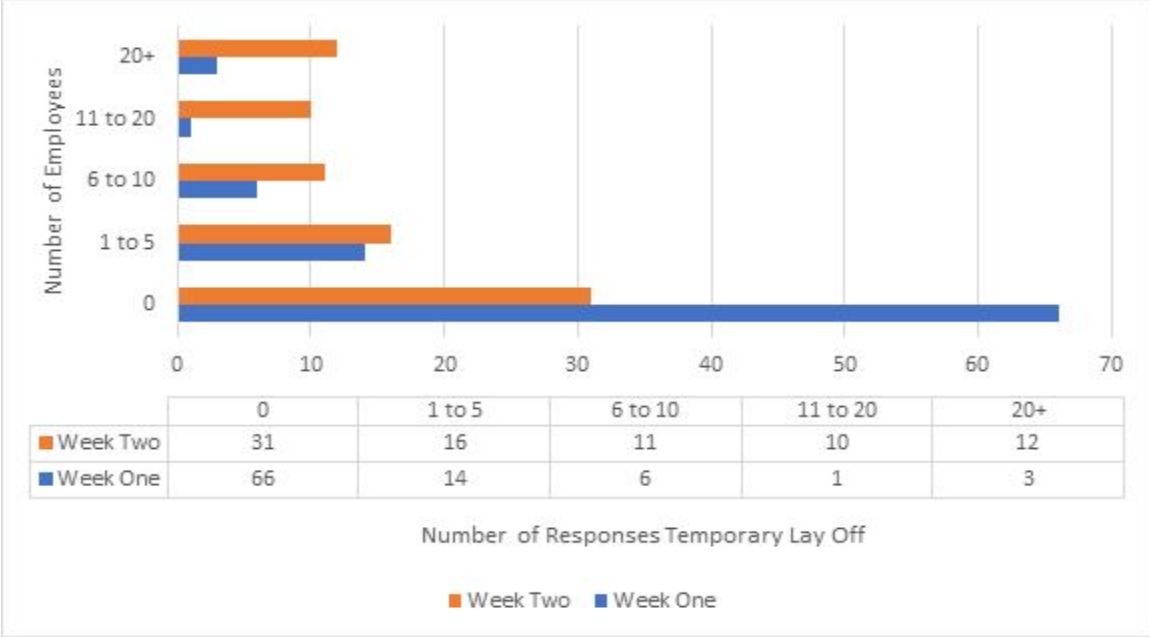
Direct impact reported on the workforce:

The impact of COVID-19 has still not been felt at some workplaces.

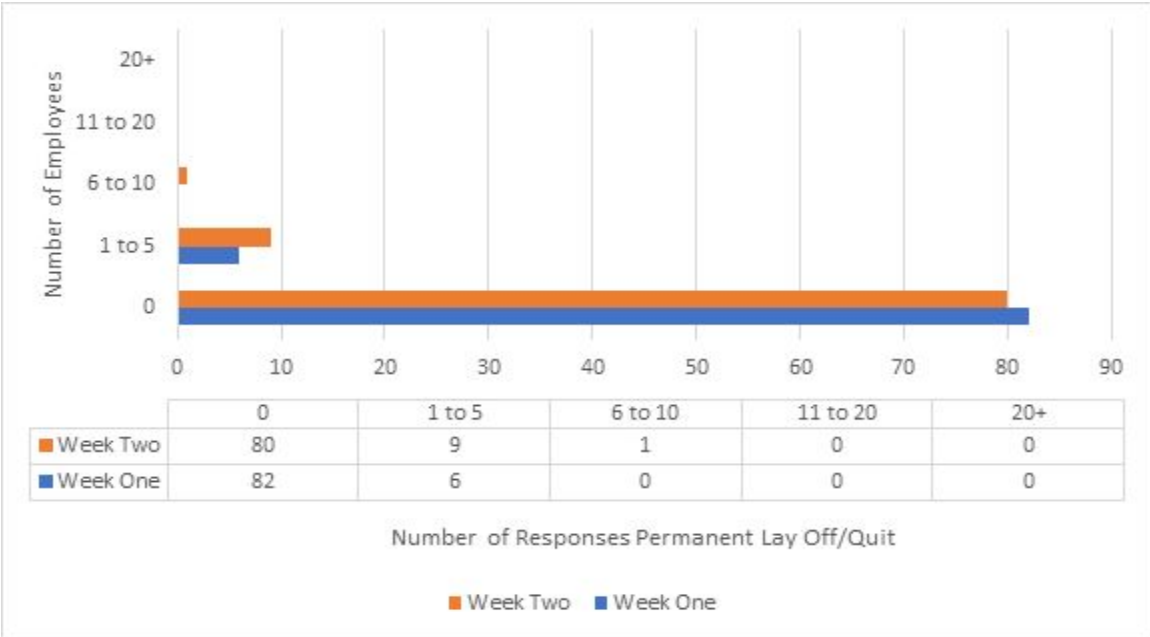
24 manufacturing workplaces reported having no employees on quarantine, down from 30 in week 1. During the past 7 days, 540 employees were out of the workplace on either isolation or quarantine at 66 workplaces, compared to 410 employees last week.



Of our respondents, we still have some workplaces with no layoffs. 31 workplaces, or 33% of our respondents, have not laid anyone off. According to the respondents on the week 2 survey, a total of 1,045 employees have been laid off temporarily, compared to 711 in week 1.



Most workplaces are not letting employees go permanently. 26 employees were reported as permanently laid off in week 2, compared to 8 in week 1.



And yes, some manufacturers are hiring! 14 employees were hired in the past 7 days by 12% of our respondents (16 employees were reported hired last week).



Government Programs Currently Being Accessed (with # of times mentioned):

In week 2, manufacturers focused mostly on support for workers through EI, as well as support for R&D with the SR&ED program. Financial support from EDC & BDC were also accessed much more this week.

	Wk 1	Wk 2		Wk 1	Wk 2
Workshare	5	13	SWODF	2	11
EI	4	49	EDC/BDC	1	22
O-AMP	4	4	OCE	1	3
IRAP	3	9	COJG	1	10
SR&ED	3	36	Mitacs	1	2
FEDDEV	2	9	NGEN	1	1

Biggest Impact on Canadian Business to Date:

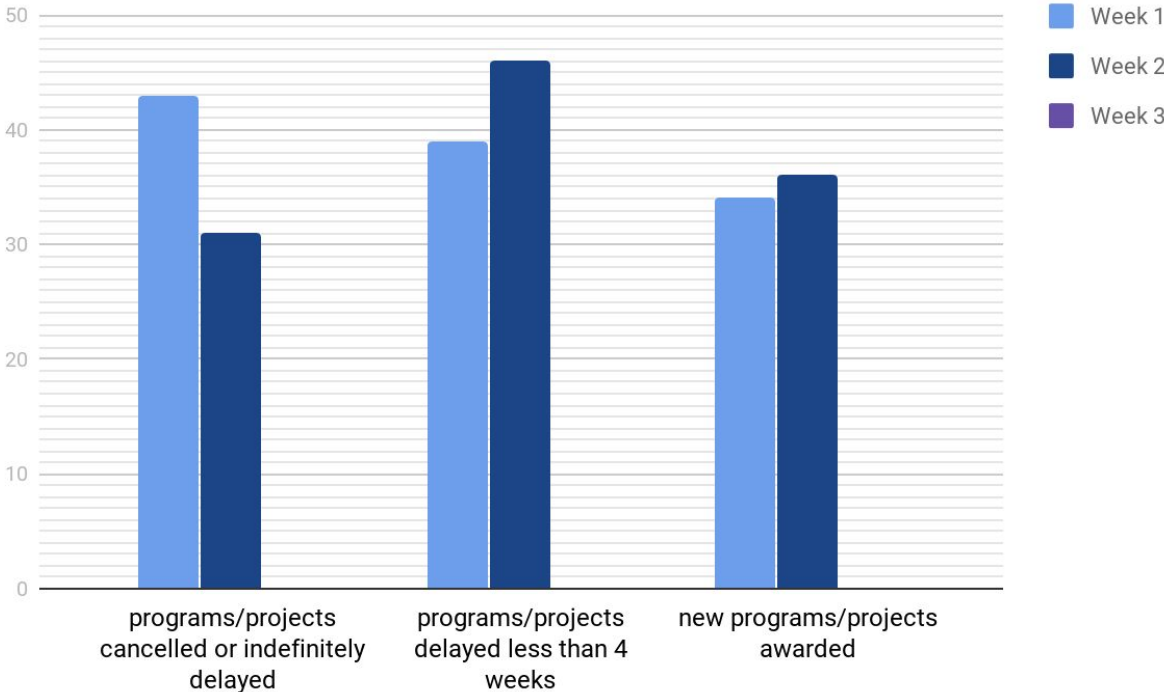
Last week, respondents were impacted fairly equally by employee anxiety, project cancellations or delays, employee protection and declining sales.

In week 2, the biggest impacts reported were from employee anxiety, employee protection and declining sales. In other words, the mental & physical health of their workforces are having a significant impact on their businesses as is the rapid decline in sales as it becomes increasingly difficult to fulfill current orders and obtain new work.

	Wk 1	Wk 2		Wk 1	Wk 2
Employee Anxiety	16	70	End of Face-Face Meetings	3	
Project Cancellation or Delay	16	24	Extra Costs	2	
Employee Protection	17	48	US Exchange rate (declining Canadian dollar)	2	
Declining Sales	15	33	Completing Current Projects	2	18
Travel Barriers	6	21	Media	1	
Disruption	6	26	Efficient Collaboration With at Home Workers	1	
Plant Closures	5	17	Massive Market Decline	1	14
OEM Shutdowns	4	22	Lack of Government Direction	1	
Cash Flow	3	31	Border Backups	1	
Supply Chain Delays	3	20	Cancelation of Classes & a Hold on Succession	1	

Level of interruption/disruption to the sales pipeline

Based on the results from week 2, it looks like the initial burst of project cancellations has slowed, with temporary postponements happening more frequently. We're also still seeing the award of new programs.



Top Challenges in the coming month:

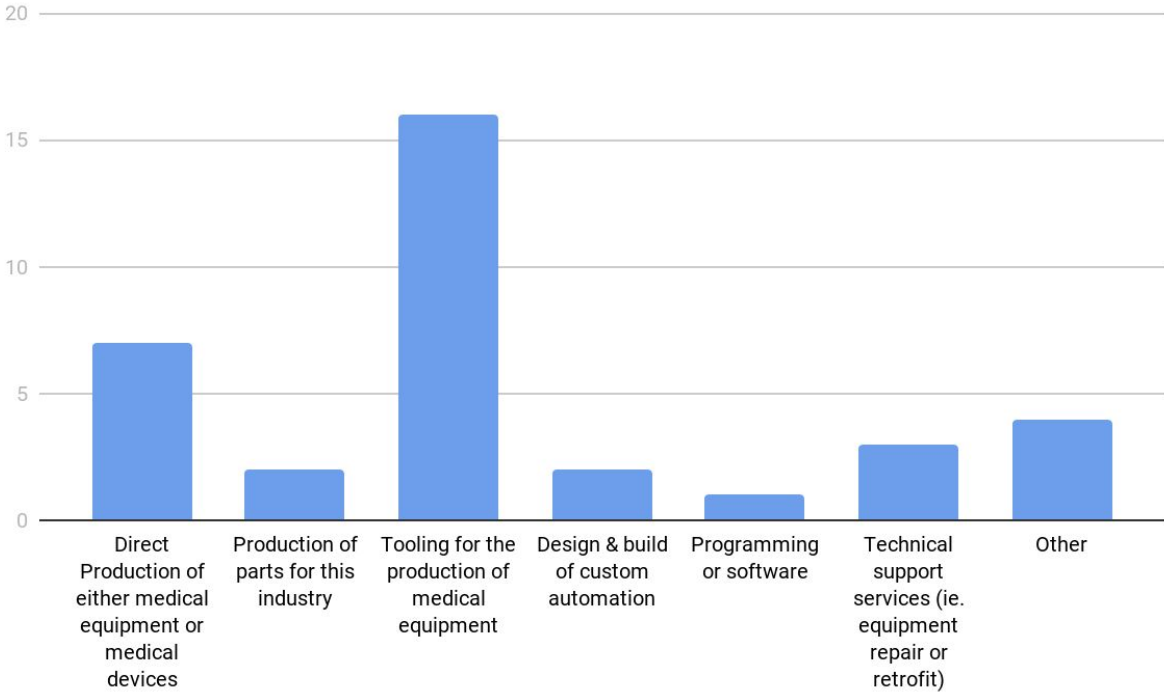
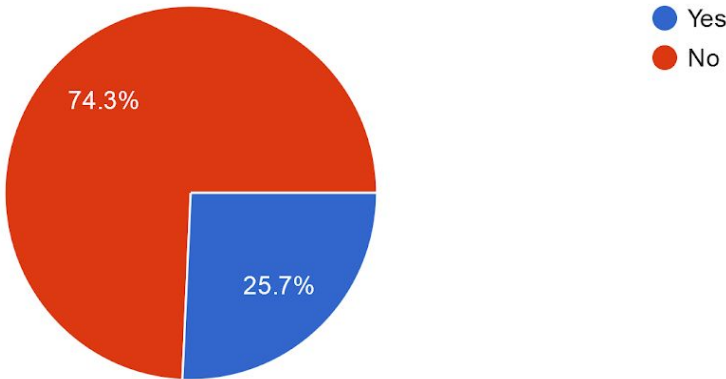
What is manufacturing worried about for the future?

In week 2, the main concern is still cash flow. Looking into the future, our respondents also are worried about employee morale, the state of the economy, demand reducing further and the long term impact on the health & safety of their workforces.

	Wk 1	Wk 2		Wk 1	Wk 2
Cash Flow	52	52	Completion of Current Work	11	12
Employee Retention	27	21	Economy	8	36
Health and Safety	21	29	Off Site Employees	8	
Supply Chain	18	17	Finding Employees	8	5
Employee Morale	17	38	Border Crossing/Travel restrictions	6	13
Cancellation of Future Work	17	26	Managing Change	8	9
Shutdown Effects	15	25	Transportation of Goods	5	
Reduced Demand	11	32	Cybersecurity	1	

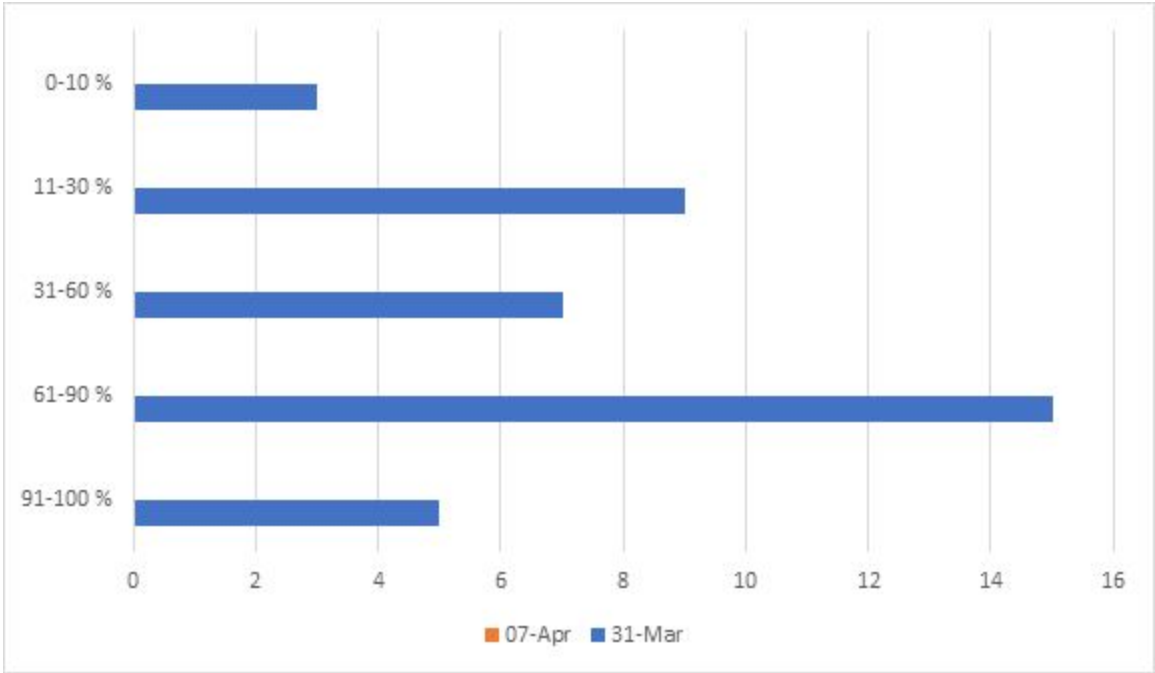
Since last week, has your business expanded existing products and services to the medical sector, or added new products or services for the manufacturing of medical devices or medical equipment?

Last week, 75% of our respondents said they were willing and able to supply products or services for medical equipment or devices. Within the past week, 26% of our respondents have been able to answer the call for their services or products, mostly in the production of tooling for medical equipment manufacturing.



This week, we also asked about the level of shutdown at our manufacturers. Respondents were asked to indicate the percentage of operations they are currently at. In other words, 100% means they have had no reduction in operations; 0% means they are completely closed.

The good news? 13% of our respondents are at over 90% of full operations. The bad news? 8% have almost completely shut down. 87% of our respondents have had some reduction in operations. We'll be tracking this each week as well.



We also asked why they've shut all or some of their operations down. Shutdowns were due primarily to employee absences (specifically medical), loss of work and supply chain shutdowns.

