May 8, 2020

**Uncertainty ahead for manufacturers, survey says**

(Windsor, Ontario) Automate Canada and the Canadian Association of Moldmakers (CAMM) have conducted weekly surveys of the mold, tool, die & industrial automation sectors in Canada since mid March, connecting with essential businesses that will be vital to restarting Canada’s economic engine. Data from the seventh week of the survey shows that the restart will not be without its struggles.

After hitting a peak in early weeks of the COVID-19 crisis, our data in recent weeks showed that temporary layoffs had slowed dramatically. In this most recent survey however, the number of employees temporarily laid off increased.

This increase in temporary layoffs could be due to continued uncertainty about the restart date at large manufacturing facilities, which has been pushed back several times. Concerns about qualification for government subsidy programs had been expressed by our industry; this week’s increase in layoffs may reflect the fact that for some manufacturers, once subsidy programs opened for registration, they indeed did not qualify.

Regardless of the cause, employment numbers are watched very carefully and continue to paint a picture of an industry operating under significant stress & uncertainty, yet showing glimmers of hope.

Shelley Fellows, Chair of Automate Canada notes “Companies reported that projects have restarted and that new orders continue to come in. Since the disruption in manufacturing has led to opportunities for some to benefit from an investment in new technologies, a very promising sign as many of Automate Canada & CAMM members offer advanced technology products.”

The focus for manufacturing continues to be how to address return to work guidelines. With a ramp up rapidly approaching and workplace safety practices & requirements continuing to change, planning for this is clearly underway. Inventory shortages and barriers to access to supply chains for personal protective equipment (PPE) and cleaning products are affecting our respondents. In an effort to directly address these supply chain issues, the website rrpcanada.org was launched this week. It will connect suppliers & manufacturers of PPE & other workplace safety products with those businesses who will require it.

The results are from the seventh week of surveys from the Canadian Association of Moldmakers (CAMM) & Automate Canada.

“A positive response from suppliers in their ‘return to work’ activity, we see that there’s a healthy balance in play. Employers are doing a fantastic job of providing structured guidelines and implementing as many of the recommended health and safety practices as they can into their schedules, all the while respecting the voices of their employees. But what stands out most for me, is the level of maturity and resilience our tooling and equipment sector is showing as a whole through all of this…it’s really something to be proud of.” Says Mike Bilton Chair of CAMM.

Financial concerns continue to weigh heavily on respondents, which represent primarily the mold, tool & die industry as well as industrial automation sector. CAMM and Automate Canada have been assisted in the distribution of each week’s survey by the Canadian Tooling & Machining Association (CTMA).

FACT SHEET

Responses this week were primarily from the Southwestern Ontario region, which has a significant manufacturing, moldmaking and industrial automation cluster.

Key Points:

* 67% of our manufacturing workplaces reported having no employees on quarantine, which is in line with the past 4 weeks.
* The number of employees temporarily laid off increased this week to a total of 470 employees laid off temporarily, compared to 90 in week 6.
* In the past 7 days, there were a total of 436 “furloughed” employees, down from the 515 reported as furloughed last week.
* This week, respondents reported hiring 13 new employees.
* And the good news is that they continue to recall employees - 85 to be exact were reported as recalled by 25% of our respondents this week.
* The rate of project cancellations has moderated, temporary delays has increased slightly and both new programs and new RFQs have increased. This does paint a picture of the beginnings of a ramp up.
* the percentage of respondents shut down, or almost completely shut down, dropped to 14% this week
* When asked which PPE supplies were lacking, the largest shortages are of masks (both non-N95 & N95) and gloves.
* We asked why they didn’t have sufficient quantities of PPE, cleansing supplies or temperature sensing unit. A lack of or limit to availability are clearly driving the shortage.

**What Next?**

A COVID-19 Impact survey from CAMM and Automate Canada will go out weekly based on the feedback we are receiving. The questionnaire for the second Financial Study was released on May 6.

Our surveys will be released each week for the next several weeks in order to continue to gather data on the impact COVID-19 is having on the Canadian manufacturing sector.

***CAMM is a not-for-profit industry driven association focusing on the Canadian mold making sector of Canada. Automate Canada is a not-for-profit industry driven association focusing on the industrial automation and advanced manufacturing technology sectors of Canada. Both are based in Windsor, Ontario and are affiliated with the Auto Parts Manufacturers Association (APMA) in Canada and Automation Alley in Michigan, USA.***

***Automate Canada and CAMM are proud to support Rapid Response Platform (RRP), an instant visibility matching platform that connects supply and demand of COVID-19 related supplies, such as input materials and end products for PPE. Find out more about this initiative which has received broad Canadian industry support, and participate by posting your needs or supplies at***[***http://rrpcanada.org***](http://rrpcanada.org/)

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