June 12, 2020

**Resiliency of Manufacturing helping overcome challenges**

(Windsor, Ontario) Three-quarters of companies have recalled employees or hired new staff in what is considered proof of the resiliency of the manufacturing sector.

In a monthly survey of moldmakers & industrial automation companies, it is clear there is positivity in spite of the challenges facing manufacturing.

“We still have some difficulties to deal with but there is good news for our industry and certainly both our CAMM and Automate Canada boards are making a difference in ensuring we address issues and concerns facing our members,” says CAMM board chair Mike Bilton.

“And certainly the feedback from these surveys has been of great help. “

The survey has shown the Canadian Emergency Wage Subsidy (CEWS) , has remained the most popular financial support program from the federal government, and employers report health & safety practices in the workplace, flexible work from home arrangements and collaboration among employees, have all improved.

As for challenges, there are still one third of companies – who responded to the survey- that have not yet called all employees back to work from layoff due to uncertainties about cash flow, reduced demand from their customers and the need to stem losses and focus on generating a profit. Other concerns raised include difficulty meeting eligibility criteria for government support programs and challenges with closed borders and 15 % report permanent layoffs.

The CAMM and Automate Canada boards do continue to meet regularly including meeting three times a week as part of Windsor Essex Economic Development Task force.

“Our industries recognize how vital they are to the Canadian economy and a strong domestic manufacturing sector,” notes Shelley Fellows, Chair of Automate Canada. “I’m pleased to see the trend of improvement continuing for our sectors, however I recognize that there is still a long way to go to return to normalcy and growth. We are committed to supporting our members in that path and will focus on developing programs to help them.”

Bilton agrees.

“Our two boards continue to ask questions, do our research and are looking at the short term and long term strategic planning needed to bolster moldmaking and industrial automation,” says Bilton. “The information from these surveys has helped us to help our members and to take a bigger picture view of where we need to go.”

Automate Canada and the Canadian Association of Moldmakers (CAMM) conducted surveys of the mold, tool, die & industrial automation sectors in Canada weekly in March, April & May, and will continue monthly surveys throughout the remainder of this year. They are connecting with essential businesses vital to restarting Canada’s economic engine.

The results, attached, are from the June 9th week of surveys from the Canadian Association of Moldmakers (CAMM) & Automate Canada.

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:

* The number of employees out of the workplace due to isolation or quarantine on Friday, June 5th looks high - 365. However, the number of workplaces with employees out on quarantine is exactly the same as the average during our 8 week survey series earlier this year - just under half. They continue to recall employees - 114 to be exact were reported as recalled in the past month.
* Just over one third of our respondents told us that they did not meet the qualification criteria for one or more financial support programs from the government, so were not successful obtaining the support they sought.
* The pendulum is swinging for manufacturing; earlier this year, we saw greater numbers of programs being cancelled or delayed. Now, the number of new RFQs is higher than the number of programs being cancelled.
* 15% of our respondents reported that one of their customers has notified them they are in serious financial distress.
* Approximately one quarter of respondents currently plan to send technical or sales employees outside of Canada
* Approximately half of respondents are at full operations, similar to week 8 survey results; the big difference is in how many are still completely shut down. Only 1 workplace, or 2% of our respondents, reported being completely shut down. This is a big improvement over week 8, where 7% of respondents reported being completely shut down.
* We asked what percent of gross revenue the costs for the new health & safety measures are estimated to be. It was surprising that a third of respondents have calculated that it could be as high as 5% of gross revenue, especially in industries with such slim margins. And no, their customers aren’t willing to pay for the higher cost.

***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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For more information, contact:

Shelley Fellows Diane Deslippe Mike Bilton

Chair Automate Canada Executive Director Chair CAMM

t. 226-344-8185 [info@camm.ca](mailto:info@camm.ca) t. 519-564-2665

[shelleymfellows@gmail.com](mailto:shelleymfellows@gmail.com) [info@automatecanada.ca](mailto:info@automatecanada.ca) mbilton@windsormoldgroup.com