

March 17, 2020

The Right Honourable Justin Trudeau, P.C., M.P. House of Commons Ottawa, Ontario, K1A 0A6

RE: Urgent need to support Canadians and Canadian manufacturing during the COVID-19 crisis

Dear Prime Minister:

We are writing on behalf of Canada's manufacturing sector and our 1.7 million employees regarding the government's response to date on the COVID-19 virus and how we can work together to support Canadians.

We commend the government for the bold actions taken to date during this crisis. Limiting travel, implementing changes to the EI system, lowering interest rates, and providing loans through BDC and EDC were critical steps. Equally as critical was keeping the flow of goods moving across the Canada-US border and providing exemptions to the crews that move cargo globally that are essential to manufacturing operations.

In the days ahead there will be many more tough choices to be made by your government and governments across the country and indeed around the world. We will unequivocally support these decisions. At the same time, we need your support as companies begin to make their own tough decisions. Decisions about ensuring the health and safety of their employees and families while attempting to maintain employment, operations, international supply chains, customer relationships, and most importantly, their liquidity to be able to recover after this crisis subsides.

The national goal of flattening the curve of the impact of this crisis is essential for the health of Canadians and our economy. Based on input from our members, and on the experiences in other countries, we believe the following measures must be implemented to maintain personal and corporate liquidity during this period. These measures will increase confidence in the economy as much as possible and promote stability now and into the immediate future. Specifically, we recommend:

- Immediate halt on the collection of all payroll, property, sales, and income taxes from individuals and business; including ceasing issuing penalties and fines on taxes owed and limit audits for the remainder of the year fiscal year.
- Increase direct financial supports and payment leniency through federal agencies, the broader financial system, and essential utilities.
- Simplify qualification and reporting requirements of the EI system, including the Work-Sharing Program

More broadly, we look to your continued assurances that manufacturing will be treated as part of the critical infrastructure of the country and an asset for responding to this crisis and provide whatever support necessary for its continuing operations throughout this crisis.

Prime Minister, you said this response requires a team Canada approach and that if we work together, we can overcome anything. We agree and are ready to do our part to address these unprecedented times. These measures are essential to maintain business liquidity, to maintain payrolls, and to ensure a swift and orderly recovery from this crisis. It is critical that the economic stability plan is detailed immediately to help companies plan and minimize impacts on their operations and their staff.

If there is anything our organizations or our members can do to help, please do not hesitate to contact any of us directly.

Yours sincerely,

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