

March 20th, 2020

The Honourable Doug Ford
Premier of Ontario
Room 281, Queen's Park
Toronto, Ontario M7A 1A1

RE: Urgent need to support Ontarians and Ontario manufacturing during the COVID-19 crisis

Dear Premier Ford:

We are writing on behalf of Ontario's manufacturing sector and our 770,000 employees regarding the government's response to date on the COVID-19 virus and how we can work together to support Ontarians.

We commend the government for the bold actions taken to date during this crisis. Providing job-protected leave to employees in isolation or quarantine, funding to increase the supply of personal protective equipment and other critical supplies to protect essential front-line manufacturing workers and ensuring that the federal government implemented changes to Employment Insurance (EI) were critical steps. Equally as critical was working with the federal government to keep 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.

Ontario's goal of flattening the curve of the impact of this crisis is essential for the health of Ontarians 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:

- Payroll tax holidays for at least 60 days, including workers compensation;
- Defer all other taxes until revenue streams improve, specifically property taxes, which are due right now at the beginning of the fiscal year;

- Freeze all payments to government regulated utilities without penalties or interest, including eliminating peak electricity pricing;
- Suspend all defined pension benefit plan contributions and pension benefit guarantee fund (PBGF) premiums for six months, and as the economy stabilizes, freeze contributions for the next three years at the current level; and,
- Create a \$150 million provincial wage subsidy program to help small-medium manufacturers maintain liquidity and help keep their employees on the payroll and off of social assistance.

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.

Premier, you said that manufacturing is an essential service that needs to be made available to every individual and family. 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 organization or our members can do to help, please do not hesitate to contact me directly at any time at 416-577-0788.

Sincerely,



Dennis A. Darby, P.Eng., ICD.D
President & CEO

c.c. The Hon. Rod Phillips, Minister of Finance
The Hon. Vic Fedeli, Minister of Economic Development, Job Creation and Trade
The Hon. Monte McNaughton, Minister of Labour, Training and Skills Development