

MOUNTING COSTS, CONTINUING PRESSURES SHAPE COVID RECOVERY AGENDA

Mississauga, Ontario (Thursday, June 25) – Productivity losses and costs including personal protective equipment (PPE) and permanent facility adaptations to combat COVID-19 are expected to total several hundred million dollars in 2020 alone, far outstripping government’s budgeted emergency assistance to the sector.

Survey results published by Food & Consumer Products of Canada (FCPC) today (Thursday) show that even as the country begins to reopen, the nation’s largest manufacturing workforce faces significant, ongoing pressures that will influence Canada’s COVID-19 recovery and preparations for potential future waves of infection.

“Ensuring food and consumer product manufacturing workers’ safety must be a top priority for securing our food supply, weathering the pandemic’s continuing evolution, and powering Canada’s economic recovery,” commented FCPC CEO Michael Graydon. “These protections come at a steep and mounting cost, and FCPC will continue strongly advocating for government support, as well as fair retail practices, that bring the nation’s largest manufacturing workforce back to full health.”

Key survey findings include:

- Worker absence due to illness/family care is declining but still above normal, with 60% of companies reporting up to 10% of employees absent.
- Half of manufacturers are still operating at reduced productivity, due to pandemic impacts (e.g., worker absences) and adaptations (e.g., changes to physical distancing and staggering shifts).
- Disposable PPE and permanent facility adaptations (e.g., plexiglass dividers and handwashing stations) will cost hundreds of millions of dollars, compounding the impact of productivity losses.
- Stockpiling early in the pandemic and continuing high demand have depleted inventories, which are struggling to return to pre-pandemic levels and could be stressed by future waves of infection (which 60% of manufacturers expect to have a moderate to significant impact). Two-thirds of manufacturers report below-normal inventory levels, with 40% significantly below normal.
- Manufacturers are concerned retailers will reinstitute unfair practices like fines for not fulfilling nearly 100% of orders, despite evidence that supply chains are far from normal.

Press contact: For media inquiries please contact pressinquiries@fcpc.ca.

Food & Consumer Products of Canada (FCPC) is the voice of the Canadian food, beverage and consumer products industry. We represent more than 100 food, beverage, and consumer product manufacturers of all sizes.

Food and consumer product manufacturing is the largest employer in the manufacturing sector in Canada, directly employing more than 300,000 workers in over 6,500 establishments from coast to coast. The industry contributes nearly \$50 billion annually to Canada’s economy and provides safe, high-quality products found in virtually every single home in Canada.

For more information, visit www.fcpc.ca/foodisfundamental.