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**Honourable Anita Anand
Minister of National Defence**

**Honourable François-Philippe Champagne
Minister of Innovation, Science and Industry**

Subject: Canadian Multi-Mission Aircraft investment and procurement process

Unifor is Canada's largest union in the private sector representing 315,000 members across the Country including 11,000 people working in the Aerospace sector. Unifor members in the sector design, build and finish commercial, utility and business aircraft; build component parts for defence aircraft; conduct overhaul and maintenance work on civilian, military and government aircraft; design and manufacturing simulators and training devices for a range of commercial and military aircraft and are engaged in the production of satellites and robotics for space exploration.

Canada's latest Defence Policy has made clear the federal government plans to replace its aging fleet of CP-140 Aurora anti-submarine warfare and surveillance aircraft. This investment project, dubbed the Canadian Multi-Mission Aircraft (CMMA), will overhaul Canada's strategic Intelligence Surveillance and Reconnaissance (ISR) capabilities over the next decades. It constitutes a significant opportunity to leverage the skills and dedication of Canadian aerospace workers Unifor proudly represents.

Last December, a report published by the Ottawa Citizen citing industry and defence sources indicated the Federal government was considering the option to accelerate the CMMA acquisition timeline via a sole source military sales contract with Boeing. The article stated that Boeing had "warned the Canadian government that its P-8 Poseidon production line in the U.S. could be shut down by 2025, if additional orders aren't placed" potentially inferring that in order to guarantee its access to the P-8, the Canadian government ought to expedite its procurement process. To our knowledge, no government official has denied this possibility.

Moving to a sole source contract without considering the vast experience, capability and talent of Canada's workers or the advanced technology they build would be a grave mistake. Not only would it undercut the work the public service has done through the Industrial

Technological Benefits program to identify Canadian based capabilities and technologies in the sector, it would also undermine the expressed intention of Minister Champagne to do for the Aerospace Industry what has been done for the auto industry.

Canada's Aerospace industry does not need a contract awarded before a fulsome value proposition is prepared by qualified suppliers, it needs a government that is committed to a robust and thriving aerospace industry that is engaged in research and development, innovation, job creation and skills training.

The Federal Government's Industrial Technological Benefits Program is an important pillar of Canada's approach to cultivating Canada's Aerospace Industry. Continuing the program and ensuring the best aircraft with the most Canadian content possible is an important goal. The ITB program is not, however, sufficient as a stand alone industrial policy. It needs to be supplemented by decisive government actions and a willingness to engage our country's industrial base in a more proactive way to leverage key national technological advances, especially in the defence sector.

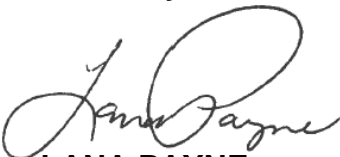
Canada needs an Aerospace Industrial Policy that is focused on:

- Collaboration between industry, workers, customers and government;
- Cultivating homegrown technology and innovation;
- Growing geographical clusters or ecosystems that can further spur collaboration, investment and job creation;
- Ensuring benefits of industrial activity flow to workers and communities not just shareholders and asset owners through job creation and enhancement;
- Enhancing workforce development activities to ensure workers have the training and skills needed to sustain long-term industrial goals and unlock the industry's potential; and
- Striking an adequate balance between market driven supply-side approaches and targeted demand-side interventions in government procurement projects.

The Canadian Multi-Mission Aircraft procurement is an opportunity for government to send a clear signal and put intention into action, articulating how this procurement will help grow Canada's aerospace industry, skills, knowledge and product offerings to show the world what we are capable of.

Canada's aerospace industry used to be in the top 5 globally, but we've slipped of late due to a lack of planning and collaboration. We look forward to working with you to develop the policies and identify the investments that must be made in order to see Canada's aerospace industry soar and benefit the workers who depend on it for their livelihoods.

Sincerely,



LANA PAYNE
National President



DANIEL CLOUTIER
Quebec Director

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