

Nova Scotia

Summary of Annual Plan for Canada-Nova Scotia
Workforce Tariff Response 2025-26
Canada-Nova Scotia Labour Market Development
Agreement

Approved by the Government of Canada March 11, 2026



EXECUTIVE SUMMARY

The Canada–Nova Scotia Workforce Tariff Response will deliver \$13.8 million in new federal funding over three fiscal years (\$1.5 million in 2025–26) to complement approximately \$85 million in annual base funding under the Labour Market Development Agreement (LMDA). This investment strengthens Nova Scotia’s capacity to support workers, businesses, and communities navigating tariff pressures and global market shifts.

Through this targeted funding, Nova Scotia will support more than 1,500 workers, including unemployed individuals, participants in the Federal Work-Sharing program, and employed workers at risk of job loss, by expanding access to timely training to retain a current job or retrain for a new one.

In addition to enhanced outreach and employer engagement, delivery will leverage existing Nova Scotia LMDA programming, that will be adapted to respond to tariff-related impacts in priority sectors:

- **Skills Development (SD):** Provides unemployed individuals with skills training and needsbased financial supports to re-enter the workforce in in-demand occupations.
- **START:** Connects unemployed individuals with employers through wage subsidies, training, and supports that address vacancies and promote sustainable employment outcomes.
- **Workplace Innovation and Productivity Skills Incentive (WIPSI):** Supports employers and workers, including Work-Sharing participants, through employer-led upskilling and reskilling to drive productivity, technology adoption, and workforce retention.
- **Workplace Education Initiative (WEI):** Delivers essential workplace skills training to help employees adapt to evolving job requirements and support business competitiveness during market disruption.

In partnership with Canada, these measures will help workers remain employed where possible, transition quickly following layoffs, and build the skills needed for emerging opportunities; therefore, strengthening workforce resilience across the province.

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1. Strategic Introduction

Tariffs and global market shifts have introduced significant uncertainties to Nova Scotia's economy, with far-reaching labour market implications.

The amendment to the Labour Market Development Agreement (LMDA) provides \$13,854,121 in new funding, introducing a time-limited funding increase to support workers and employers that go beyond existing LMDA supports.

The new funding will specifically support workers in sectors affected by tariffs and global market shifts in Nova Scotia from 2025 to 2028, including:

- \$702,376 to support up to 100 clients in the steel industry through training and income support.
- \$1,128,655 for upskilling, reskilling, and income support for up to 135 workers in softwood lumber.
- \$12,023,090 to retrain up to 1,337 workers impacted by tariffs and global market shifts through employer-based training and outreach initiatives.

Tariff impacts vary by sector. The impact in Nova Scotia of the United States tariff on Canadian steel has been limited. Metal and non-metal mineral exports account for only two percent of total exports,¹ and employment is under 500 workers.²

For Softwood lumber, Nova Scotia is exempt from the approximately thirty five percent (35.16%) U.S. softwood lumber duty, but faces a ten percent (10%) global lumber tariff and a twenty five percent (25%) tariff on certain furniture exports to the U.S. The U.S. accounts for 89% of Nova Scotia's forestry-related exports and potential impacts could be significant.³ The sector includes around 300 businesses, 4,500 workers, and has approximately 600 EI claimants.^{4 5 5}

In the Agri-food, and Fisheries and seafood sectors, China imposed a one hundred percent (100%) tariff on Canadian agricultural and twenty five percent (25%) tariff on fisheries and seafood products in March 2025. This contributed to a forty four percent (44%; \$122 million) decline in exports to China between April and September 2025, compared to the previous year.⁷ Despite this, impacts on the labour market are muted, but continued tariff pressures may challenge the sector's resilience.

In Manufacturing, the U.S. introduced broad tariffs on Canadian manufactured goods in March 2025, applying a twenty five percent (25%) tariff to non-Canada–United States–Mexico Agreement (CUSMA) compliant Canadian manufactured goods, later increased to thirty five percent (35%), increasing trade uncertainty. In the period from April to September 2025, Nova Scotia-manufactured exports declined by nearly four percent (3.8%; \$85.6 million) compared to the same period in 2024.⁷

The proposed tariff response actions will be implemented in phases, starting with existing programs, with ongoing monitoring to adjust support as tariffs and global market shifts evolve.

¹ Statistics Canada table [12-10-0175-01](#).

² Statistics Canada, Labour Force Survey, accessed via Real Time Remote Access.

³ Statistics Canada table [12-10-0175-01](#).

⁴ Statistics Canada, Canadian Business Counts, June 2025, accessed via Community Data Program. ⁵

Statistics Canada, Labour Force Survey, accessed via Real Time Remote Access.

⁵ ESDC EI Claimant database, Y2025M09. ⁷

Statistics Canada table [12-10-0175-01](#).

2. Description of Planned Programs/ Activities

2.1 General Tariff-Funded Program Tables

The following are the planned programs or initiatives for workers and employers in the Steel sector, Softwood lumber sector and those impacted by tariffs and global market shifts with the goal to get workers (unemployed, those participating in Work-Sharing or employed individuals) trained to get/retain jobs under the Canada-Nova Scotia Workforce Tariff Response.

Participants in Skills Development may be eligible for wrap-around support, for instance related to dependent care, travel, and allowance for living away from home—wrap-around supports for other programming may be expanded in subsequent years.

2.1.1 Workplace Innovation and Productivity Skills Incentive

| Program table: Workplace Innovation and Productivity Skills Incentive (WIPSI) | New Program Designed for Tariff Response <input type="checkbox"/> Modification to Existing Program <input checked="" type="checkbox"/> |
|--|---|
| Projected new WIPSI Expenditures from the Workforce Tariff Response funding: \$465,000 ⁶ | |
| Other additional Tariff-Related Spending: <ul style="list-style-type: none"> • Projected NS Expenditures: \$0 • Projected existing LMDA Expenditures: \$0 • Projected existing WDA Expenditures: \$0 | |
| Projected Total Expenditures: \$465,000 | |
| Program Start Date: This is a current program and will be leveraged to focus on businesses and employers specifically affected. Labour, Skills and Immigration (LSI) will review for eligibility to this fund, and additional reporting will be required as part of these agreements to ensure the Federal reporting requirements are met. The tariff stream of WIPSI would aim to start in January 2026. | |
| Program End Date: The tariff response pieces will end at the same time as the amended agreement | |
| Planned description of program (including relevant projects and activities): | |

⁶ This estimated figure is dependent on uptake, once the joint announcement has been made.

WIPSI provides funding to businesses, industry associations and sector councils to enhance workforce skills and improve innovation and productivity. Projects that address critical skill shortages, support underrepresented groups, and align with the province's economic and workforce development goals are given priority.

WIPSI will be modified to create a separate stream specific to tariff-impacted industries, including steel and softwood lumber and other impacted industries (e.g. Fisheries and seafood, Agri-food, and Manufacturing).

Applications will be assessed based on:

1. Evidence that the business/employer is affected by tariffs or global market shifts;
2. The nature of the impact on workers/businesses such as reduced work hours, layoffs, skills gap, production changes, etc.; and
3. The alignment of the Tariff Response Agreement objectives and LMDA-eligible requirements/activities.

Eligible costs include training fees, instructor costs, course materials and travel. Under the tariff stream, 100% of eligible training costs may be eligible to be funded.

Tariff sector(s) the program can support:

- Steel
- Softwood lumber
- Those impacted by tariffs and global market shifts

Areas of focus:

- Training (literacy, skills, or upskilling)
- Supports (tailored needs-based, esp. persons with disabilities)
- Employment Partnerships (that promote awareness or expand employment opportunities)
- Building Knowledge (of labour market info, policies/programs, and/or innovative approaches meeting diverse needs)

Target Client Groups/Recipients:

- Unemployed
- Work-Sharing
- Employed

Planned Benefits of program:

Enable employers to flexibly adapt to a changing tariff environment, by enhancing relevant workforce skills, innovation, and productivity.

Planned Expected Results (from relevant announcement date to end of fiscal 2025-26):

Expected results: Employers adapt to tariff-impacts and thrive, and their employees have stable jobs with the right skills.

Targeted number of clients served (per sector, of the three target sectors):

1. Steel = 25
2. Softwood lumber = 25
3. Those impacted by tariffs and global market shifts = 184

2.1.2 Workplace Education Initiative (WEI)

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|---|---|
| Program table: <u>Workplace Education Initiative (WEI)</u> | New Program Designed for Tariff Response <input type="checkbox"/> Modification to Existing Program <input checked="" type="checkbox"/> |
| Projected new WEI Expenditures from the Workforce Tariff Response funding: \$200,000 ⁷ | |
| Other Tariff-Related Spending: <ul style="list-style-type: none">• Projected NS Expenditures: \$0• Projected existing LMDA Expenditures: \$0• Projected existing WDA Expenditures: \$0 | |
| Projected Total Expenditures: \$200,000 | |
| Program Start Date: This is a current program and will be leveraged to focus on businesses and employers specifically affected. Labour, Skills and Immigration (LSI) will review for eligibility to this fund, and additional reporting will be required as part of these agreements to ensure the Federal reporting requirements are met. The tariff stream of WEI would aim to start January 2026. | |
| Program End Date: The tariff response pieces will end at the same time as the amended agreement. | |

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| Planned description of program (including relevant projects and activities): |
| The Workplace Education Initiative (WEI) provides business skills training for working Nova Scotians. This training enhances individuals' workplace skills and supports businesses and organizations to be more successful, open to change, and ready for growth. |
| WEI will be modified to create a separate stream specific to tariff-impacted industries, including steel and softwood lumber and other impacted industries (e.g. Fisheries and seafood, Agri-food, and Manufacturing). Applications will be assessed based on: <ol style="list-style-type: none">1. Evidence that the business/employer is affected by tariffs or global market shifts;2. The nature of the impact on workers/businesses such as reduced work hours, layoffs, etc.; and3. The alignment of the Tariff Response Agreement objectives and LMDA-eligible requirements/activities. |
| Tariff sector(s) area the program can support |
| <input checked="" type="checkbox"/> Steel <input checked="" type="checkbox"/> Softwood lumber <input checked="" type="checkbox"/> Those impacted by tariffs and global market shifts |
| Areas of focus: |
| <input checked="" type="checkbox"/> Training (literacy, skills, or upskilling) <input type="checkbox"/> Supports (tailored needs-based, esp. persons with disabilities) <input checked="" type="checkbox"/> Employment Partnerships (that promote awareness or expand employment opportunities) <input checked="" type="checkbox"/> Building Knowledge (of labour market info, policies/programs, and/or innovative approaches meeting diverse needs) |

⁷ This estimated figure is dependent on uptake, once the joint announcement has been made.

Target Client Groups/Recipients:

- Unemployed
- Work-Sharing
- Employed

Planned Benefits of program:

Enable employers to adapt with flexibility to a changing tariff environment, by efficiently improving and adapting processes, helping teams embrace change and new challenges, and creating a culture of learning and innovation.

Planned Expected Results (from relevant announcement date to end of fiscal 2025-26):

Expected results description: Employers adapt to tariff-impacts and thrive, and their employees have stable jobs with the right skills.

Targeted number of clients served (per sector, of the three target sectors):

1. Steel = 0
2. Softwood lumber = 10
3. Those impacted by tariffs and global market shifts = 10

*2.1.3 Skills Development***Program table: Skills Development (SD)**

New Program Designed for Tariff Response
 Modification to Existing Program

Projected new Skills Development Expenditures from the Workforce Tariff Response funding: \$250,000

Other additional Tariff-Related Spending:

- Projected NS Expenditures: \$0
- Projected existing LMDA Expenditures: \$300,000⁸
- Projected existing WDA Expenditures: \$0

Projected Total Expenditures: \$550,000

Program Start Date: This is a current program and will be leveraged to include unemployed participants specifically affected by tariffs and global market shifts. Additional reporting will be required as part of these agreements to ensure the Federal reporting requirements are met. The tariff stream will aim to start January 2026.

Program End Date: The tariff response pieces will end at the same time as the amended agreement.

Planned description of program (including relevant projects and activities):

⁸ This figure represents existing LMDA spending for 2025-2026, from the tariff announcement dates until January 9, 2026, meeting Tariff Response Funding eligibility.

The SD Program is an employment program that provides financial assistance to LMDA-eligible participants to help them obtain the skills training needed to find employment. It is designed for those who need to learn additional basic-to-advanced skills to help them find sustainable employment. Eligible participants are those who do not have a high school completion, do not have post-secondary education, or those who are unable to find and secure employment with their existing skills and who lack marketable skills, but who are otherwise job ready. Participants attend training full-time, and training may be provided through public or private providers.

The program offers financial support based on the individual's eligibility and circumstances. Eligible costs include:

- financial assistance (called a living allowance)
- financial assistance for dependent care, tuition, books, accessibility supports, transportation, and accommodation.
- individual entitlement needs and levels of support for eligible costs determined by a customized payment calculator.

Priority will be given to eligible unemployed workers who lost their employment in the key tariff-impacted industries. Individuals will be identified by Canada through the Targeting, Referral and Feedback (TRF) system and shared with Nova Scotia.

Tariff sector(s) area the program can support

- Steel
- Softwood lumber
- Those impacted by tariffs and global market shifts

Areas of focus:

- Training (literacy, skills, or upskilling)
- Supports (tailored needs-based, esp. persons with disabilities)
- Employment Partnerships (that promote awareness or expand employment opportunities)
- Building Knowledge (of labour market info, policies/programs, and/or innovative approaches meeting diverse needs)

Target Client Groups/Recipients:

- Unemployed
- Work-Sharing
- Employed

Planned Benefits of program:

Training (for tariff-impacted individuals) will lead to employment for individuals who cannot find work with their skills or experience.

Planned Expected Results (including targeted number of clients served) (from relevant announcement date to end of fiscal 2025-26):

Expected results description: Individuals are trained and ready for hiring

Targeted number of clients served (per sector, of the three target sectors):

1. Steel = 18
2. Softwood lumber = 10
3. Those impacted by tariffs and global market shifts = 62

2.1.4 START

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| Program table: <u>START</u> | New Program Designed for Tariff Response <input type="checkbox"/> Modification to Existing Program <input checked="" type="checkbox"/> |
| Projected new START ⁹ Expenditures from the Workforce Tariff Response funding: \$25,000 | |
| Other additional Tariff-Related Spending: <ul style="list-style-type: none">• Projected NS Expenditures: \$0• Projected existing LMDA Expenditures: \$0• Projected existing WDA Expenditures: \$0 | |
| Projected Total Expenditures: \$25,000 | |
| Program Start Date: This is a current program and will be leveraged to include employers specifically affected by tariffs and global market shifts. Additional reporting will be required as part of these agreements to ensure the Federal reporting requirements are met. The tariff stream will aim to start January 2026. | |
| Program End Date: The tariff response pieces will end at the same time as the amended agreement. | |
| Planned description of program (including relevant projects and activities): | |
| <p>The START Program helps connect employers with unemployed Nova Scotians who can fill job vacancies. For employers, START offers a wage incentive and other types of funding if they hire an unemployed Nova Scotian. For unemployed individuals, START provides a letter that helps the individuals market their skills and the program to potential employers. The process starts with an unemployed worker who is interested in the program, and who is then matched to an employer interested in the program.</p> <p>Priority will be given to employers who will hire eligible individuals who lost their employment in the key tariff-impacted industries. Preference will also be given to employers who can offer full-time, sustainable employment. Short-term jobs may be eligible if they help the employee develop transferable skills that can improve their chances of finding other employment in the future, or if they're related to a priority sector or industry where a short-term contract is being implemented.</p> | |
| Tariff sector(s) area the program can support | |
| <input checked="" type="checkbox"/> Steel <input checked="" type="checkbox"/> Softwood lumber | |

| | |
|---|---|
| Program table: <u>START</u> | New Program Designed for Tariff Response <input type="checkbox"/> Modification to Existing Program <input checked="" type="checkbox"/> |
| <input checked="" type="checkbox"/> Those impacted by tariffs and global market shifts | |
| Areas of focus: | |
| <input checked="" type="checkbox"/> Training (literacy, skills, or upskilling) <input checked="" type="checkbox"/> Supports (tailored needs-based, esp. persons with disabilities) <input checked="" type="checkbox"/> Employment Partnerships (that promote awareness or expand employment opportunities) <input checked="" type="checkbox"/> Building Knowledge (of labour market info, policies/programs, and/or innovative approaches meeting diverse needs) | |
| Target Client Groups/Recipients: | |

⁹ Please note that START is not an acronym for a longer name.

Unemployed

Work-Sharing

Employed

Planned Benefits of program:

Employers seeking employees are connected with unemployed Nova Scotians via wage incentives, training, equipment, etc. The program is designed so that both employers and employees' benefit. Ideally, the program leads to permanent jobs, and/or ensuring positions are filled in priority sectors.

Planned Expected Results (including targeted number of clients served) (from relevant announcement date to end of fiscal 2025-26):

Expected results: Stable long-term employment for unemployed workers, ability to invest in and hire workers for employers.

Targeted number of clients served (per sector, of the three target sectors):

1. Steel = 2
2. Softwood lumber = 10
3. Those impacted by tariffs and global market shifts = 20

2.2 Description of Planned Programs/Activities: Wage Subsidies

Nova Scotia will not be adding any wage subsidies for employed workers in training this year. For eligible unemployed workers, the tariff-funding will apply to the START program (unemployed workers hired under START which includes standard existing LMMA-supported wage incentives).

3. Engagement/Consultation Plans and Results

The following is a summary of all engagement and consultation held from the date of the Prime Minister's announcements on support for workers and employers in the steel sector, softwood lumber sector and those impacted tariffs and global market shifts with the goal to get workers (unemployed, those participating in Work-Sharing, or employed individuals) trained to get/retain jobs under the Canada-Nova Scotia Workforce Tariff Response.

All engagements include working with industry, sectors, partners, employers and other government departments to determine workforce development challenges and needs related to major projects in Nova Scotia, examples of which include public infrastructure, such as hospitals, natural resource development and possible clean energy and defense projects. All such projects will require various roles, occupations, and infrastructure. There are various workforce modelling tools being developed and planning tables in place that are working to ensure these elements are planned for and this plan includes a path for any workers displaced from any tariff and global market impacted industries, and possible retraining for those individuals to work within industries deemed in demand such as construction.

3.1 Completed Engagements Prior to December 2025

3.1.1 Steel Industry

Direct engagement was completed with an employer in the steel manufacturing sector. The employer provided insight into how tariffs were affecting workforce needs, particularly the need for training in advanced technologies such as artificial intelligence, machine learning, as well as strategies to improve employee retention. This feedback is informing a potential training investment under Nova Scotia's existing workforce programs, aimed at strengthening the employer resilience. Results of this engagement will also be considered when shaping approaches for other industries facing similar challenges.

3.1.2 Softwood Lumber Industry

Ongoing engagement with the forestry sector representatives and employers has highlighted the importance of workforce planning and market diversification to help employers and workers adapt to trade uncertainty and avoid layoffs where possible. It also served as a vehicle for highlighting the benefits of Work-Sharing. Feedback gathered through meetings largely spoke of the need for funding to train workers. Follow-up work will identify specific training needs and ensure future workforce investments reflect priorities identified by employers and industry partners.

3.1.3 Other sectors impacted by tariffs and global market shifts

Engagements with industry sector councils and employers, across a range of sectors—including fisheries, agriculture, construction, manufacturing, transportation, and automotive identified shared challenges such as rising costs, supply-chain pressures, labour shortages, the need to adopt new technologies and diversify markets. This feedback has been used to provide added flexibility within existing workforce funding to better respond to sector-specific impacts. The information gathered is also helping to identify priority areas for future training investments, including productivity improvement, technology adoption, leadership development, and creating inclusive workplaces.

3.2 Upcoming Engagements

Labour, Skills and Immigration will facilitate targeted outreach and implement its planned engagement approach in 2026-27 and 2027-2028. Most activities will be direct engagement with industries, sectors, employers and individuals affected in the steel sector, softwood lumber sector and those impacted by tariffs and global market shifts. The goal will continue to be to get workers (unemployed, those participating in Work-Sharing or employed individuals) trained and retrained to remain employed, and/or to become re-employed.

Nova Scotia will ensure that engagements support the key tariff agreement objectives:

- 1) Training will align with the workforce demands of employers.
- 2) Work-Sharing supports are viable for employers and employees and provide access to the types of training (that are necessary/beneficial).
- 3) Employed individuals, at risk of job loss, can get the training they need to improve their skills within their current job.

The planned approach is provided will involve employers, sector councils, industry associations and related organizations such as unions, employees, jobseekers, Official Language Minority Communities (OLMCs) and other government departments. The goal is to ensure training and supports align with workforce needs arising aligned with the objectives of the Canada–Nova Scotia Workforce Tariff Response agreement. The following engagement aspects are relevant for all three categories: steel, softwood lumber and others, which include agri-food, fisheries and seafood, automotive, manufacturing, and construction.

Job Seekers

Jobseekers (EI claimants), including NS Works clients and individuals identified through the Targeted, Referral and Feedback (TRF) system. LSI will coordinate engagements and use the Labour Market Programs Support System (LaMPSS) automated system to issue referral letters and follow-up telephone calls to recently laid-off workers in all identified sectors, providing information on relevant service providers, programs, and next steps.

Employment Service providers

LSI will have targeted conversations with service providers, such as the Nova Scotia Works providers, to review the support available for affected individuals. LSI will also engage specific service providers focused on working with individuals from specific populations, such as mid-career workers, persons with disabilities, Indigenous and African Nova Scotian communities, etc. For example, Teamwork Cooperative, Mi'kmaq Native Friendship Centre Society, Phoenix Youth Programs, Black Business Initiative, etc.

Work-sharing Employers

Employers participating in the Federal Work-Sharing program in all sectors will be engaged to understand the impacts of tariffs on their businesses (if applicable), current workforce challenges, and anticipated training needs. Engagement will involve direct outreach, including telephone calls and emails, to gather information on how and if tariffs are affecting operations and discuss how departmental support may assist employers and their workers.

Employers – In Identified Industries

There will be outreach to employers involved in all categories identified to understand the impacts of tariffs on their businesses (if applicable), current workforce challenges, and anticipated training needs. Engagement will involve direct outreach, including telephone calls and emails, to gather information on how and if tariffs are affecting operations and discuss how departmental support may assist employers and their workers. Where relevant, discussions will also introduce the Work-Sharing program and explore whether Work-Sharing supports are viable and provide access to key training.

Sector Councils and related organizations, including unions

Engagement includes sharing information about the Tariff Response Fund, possible tariff impacts, targeted discussions to gather information about current and anticipated workforce needs, recruitment and retention challenges, and training requirements. Engagement will also support alignment with ongoing workforce development initiatives that LSI is leading. Sector and Industry councils will also leverage their existing network to identify needs and requirements and are a strategic partner to ensure the overall industry is resilient and can pivot, as required.

The Association of Industry Sector Councils (AISC)

The AISC represents all sector councils in the province. This outreach is an essential partnership as although LSI may not be directly engaged with a sector that appears to have not been affected, the AISC will assist in identifying any emerging concerns, and areas where LSI can proactively collaborate within a sector.

Training Institutions

In partnership with industry, LSI will continue to work with training institutions to identify where there may be opportunities related to workforce training for workers impacted by tariffs and market disruptions.

Although not highlighted, all engagements include working with other government departments, stakeholders, and industry to determine workforce development needs related to major projects in Nova Scotia, examples of which include public infrastructure, natural resource development and possible clean energy and defense projects. All such projects will require various roles, occupations, and infrastructure. There are various workforce modelling tools being developed and planning tables in place that are working to ensure these elements are planned for. This will ensure that there is a path for any workers displaced from any tariff/global market impacted industries, can be retrained to work within industries deemed in demand.