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TORONTO LEADS AGAIN

Tariff Support & Trade Resilience

Protect workers and businesses through trade disruption while diversifying suppliers, markets, skills and Toronto's productive capacity.

Campaign Policy Proposal - Not a City of Toronto Publication

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People first. Families first. Machines serve. Democracy decides. Nature sets the constraint. Art gives the future meaning.

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Why this matters

Tariffs are set by national governments, but their effects arrive locally: delayed orders, higher input prices, lost shifts, investment uncertainty, supplier disruptions and pressure on construction costs. Toronto cannot negotiate trade agreements or impose federal tariffs. It can, however, make the local response faster, clearer and more productive.

The municipal role
Help firms and workers reach the right provincial and federal support quickly; use lawful procurement to strengthen Ontario and Canadian supply; protect employment lands and productive capacity; diversify export markets; convene institutions; reduce local friction; and track where tariff shocks are affecting city-building.

Executive Summary

Tariff Support & Trade Resilience recognizes that tariffs are set by national governments but their effects are local: lost shifts, supplier disruption, higher construction costs and uncertainty for investment. Toronto's role is to help firms and workers reach existing supports, protect productive capacity and diversify markets and suppliers.

The strategy builds forward from existing City, Ontario and federal responses rather than duplicating them. A Toronto Trade & Tariff Response desk would provide one front door, while procurement, employment-land, supplier-development and workforce actions focus on the levers the City can actually use.

The first term emphasizes temporary, measurable crisis support and long-term diversification so emergency measures do not become permanent bureaucracy without evidence. It also recognizes compound shocks: a firm can face tariffs, supply-chain disruption and AI-driven task or staffing change at the same time.

Major commitments

- Create one front door for tariff-affected businesses and workers.
- Protect productive employment lands and strategic supplier capacity.
- Support market and supplier diversification through existing trade networks and Report 14 partnerships.
- Implement lawful Canadian/Ontario procurement requirements with transparent value and availability safeguards.
- Coordinate workforce retention and transition supports with colleges, labour and senior governments.
- Treat compound tariff and AI disruption as one worker-transition problem when the same employer or occupation is affected, with Report 17 providing the broader AI transition framework.
- Monitor tariff-sensitive construction and infrastructure costs before they undermine capital plans.

How this fits the governing program

Financial treatment: first-term actions in this report must reconcile to Report 03. Unsigned partner funding and unverified technology savings are not booked in the municipal base case.

Toronto today: trade shock and existing supports

Toronto already has a tariff response architecture. Council adopted a Mayor's Economic Action Plan in Response to U.S. Tariffs in 2025, integrated tariff actions into Sidewalks to Skylines in 2026, and implemented provincial Buy Ontario procurement requirements effective May 2026. A new administration should build forward from that work rather than claim the response begins from zero.

By late August 2026, federal policy also included new countermeasures and a multi-billion-dollar package of worker and business supports, including regional-development funding, liquidity programs, diversification funding and worker-retention/retraining measures. Ontario also operates tariff-related worker, employer and financing programs. The municipal problem is often navigation, coordination and local investment readiness rather than inventing another overlapping loan program.

Guiding Principles

- Protect people before headlines: prevent avoidable layoffs and help displaced workers move quickly into income support, training and new work.
- Preserve productive capacity: manufacturing, construction supply, food, technology and logistics capabilities are strategic city assets.
- Diversify rather than retreat: reduce over-dependence on any single market or supplier while continuing lawful cross-border trade.
- Buy Ontario and Canadian where required and appropriate, without sacrificing transparent competition, value, safety or critical availability.
- Do not duplicate senior-government programs; make them easier to reach and combine with Toronto-specific services.
- Publish sector exposure, cost impacts and response results so temporary crisis measures do not become permanent bureaucracy without evidence.

Vision and Outcomes

The strategy is organized around a small set of outcomes that residents and delivery partners can understand and measure.

- Workers reach support before layoffs become long-term displacement.

- Businesses can navigate programs and diversify markets faster.
- Toronto retains productive capacity in manufacturing, construction supply, food, technology and logistics.
- Procurement strengthens resilience without sacrificing safety, value or critical availability.
- City capital plans respond transparently to trade-driven cost shocks.

Strategic Priorities

Strategic Priority 1 - One front door for businesses and workers

Create a Toronto Trade & Tariff Response desk integrated with the City's economic-development and business-navigation functions. It would triage firms and workers to federal, provincial, BDC, EDC, FedDev Ontario, employment, training, financing, remission and export supports; track recurring barriers; and provide warm handoffs rather than a list of links.

- Maintain a single published intake path for firms and workers, with named City ownership and live links to federal and provincial programs.
- Track resolution time, successful referrals and the share of viable firms or jobs retained after support.

Strategic Priority 2 - Protect productive capacity and good jobs

Use land-use policy, industrial intensification, workforce support, infrastructure coordination and existing economic-development tools to protect viable productive employers and make reinvestment easier. Avoid sacrificing employment lands for short-term relief where that reduces the city's long-run ability to make, repair and export.

- Use planning and infrastructure tools to protect viable employment lands and remove avoidable barriers to reinvestment.
- Coordinate workforce-retention cases with labour, colleges and senior-government programs before layoffs become permanent displacement.

Strategic Priority 3 - Diversify markets and suppliers

Use the Welcoming the World partnership network, trade agencies, airports, universities, diaspora networks and sector organizations to help Toronto firms enter new Canadian and international markets. Supplier diversification should focus on resilience, total cost, quality and security - not simply switching dependency from one source to another.

- Use partner-city, airport, university, diaspora and trade-agency networks to develop specific market-entry opportunities for affected sectors.
- Support supplier mapping and qualification so firms can reduce single-source exposure without sacrificing standards or reliability.

Strategic Priority 4 - Procurement that strengthens resilience

Implement Buy Ontario requirements well, support lawful Canadian sourcing, and create transparent pathways for qualified Canadian technology and industrial suppliers to compete. Procurement must remain auditable, accessible and consistent with applicable trade, procurement and competition rules.

- Publish procurement guidance that applies Buy Ontario/Canadian rules consistently while preserving competition, safety and critical availability.
- Track price, availability, delivery risk and supplier participation so resilience measures remain evidence-based.

Strategic Priority 5 - Skills, retention and worker transitions

Connect tariff-affected employers to Work-Sharing, worker-retention, retraining, Employment Ontario and federal supports. Where disruption becomes permanent, use the Opportunity Ladder to move workers into adjacent sectors that value their existing skills. The intake should also screen for AI-driven task or staffing change so retraining does not move workers into another weakening pathway. Report 17 sets the dedicated AI Job Disruption, Worker Transition & Economic Security framework.

- Create rapid referral routes to Work-Sharing, Employment Ontario, training and adjacent-sector opportunities.
- Use the Opportunity Ladder to measure whether displaced workers move into sustained employment rather than only completing training.

Strategic Priority 6 - Construction and infrastructure cost resilience

Track tariff-sensitive materials and equipment in City capital projects and major housing/infrastructure programs. Maintain alternates where technically appropriate, separate price shocks from scope changes, and do not let a tariff event become an excuse for opaque cost escalation.

- Identify tariff-sensitive materials and equipment in major City capital programs and maintain technically acceptable alternates where feasible.
- Separate trade-driven escalation from scope change in public reporting and adjust contingency or phasing before compromising safety or essential outcomes.

Practical Delivery Tools

Action	Lead / authority	Timing	Financial treatment	Public result
Toronto Trade & Tariff Response desk	Economic Development + partners	First 100 days	Within Jobs/Human Capability envelope	Faster navigation and warm handoffs
Tariff exposure dashboard	City + sector partners	2027	Operating	Sector, employment and capital-project exposure visible
Supplier diversification cohorts	City + trade agencies	2027-2030	Partner-dependent	More firms reach new buyers and suppliers
Canadian procurement pathway	Procurement + legal + divisions	2027	Existing procurement	Lawful Ontario/Canadian sourcing and fair access
Worker retention / transition coordination	City + Ontario + Canada	As shocks occur	Partner-dependent	Workers reach income, training and retention supports faster
Capital-project tariff risk register	CFO + capital divisions	Quarterly	Existing capital governance	Material/equipment price shocks identified early
AI / compound-shock transition lane	Economic Development + Report 17 partners	First 100 days / as shocks occur	Within Jobs/Human Capability envelope + partner programs	Workers are not routed into training without checking simultaneous AI-related labour-market pressure

Visualizing the Strategy

These campaign visuals summarize the systems and human outcomes described in the report. They are explanatory illustrations; commitments, targets, costs and jurisdiction are defined in the accompanying text and tables.

Trade resilience is ultimately about people and productive capability: skilled trades, technology, health care and local supply chains.

Resilience means keeping opportunity broad while helping firms and workers adapt to changing technologies and markets.

Trade shocks propagate through housing, transportation, infrastructure and the broader city economy - resilience has to be planned systemically.

Support navigator - use what already exists

The City should not recreate federal and provincial financing or income-support programs. Its job is to make the support landscape legible and help eligible firms and workers reach it quickly. The response desk should maintain a current navigator covering the following lanes:

- Federal worker supports: Employment Insurance flexibilities, Work-Sharing, Job Bank, workplace training and worker-retention/retraining measures.
- Federal business supports: Regional Tariff Response Initiative, BDC tariff-related liquidity and growth programs, sector programs, the Canada Strong Diversification Fund, and the Large Enterprise Tariff Loan facility where applicable.
- Trade tools: tariff remission processes, Duties Relief, Drawback, exporter guidance, EDC/Trade Commissioner support and market-diversification services.
- Ontario supports: tariff-related financing, Trade-Impacted Communities and workforce programs, Employment Ontario and sector-specific measures.
- Toronto supports: business navigation, permits and local approvals, employment-land policy, procurement pathways, investment facilitation, workforce connections and Sidewalks to Skylines actions.

Sector response matrix

Sector / exposure	Likely pressure	Municipal response	External support lane
Steel/aluminum and fabrication	Input cost, export barriers, liquidity, order volatility	Protect industrial capacity; procurement visibility; investment/permit coordination	Federal/BDC/FedDev/Ontario sector supports; remission where eligible
Auto/parts and advanced manufacturing	Cross-border supply-chain disruption and investment delay	Employment-land protection; supplier diversification; skills retention	Federal/Ontario auto and worker programs
Construction and infrastructure	Material/equipment escalation and delivery risk	Approved alternates; tariff risk register; procurement sequencing	Remission/relief where eligible; domestic supplier development
Food and consumer goods	Input cost and counter-tariff exposure	Buy local/Canadian navigation; logistics and supplier connections	Federal trade and agriculture programs
Technology/electronics	Component cost, market access and procurement uncertainty	Canadian municipal technology pathway; export diversification	Trade Commissioner/EDC/FedDev/BDC
Creative and professional services	Client uncertainty and market concentration	Toronto Creates Abroad; partner-city and export channels	Trade/industry programs; market diversification
Professional, administrative and digital services	Export/client volatility plus AI task substitution or slower junior hiring	AI/job-transition screening; paid pathway and small-business adoption support	Report 17 transition system; Employment Ontario; federal workforce programs where eligible

Response scenarios

- Short shock: prioritize liquidity navigation, work sharing, procurement continuity and temporary cost monitoring.
- Sector-specific prolonged shock: add retention/retraining, supplier and market diversification, industrial investment and employment-land protection.
- Broad recessionary shock: coordinate with senior governments on income supports and major investment while protecting core City services and avoiding unsupported local bailout commitments.
- Construction-input shock: use transparent escalation controls, value engineering, approved alternates and schedule sequencing rather than hiding inflation in scope changes.
- Opportunity scenario: when firms reshore or diversify into Canada, use fast but accountable site, infrastructure, permitting and workforce coordination to win investment.

Responsibility and limits

Canada controls customs, tariffs, trade agreements, most remission and national income-support instruments. Ontario controls major labour-market, economic-development and procurement rules affecting municipalities. Toronto controls municipal procurement within law, economic-development services, local land-use and many approvals, municipal infrastructure coordination and convening. The report therefore treats trade negotiation as federal, worker and business financing mainly as federal/provincial, and Toronto as the local coordinator, buyer, planner, infrastructure owner and market connector.

Implementation and Delivery

First 100 Days

The opening 100 days concentrate on rapid navigation and resilience: one intake desk, sector exposure data, procurement guidance, critical-supplier mapping and transparent construction-cost monitoring.

- Establish the Toronto Trade & Tariff Response desk and publish the support navigator.
- Create a sector exposure dashboard using available City and partner data.
- Identify critical supplier and employment-land risks linked to planned City investment.
- Publish procurement guidance consistent with applicable law and Council policy.
- Begin quarterly tariff-sensitive construction-cost reporting for major capital programs.

2027-2030 First-Term Action Plan

During 2027-2030, emergency tariff supports give way to durable resilience: diversified suppliers and markets, protected productive land, stronger Canadian procurement pathways and worker transition capacity.

Phase	Action	Lead / authority	Resident result
Navigate	Trade & Tariff Response desk	Economic Development	Businesses and workers reach the right program faster.
Protect	Productive lands and critical suppliers	Planning / Economic Development	Toronto retains strategic production capacity.
Diversify	Markets and suppliers	Economic Development / Report 14 partners	Firms reduce dependence on single markets.
Procure	Resilience-aware lawful purchasing	Purchasing / divisions	Public spending supports resilience while preserving value and availability.
Transition	Worker retention, retraining and AI-transition screening	City convening / Province / Canada / labour / colleges / Report 17	Workers move more quickly to support and are not retrained into another declining pathway.
Monitor	Construction and infrastructure cost exposure	CFO / capital divisions	Trade shocks are reflected in scopes and contingencies early.

2031-2051 Long-Term Direction

Long-term trade resilience means a more diversified economy with stronger local productive capacity, multiple export markets and supply chains able to absorb geopolitical shocks without permanent crisis management.

- Use diversification, local supplier development and workforce capability to reduce vulnerability to future geopolitical shocks.
- Maintain trade relationships across multiple markets while preserving rules-based procurement and value for money.

- Integrate resilience into economic-development and capital-planning processes rather than maintaining a permanent crisis bureaucracy.

Risks and dependencies

Risk	Specific mitigation
City duplicates senior-government programs	Use navigation and gap identification rather than parallel benefit programs unless a documented gap exists.
Buy-local rules increase cost or reduce availability	Use lawful exceptions, transparent competition and critical-availability tests.
Trade shock escalates rapidly	Maintain scenario triggers and update capital contingencies.
Temporary supports become permanent	Use sunset dates, outcome measures and annual review.
Diversification takes longer than the shock	Pair long-term market work with immediate worker/business navigation.
AI disruption compounds a tariff shock	Use one worker/employer intake, screen training destinations against labour-market demand, and activate Report 17 transition pathways alongside tariff supports.

Review and renewal

Tariff measures will be reviewed frequently while disruption is active and wound down when the shock passes, with long-term supplier and market diversification folded into normal economic-development work.

Performance framework

Trade-resilience reporting will track affected sectors, support navigation, jobs retained or transitioned, supplier and market diversification, procurement participation, capital-cost exposure and temporary measures that can be retired.

Metric	Baseline	Target / direction	Horizon	Responsible body	Reporting
Affected firms/workers receiving navigation	Establish baseline	Increase reach and successful referrals	First term	Economic Development	Quarterly
Tariff-sensitive capital cost variance	Existing capital data	Identify early and manage within approved controls	Ongoing	CFO / capital divisions	Quarterly
Toronto firms entering diversified markets	Establish baseline	Increase	First term	Economic Development / partners	Annual
Critical supplier/employment-land risks with response plan	Establish baseline	100% of designated high-risk files	First term	Planning / Economic Development	Semi-annual
Affected workers screened for compound trade/AI disruption	Establish baseline	100% of designated transition cases	First term	Economic Development / partners	Quarterly

Sources and Notes

Primary public sources are listed by organization and title. Campaign commitments, targets, scenarios and long-range aspirations are distinguished from adopted government policy throughout the report.

- City of Toronto - Mayor’s Economic Action Plan in Response to United States Tariffs (2025)
- City of Toronto - Sidewalks to Skylines implementation and tariff-plan integration (2026)
- City of Toronto - Buy Ontario Act procurement implementation (2026)
- Government of Canada - Support for workers and employers impacted by tariffs
- Government of Canada - August 2026 tariff countermeasures and support package
- Government of Ontario - 2026 Budget, Protect Workers and Businesses from Tariffs
- Ontario - Canada-Ontario Workforce Tariff Response
- Statistics Canada - Canadian employment trends in the era of generative artificial intelligence: Early evidence (2026)
- Statistics Canada - Use of generative artificial intelligence tools among Canadian workers, March 2026
- Employment and Social Development Canada - Advanced Manufacturing Workforce Alliance (2026) - tariffs, supply chains and AI workforce transition