Hinge Moment for Canada’s Workforce and Industrial Policy

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A hinge moment for unions in Canada's new industrial era

Peggy Nash and Jim Stanford

The federal government is advancing a new generation of workforce development policies linked directly to Canada's emerging industrial strategy. Somewhat reminiscent of the tripartite era of sector councils, unions are once again being invited to participate in a new workforce development structure, this time called the "Workforce Alliances."

Unlike previous workforce initiatives, these new sectoral institutions are explicitly intended to support Canada's evolving industrial strategy, particularly the federal government's major projects agenda. Ottawa has announced six Workforce Alliance tables, which largely mirror the government's industry, energy and transportation infrastructure initiatives. On a parallel track, a historic $6 billion funding stream to support Red Seal skilled trades training has also been launched.

Unions have ample experience with supply-side training programs. Too many have focused solely on meeting the labour supply needs of employers, with limited benefits for workers and no opportunity to build union power. Could this iteration of workforce policy be an opportunity for the labour movement to do better? Does it create an opening to influence industrial policy, labour standards and worker rights?

At a special panel during the 2026 conference of the Canadian Industrial Relations Association (CIRA) at Laval University in Quebec City, unions and labour academics came together to review the new Workforce Alliances and their associated training initiatives, and examine the opportunities for trade union engagement.

The presentations to the CIRA conference are collected in this compendium. Our goal is to start a bigger discussion among trade unionists and progressive researchers about a labour strategy that links workforce policy with labour standards and conditionalities across the industries and sectors receiving federal funding, including a larger role for unions in shaping industrial policy.

Several common themes emerge from the contributions collected here. First, workforce policy cannot be reduced to labour supply measures aimed solely at meeting employers' skills needs. Second, sectoral institutions and public investments must be linked to stronger labour standards, worker retention and equitable employment outcomes. Finally, the Workforce Alliances raise broader questions about industrial governance and whether unions can use these new institutions to exercise meaningful influence over economic strategy and democratic decision-making.

Fred Wilson's introductory paper traces the evolution of workforce policies from the old sector councils, to industry-led labour market information programs and now back to partial joint governance in the Workforce Alliances. In each case, the primary purpose has been to provide "labour market information," or LMI, and training programs to meet employer needs. Yet, in this latest version of workforce policy, to meet the government's promise of "not just jobs, but careers" will require going well beyond the LMI model. Labour's goals in the new workforce policies must address sector and industry-based standards and industrial policies that create and sustain high-quality, value-added jobs.

Ken Delaney, the managing director of the Canadian Skilled Trades Employment Coalition (CSTEC), Canada's longest-standing "sector council" model, speaks to the limits of the former sector councils that were confined by government agendas. CSTEC's work highlights the promise of workforce programs to address worker transition, equity and inclusion, especially if workers are allowed to maintain EI benefits in training. The organization's programs also demonstrate how the career-building potential of Red Seal training can be adapted to meet the needs of skilled workers in manufacturing and other sectors. Delaney encourages unions to seize the opportunity in the Workforce Alliances to integrate industrial policy with labour market policy.

Professor Evelyn Dionne's study of the construction sector in Quebec warns that sector programs to increase labour force supply and speed up construction can lead to "a downward spiral marked by declining skill levels, lower-quality housing, inefficient green buildings and high turnover." Dionne calls for project labour agreements (PLAs) to be incorporated into housing and construction projects in order to establish common and high-quality terms and conditions governing all workers and contractors. "By embedding training, equity and labour standards into procurement processes," she writes, "PLAs can help ensure that accelerated construction does not come at the expense of quality or working conditions."

After pressure from within the Liberal caucus, reinforced by advocacy from social policy and feminist advocates, the federal government agreed to establish a Workforce Alliance for the care economy. Laurell Ritchie, a member of the Care Economy Initiative, emphasizes that in the care economy, worker retention is as important as recruitment. Like industrial sectors, meeting workforce goals in the care economy will require sector-based programs and standards, and strong government leadership. The inclusion of the care economy among the Workforce Alliances is itself recognition that industry and workforce policy can be influenced by advocacy from unions and women's organizations.

Unifor Research Director Angelo DiCaro's contribution on the interrelationship between industrial policy and workforce policy underscores the need for the state to act as a "conductor" of a complex orchestra involving multiple public and private players. A weak state role leaves the government as a passive enabler of the private sector, resulting in "industrial improvisation" rather than industrial strategy. For the Workforce Alliances to make a real difference, they must go beyond workforce development—filling vacancies, and sponsoring training—to become well-rounded tables for "peak-level social dialogue" with "a whole-of-supply-chain approach" to labour standards and industrial growth.

As DiCaro aptly puts it, the Workforce Alliances could be "a vital cog in the wheel of industrial growth and rising workplace standards." Alternatively, they could become an "unambitious and burdensome exercise, simply facilitating training fund transfers, and entirely delinked from future-facing industrial strategy."

Prime Minister Carney has described this as a "hinge moment" for Canada, as we collectively face up to the unprecedented threat posed by Donald Trump and aggression from Washington. It is also a hinge moment for labour. The potential reorientation of Canada's economy away from deep dependence on U.S. export markets, with a greater role for active industrial policy and even public investment, carries both opportunities and risks for unions and the workers they represent.

The Workforce Alliances are an opportunity for unions to shape this historic economic moment, leveraging workers' position at the point of production to demand both material progress and democratic power as this pivot unfolds. Canada's unions must demonstrate that they have the organizational capacity and political leverage to bring a working-class agenda to the Workforce Alliances, and help to shape this new era of industrial policy in favour of workers.

The Centre for Future Work is a resource for Canadian researchers, unionists, and policy-makers on the key issues underlying workforce and industrial policy, including economic policy, worker voice and sectoral bargaining.

Canadian Centre for Policy Alternatives intends to serve as an ongoing hub for research, dialogue and policy development on the Workforce Alliances and related questions of industrial strategy and labour market governance.

Peggy Nash is the executive director of the Canadian Centre for Policy Alternatives.

Jim Stanford is an economist and the director of the Centre for Future Work.

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Canadian labour and the new workforce policy challenge

Fred Wilson

Canada's unions are at a hinge moment. While labour has fought for and secured advisory positions in Mark Carney's "Team Canada" war room to respond to aggression from the White House, the federal government's political and economic decisions have so far prioritized capital investments over workers' social and economic needs. Yet increasingly, there is an awareness that workforce planning and investments in workers' skills are key pillars of Canada's emerging national projects agenda—and that a failure to meet workforce needs will be a disaster for industrial policy.

Indeed, a new national workforce strategy is in the making, and with it, an opportunity and a challenge to shape industrial policy and expand worker rights in a period of growth and expansion for the labour movement.

From the onset of the trade war and the "elbows up" movement, major importance has been placed on a Canadian national policy to protect workers and uphold national sovereignty. At its heart must be a targeted industrial policy to reinforce strategic industries and sectors, lessen our economic dependence on the United States (where possible) and move our resource industries up value chains to be more than hewers of bitumen and extractors of critical minerals—and instead become a full-fledged, capable industrial economy.

More than a year into the trade war Canadians remain resilient, but American aggression has taken its toll. Tens of thousands of workers in manufacturing export sectors have been laid off, youth unemployment in February 2026 reached 14 per cent and federal austerity measures are being implemented that will eliminate upwards of 40,000 public service jobs over the next three years. Employment insurance changes to protect workers have shortened waiting times and extended benefits, but some of these measures are temporary, and significant gaps remain.

Behind the front lines of the trade war, a quasi-national industrial policy is emerging, with the use of public investment, procurement, regulation and sectoral planning to shape the structure of the Canadian economy. The Carney government's *Budget 2025: Canada Strong* proposes to mobilize more than $1 trillion in total investment over five years. The government describes this as transformative and “nation-building,” but the strategy depends heavily on unprecedented investments by private capital, institutions and other levels of government—all told, about three times the federal government’s planned investments over the next five years.

Despite these uncertainties, Ottawa’s nascent national industrial policy is still potentially significant in Canadian historical terms. If the plan leverages just half of the $720 billion of private investment that it is projecting, it would still represent the largest scale of industrial investment in Canada since the post-war period, which featured the building of the Great Lakes Seaway and the Trans-Canada Highway, as well as the massive expansion of Canada’s manufacturing base. What is more relevant to the present economy is that it would reverse a decades-long decline in per-worker investment in Canada.

On at least a dozen separate occasions, Prime Minister Carney has declared that the industrial investments being implemented will create not just jobs but *long-term careers*. In his words:

> *A single project can generate orders for steel in Hamilton, concrete in Calgary, and heavy equipment rentals in Laval. The modernisation of the water system in Moncton creates work for local excavation crews and pipe manufacturers. When provinces and municipalities start designing new water plants, roads, or hospitals, they create contracts for construction companies, engineers, equipment suppliers, electricians, plumbers, project managers. Each contract supports dozens of sub-contracts – trucking, surveying, fabrication, IT support – the entire ecosystem of small and medium-sized businesses that make up Canada's industrial base. The short-term effect is thousands of good jobs in construction, trades, and logistics during the building phase. The long-term effect is high-paying, fulfilling careers with recurring contracts year after year. That's what $1 trillion in investment builds.*

The workforce policy challenge

These hopeful projections must seem abstract to the laid-off auto, steel and forest sector workers wondering whether their workplaces will ever reopen or promised investments will come to fruition. They may also seem distant to young people with diplomas and degrees who are currently facing eye-watering unemployment rates.

Moreover, in what might appear contradictory, workforce projections identify skilled trades shortages as a looming crisis that could delay or undermine the rollout of these ambitious national projects. A Deloitte report published in October 2025 warned that the national projects agenda could create a “perfect storm” for skilled labour in the construction sector.

Meeting the shortfalls created by the combination of major project investments and expected retirements, the report states, will require "a one-third increase in the current construction workforce over a five-year period, a growth rate not seen since the boom years before the global financial crisis." There is a similar story across many other sectors, reflected in almost every human resources sector group report over the past several years. According to the Future Skills Centre, in 2024, Canada was short 64,000 skilled workers, including engineers, tradespeople, nurses and educators. In the broad care sector, there is a projected need for 350,000 more personal support workers by 2032, owing to Canada's rapidly ageing population.

Well before the November budget, Carney had already flagged the workforce challenge. In early September, as a response to U.S. tariffs, he announced a strategy called "Workforce Alliances." In November's federal budget, $382.9 million over five years was allocated for the Workforce Alliances. Then, in February, six Workforce Alliances were announced. And in late-April 2026, the Team Canada Strong (TCS) program launched with a historic $6 billion investment in Red Seal trades training

What are the Workforce Alliances?

The Workforce Alliances are to be made up of "employers, unions, industry groups, post-secondary educational institutions and Indigenous partners" in six broad sectors defined in these terms:

- **Housing and construction** – "with a focus on residential construction and affordable housing. It will include residential, commercial, and public infrastructure projects, along with supporting supply chains for building materials and skilled trades."
- **Transportation and supply chains** – "supply chains, removing internal trade barriers and improving the movement of goods within Canada and to international markets… with connections to the movement of goods through road, rail, air, and marine networks, as well as warehousing and logistics hubs."
- **Advanced manufacturing** – "technology/innovation (AI and robotics)… high-value manufacturing processes and sub-sectors such as automotive, aerospace, and clean technology, driven by automation, robotics, and AI-enabled systems."
- **Energy and electricity** – "conventional energy and clean electricity generation, transmission, and grid modernization."
- **Mining and minerals** – "exploration, extraction, and processing of minerals essential for clean energy, advanced manufacturing, and national security."

- **Care economy** – “providing services that involve the direct care of others, such as children who require care due to young age, and adults (including older adults) with long-term conditions or disabilities.”

Further, general terms of reference for participation and structure were set out:

> *Each Workforce Alliance will include leader representatives from the sector, training institutions, unions, and will be supported by a dedicated delivery organization. These teams will be supported by a broader membership and network of stakeholders, to ensure the views of small, medium and large enterprises, equity deserving communities, youth and other stakeholders will directly contribute expertise, help develop solutions and guide Alliance activities. They will also work collaboratively with provincial and territorial governments, including through the Forum of Labour Market Ministers meetings, to ensure coordinated actions at the national, regional and local levels.*

At the end of April 2026, none of the six Workforce Alliances had been formally constituted with named members, terms of reference or governance structures. Still, the framework marks a return to the tripartite form of sector councils that were common in federal and some provincial initiatives from 1992 to 2013. The 2025 federal budget funds the new Workforce Alliances over five years and also includes annual continuing funding after that period elapses—a long-term commitment to the sector council model.

Sector councils are back

In 2013, the Harper Conservative government abolished about 30 former tripartite sector councils and two-thirds of government funding for workforce programs. The whole system was replaced by limited project funding for labour market information services, which flowed mostly to industry associations. When the Liberals returned to government in 2015, significant funding was resumed, but there was no return to the former sector council model based on standing bipartite or tripartite governance bodies.

The Trudeau government increased spending across three large categories: the Canadian Apprenticeship Strategy; the Union Training and Innovation Program (UTIP), which provides grants to union training centres for equipment and apprenticeship innovation in the Red Seal trades; and project funding for labour market information (LMI) initiatives through the Sectoral Workforce Solutions Program (SWSP).

The latter had an initial envelope of $960 million over three years, but actual spending across 55 projects by 2025 totaled $580 million. Some of this project funding supported sector council-like initiatives with joint business and labour governance—most notably the Canadian Skills Training and Employment Coalition (CSTEC) in steel and advanced manufacturing (a joint venture between the United Steelworkers and Canada's steel producing companies), and BuildForce Canada, which evolved from the former Construction Sector Council.

The Carney government's new sectoral workforce plan alters the form and mission of workforce programs while reducing funding levels under the former project-grant model. Budget 2025 allocates some of the former SWSP project funding to a current round of LMI projects, and continues the UTIP grants to union training centres. The centrepiece of the new workforce strategy is the Sectoral Workforce Investment Fund of $382.9 million over five years—approximately $76.6 million per year to fund the six new Workforce Alliances. Taken together, the annual workforce spending in Budget 2025 is less than the peak Trudeau years, but this was only a prelude to the much larger investment in trades training in 2026.

The spending commitments for Team Canada Strong over five years are five times the scale of Budget 2025 provisions. TCS targets the recruitment, training and certification of 80,000 to 100,000 new Red Seal-skilled trades workers by 2030-31, explicitly aligned to the federal government’s Build Canada agenda across housing, major infrastructure, resource development and defence. TCS will double apprentice wage subsidies to employers and provide a five-fold increase in financial support for apprentices.

The Workforce Alliances are a return to the former sector council model, but with an important distinction in mission. Instead of the former national sector councils, which covered the full diversity of industries and sectors, these Alliances reflect the narrower policy objectives and scope of Carney’s industrial policy, with the notable addition of the Care Economy Workforce Alliance, which reflects broader social and economic policy goals.

However, the commitment to joint governance with labour embodied in the Workforce Alliances is qualified by reduced funding, while the vast majority of greatly increased workforce spending in TCS does not offer a governance role for unions or conditionality on labour standards.

A strategic response to the new workforce policy

Canada’s new workforce policy has arrived suddenly, with many key provisions still under development, and labour is now under pressure to respond strategically. If the goal of Canadian industrial policy is to enhance Canadian economic independence and resilience while creating not only jobs but *careers*, workforce goals must inform and shape industrial policy. The goals of workforce planning are not simply to provide labour market information and skilled labour for businesses, but also to ensure that rights and standards are upheld and advanced by industrial policy.

Careers, after all, are not simply jobs defined by an individual relationship with an employer. Careers are a worker's relationship with an occupational community and industry. They presuppose progression based on industry qualifications, with sector and industry-based compensation. In a democratic economy these standards are established through free collective bargaining, but to be applicable to industrial policy and the Workforce Alliances, they require sectoral bargaining and sector and industry standards.

The traditional goal of sector councils and LMI-based workforce planning at the sectoral level has been to inform a demand-and-supply analysis of labour markets. The basic task was to forecast how many workers a sector will need over time, and in which occupations. The LMI service would then prepare a "gap" analysis describing the size, age distribution, skills profile, geographic distribution and equity representation of the existing workforce. Sector councils would typically drill down into these forecasts to identify specific competencies, certifications and technical skills that are changing due to new technology, regulatory change or industrial transition.

More advanced sector councils have gone beyond information and forecasting to also establish training, apprenticeship and pre-apprenticeship programs. They could be engaged in curriculum development, credential recognition and qualification portability across jurisdictions. In some cases, transition programs were designed and implemented to assist and retrain workers affected by industry downsizing.

These functions are important to workforce planning for business and government, but they do not direct investment or establish labour standards. Unions had a voice in sector councils that reflected their role in the workplace—but except in rare circumstances, these initiatives did not build union power or density.

Sector standards and sectoral bargaining

When sector councils and structures are connected to sectoral collective bargaining and tripartite political engagement, labour standards, working conditions and union density and coverage can become central strategic goals.

Canada has already opened the door to sectoral standards and created a new context for sector councils. Since 2023 the federal government's procurement authority has been used to set terms and conditions on federal contracts, including labour conditions. Project Labour Agreements and prevailing wages on federal projects are already indicated in the policy guidance of Budget 2025, although not yet required as firm conditionalities.

Investment tax credits for clean technology, clean electricity and hydrogen investments have gone further. To be eligible for the highest tax credit rates, businesses must pay a total compensation package equal to a prevailing wage based on union compensation, including benefits and pension contributions from the most recent, widely applicable multi-employer collective bargaining agreement (or corresponding project labour agreements) in the jurisdiction within which relevant labour is employed. Additionally, at least 10 per cent of the tradesperson hours worked must be performed by registered apprentices in the Red Seal trades.

British Columbia has an especially strong model of PLAs and community benefit conditions. The LNG Canada export terminal project in Kitimat, BC (Phase 1 became operational in 2025) was governed by a project agreement negotiated with the BC Building Trades Council (BCBT), establishing prevailing wage rates, a joint apprenticeship committee requiring 25 per cent apprentice utilization, an Indigenous participation plan and a no-strike commitment for the construction phase. Similarly, the Site C dam project was governed by a community benefits agreement with the BCBT as a condition of BC Hydro's contract awards.

A consistent application of these policies would require similar provisions for the national projects agenda, the Canada Builds housing program and the Defense Industrial Strategy—a massive investment with procurements that will be directed through a new Defense Investment Agency. Prevailing wages and other sectoral standards should apply to the entire supply chain that flows from the funding, with primary contractors required to provide equivalent provisions on sub-contractors.

While it remains questionable that the leveraging of private investment hoped for by the government will actually materialize, Budget 2025 allocates $202 billion of direct government spending over the next five years to the national projects and sectors that underpin the Workforce Alliances. Too much of that will go to energy and resource extraction for export, but large investments in value-added defence and advanced manufacturing, housing, energy and transportation infrastructure will change the structure of Canadian industry and the labour market. The opportunity of building out the supply chains in these sectors can bring long-term careers for Canadian workers and a strengthened labour movement.

Just as prevailing wages are grounded in sectoral collective agreements in construction, sectoral bargaining rights under the Canada Labour Code enable broadly based labour standards—covering wages, working hours, holidays, vacation pay and other conditions—to be negotiated and extended across defined sectors. This system, widely used in European labour relations models, has been in place since the 1930s in Quebec's decree system, which today covers 90,000 workers and 8,500 employers in automobile services, maintenance of public buildings, security guards, road signage, garbage collection, construction material, trucking and installation of petroleum equipment.

It is also noteworthy that sectoral bargaining and workforce planning are well established in Canada's care economy and education sectors. The recognition of the care economy alongside the national projects sectors underpinning the Workforce Alliances will focus on fragmented employment relationships that result in lower standards of care, as well as rich experiences connecting worker education and certifications with higher standards and better public services.

The Red Seal hammer

The contrasting scale of ambition between the two new pillars of workforce policy could not be more striking. The new tripartism in the Workforce Alliances is modestly funded and tentative; Team Canada Strong has funding in an order of magnitude compared to past training initiatives and to the other core elements of workforce policy and strategy. While it allocates some funds to union training, there is no joint governance for TCS.

Canada's building trades unions are particularly well placed in the design as an active partner in both the Housing and Construction Workforce Alliance and through UTIP, which will benefit from an expansion of union training centres funded by TCS. In addition, workers in federally funded construction projects may have the protections of Project Labour Agreements and prevailing wages which are encouraged by federal policy. However, a large amount of TCS funding outside of federal construction or direct union training will not attach conditionalities. Non-union and merit shop contractors can also access the billions of TCS funding.

The scale of TCS training will force issues of worker rights, union representation and sectoral labour standards onto all of the Workforce Alliance tables, not just the Housing and Construction Workforce Alliance. Hundreds of thousands of Red Seal tradespeople are employed in the care and transportation sectors, and tradespersons make up 20 to 35 per cent of the workforce in energy, mining and advanced manufacturing sectors. How and what training is carried out, and what kind of jobs await the tens of thousands of young workers who emerge, will be fought out on job sites and in workplaces, and inevitably in the Workforce Alliances.

In their current form, both TCS and the emerging Workforce Alliances remain primarily supply-side instruments intended to meet employers' labour needs. They have yet to reckon with the demands of the labour movement for sectoral collective bargaining to raise and enforce labour standards, and to negotiate the mandates and practices of these workforce programs.

The Workforce Alliances and TCS are still in development, and detailed mandates and terms of reference are not final. This is a period when possibilities and limitations can be challenged if labour acts with purpose. There are clear grounds to call for sector strategies that go far beyond the LMI models of the past to meet the larger challenges facing Canadian workers. For labour, this hinge moment needs a big vision. It is a time to bring labour leaders, researchers and organizers together to ensure that government and business hear a strong, consistent and bold set of demands that unite workers across all of the Alliances.

Fred Wilson is the former director of strategic planning at Unifor and served as a union representative on two former forest industry sector councils. He is the author of A New Kind of Union (Lorimer, 2019).

Federal workforce structural spending comparison

Trudeau government (2024-25) vs. Carney government (Budget 2025) vs. Team Canada Strong

Programme	Trudeau 2024-25	Carney Budget 2025	Team Canada Strong
UTIP (all streams)	~$65M/yr	~$50-65M/yr	**+$45M/yr**
SWSP / sectoral project grants	~$195M/yr	~$19M/yr	**+$50M/yr**
Apprenticeship Service Employer subsidies	~$45M/yr	~$8M/yr	**+$400M/yr**
Workforce Alliances + Innovation Fund First dedicated tripartite sectoral governance since Harper eliminated sector councils in 2013; TCS contributes nothing—parallel tracks with no formal connection	nil	**$76.6M/yr**	**$0**
Apprentice income support [TCS new] $400 week in-class training top-up (lifetime max $16K) + $5K Red Seal completion bonus; no prior federal precedent at this scale	nil	nil	**$680M/yr**
Red Seal modernization [TCS new] Online exams, digital logbooks, secure credentials; remainder of $331M Train pillar after UTIP brick-and-mortar ($225M)	nil	nil	**~$21M/yr**
Combined programs total	**~$300–310M/yr** **(SWSP actual spend)**	**~$153–169M/yr** **= ~$230-245M/yr**	**~$1,196M/yr** **≈ $1.2B/yr**

03

From sector councils to Workforce Alliances: Lessons from CSTEC for labour and industrial policy

Ken Delaney

The federal government's new Workforce Alliances represent an important opportunity for unions to influence workforce and industrial policy. Yet they also revive important questions that emerged during the era of Canada's sector councils.

What role should labour play in workforce policy? Can these institutions go beyond labour market information and employer-driven skills strategies? And can they support workers and communities through economic disruption?

The experience of the Canadian Skilled Trades Employment Coalition (CSTEC) offers useful lessons.

The origins of CSTEC: Restructuring and reinvention

Created in 1986 as the Canadian Steel Trade and Employment Congress, CSTEC was Canada's first sector council. It emerged at a time when Canada's domestically owned steel industry was fighting for access to U.S. markets and confronting dramatic technological change. Steel trade and labour adjustment were major issues of the day.

Over time, Employment and Social Development Canada expanded the sector council model to several other sectors but increasingly promoted its own policy priorities. Funding for trade advocacy and labour adjustment programs gradually disappeared, replaced by a growing emphasis on occupational standards, labour market information and the type of skills training that Human Resources and Skills Development Canada wanted to promote at the time.

Although sector councils maintained formal joint labour-management governance structures, in practice they could only pursue activities that governments were willing to fund. When the federal sector council program was terminated in 2012, approximately 30 to 35 councils existed across the country.

When federal funding disappeared, CSTEC faced insolvency. Most steel companies had lost interest in its activities and CSTEC was left in a position where it had to find new sources of revenue or cease operations, meet its severance pay commitments, and wind up the organization.

CSTEC nevertheless retained important assets: a strong operational team, a respected brand and a long track record in training and labour adjustment.

The organization reinvented itself as a not-for-profit organization competing for government grants and labour-market contracts. In many respects, CSTEC became a group of "grantrepreneurs," constantly searching for opportunities to continue supporting workers and industrial sectors.

Today, its board includes representation from the United Steelworkers, Algoma Steel and Martinrea, while the organization works with an employer network of more than 600 firms and collaborates with numerous other unions.

CSTEC's work remains guided by a simple objective: helping working people and the industrial sectors that employ them.

However, without core funding, the organization must necessarily be opportunistic and pursue projects that governments are prepared to support.

Its activities now include promoting apprenticeships and skilled trades training; helping disadvantaged youth find employment; labour market research and economic impact analysis; supporting workers and communities during workforce disruptions; and helping internationally trained workers address skills gaps.

This work is supported by the Government of Canada, the Province of Ontario, the Future Skills Centre, community colleges, private career colleges, and various community organizations.

Recent achievements

Over the past several years, CSTEC has operated programs designed to support more than 2,100 disadvantaged youth and members of equity-deserving groups through industrial training and employment supports.

It has helped initiate approximately 200 apprenticeships and supported more than 550 young people through the Youth Employment and Skills Strategy.

Through the Apprenticeship Service program, CSTEC has worked with more than 70 small and medium-sized enterprises to initiate 150 apprenticeships.

The organization has also assisted more than 110 newcomers in obtaining recognition for previous experience through Skilled Trades Ontario.

In the automotive sector, the Future of Canada's Automotive Labourforce (FOCAL) initiative facilitated training for more than 2,000 workers and helped place more than 500 job seekers in automotive and supply-chain jobs.

CSTEC also assisted Algoma Steel in training approximately 1,000 workers associated with the company's transition toward electric arc furnace technology.

Most recently, it has been operating a POWER Action Centre to support workers affected by layoffs, with more than 490 workers already registered and additional layoffs anticipated.

Research and labour market analysis

CSTEC has also become an important source of labour market information and economic research.

Recent projects have examined the labour market implications of the transition from internal combustion engines to electric vehicles, the impacts of U.S. tariffs on Canada's automotive sector, and economic developments in the Algoma region.

The organization has developed skills-transferability matrices to help workers identify pathways into new occupations and created self-assessment tools such as GEAR (General Employability Aptitude and Readiness) to assist workers considering industrial trades and technical occupations.

Lessons for the Workforce Alliances

The new Workforce Alliances focus on sectors including manufacturing, mining, construction, transportation, energy, and the care economy.

Government intends these tables to bring together employers, unions, educational institutions, and equity-seeking groups. Their primary objective appears to be ensuring that employers have access to the skills they require.

Yet the Workforce Alliances also create opportunities for unions to influence broader workforce and industrial policy.

The experience of CSTEC suggests that these institutions do not have to focus solely on employers' labour requirements. They can also provide a voice for workers, both as individuals and as a collective workforce.

One important example is labour adjustment.

Workforce disruptions require individualized approaches centred on workers' needs rather than the needs of a specific sector or employer. This may involve occupational transitions, geographic mobility, retraining, and long-term career planning. This focus on mid-career workers who have been laid off benefits not only the individual worker who gets retrained and hopefully re-employed, but it also helps employers and government ministries concerned about shortages of industrial skilled trades persons, miners and perhaps other skilled workers.

A Workforce Alliance agenda for unions

The Workforce Alliances also create opportunities to integrate industrial policy with labour market policy.

The transition from internal combustion engines to electric vehicles provides a useful example. Industrial transformation cannot simply focus on investment and production; it must also address worker adjustment and retraining.

This includes advocating for reforms to Section 25 of the Employment Insurance Act to allow workers to continue receiving EI benefits while participating in training programs.

Similarly, discussions surrounding technological adoption, including artificial intelligence, should not focus exclusively on productivity. They must also consider workers' health, safety, and overall well-being.

The skilled trades also present opportunities for developing new career pathways for laid-off production workers. Programs such as Skills Advance Ontario demonstrate how production workers can transition into broader skilled trades occupations.

The Workforce Alliances may not become vehicles for labour law reform. Nevertheless, they provide valuable opportunities for unions to influence industrial restructuring, workforce development, labour adjustment, and worker training.

While the Workforce Alliances may not address every labour market issue that concerns workers and their unions, in my opinion , participation is preferable to sitting on the sidelines.

The history of CSTEC demonstrates both the possibilities and limitations of sectoral workforce institutions. Governments often seek to shape their agendas and funding priorities, and organizations must adapt accordingly.

Nevertheless, sectoral institutions can play important roles in supporting workers, facilitating labour adjustment, promoting skills development and connecting industrial policy with workforce needs.

The new Workforce Alliances should learn from both the successes and shortcomings of the sector council era. If unions engage strategically, these new institutions could become meaningful forums for linking workforce development, industrial policy and worker interests during a period of profound economic rupture.

Ken Delaney is executive director of the Canadian Skilled Trades Employment Coalition (CSTEC) and a veteran labour relations and workforce policy practitioner. He has held senior positions with the United Steelworkers and advised governments, universities and industry organizations on industrial strategy, labour adjustment, and workforce development.

04

Building a skilled construction workforce: Lessons from Quebec for Canada's housing strategy

Evelyn Dionne

First announced on September 5, 2025, the Canadian government's Workforce Alliances aim to help the labour market adjust to overlapping pressures from rapid technological change, economic restructuring and supply chain disruptions. Their goal is to develop and maintain a skilled and adaptable workforce across six key sectors: advanced manufacturing, the care economy, energy and electricity, housing and construction, mining and minerals and transportation and supply chains. The housing and construction sector has been identified as a priority due to its economic weight: it supported an average of 1.6 million jobs annually between 2022 and 2024 (7.8 percent of total employment) and contributed $162 billion to Canada's GDP in 2024.

Beyond its economic significance, the sector faces multifaceted pressures from labour shortages and rising infrastructure demands. It is estimated that Canada will need more than 400,000 workers to double the housing supply required by 2030. At the same time, Carney's projects of national interest under the *Building Canada Act* are expected to significantly increase demand for construction labour. These pressures are compounded by workforce retirements, which have intensified labour shortages over the past decade. As efforts to boost the pace and volume of construction introduce quality concerns, a key question is whether the Housing and Construction Workforce Alliance (HCWA) can strengthen workforce skills to support faster building amid labour shortages.

The HCWA aims to develop long-term productivity and competitiveness through coordinated national action to close skill gaps, aligning training and employment needs. Strengthening sectoral collaboration is intended to bring together employers, unions, industry groups, post-secondary educational institutions and Indigenous partners in residential, commercial and public infrastructure projects, along with supporting supply chains for building materials and skilled trades. While these collaborative spaces are relatively new in most of Canada, Quebec has long operated under a system of strong sectoral regulation and social dialogue, yet faces similar challenges. Quebec's experience offers valuable lessons for the HCWA, particularly by highlighting potential pitfalls to avoid.

The Quebec construction industry is regulated under the *Act respecting labour relations, vocational training and workforce management in the construction industry* (Act R-20). This framework establishes a sector-wide system of labour relations in which union affiliation is obligatory for all workers, who must become affiliated with one of five unions: two with trade-based local unions and three with an industrial union basis, regrouping workers from all 25 recognized trades and six occupations. Similarly, mandatory representation applies to contractors, who can join a province-wide employers' association and three sub-sectoral associations. These actors are then responsible for the collective bargaining and enforcement of four collective agreements: one in each sub-sector (residential construction, institutional-commercial, civil engineering and heavy works and industrial). The industry is coordinated by the CCQ, a government agency with tripartite administration, also responsible for the implementation of Act R-20.

Skill development is governed by Regulation R-8, which mandates that workers hold a certificate of qualification (CQ) to work in the industry, instead of the Red Seal that applies in the rest of Canada. First, workers can obtain an apprenticeship certificate (CA) by completing initial training of 600 to 1,800 hours, leading to a professional studies diploma (DEP), composed of theoretical and practical in-school training. Unlike Quebec, where initial vocational training is delivered entirely through the public education system, apprenticeship training elsewhere in Canada generally involves a combination of classroom instruction and on-the-job training administered through provincial apprenticeship systems. These training curricula are jointly decided by union and contractor representatives with the public education ministry. Only after completing this initial training may workers obtain their apprenticeship certificate and complete one to five apprenticeship periods of 2,000 hours on job sites (depending on the trade). Once this is completed, they must take a provincial certification exam to obtain a certificate of qualification. Trade workers may also obtain a Red Seal certification, but do not need it to work in the Quebec construction sector.

The Quebec provincial government has responded to increased construction needs and labour shortages by lowering entry conditions, allowing unqualified workers to access the industry. Act R-20 typically mandates the completion of initial training but includes exceptional access in cases of labour shortages in a given trade and area, allowing workers to circumvent the initial training obligation if a contractor guarantees them working hours. In recent years, the CAQ government has progressively lowered the requirements to obtain a CA and CQ. Since April 2021, students who have completed initial training to work on-site, and anyone with relevant experience of at least 35 per cent of the duration of the trade's apprenticeship period, can enter the sector. Therefore, a surge in unskilled workforce entry in recent years has led to a significant decline in workforce qualification levels, with qualified new entrants decreasing from 59.01 per cent in 2015 to 24.3 per cent in 2024. In addition, the *Act to Modernize the Construction Industry*, adopted in May 2024, introduced increased versatility in the trades to allow workers to perform related tasks of short duration that are part of a single work sequence, instead of having to wait for it to be completed by a worker from the trade to which the tasks normally fall. While intended to address labour shortages, this approach has contributed to a marked decline in workforce qualifications, raising concerns about productivity, safety and construction quality.

The housing crisis, and most importantly the affordable housing crisis, is being exploited to legitimize workforce deregulation in Quebec, with calls for lower wages and poorer working conditions for trade workers. The argument being made is that, since labour represents a high portion of construction and retrofit costs, wages need to be reduced to lower overall costs. Lowering wages and working conditions is a counterintuitive response to labour shortages, effectively rendering already physically demanding and dangerous jobs less attractive. Such suggestions highlight how much trade workers' skills tend to be underestimated, with blue-collar workers often perceived as simply following engineers' and architects' approved plans without discretionary autonomy. Research has repeatedly shown, however, that a highly skilled workforce supports quality infrastructure that protects both the workers involved and future building users.

A further consideration is the rising importance of green buildings and energy efficient infrastructure in the context of rapidly increasing energy needs. As the third most energy-consuming sector, building and construction are central to addressing rising energy demand, notably from AI-related energy needs that have been increasing quickly over the last few years. Construction trade workers have an important role to play, not only in building a productive sector, but also in ensuring quality and energy-efficient buildings and infrastructure. Researchers from the Centre for the Study of the Production of the Built Environment (ProBE) in the UK have demonstrated that vocational education and training are necessary to achieve efficient green buildings. Therefore, claiming that green building practices can be improved by lowering working conditions is misleading.

Without targeted intervention, the combined pressures of labour shortages, low retention, and rising demand risk creating a downward spiral marked by declining skill levels, lower-quality housing, inefficient green buildings, and high turnover. Deregulation and lowered access measures are insufficient to address this issue and will likely lead to quality and energy-efficiency issues in the near future. The HCWA represents a promising opportunity to avoid this trajectory by coordinating action on labour shortages while strengthening workforce skills. The building trades are in a favourable position to seize this opportunity, notably through investments in union training centres. As a highly skilled workforce is essential to navigating ongoing economic disruptions, craft unions can act as a well-established mechanism to ensure off-site training aligns closely with worksites' needs.

To maximize its impact, policymakers should consider integrating project labour agreements (PLAs) into major public and housing projects through the HCWA. PLAs are pre-hire collective agreements used in large, long-duration construction projects to establish the terms and conditions governing all workers and contractors. Negotiated between project owners and a consortium of craft unions prior to project launch, PLAs include dispute-resolution mechanisms that help avoid delays. As coordination tools, they also support appropriate craft assignments and effective sequencing of tasks, both critical factors in meeting tight construction timelines.

In the current context, timely project completion is especially important to address both the housing crisis and the delivery of major infrastructure projects. PLAs can also incorporate provisions related to public procurement, health and safety standards and worker protections. In addition, they can embed training opportunities and targeted hiring provisions to support the entry and retention of women and other underrepresented groups in the sector, as well as community benefit agreements with local populations. By embedding training, equity, and labour standards into procurement processes, PLAs can help ensure that accelerated construction does not come at the expense of quality or working conditions. In this regard, the HCWA represents a promising tool for craft unions and policymakers alike.

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05

Canada's new Workforce Alliances, labour and the care economy

Laurell Ritchie

The new federal Workforce Alliances offer labour an opportunity to influence Canada's emerging industrial policies. But it is a narrow opening—one we must pry open with caution.

At this stage, there are still big blind spots in the Carney government's "Building Canada Strong" plan, particularly in the conceptualization of a direction for our economy and our industrial development. One of those blind spots has been the care economy, despite the sector's enormous size. It encompasses health care, child care, long-term care, and home care, with education and social services also often included within its scope.

There's no question the care economy sector was an afterthought in the planning of the Workforce Alliances. On September 5, 2025, the federal government announced its intention to create "three to five alliances." The Care Economy Workforce Alliance was the sixth.

It was added after considerable sustained advocacy from unions, feminist organizations and community groups, including through the Elbows Up Economic Summit organized by The Centre for Future Work and Canadian Centre for Policy Alternatives, which featured discussion of the care economy.

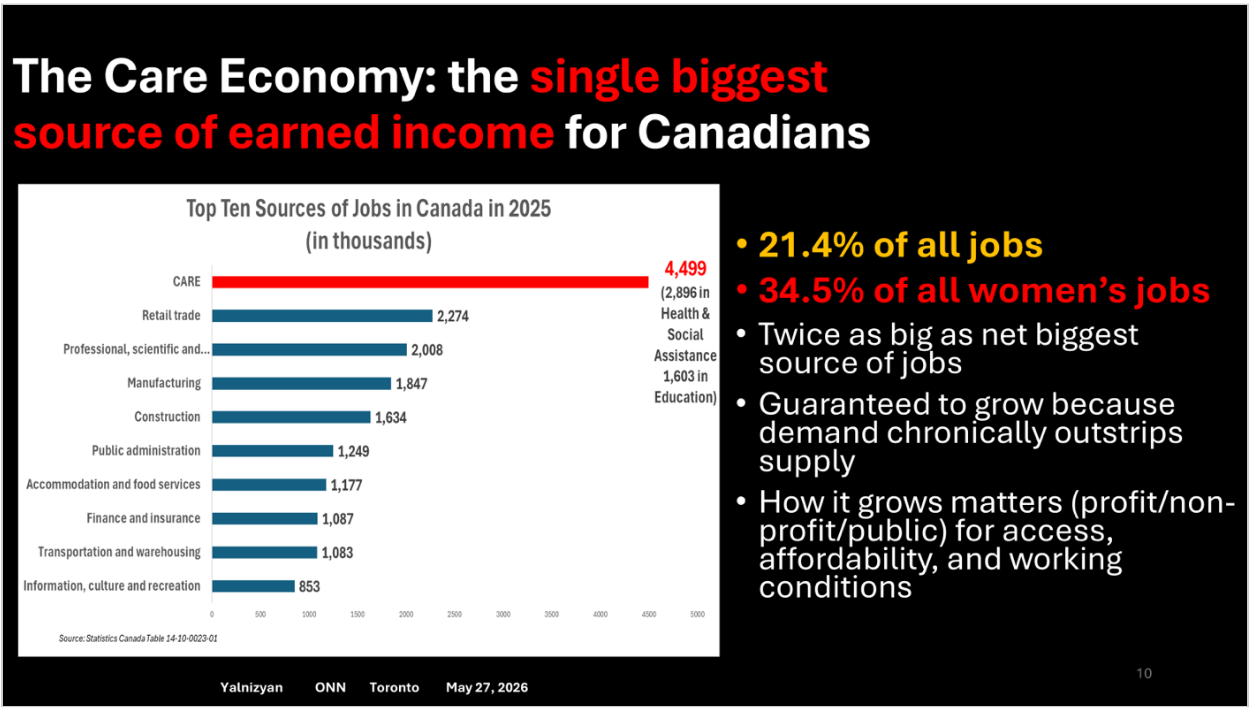
Equally significant is the growing number of women elected to leadership positions across the union movement. Women now lead major unions and labour bodies, including Unifor, the Canadian Labour Congress, and the federations of labour in British Columbia, Nova Scotia, Newfoundland and Labrador, Ontario and Quebec. This was unthinkable 20 years ago.

Given women's overwhelming presence in care economy occupations, it is fitting that the CLC adopted an extensive action plan for the care economy at its 2026 convention.

Indeed, the care economy is an economic powerhouse, and it needs to be part of any industrial or economic strategy worthy of the name.

The sector contributes 13.5 per cent of total GDP. This is 1.5 times the contribution of the entire manufacturing sector, including auto, steel and aluminum, and 2.8 times the combined contribution of oil, gas and mining.

The care economy also accounts for more than one in five jobs in Canada, or 21.4 per cent of total employment, and for more than one-third of all jobs held by women, at 34.5 per cent.



While the care economy may not suffer directly as a tariff-vulnerable sector, it absolutely requires attention if we're serious about building a stronger Canadian economy.

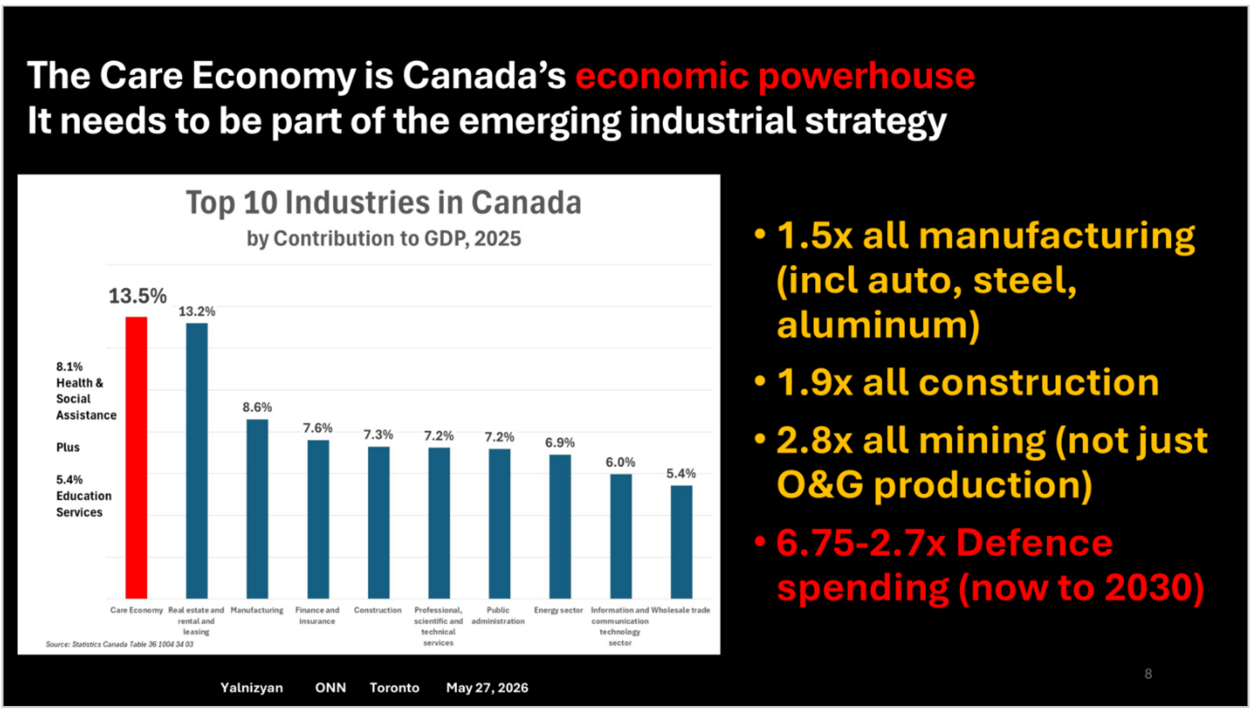
"Tariff vulnerability" cannot be the only measuring stick. There's another crisis and it's in the huge care economy. Even those who do not work in the sector experience this crisis as patients, students, families and service users. Consider the growing difficulties accessing health care and education, or the recent coordinated strike by social service workers at multiple agencies in my home province of Ontario—the first action of its kind.

In many of the sub-sectors of the care economy, the biggest issue is the retention of workers already trained, skilled and experienced on the job—especially among the lowest-paid workers, who often face inadequate benefits, no pensions, erratic schedules and intense workplace stress.

As a result, the Care Economy Workforce Alliance will need to frame its work differently from those of the other sectoral alliances, and it will have to be prepared to focus on improving working conditions in the sector.

Better training and skills development are clearly needed, but they must extend beyond short-term micro credentials. In some cases, provincial and territorial collaboration may also be required to support high school upgrading and other prerequisites for occupational training.

But there is little point in serious training investments if after a year or two, workers leave the job they trained for. And that's what's happening in large swaths of the care economy.



The child care sector offers a concrete, inspiring example of what effective retention strategies can achieve.

Childcare advocacy organizations like Child Care Now and key unions like CUPE insisted that the 2021 Canada-Wide Early Learning and Child Care Plan—commonly known as the $10-a-day child care program—require provinces and territories to improve working conditions in exchange for federal funding. Some provinces have made real progress in doing exactly that with dramatic improvements in workforce retention rates, as one study from Prince Edward Island has proven. Nova Scotia, for example, introduced a wage progression grid that encouraged workers to remain in the sector and upgrade their skills.

The province also established province-wide health benefits and a defined-benefit pension plan for child care workers.

Imagine if the Care Economy Workforce Alliance could deliver something similar for personal support workers as one outcome of its work. Such an initiative could establish a secure wage progression grid, decent health benefits and reliable retirement income. The home care and long-term care subsectors now suffer from severe instability and high turnover, alongside persistent difficulties recruiting new workers.

These possibilities must be considered from the perspective of workers—many of whom are racialized and the overwhelmingly majority of whom are women. We also need to look at these possibilities from a public perspective, with benefits for the larger economy and the availability of accessible, high-quality care. As care advocates have long argued, “the conditions of work are the conditions of care.”

By necessity, the Care Economy Workforce Alliance will also require a different structure from the other Alliances.

There is no natural “convening body” as is the case in some other sectors. The small team I work with—the Care Economy Project—has played a role in convening an informal coalition of some of the potential members of that Alliance. They have been advocating that government take into account:

1. **The need for the core table to have representation from the full spectrum of the care economy** (health care, long-term care, home care, child care, social work and community services, education, etc.). It is a highly interdependent sector. We need to encourage discussion of cross-cutting issues and facilitate a broader social dialogue about the care economy writ large.
2. **The need for sub-tables**. The care economy is large and diffuse with unique factors in each sub-sector. The issues facing workers in the subsectors are connected but they are not identical—and this in turn may require distinct subsector initiatives.
3. **The need for the core table to include key care economy unions as well as non-profit advocacy organizations**. Earlier sector councils, including the child care sector council, included both unions and non-profit advocacy organizations. In 1992, the Canadian Labour Congress issued its “Guidelines for Labour/Management Sectoral Councils and Committees,” which called, among other things, for strict parity between labour and business. The guidelines were revised in 2004 to accommodate different governance models, including those proposed for the child care and home care sectors, although the latter was never established.

4. **The need to prioritize public sector and non-profit organizations**. Government is both a funder and a direct or indirect employer across large parts of the sector. It would be deeply concerning if a Care Economy Workforce Alliance entrenched for-profit interests in its workforce strategies. The focus must be on public and not-for-profit interests.

5. **The need to go beyond recruitment strategies** and to emphasize retention issues and working conditions including pay and wage grids, benefits, pensions, scheduling, workloads and health and safety.

While born like a phoenix from the ashes of the sector councils era in Canada, there are some new realities challenging today's Workforce Alliances, no more so than with the Care Economy Workforce Alliance. Its success will depend on its ability to address not only labour shortages, but also the deeper crisis of job quality, worker retention and the sustainability of care itself.

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06

Industrial policy in a trade war: the vital role of unions

Angelo DiCaro

The impact of U.S. tariffs and unprecedented trade aggression against Canada has emphasized the need for ambitious industrial strategies in key sectors.

Through its tariff policy, the Trump administration has severely impacted industrial sectors across the economy. In turn, declining demand for tariff-affected goods has led to deteriorating labour market conditions for Canadian workers.

Growing uncertainty has resulted in major investment delays or cancelled programs and thousands of workers laid off over the past year, including the loss of nearly 60,000 manufacturing jobs since January 2025.

I say "emphasize" the need for industrial strategies very intentionally. That's because state-backed strategies that advance industrial development through coordinated policy and seed capital, and with an eye to public benefit, have long been deployed in Canada—and to great effect. The oil sands, for instance, is a singular example of state-led industrial development. The canola and aerospace industries are others. And there are more.

The strides that Canada's federal government has taken in recent years are encouraging. Initiatives such as the Defence Industrial Strategy and auto strategy both aim to bolster Canada's industrial capacity and increase our economic resilience in the face of new geopolitical threats.

Of course, the value of these efforts will be determined by what they accomplish and not by their good intentions. Canada—like other Western economies—spent the better part of the 20th and early 21st centuries backing away from interventionist state policy. This happened at precisely the time nations like China were leaning in.

While we can't say there was ever a total and complete abandonment of state supports to corporations in Canada (private firms have continued to benefit from public supports, in various forms) it was the "strategy" part that of that dialogue that steadily eroded.

The lack of a coherent direction has helped distinguish industrial policies over the past 30 years with those of decades prior.

Well-functioning industrial strategy should be thought of as a complex orchestra, with the state as conductor of numerous public and private participants. The strategy is designed to achieve a common and necessary goal; a harmony of policies, and advancement of social objectives.

Unfortunately, modern industrial strategy operates quite differently. It has resituated the state, not as conductor or planner, but passive enabler of the private sector.

At best, we can call this a model not of industrial strategy but of "industrial improvisation." The policies of improvisation are exactly as you would expect: a mash-up of directionless tax cutting and investment crediting as well as deregulation and red-tape reduction. The state, resigned to the role of enabler, presents itself as a concierge service—offering bureaucratic advocacy and streamlining supports to facilitate capital formation.

Despite far more talk of industrial strategy in Canada, in this post-pandemic renaissance, it's still not quite clear which approach the country intends to take. Whether this reflects a government increasingly constrained by the growing power of capital, or simply reflects Canada's position within a heavily integrated global economy, the answer may lie somewhere in between. That, however, is a broader debate for another time.

The point is that there is no singular approach to industrial strategy.

Industrial strategy for whom—and for what?

At its core, industrial strategies must serve to reinforce Canada's industrial base. This means our capacity, as a sovereign nation, to provide for the things we need—and to accomplish broader social objectives.

This can be creating good, unionized, high-skill jobs. It can be to advance strategic innovations, or to deliver critical, universal services. It can be deployed to meet necessary climate commitments. It can also be any and all of these things.

Operationalizing industrial strategies is where things get complex. It involves deep coordination of policy development across ministries, and input from relevant stakeholders—particularly workers and trade unions.

Unifor was in Ottawa earlier this year, propositioning parliamentarians on the need for what we called "Worker-Centred Industrial Strategies." Our union took the opportunity presented by the announcement of the six new sector-based Workforce Alliances to advance this proposal with MPs.

We recommended a design that wasn't resigned to workforce development, job vacancy filling and training. We did not want to see a simple revitalization and replication of prior sector tables, which were abolished by the Harper government more than a decade ago. Rather, we see the Alliances as a signal that coordinated policy direction is needed for sectors vital to Canada's economic success.

We see the Alliances serving as the lighthouses on which government can determine future sector development and investment needs; as tables on which civil society consensus can be built, or at least attempted, in an advanced social dialogue.

We also see Alliances as platforms for ideas in which to preserve our economic sovereignty, support the development of self-sufficient domestic value chains and, above all, prioritize the needs of Canadian workers.

In our lobby brief, we identified Canada as lagging behind many of its European allies when it comes to deploying peak-level social dialogue (PLSD) models as a key tool for democratic governance and informed policymaking. And perhaps these Alliances can serve as a test-case for such global best practices.

Indeed, we set our ambitions for these Workforce Alliances very high. But the federal government is no stranger to consulting with stakeholders on economic strategy, particularly under the former Trudeau government—which was a welcome change from the anti-dialogue approach of the Harper government.

In fact, in addition to the Workforce Alliances, the feds have established numerous consultative bodies over the past few years. These include the Sustainable Jobs Partnership Council, the Steel and Aluminum Trade Monitoring Task Forces, and the Canadian Forestry Sector Initiative. These operate alongside well-worn sector tables, like the Canadian Automotive Partnerships Council, Mining Industry Human Resources Council, and various sector council bodies in Quebec and other provinces.

However, many of these initiatives are limited in scope. Many are launched as responses to challenges or crises. And virtually all lack dedicated resources and the capacity to deliver a long-term vision for the economic success of key industrial sectors. There is a hope that well-functioning Alliances can rectify many of these problems and serve as a more appropriate platform on which strategies can be developed.

On this note, we presented MPs with five specific recommendations on which worker-centred industrial strategies can apply to these new Alliances, including by having the following principles formed in their respective terms of reference.

The first is that these Alliances must **facilitate regular, ongoing and informed social dialogue.** Structured tables for social dialogue between workers, employers and policymakers must be held regularly and as part of ongoing efforts to *develop* and *refine* industrial strategies.

The second is **prioritizing job quality and capacity retention.** Fostering positive economic outcomes must not be limited to generating revenue or jobs but must also seek to retain existing work as well as preserve existing productive capacity. Such an approach can assist in preserving job quality, fair wages, benefits and union coverage.

The third is **identifying and investing in transitional skills development.** Workers must be given the opportunity to adapt to rapid technological advancements and changing operational requirements through investments in worker-led training and upskilling initiatives, tailored to specific industries and realistic transition pathways.

The fourth is for the Alliances to **adopt a whole-of-supply-chain approach.**With the help of labour and industry, Alliance tables should aim to conduct a whole-of-supply-chain assessment of a sector's strategic dependencies in order to determine supply chain gaps and potential areas for growth, including where multiple domestic value chains intersect and can be co-developed. Despite some of the more enlightened Alliance architects we have worked with, we fear this industrial gap analysis will be deemed out of scope for most tables.

The fifth is by **advocating sustained public investments, along with public oversight.** Effective industrial strategies rely on targeted public funding to drive investments where supply chain gaps or weaknesses exist. Enabling Alliances to present recommendations on capacity expansion can improve investment outcomes from funds, like the Strategic Response Fund.

In a best-case scenario, Alliances create a platform for integrated decision-making, skills mapping and supply chain gap analysis, and fit tightly within government-initiated strategic sector development plans. Moreover, Alliances might prove a vital cog in the wheel of industrial growth and rising workplace standards.

In a worst-case scenario, Alliances could become an unambitious and burdensome exercise, simply facilitating training fund transfers, and entirely delinked from future-facing industrial strategy. A worst-case scenario results in Alliances emboldening more 'industrial improvisation.'

With U.S. trade aggression unrelenting, getting our industrial strategy approach right is crucial. Recognizing that industrial strategies are not one size fits all, is also crucial.

There is far too much at stake to get it wrong.

Angelo DiCaro is the director of research for Unifor, Canada's largest private sector union. Angelo leads Unifor's strategic economic and policy research, and oversees the union's auto sector policy and international trade policy work, among other key files.