

Ontario Taking Action To Respond To Tariffs



Bottom Line

On April 16, 2025, the Government of Ontario announced new actions to respond to the trade difficulties caused by the recent US tariffs and related economic uncertainties. Ontario has created a new fund to support businesses, will table new legislation to eliminate internal trade barriers with partner jurisdictions within Canada that take the same action, and – anticipating the coming-into-force of this new legislation – signed two Memoranda of Understanding with the premiers of Nova Scotia and New Brunswick.

New Fund

Today, Minister of Economic Development, Job Creation and Trade of Ontario Vic Fedeli announced the launch of the new \$50 million “[Ontario Together Trade Fund](#)”. This fund aims to support businesses impacted by tariffs as they respond to reductions in internal Canadian trade barriers (including seeking interprovincial markets and rebuilding supply chains). Employers developing “near-term” projects that directly address the recent trade disruptions may wish to look at the eligibility and other details available at the above link.

New Legislation

Following the introduction of similar legislation in Nova Scotia, New Brunswick and PEI, today Ontario will introduce new legislation called the *Protect Ontario through Free Trade within Canada Act*. This Act, if passed, will eliminate internal trade barriers with partner jurisdictions within Canada that take reciprocating actions, and take a number of other steps that aim to support the interprovincial mobility of goods, services, and – importantly – workers.

The planned legislation aims to accomplish this by (among other steps):

- Removing all party-specific exceptions (PSEs) under the Canadian Free Trade Agreement (CFTA);
- Allowing the government to direct regulators to recognize goods, services, and worker qualifications from other Canadian jurisdictions that take the same steps;
- Expand the current “as of right” rules that allow certain categories of

certified workers to work in Ontario;

- Begin consultations on further expanding the “as of right” rules and other measures to allow regulated health professionals who relocate to Ontario to work sooner; and
- Creating a “direct-to-consumer” sales framework for alcoholic beverages that would reduce or eliminate existing barriers to the interprovincial sale of alcohol.

The government also intends to establish a “Buy Ontario, Buy Canadian” day to support consumer and manufacturer awareness of local and national products, though it is not clear whether the new legislation will do that directly.

At the time of writing, the text of the new legislation is not available. We are tracking this legislation as it moves through the legislative process, and will provide updates as necessary.

Two New Interprovincial Memoranda of Understanding

Today, Premiers Ford and Houston (Nova Scotia) and Premiers Ford and Holt (New Brunswick) signed memoranda of understanding that would implement reciprocal commitments to eliminating trade barriers between those provinces.

Though the text of these two bilateral MOUs are not yet available for review, their effects presumably hinge on Ontario’s new legislation coming into effect.

We are tracking the legal developments on increasing interprovincial trade, and will provide updates as necessary.

Takeaways

These actions are the first taken by Premier Ford’s third majority government, signaling the government’s focus on economic development within Canada as a response to the American tariffs and related rhetoric and uncertainties. Employers may be able to take advantage of the new fund, as well as plan now to leverage upcoming changes to support their business and retain their workforces. Employers are recommended to consult experienced labour and employment counsel to discuss how to use these changes to assist their businesses and advance their workforce development goals.

The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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