

# Workplace Training Grants and Government Funding Canadian HR Managers Should Know About Now



For many Canadian employers, the training conversation has changed.

A few years ago, the question was usually whether the organization could afford another leadership course, safety refresher, software workshop or compliance program. Today, the question is broader. Can the organization afford not to invest in training when skills are changing quickly, technology is reshaping work, employees expect development, and compliance obligations keep growing?

HR managers are being asked to build stronger onboarding, improve manager capability, support psychological health and safety, train employees on AI and cybersecurity, reduce turnover, support internal mobility and document that mandatory training has been completed. Many are also trying to move away from scattered spreadsheets, shared drives and one-off training records toward an LMS that can assign, track, report and prove completion.

That kind of investment costs money. It may involve third-party courses, custom learning content, LMS subscriptions, implementation support, manager training, compliance training, digital skills training, apprenticeship support, wage subsidies, onboarding programs or time away from regular work.

The good news is that there are still meaningful government funding options in Canada. The harder news is that the funding landscape is fragmented. There is no single national grant that will simply pay for every employer's LMS and employee development plan. Programs differ by province, sector, workforce group, training purpose, intake period and eligible cost category.

That means HR managers need to approach funding strategically. The goal is not to find "free money" after the training has already been purchased. The goal is to build a training plan that is fundable before the organization commits.

As of April 27, 2026, the most useful categories for Canadian employers are provincial employer training grants, federal wage subsidies and work-integrated learning programs, apprenticeship incentives and tax credits, targeted sector or regional programs, and regular tax deductions or capital cost allowance treatment for training and technology expenses. Availability changes often, so HR should verify

intake status before signing contracts or starting training.

## **Start With the Funding Map**

Government support for workplace training generally falls into five buckets.

The first bucket is **employer training grants**, which reimburse part of eligible third-party training costs. These are often administered provincially and may cover skills upgrading for existing employees or training for new hires.

The second bucket is **wage subsidies and work-integrated learning funding**, which reduce the cost of hiring and training students, apprentices, new entrants or workers facing barriers.

The third bucket is **apprenticeship supports**, including employer tax credits, wage incentives, union training funds and apprentice supports.

The fourth bucket is **digital adoption or productivity funding**, which may support technology adoption, including training connected to new systems. This category is important for LMS and learning technology, but it is also where HR needs to be careful because many programs fund training or implementation, not the software subscription itself.

The fifth bucket is **tax treatment**, which is not a grant but still matters. Employers may be able to deduct reasonable current expenses incurred to earn income, and some software or technology costs may be treated as current expenses or capital assets depending on the facts. CRA says a business can generally deduct reasonable current expenses incurred to earn income, but cannot deduct capital property as a current expense. CRA also states that government grants or subsidies must generally be reported as income or used to reduce the related expense, and that assistance used to acquire depreciable property reduces the capital cost of that property.

That last point is important. A grant is not usually a pure tax-free bonus. It may reduce the deductible expense or be included in income depending on the situation. HR should involve finance or the organization's accountant early.

## **What Funding Usually Covers**

Most workplace training grants are designed to support skills development, not general HR wish lists.

That distinction matters when HR wants to fund an LMS. A government program may not fund the purchase of an LMS licence as a standalone expense. However, it may fund training delivered through a third-party provider, employee training connected to digital adoption, instructor costs, course materials, technical skills training, leadership development, trades training, compliance training or productivity-related training.

For example, Nova Scotia's Workplace Innovation and Productivity Skills Incentive supports workforce development, innovation and productivity. It may fund up to 75% of eligible training costs, including training fees, instructor costs, course materials and travel. The program also identifies eligible training activities such as digital transformation and technology adoption, process improvements, operational efficiency, sustainability, regulatory compliance and customized training for high-demand occupations.

That is the kind of language HR should look for. If your LMS investment is framed only as a software purchase, it may not fit. If it is part of a broader workforce

development project that includes digital skills training, compliance training, supervisor development, new technology adoption and measurable productivity outcomes, it may have a stronger funding story.

The same applies to AI training, cybersecurity training, leadership training, onboarding, safety training and upskilling for new equipment or systems. Funding programs generally want to see a business need, a training plan, eligible participants, a qualified provider, expected outcomes and a link to jobs, productivity, retention or workforce competitiveness.

## **Federal Programs HR Should Watch**

Federal programs usually do not operate like a single employer training grant for all businesses. Instead, they often flow through delivery partners, sector organizations, wage subsidies, apprenticeship programs or targeted calls for proposals.

One of the most practical federal options for employers is the **Student Work Placement Program**. ESDC says employers can apply year-round through funded delivery organizations for wage subsidies to help hire post-secondary students across Canada, with support of up to \$5,000 for each opportunity offered to a student. The program is accessed through delivery partners such as Technation, ICTC, ECO Canada, BioTalent Canada, Electricity Human Resources Canada, Magnet, the Ontario Chamber of Commerce and others.

This does not directly fund an LMS, but it can support training investment by helping employers bring in students for HR, IT, operations, data, safety, training development or digital transformation projects. For example, a company building out an LMS could potentially hire a student placement to help organize learning content, support implementation, create training assets or assist with data cleanup, assuming the placement meets program rules through an approved partner.

The **Work-Sharing Worker Retention Grant** is another current federal program worth watching, but it is narrower. It is available to eligible employers with an approved and implemented Work-Sharing agreement. Employers must commit to fostering training opportunities for EI-eligible Work-Sharing employees, and training must be offered for at least 40% of the grant agreement period. Eligible training can include digital and AI literacy, workplace safety, linguistic proficiency, problem-solving, numeracy, employer-specific skills development, peer-to-peer training and skills that support sector growth or new markets. Training may be online, in person, part-time or delivered through flexible formats.

This program is not a general training grant, but for employers using Work-Sharing to avoid layoffs, it can turn reduced work time into structured upskilling.

The federal government also funds apprenticeship and sector programs. In March 2026, Canada and Quebec announced workforce training funding connected to sustainable jobs and noted that the Government of Canada invests nearly \$1 billion annually to make apprenticeship more accessible through loans, project funding, tax credits and deductions, EI benefits and support for the Red Seal Program.

For HR, the lesson is to track both direct employer programs and indirect sector programs. Sometimes the employer does not apply directly, but can benefit through a sector council, college, union training organization, workforce partnership or industry association.

## Apprenticeship Tax Credits and Incentives

For employers in trades, apprenticeship supports can be one of the most concrete funding tools.

The federal **Apprenticeship Job Creation Tax Credit** is a non-refundable investment tax credit equal to 10% of eligible salaries and wages payable to eligible apprentices, up to a maximum of \$2,000 per year for each eligible apprentice. CRA states that an eligible apprentice is someone working in a prescribed trade in the first two years of an apprenticeship contract registered with a federal, provincial or territorial government under an apprenticeship program designed to certify or license individuals in the trade.

This is not a grant application in the same sense as a training fund. It is claimed through the tax system, so HR should work with finance to ensure apprentices are properly identified, wage information is tracked and documentation supports the claim.

Some provinces also have apprenticeship incentives or training supports, and these can change. HR should check provincial apprenticeship bodies before hiring or registering apprentices because the employer may be able to combine tax credits, wage incentives, training supports or student placement programs where stacking rules permit.

## The Provincial Funding Picture

The biggest jurisdictional differences show up in provincial employer training grants.

British Columbia has one of the clearest employer-facing programs. The **B.C. Employer Training Grant** is open for applications for the 2026/27 fiscal year for training beginning on or after April 1, 2026. The program reimburses employers 80% of eligible training costs, requires the employer to contribute 20%, and allows up to \$10,000 per participant and up to \$300,000 per employer per fiscal year. Training must result in increased job security or a better job for a current employee, or a job for an unemployed person.

That program is highly relevant for HR managers planning skills training, leadership development, digital skills, LMS-supported employee development or third-party courses, provided the training and provider meet the rules. WorkBC also notes employers should apply early because training may begin before a decision, but if the application is denied, the employer is responsible for all costs.

Alberta replaced the familiar Canada-Alberta Job Grant model with the **Canada-Alberta Productivity Grant**. Alberta describes it as an employer-driven program that helps employers invest in training focused on productivity skills for current and future employees, partially reimbursing the cost of sending employees for training. Employers apply on behalf of employees, and the program is funded by the Government of Canada through the Workforce Development Agreement.

Ontario remains more complicated. The **Canada-Ontario Job Grant** has historically supported eligible training costs up to \$10,000 per trainee, with funding and employer contribution rules varying by employer size. Ontario's official page was not accessible during this review, but a 2025 Ministry employer presentation states that large employers cover at least one-half of direct training costs, small employers contribute one-sixth of eligible training costs, government support can reach up to \$10,000 per trainee, and small employers training and hiring unemployed individuals

may be eligible for up to 100% funding and up to \$15,000 per trainee.

Ontario also operates the **Skills Development Fund Training Stream**, which supports projects addressing challenges to hiring, training or retaining workers, including apprentices. This is not the same as a simple per-employee reimbursement program. It is more project-oriented and often better suited to larger training initiatives, partnerships, sector responses, skilled trades, health care, manufacturing, automotive, construction and workforce transformation projects.

Manitoba's **Canada-Manitoba Job Grant** is currently closed to new applications. Manitoba's page states that the application intake is closed and applications are no longer being accepted. Previous fact sheets described the program as cost-shared funding for training new and existing employees, but HR managers should not rely on it until a new intake is announced.

Nova Scotia offers several useful routes. The **Workplace Innovation and Productivity Skills Incentive** may fund up to 75% of eligible training costs for businesses, industry associations, sector councils and non-profits operating in Nova Scotia, particularly where projects address workforce development, productivity, innovation, digital transformation, new technologies, critical skills gaps and underrepresented groups. Nova Scotia's **Workplace Education Initiative** also offers fully funded, customized training developed with local businesses and organizations. Programs can be online or in person, typically run 30 to 40 hours, and are designed around workplace challenges and goals.

New Brunswick's **Labour Force Training** program is designed to provide funding to eligible businesses and organizations to help train existing employees. New Brunswick also directs employers to WorkingNB workforce consultants, who can help explore funding possibilities and customized training plans for new or existing employees, including Workplace Essential Skills.

Québec is different because it has a more structured training ecosystem. Québec's workforce funding is tied to the Commission des partenaires du marché du travail and programs such as Évolution-Compétences, which supports training project sponsors and skills development. Québec also has region-specific funding, such as financial support for northern workforce training projects, which may cover up to 50% of allowable costs, with limits of \$200,000 for training implementation or development projects and \$100,000 for workplace mentoring initiatives.

For Newfoundland and Labrador, the province's workforce agreement reporting refers to the Canada-Newfoundland and Labrador Job Grant as a program that helps offset training costs for existing and new employees, with funding up to \$10,000 per year toward training an existing employee and up to \$15,000 for training an unemployed person. Employers should verify whether current intake is open through the provincial department or local workforce contacts before planning around it.

The Atlantic provinces, Prairie provinces and territories often use combinations of employer training grants, workforce development agreements, sector programs, employment services, apprenticeship supports and project-based funding. HR managers should not assume the name "Canada Job Grant" means the same rules apply everywhere. Contribution rates, caps, eligible providers, participant eligibility, intakes and reporting obligations vary.

## **What About LMS Funding?**

This is the question many HR managers care about most.

Can government funding pay for an LMS?

The honest answer is: sometimes indirectly, rarely as a simple standalone purchase.

A learning management system can involve several types of cost. There may be a subscription or licence fee, implementation fees, integration work, content migration, user training, administrator training, custom course development, third-party course libraries, compliance training content, reporting setup and ongoing support.

Most employer training grants are more likely to fund training costs than the technology platform itself. If the grant covers third-party training fees, instructor costs, course materials or digital transformation training, the eligible portion may be the training delivered through or alongside the LMS, not necessarily the LMS subscription. Nova Scotia's WIPSI, for example, includes digital transformation and technology adoption among eligible training activities and may fund training fees, instructor costs and course materials, but HR would still need to confirm whether any LMS-related cost is eligible under the program guide.

The former **Canada Digital Adoption Program** is also relevant because many employers remember it as a technology funding option. However, BDC states that CDAP's Boost Your Business Technology stream is no longer accepting new applications, and only businesses with valid signed grant agreements before February 19, 2024 may remain eligible under the program's deadlines.

That means HR should not build a 2026 LMS funding plan around CDAP unless the business already had a valid agreement and still meets the remaining deadlines.

The better approach is to break the LMS project into fundable components. For example, the employer may seek training grant support for supervisor training, digital skills training, compliance courses, safety training, AI literacy, cybersecurity training, or employee upskilling delivered by an eligible provider. The LMS cost may then be treated through ordinary business expense or capital cost allowance rules, depending on the facts and the organization's accounting treatment.

CRA says computer software or website development costs can be current and deductible in the year incurred, or capital and deductible under capital cost allowance rules. If computer software is a depreciable asset, CRA says it is generally included in Class 12, while system software may fall into Class 8, 10, 29 or 40. CRA also says whether a website development cost is current or capital is a question of fact.

For HR, the practical takeaway is to work with finance early. LMS subscriptions may be treated differently from purchased software, implementation fees, custom development or long-term licences. HR should not promise that an LMS is "grant-funded" or "fully deductible" without accounting review.

## **Tax Deductions and Credits**

Training costs can often be deductible as ordinary business expenses if they are reasonable and incurred to earn business income. CRA states that businesses can generally deduct reasonable current expenses incurred to earn income, while capital property is handled differently.

For employer-paid employee training, this usually means the business may deduct eligible training expenses as business expenses, subject to normal tax rules, documentation and reasonableness. If a government grant reimburses part of the cost, CRA says the grant or subsidy must generally be reported as income or used to reduce

the related expense.

For software and LMS technology, the tax treatment depends on whether the cost is current or capital. CRA's e-commerce guidance states that computer software and website development costs may be current and deductible in the year incurred, or capital and deductible under CCA rules, depending on the facts.

For apprentices, the federal Apprenticeship Job Creation Tax Credit can provide a non-refundable investment tax credit equal to 10% of eligible wages, up to \$2,000 per year per eligible apprentice.

For employees paying their own training costs, different rules may apply. CRA's employment expense guidance states that an employee may deduct the cost of a training course as an employment expense only if the course maintains, upgrades or updates existing skills or qualifications related to employment, and cannot deduct it if the course is for personal reasons, unreasonable or provides a lasting benefit such as credit toward a degree, diploma or professional qualification.

That is useful for HR communications, but the employer should avoid giving personal tax advice. Employees should be directed to CRA guidance or their own tax advisors.

### **How HR Should Claim or Apply for Funding**

The most common mistake is starting too late.

Many grants require approval before training begins. Some allow training to begin at the employer's risk, but reimbursement is not guaranteed if the application is denied. B.C.'s program expressly warns employers to apply early and states that if training begins before a decision and the application is denied, the employer is responsible for all costs.

A practical process should look like this.

First, define the business need. Do not start with "we want training." Start with the operational problem: poor onboarding consistency, manager capability gaps, compliance exposure, safety incidents, cybersecurity risk, AI adoption, low internal mobility, productivity problems, skill shortages or technology change.

Second, define the training outcome. Government programs usually want to see measurable improvement. That may include employees moving into better jobs, increased job security, improved productivity, new certifications, adoption of new technology, reduced errors, safer work, stronger digital capability or retention of workers during a downturn.

Third, identify participants. Are they current employees, unemployed new hires, apprentices, students, employees facing layoff risk, workers in a priority sector or members of underrepresented groups? Participant status can affect eligibility.

Fourth, choose the training provider. Many programs require third-party training or recognized institutions. Employer-delivered internal training may not qualify under some grants, though programs such as the Work-Sharing Worker Retention Grant may allow flexible formats including peer-to-peer or workplace training in certain circumstances.

Fifth, prepare the budget. Separate tuition, instructor costs, course materials, travel, wages while in training, LMS costs, software subscriptions, implementation fees and internal admin time. Each may be treated differently.

Sixth, check stacking rules. Some programs restrict combining funding sources. Quebec's northern workforce training program, for example, calculates maximum assistance by taking into account all sources of government assistance, and excludes expenditures eligible for another reimbursement such as a tax refund.

Seventh, submit before training starts unless the program explicitly allows otherwise. Keep the application, approvals, invoices, proof of payment, attendance records, completion records, participant forms and outcome evidence.

Eighth, claim reimbursement according to the program rules. Most grants reimburse after proof of payment and completion rather than paying upfront. HR should tell finance when cash flow timing matters.

Ninth, report outcomes. Programs may require progress and financial reporting. Nova Scotia's WIPSI requires financial and progress reporting throughout the project.

Finally, keep records for audit. Training grants are public funds. Employers should expect documentation requirements.

## **How to Make a Training Project More Fundable**

A fundable training project usually has a clear business case.

Instead of saying, "We want to buy an LMS," HR should say: "We need to train 120 supervisors and frontline employees on safety, cybersecurity, harassment prevention, leadership fundamentals and digital workflows. We need a system to assign, track and report completion because our current recordkeeping is manual and inconsistent. The training will support productivity, compliance, retention and employee progression."

That story is stronger because it ties learning technology to workforce outcomes.

A good application should explain the skill gap, the employees affected, the training provider, the training content, the completion timeline, the expected job impact, the cost breakdown and how the employer will measure success.

Useful outcome measures include completion rates, certifications earned, internal promotions, reduced onboarding time, fewer safety incidents, improved productivity, fewer errors, retention of trained employees, improved manager scores, reduced compliance gaps or implementation of new technology.

HR should also align the project with program priorities. B.C.'s ETG prioritizes factors such as first-time applicants, small businesses, regions and industries facing skills shortages, training delivered by B.C. public post-secondary institutions, and apprenticeship levels 3 or 4. Nova Scotia's WIPSI prioritizes projects that address critical skill shortages, support underrepresented groups and align with economic and workforce development goals.

Funding programs are not just looking for spending. They are looking for public-policy outcomes. HR should speak that language without exaggerating.

## **Jurisdictional Differences HR Must Watch**

The most important jurisdictional difference is program availability. B.C.'s employer grant is open for 2026/27. Manitoba's job grant is closed. Alberta has shifted to the Canada-Alberta Productivity Grant. Ontario has both job-grant and Skills Development Fund pathways, but intake status and delivery details can change. Nova Scotia has WIPSI and Workplace Education. New Brunswick uses Labour Force Training and WorkingNB workforce supports. Québec has its own training structure and regional programs.

Newfoundland and Labrador has job-grant style funding referenced in its workforce reporting, but employers should verify current intake.

The second difference is employer contribution. Some programs reimburse 50%, some 66.7%, some 75%, some 80%, and some offer special terms for small employers, unemployed hires or priority sectors.

The third difference is eligible training. Some programs require third-party training. Others may support customized workplace training. Some focus on productivity, trades, technology adoption, underrepresented groups or workforce shortages.

The fourth difference is eligible cost. One program may cover course fees and materials but not wages. Another may include travel. Another may include informal training under specific conditions. Another may exclude costs incurred before approval.

The fifth difference is application process. Some applications go through provincial portals. Some go through local employment service providers. Some go through sector delivery partners. Some are project-based and competitive. Others are eligibility-based until funding runs out.

The sixth difference is reporting. Some programs require detailed outcome tracking, participant forms, progress reporting or reimbursement documentation.

HR managers with employees in multiple provinces should not apply a single funding assumption across the organization. A national training rollout may need different funding routes by province.

## **What HR Should Do This Quarter**

HR managers who want to fund training should start with a funding-ready learning plan.

Map the organization's top skill priorities for the next 12 months. Include compliance training, leadership development, digital skills, AI literacy, cybersecurity, safety, customer service, technical training, apprenticeship, onboarding, internal mobility and LMS implementation.

Then separate the plan into projects. A manager development project may fit one grant. A digital adoption training project may fit another. A student placement may support LMS implementation. An apprenticeship hire may generate tax credits. A Work-Sharing employer may qualify for worker-retention training support. A Nova Scotia business may use fully funded workplace education for foundational skills while using another program for technology training.

Next, identify the jurisdiction of the employees being trained. Funding usually follows the employee, employer location, training location or program rules.

Then speak with the funding program before committing. Many programs encourage contact before application. Nova Scotia's WIPSI page, for example, expressly says the program can answer questions about application process, eligibility and eligible training costs.

Finally, involve finance, payroll and accounting. Grants affect reimbursement, tax treatment, cash flow and recordkeeping. LMS costs may involve expense or capital treatment. Wage subsidies affect payroll reporting. Government assistance may reduce expenses or be reported as income.

## The HR Funding Checklist

Before applying, HR should be able to answer these questions.

- What business problem is the training solving?
- Which employees will be trained?
- Are they current employees, new hires, students, apprentices or workers at risk of layoff?
- What province or territory are they in?
- What training provider will deliver the training?
- Is the provider eligible? Has training already started?
- What costs are tuition, materials, travel, wages, LMS, software, implementation or internal admin?
- Which costs does the program actually cover?
- What outcomes will be measured?
- What documents are required? What is the employer contribution?
- Are there stacking restrictions?
- How will finance treat the grant or subsidy?
- Who will submit the claim?
- Who will keep records for audit?

If HR cannot answer these questions, the project is not ready for funding.

## The Takeaway

There is real government support available for workplace training in Canada, but HR managers need to approach it with discipline.

The best opportunities are usually not framed as “pay for our LMS.” They are framed as workforce development, skills upgrading, productivity improvement, digital adoption, apprenticeship support, student placement, retention during downturns, workplace education or training tied to better jobs and business competitiveness.

For employers investing in LMS platforms, the funding strategy should separate the technology from the training outcomes. Use grants where they fit the training, use wage subsidies where they support talent pipelines, use apprenticeship tax credits where eligible, and use proper tax treatment for software and training expenses.

The organizations that do this well will treat funding as part of workforce planning, not as an afterthought. They will build fundable training projects, apply before costs are incurred, document outcomes and connect learning investments to retention, compliance, productivity and internal mobility.

Canadian HR managers do not need to become grant specialists. But they do need to know enough to ask the right questions before the organization spends its own money.

Because in 2026, training is too important to fund casually.