

**The Conference
Board of Canada**

Value for Money

Impact of Shipbuilding at the Halifax Shipyard – 2025



Contents

3

Key findings

4

**About the National
Shipbuilding Strategy**

5

Keeping the benefits in Canada

5

**The National Shipbuilding Strategy
supports a local workforce**

6

**Overall spending – nearly
\$15 billion through 2027**

7

Economic impacts – employment

8

Economic impacts – GDP

9

**Economic impacts –
government revenues**

10

**Program-specific impacts –
employment and GDP**

11

**Program-specific impacts –
government revenues**

12

Appendix A
**Economic impact assessment
methodology**

Key findings

- The National Shipbuilding Strategy is a program to modernize Canada's fleet of combat and non-combat vessels. The combat vessels are being built at the Halifax Shipyard.
- The economic benefits of this program will impact businesses and communities across Canada.
- The project's spending in Canada over the period 2013 to 2027 is expected to add:
 - nearly **\$17.0 billion** to Canada's GDP and almost **\$7.5 billion** to Nova Scotia's GDP;
 - over **\$6.3 billion** to government revenues across all levels of government.
- Between 2016 and 2027, the National Shipbuilding Strategy will support an average of **10,600 full-year jobs** annually across Canada, with **4,500** located in Nova Scotia.

The National Shipbuilding Strategy is generating economic impact across Canada.



About the National Shipbuilding Strategy

The National Shipbuilding Strategy is a long-term initiative to renew Canada's existing fleet of combat and non-combat vessels.

Halifax Shipyard is building the combat vessels. This work falls under four areas:



Modernizing the Halifax Shipyard.

15

Renewing the navy's fleet by replacing the existing Halifax-class frigates with 15 newly built River-class destroyers (RCDs).

8

Building eight Arctic and Offshore Patrol Ships (AOPS).



Repairing, refitting, and maintaining the existing Halifax-class vessels until they are retired.

For more information on all of the Halifax Shipyard programs please refer to <https://www.conferenceboard.ca/product/value-for-money-the-national-shipbuilding-strategy-at-the-halifax-shipyard>

Keeping the benefits in Canada

Industrial and Technological Benefits Policy (ITB)

The Halifax Shipyard and its trusted partners adhere to the ITB Policy and invest across Canada to compensate for 100 per cent of the value of work done abroad.

Value Proposition

In addition, the Halifax Shipyard has committed to investing **0.5 per cent** of its revenue toward the domestic marine industry in three priority areas:

- human resources development
- technology development
- commercialization



The National Shipbuilding Strategy supports a local workforce



Since 2015, 3,994 employees have been hired.



794 trades apprentices have been hired; so far, 504 have graduated to become Red Seal-certified tradespeople.



95 apprentices came from under-represented groups through the Pathways Program.



Nearly 315 students from across Canada were placed in the co-op program.



\$222 million has been invested in skills training, leadership development, and safety awareness.

Overall spending—nearly \$15 billion through 2027

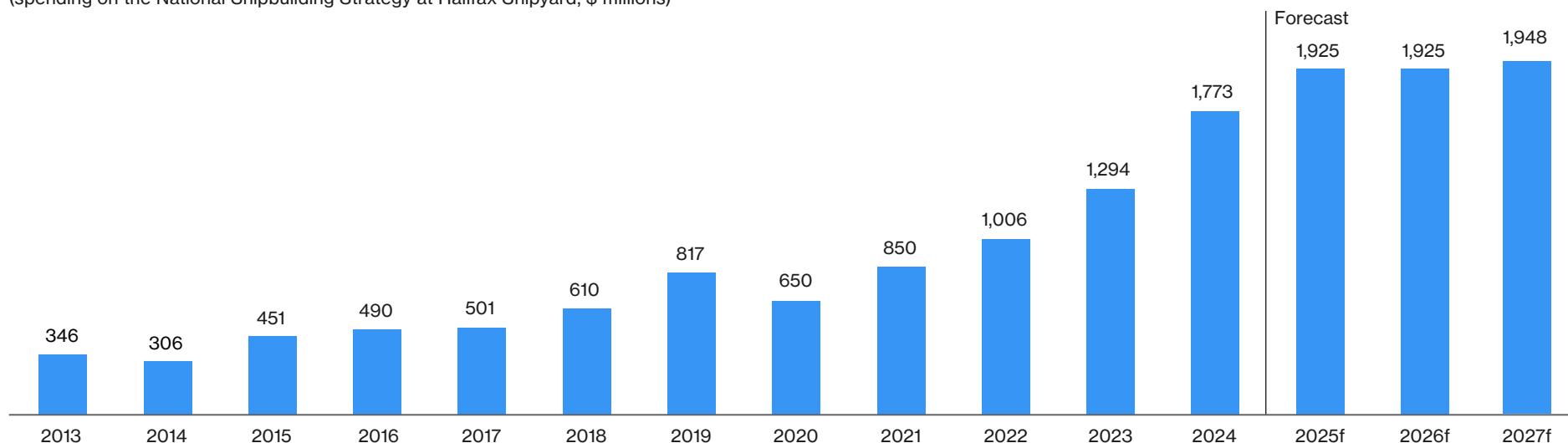
Spending commitments with nearly 700 organizations across Canada.



Nearly **\$9.1 billion** was spent on the National Shipbuilding Strategy from 2013 to the end of 2024, with a further **\$5.8 billion** projected between 2025 and the end of 2027.

Chart 1

Despite the wind-down of the AOPS program, spending will remain strong, driven by the RCD program (spending on the National Shipbuilding Strategy at Halifax Shipyard, \$ millions)



f = forecast

Sources: Halifax Shipyard; The Conference Board of Canada.

Economic impacts—employment



Almost **\$11.3 billion** in labour income to Canadians is expected to be generated between 2013 and 2027.

Between 2017 and 2027, the National Shipbuilding Strategy will support an average of **10,600** full-year jobs annually across Canada, with **4,500** located in Nova Scotia.

Chart 2

The gains in employment can be observed across industries
(share of Canada-wide jobs by sector, 2013–27)



Note: Percentages may not add up to 100 due to rounding.
Sources: Halifax Shipyard; The Conference Board of Canada.

Economic impacts—GDP



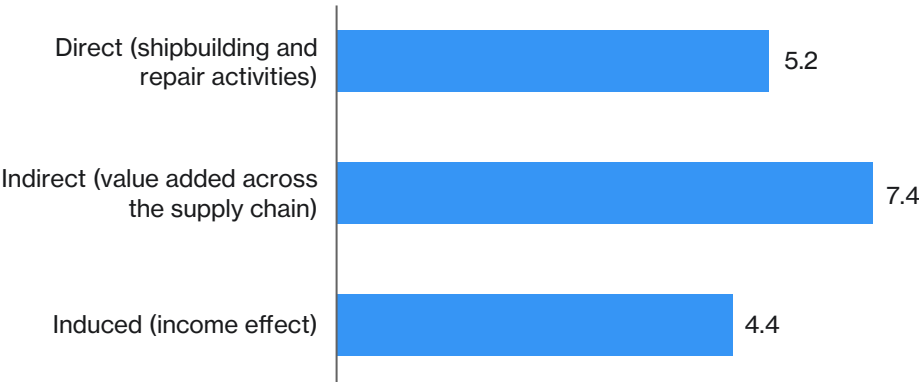
Between 2013 and 2027, the programs of the National Shipbuilding Strategy at the Halifax Shipyard are projected to contribute nearly **\$17.0 billion** to Canada’s GDP, including **\$7.5 billion** in Nova Scotia.

Supporting many sectors

The programs underway at the Halifax Shipyard will add to GDP across sectors and regions throughout Canada.

Chart 3

Total benefits of the program are bolstered by extensive supply chain and induced spending effects
(GDP contributions, \$ billions, 2013–27)



Sources: Halifax Shipyard; The Conference Board of Canada.

Table 1

It’s not just the manufacturing sector that benefits
(GDP contributions, \$ millions, 2013–27)

Industry	Canada
Manufacturing	7,743
Professional, scientific, and technical	3,319
Finance, insurance, and real estate	2,006
Wholesale and retail trade	1,271
Other business services	1,085
Construction	481
Transportation and warehousing	342
Information and cultural services	301
Public sector	262
Other goods	146
Total	16,956

Sources: Halifax Shipyard; The Conference Board of Canada.

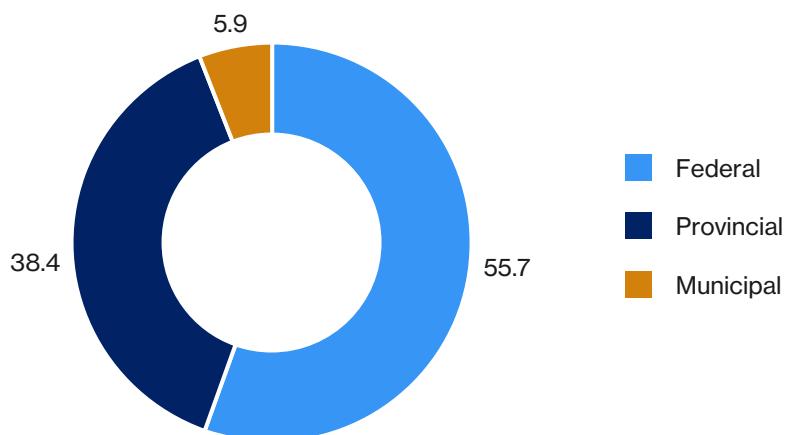
Economic impacts—government revenues



In total, over **\$6.3 billion** in taxes, fees, and charges are expected to be collected by all three levels of government between 2013 and 2027.

Chart 4

All three levels of government will see an increase in tax revenue (average share of total revenue collected, 2013–27, per cent)



Note: Percentages may not add up to 100 due to rounding.
Sources: Halifax Shipyard; The Conference Board of Canada.

In 2024, estimated revenues were:

- **\$440.0 million** in federal revenue
- **\$294.4 million** in provincial revenue
- **\$44.9 million** in municipal revenue

In 2027, revenues are expected to be:

- **\$419.8 million** in federal revenue
- **\$285.4 million** in provincial revenue
- **\$44.6 million** in municipal revenue

Nova Scotia's provincial government is projected to receive a total of approximately **\$929.0 million** or **38.2 per cent** of all provincial tax revenues, from 2013 to 2027.

Program-specific impacts—employment and GDP

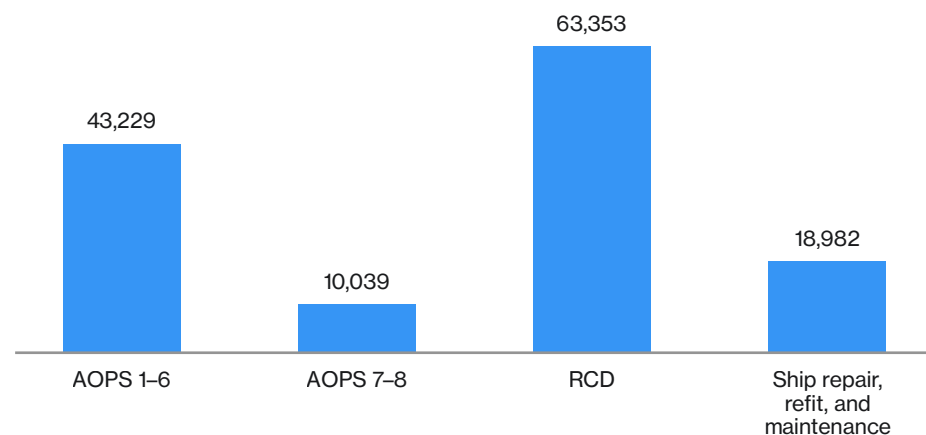


Between 2013 and 2027, the National Shipbuilding Strategy is expected to support approximately **135,600** person-years of employment across Canada from its four main product lines, including **58,900** in Nova Scotia. The River-class destroyer is projected to be the largest employment contributor, accounting for roughly **63,400** person-years of employment.

Of the **\$17.0 billion** impact to Canada's GDP between 2013 and 2027, the River-class destroyer program is projected to account for over **\$8.4 billion**.

Chart 5

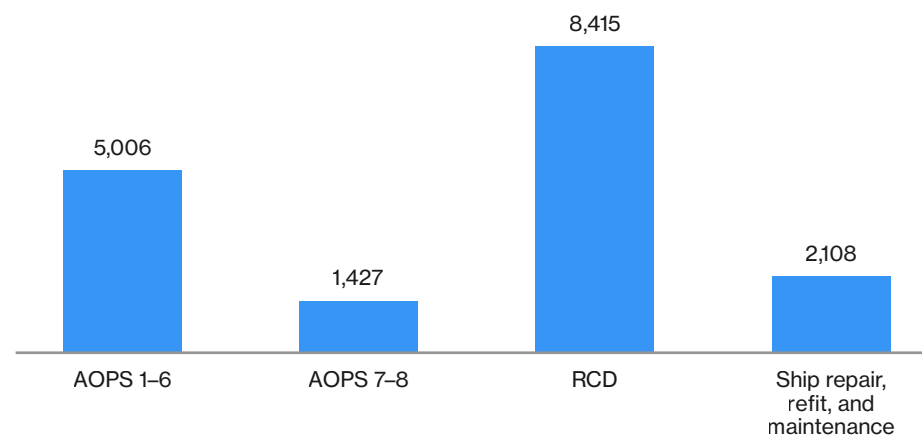
The RCD program is the largest employment driver
(total person-years of employment by program, 2013–27)



Sources: Halifax Shipyard; The Conference Board of Canada.

Chart 6

The RCD program leads the way in GDP contributions
(GDP impact by program area, \$ millions, 2013–27)



Sources: Halifax Shipyard; The Conference Board of Canada.

Program-specific impacts— government revenues

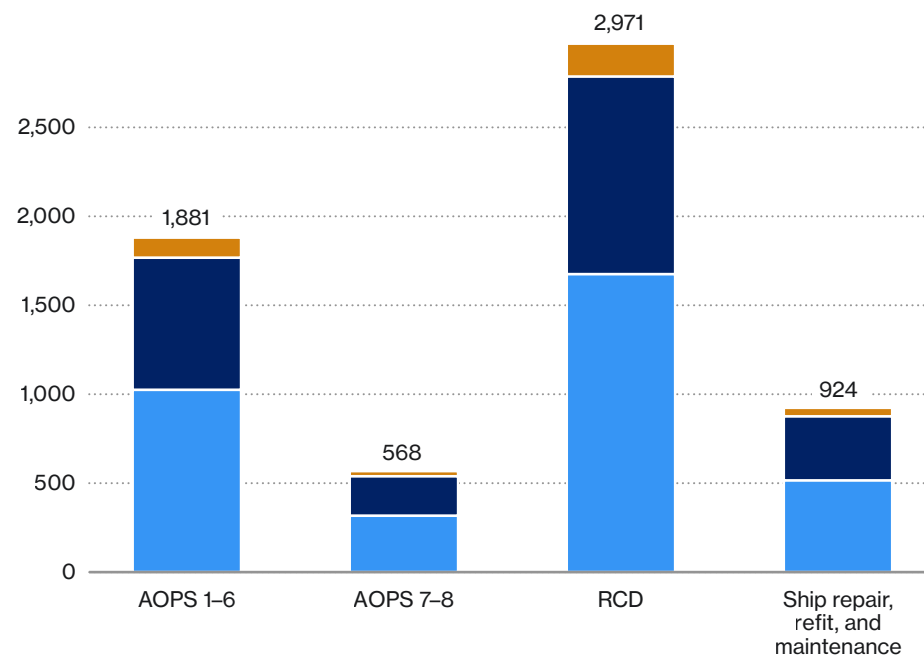


By the end of 2027, the River-class destroyer program is expected to generate nearly **\$3.0 billion** in cumulative tax revenues across Canada. This total includes approximately \$1.7 billion in federal taxes, \$1.1 billion in provincial taxes, and \$185 million in municipal taxes.

The first six Arctic and Offshore Patrol Ships (AOPS 1–6) are projected to contribute roughly **\$1.9 billion**, while the two Canadian Coast Guard variants (AOPS 7–8) are expected to add another **\$0.6 billion**. The repair, refit, and modernization of the Halifax-class fleet are expected to generate approximately **\$0.9 billion**.

Chart 7

The RCD program will lead the way in generating tax revenues
(total tax revenues collected by program, 2013–27, \$ millions)



Sources: Halifax Shipyard; The Conference Board of Canada.

Appendix A

Economic impact assessment methodology

This economic impact analysis was conducted to quantify the contributions of work at the Halifax Shipyard and the broader effects across the Canadian supply chain.

Data on spending under the National Shipbuilding Strategy was provided by Halifax Shipyard. This data was independently validated through a multi-step process that included reconciliation with publicly available financial and procurement information, cross-checking against industry benchmarks, and ensuring consistency with national accounts data. Only after completing this validation process were the figures incorporated into the economic impact model.

The economic impacts presented in this report were estimated using our internal economic impact model of the Canadian and provincial economies. This model is built using Statistics Canada's detailed supply and use tables and benchmarked against Statistics Canada's published input-output multipliers. By applying this framework, the analysis captures the full range of economic effects in a manner consistent with official national accounting standards.

The analysis measures both the distinct and combined direct, indirect, and induced impacts of shipyard activity:

- **Direct impacts** refer to the value added generated by the shipbuilding and repair industry itself, including employment, wages, and business profits directly attributable to the sector.
- **Indirect impacts** capture the value added generated through the sector's demand for intermediate inputs and support services. For example, shipbuilding activity stimulates demand in industries such as architectural, engineering, and related services.
- **Induced impacts** arise from the spending of income by employees and profits by business owners in the broader economy. These expenditures support additional employment, wages, and tax revenues across a wide range of industries.

The model provides estimates of the total, direct, indirect, and induced impacts on various key economic measures including GDP, employment, labour income, and government revenues.

The findings presented in this report are the results of independent modelling and assessment. They reflect validated data, standard economic methodologies, and expert judgment.



Acknowledgements

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Many colleagues collaborated to bring this research to life. Gregory Hermus, Principal Economist, conceived of this research and provided oversight throughout the research process. Alan Chaffe, Associate Director, PhD, executed the research, and Michael Burt, Vice-President, MA, and Tony Bonen, Executive Director, PhD, provided feedback on early drafts. This data briefing was designed by Mallory Eliosoff, Senior Graphic Designer.

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