

Value for Money

Impact of Shipbuilding at the
Halifax Shipyard—2026 Update



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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 2028 is expected to add:
 - more than **\$19.2 billion** to Canada's GDP and **\$8.6 billion** to Nova Scotia's GDP;
 - over **\$6.7 billion** to government revenues across all levels of government.
- Between 2018 and 2028, the National Shipbuilding Strategy will support an average of **11,300 full-year jobs** annually across Canada, with **4,800** 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 Iroquois-class Destroyers and 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 Halifax Shipyard programs, please visit the Signal49 report, *Value for Money: The National Shipbuilding Strategy at the Halifax Shipyard*: <https://www.signal49.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, 4,302 employees have been hired.



1,023 trades apprentices have been hired; so far, 577 have graduated to become Red Seal-certified tradespeople.



93 students from under-represented groups successfully graduated from ISI's Pathways to Shipbuilding program.



Nearly 329 students from across Canada were placed in the co-op program.



\$248 million has been invested in skills training, leadership development, and safety awareness.

Overall spending—nearly \$17 billion through 2028

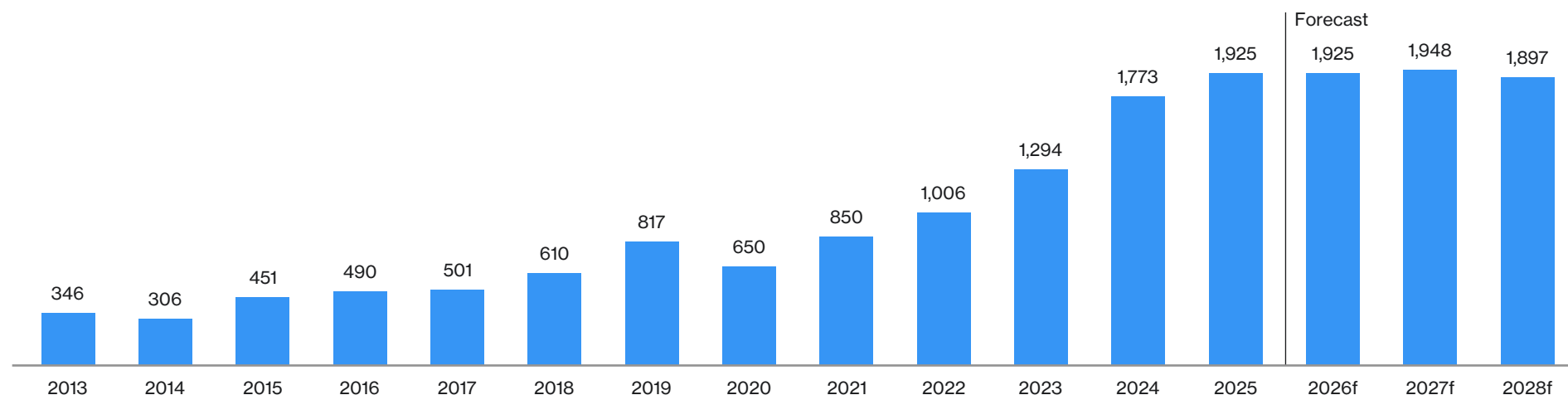
Spending commitments with nearly 700 organizations across Canada.



Over **\$11 billion** was spent on the National Shipbuilding Strategy from 2013 to the end of 2025, with a further **\$5.8 billion** projected between 2026 and the end of 2028.

Chart 1

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



f = forecast

Sources: Halifax Shipyard; Signal49 Research.

Economic impacts—employment

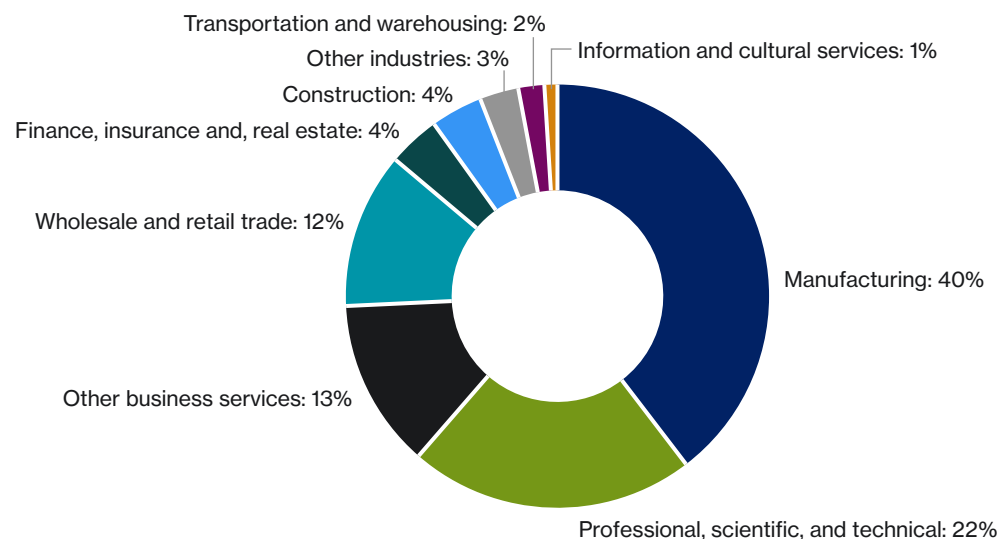


More than **\$12.4 billion** in labour income to Canadians is expected to be generated between 2013 and 2028.

Between 2018 and 2028, the National Shipbuilding Strategy will support an average of over **11,300** full-year jobs annually across Canada, with close to **4,800** located in Nova Scotia, and the remaining **6,500** located all across Canada.

Chart 2

The gains in employment can be observed across sectors, led by manufacturing
(share of Canada-wide jobs by sector, per cent, 2013–28)



Note: Percentages may not add up to 100 due to rounding.
Sources: Halifax Shipyard; Signal49 Research.

Economic impacts—GDP



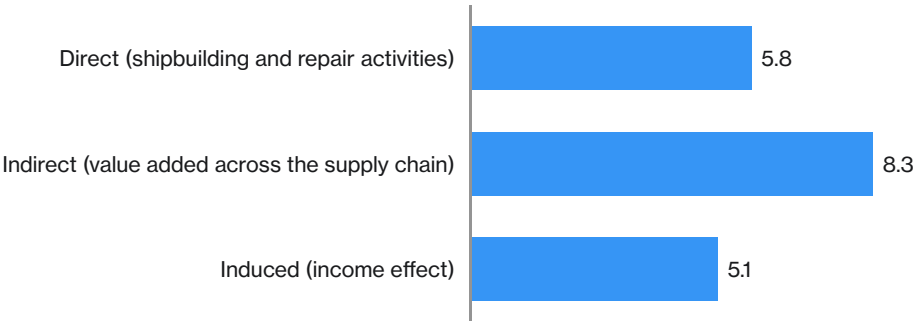
Between 2013 and 2028, programs under the National Shipbuilding Strategy at the Halifax Shipyard are projected to contribute **\$19.2 billion** to Canada’s GDP, including **\$8.6 billion** in Nova Scotia.

Supporting many sectors

The programs under way 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, Canada, \$ billions, 2013–28)



Sources: Halifax Shipyard; Signal49 Research.

Table 1

Programs at the Halifax Shipyard support sectors beyond manufacturing
(GDP contributions, Canada, \$ millions, 2013–28)

Industry	GDP, \$ millions
Manufacturing	9,034
Professional, scientific, and technical	3,550
Finance, insurance, and real estate	2,321
Wholesale and retail trade	1,380
Other business services	1,222
Construction	522
Transportation and warehousing	362
Information and cultural services	341
Public sector	301
Other goods	204
Total	19,237

Sources: Halifax Shipyard; Signal49 Research.

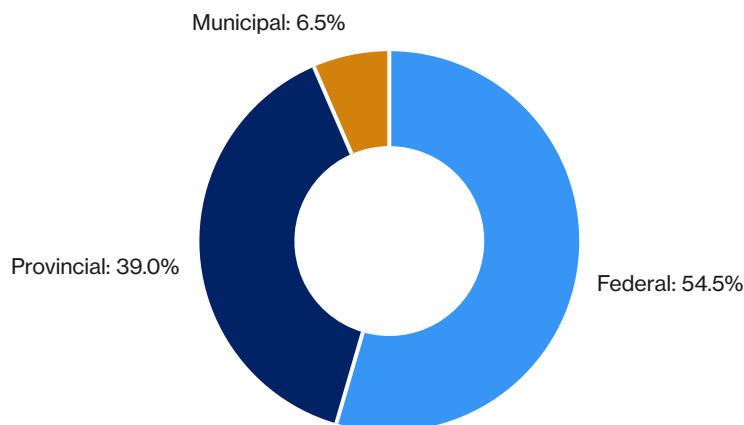
Economic impacts—government revenues



In total, over **\$6.7 billion** in taxes, fees, and charges are expected to be collected by all three levels of government between 2013 and 2028.¹

Chart 4

Federal taxes account for the largest share of government revenues generated by the Halifax shipyard programs
(average share of total revenue collected, per cent, 2013–28)



Note: Percentages may not add up to 100 due to rounding.
Sources: Halifax Shipyard; Signal49 Research.

In 2025, estimated revenues were:

- **\$384.7 million** in federal revenue
- **\$279.9 million** in provincial revenue
- **\$48.1 million** in municipal revenue

In 2028, revenues are expected to be:

- **\$397.1 million** in federal revenue
- **\$293.1 million** in provincial revenue
- **\$47.6 million** in municipal revenue

Nova Scotia's provincial government is projected to receive a total of nearly **\$1.1 billion**, or **41.7 per cent** of all provincial tax revenues, from 2013 to 2028.

¹ Economic impact estimates for 2022 onward have been updated using Statistics Canada's 2022 Supply and Use Tables. Differences between the estimates presented in this report and those previously reported reflect this methodological update. Estimated government revenues increased between 2024 and 2025, from \$355.8 million to \$384.7 million for the federal government, from \$242.0 million to \$279.9 million for provincial governments, and from \$45.7 million to \$48.1 million for municipal governments. See Appendix A for further details on the methodological update.

Program-specific impacts— employment and GDP

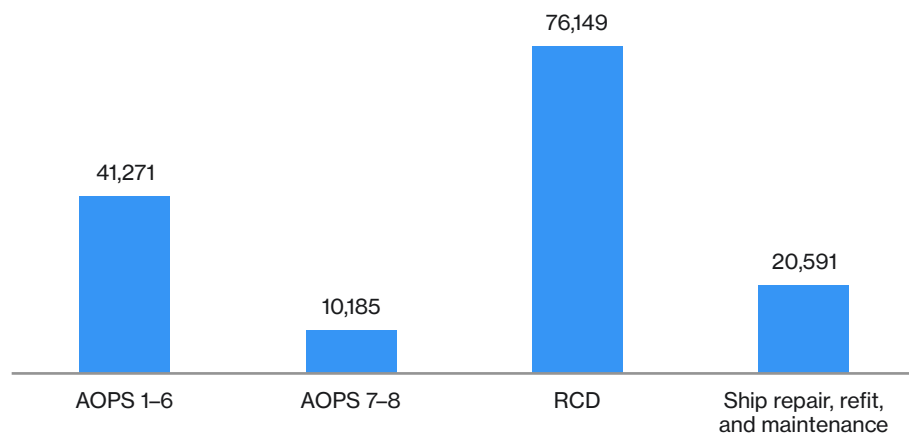


Between 2013 and 2028, the National Shipbuilding Strategy is expected to support approximately **148,200** person-years of employment across Canada from its four main product lines, including nearly **65,500** in Nova Scotia. The River-class Destroyer is projected to be the largest employment contributor, accounting for more than **76,100** person-years of employment across Canada.

Of the **\$19.2 billion** impact to Canada's GDP between 2013 and 2028, the River-class Destroyer program is projected to account for nearly **\$10.6 billion**.

Chart 5

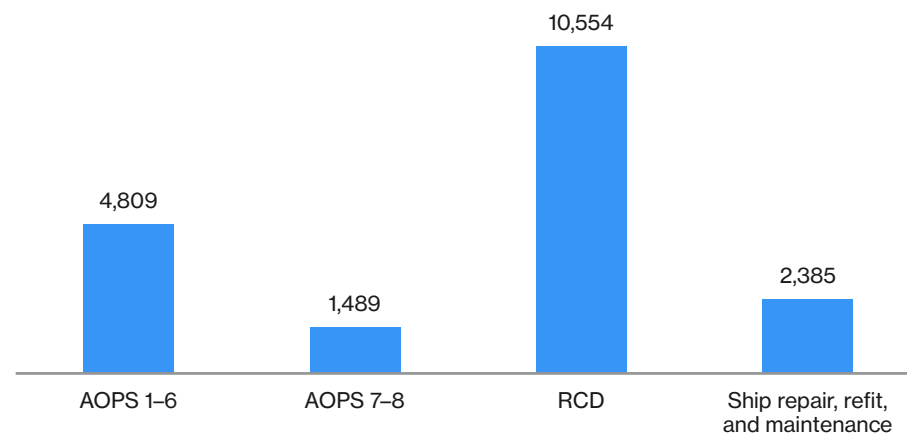
The RCD program is the largest employment driver
(total person-years of employment by program, 2013–28)



Sources: Halifax Shipyard; Signal49 Research.

Chart 6

The RCD program leads GDP contributions
(GDP impact by program area, \$ millions, 2013–28)



Sources: Halifax Shipyard; Signal49 Research.

Program-specific impacts— government revenues

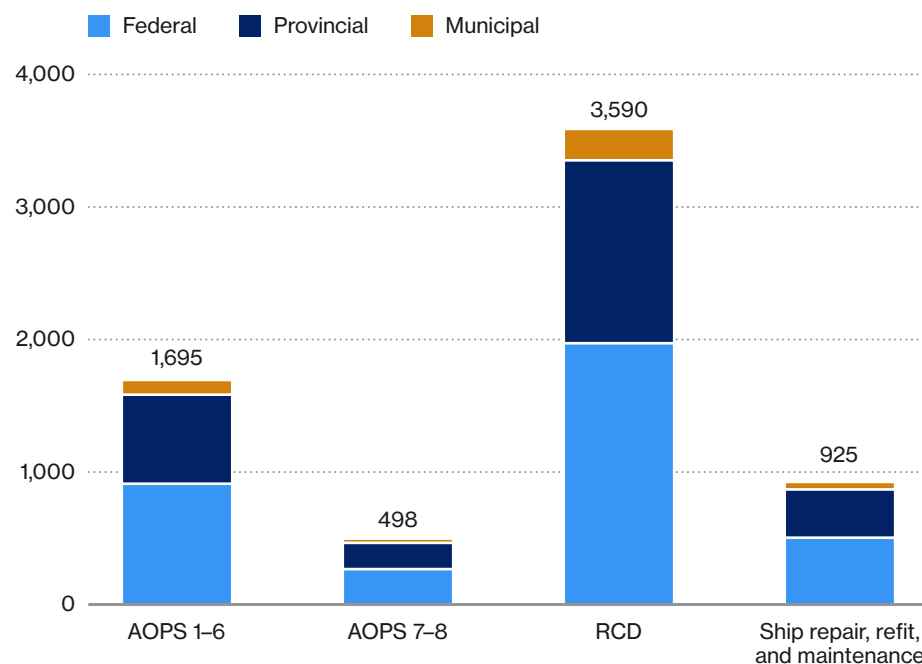


By the end of 2028, the River-class Destroyer program is expected to generate nearly **\$3.6 billion** in cumulative tax revenues across Canada. This total includes approximately \$2.0 billion in federal taxes, \$1.4 billion in provincial taxes, and an additional \$238 million in municipal taxes.

The first six Arctic and Offshore Patrol Ships (AOPS 1–6) are projected to contribute nearly **\$1.7 billion**, while the two Canadian Coast Guard variants (AOPS 7–8) are expected to add another **\$0.5 billion**. The repair, refit, and modernization of the Halifax-class fleet are expected to generate more than **\$0.9 billion**.

Chart 7

The RCD program generates the largest amount of tax revenue (total tax revenues collected by program, \$ millions, 2013–28)



Sources: Halifax Shipyard; Signal49 Research.

Appendix A

Economic impact assessment methodology

This economic impact analysis was conducted to quantify the contributions of work at the Halifax Shipyard, as well as 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.

Economic impacts from 2022 onward have been recalculated using Signal49's updated Economic Impact Assessment model, which incorporates Statistics Canada's 2022 supply and use tables and associated input-output multipliers – the latest available for use. As a result, impact estimates for historical years, 2022–24 may differ from those reported previously due to changes in the underlying economic relationships captured by the updated model. Differences in projected impacts for 2025 onward also reflect revised spending data included in the current analysis.

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

- **Direct impacts** refer to the value added by the shipbuilding and repair industry itself, including employment, wages, and business profits directly attributable to the sector.
- **Indirect impacts** capture the value added 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 Signal49 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, and Jahm Mae Guinto, Senior Economist, MA, 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 the Signal49 Design Services team.

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