

SURVEYING TARIFF CHALLENGES INSIGHTS FROM CANADIAN ECONOMIC DEVELOPERS

October 2025

This report was prepared by Alissa Sklar, Ph.D., in coordination with the Economic Development Association of Canada (EDAC). It draws on insights and responses collected from a national survey of economic developers in September 2025. These findings reflect the perspectives and experiences of professionals working at the forefront of economic development as they address the challenges posed by tariffs in a rapidly changing trade environment.

KEY INSIGHTS

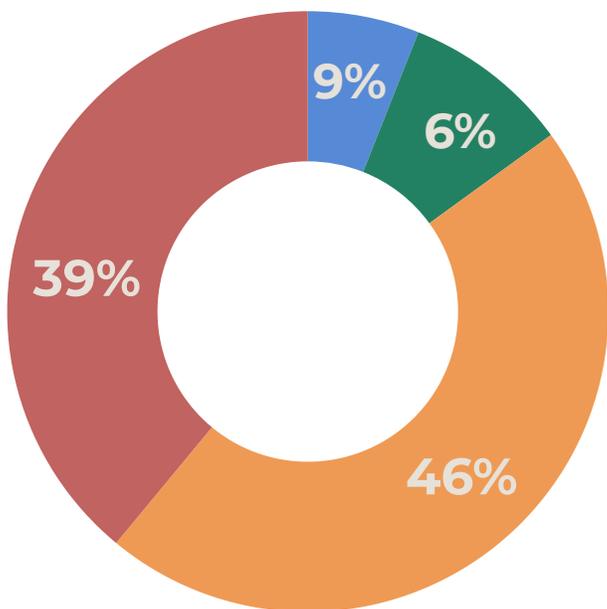
85% are **concerned** about the impact of tariffs on their communities

69% feel their EDO has more work to do to effectively **respond** to tariffs

37% have seen a **negative** impact on investment attraction

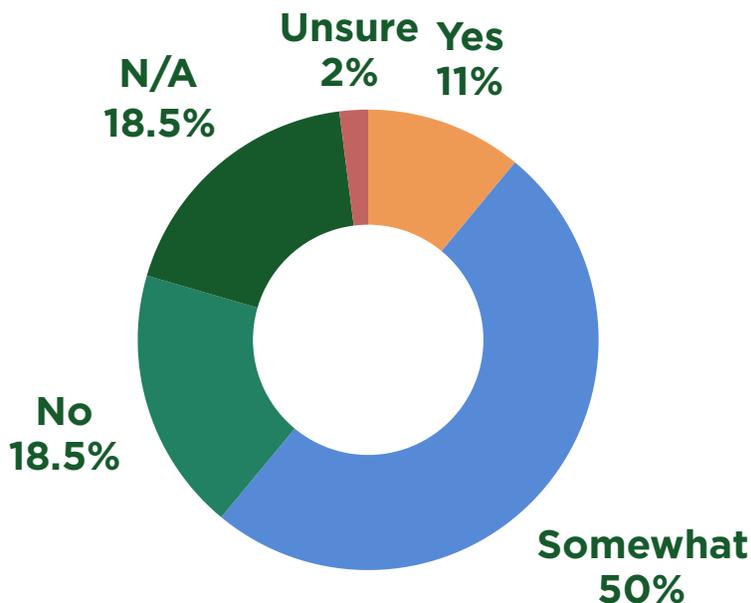
HOW CONCERNED ARE YOU ABOUT THE IMPACT OF TARIFFS ON YOUR REGION'S ECONOMY?

● Neutral ● Not very concerned
● Somewhat concerned ● Very concerned



A significant majority of Canadian economic development professionals are very or somewhat concerned about the impact of tariffs on their communities.

HAS YOUR EDO RISEN TO MEET THE CHALLENGES POSED BY TARIFFS?

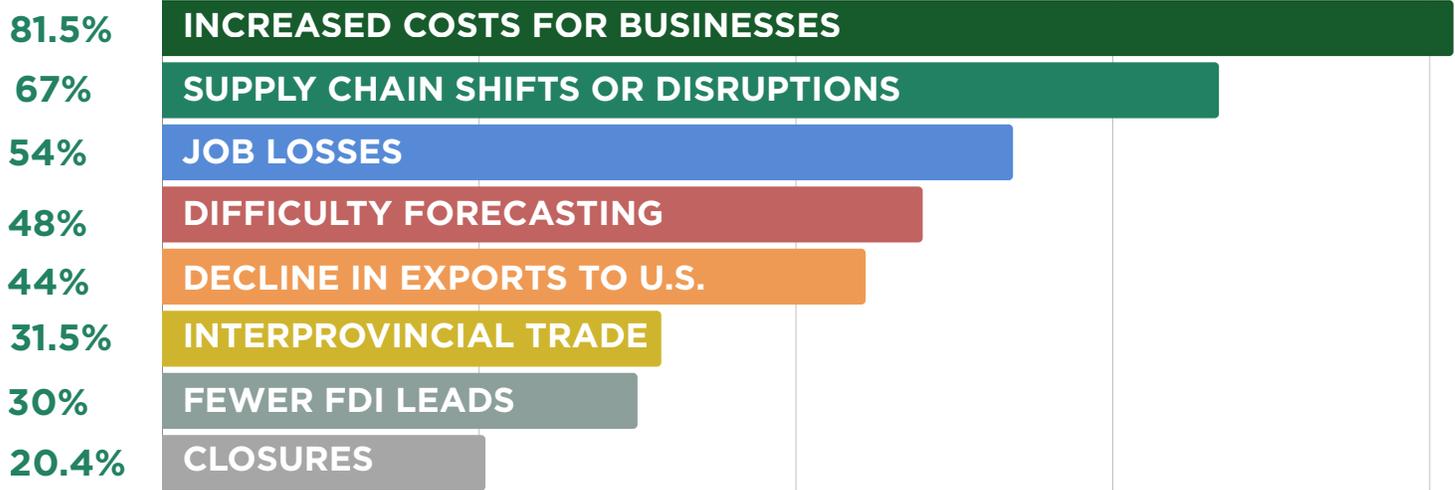


Nearly 69% of respondents say that their economic development organization (EDO) has either not risen to meet the challenges posed by tariffs to their community, or has made some progress, but they feel more needs to be done.

SURVEYING TARIFF CHALLENGES

WHAT CHALLENGES HAVE NEW TARIFFS CREATED FOR YOUR REGION?

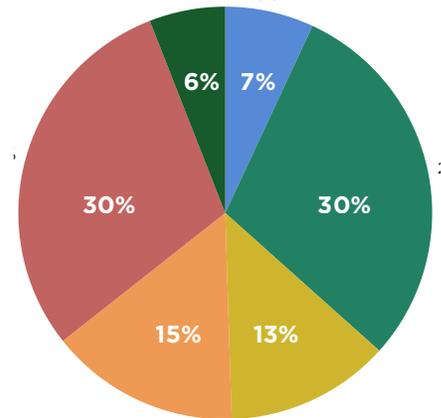
The most frequently cited challenges observed by economic development respondents were the initial impacts on businesses. These would have been the most immediate repercussions of both the tariffs themselves and the uncertainty caused by the U.S. administration's threats to pause, change, or roll back tariffs. Businesses have observed increased costs, as well as shifts and disruptions to their supply chains. Difficulty planning for the next quarter or next year has also led to some job losses and workplace uncertainty.



HAVE YOU NOTICED AN IMPACT ON INVESTMENT ATTRACTION?

Trade challenges were also top of mind for respondents: 30% reported fewer leads from foreign investors, and 37% noted a negative impact on investment attraction from all sources.

- Significant negative impact
- Moderate negative impact
- Little or no noticeable impact
- Positive impact
- Unsure/ too early to tell
- Not applicable for our organization



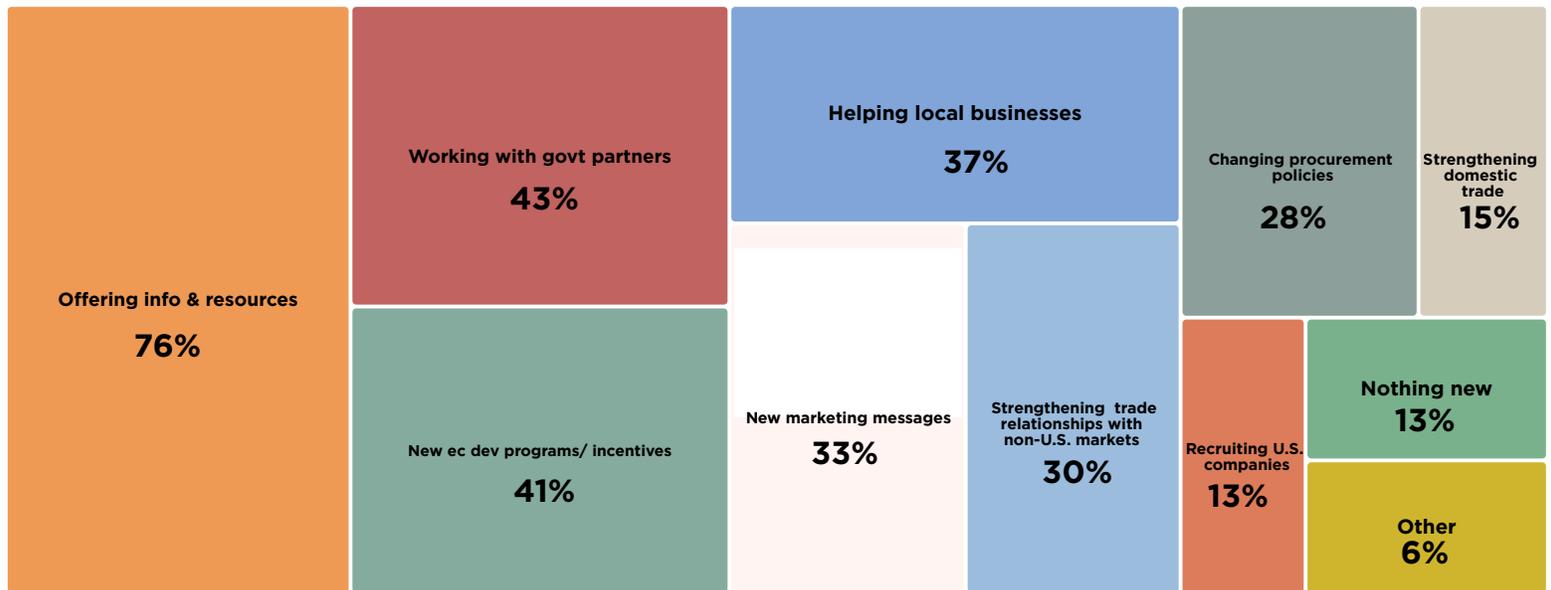
HAVE YOU FORMED OR JOINED ANY NEW COLLABORATIONS TO ADDRESS TARIFF-RELATED ECONOMIC CHALLENGES?



SURVEYING TARIFF CHALLENGES

WHAT STEPS HAS YOUR EDO TAKEN TO ADDRESS TARIFFS?

Economic development organizations have been most likely to respond to the challenges posed by tariffs by providing resources and information to businesses and regional stakeholders (76%). Many respondents also reported working with government partners to advocate for policy changes (43%), develop new programs or incentives (41%), and assist their local businesses in adapting to new, frequently shifting policies (37%). Other tactics include changing marketing messaging (33%), diversifying trade outside the U.S. (30%), and changing procurement policies (28%). Respondents choosing “Other” said they were working on workforce attraction, attracting American healthcare workers, supporting local startups to offset the downturn in FDI leads, surveying local businesses, and focusing on Chinese tariffs.



WHAT STEPS DOES YOUR ORGANIZATION PLAN TO TAKE?

Respondents were asked to identify the steps their organization plans to take within the next 12 months. Their responses can be broadly grouped into these categories:

- Prioritizing support programs and resource sharing with businesses.
- Reviewing and updating investment attraction strategies to reduce economic and trade reliance on the United States.
- Advocating for reduced interprovincial trade barriers and more diverse foreign trade markets.
- Enhancing advocacy, collaboration, and supporting BR&E (business retention and expansion) for locally impacted sectors.
- Surveying their businesses periodically to monitor the impacts of tariffs.
- A subgroup of respondents said they were unable to identify anything specific, citing the evolving landscape and uncertainty.

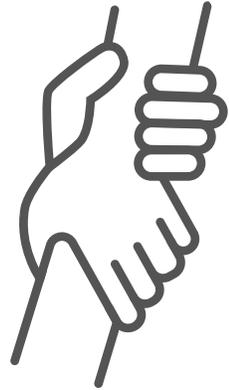
“So much is uncertain right now given the start and stop nature of everything. We are trying to be proactive but this feels like a game [...]. It’s all so frustrating and unnecessary.”
-Survey respondent

SURVEYING TARIFF CHALLENGES

WHAT KINDS OF SUPPORT WOULD HELP MANAGE THESE CHALLENGES?

Respondents were asked what kinds of support they would like to see from governments (at all levels) or from industry associations to help them effectively meet tariff-related challenges. Their responses can be broadly grouped into these categories:

- **Direct Financial Support:** Funding programs, emergency funding, wage subsidies, and support for impacted industries.
- **Business Assistance:** Targeted tools for trade analysis, BR&E, and diversification initiatives.
- **Trade Diversification:** Strong desire to expand export markets beyond the U.S., with government support for trade missions, market entry, and supply chain mapping.
- **Reduce Interprovincial Trade Barriers:** Persistent need to harmonize policies within Canada to bolster domestic trade resilience.
- **Infrastructure and Procurement:** Calls for prioritizing Canadian-made goods in public projects, investment in strategic infrastructure, and simplifying procurement.
- **Workforce & R&D:** Support for workforce development, retraining, and investment in innovation.
- **Information & Data:** Timely, localized data on tariff impacts, resource hubs, and easier access to government programs.



SURVEY RESPONDENTS IN THEIR OWN WORDS



“Pursue other partnerships and investment from the European Union, the Middle East, etc., to try and de-escalate the situation with the U.S.”

“Provide municipal governments with tools and resources to undertake trade analysis studies and promotion of existing businesses in markets other than the U.S.”

“[We need] clear information, resource hubs, engagement to gauge impacts.”

“[We need] removal of regulatory barriers to domestic and local production and trade.”

“[We need] a Canadian industry database for supply chain assistance.”

“We need funding for small to medium businesses. In our community, we have little to no access to any funding, so digital upskilling is not doable.”

“[We need] webinars to support businesses on what programs are available and how to apply for them [...]. [We need] a concierge service to support businesses in applying for tariff rebate programs.”

“We need more localized data on the impact of tariffs.”

“Address interprovincial trade barriers. Ensure red tape is removed for investments, [and a] better immigration system for those that bring in money.”

SURVEYING TARIFF CHALLENGES

IN YOUR OPINION, WHAT'S THE SINGLE MOST IMPORTANT ACTION TO PROTECT CANADIAN COMMUNITIES FROM TARIFFS?

Respondents offered a variety of perspectives on actions that can be taken to protect Canadian communities. These can be broadly grouped into the themes below.



Support businesses directly

Offer emergency financial relief for businesses, buy Canadian campaigns, supply chain mapping, and sector-specific programs.



Diversify international trade

Respondents emphasized the need to decrease our reliance on U.S. markets and develop new trade alliances.



Reduce interprovincial trade barriers

Many singled out the need to strengthen domestic trade policies and relationships.



Policy advocacy and systemic change

Advocacy is needed for a more resilient policy at the provincial & federal levels, particularly to renegotiate CUSMA.



Provide business data

SMEs & economic developers struggle to analyze, plan, and strategize without data on tariff impacts.



Focus on R&D and productivity

Invest in research and development, innovation and retooling production capacity.



SURVEY RESPONDENTS IN THEIR OWN WORDS

“Immediately and significantly reduce or eliminate remaining barriers to internal trade across Canada.”

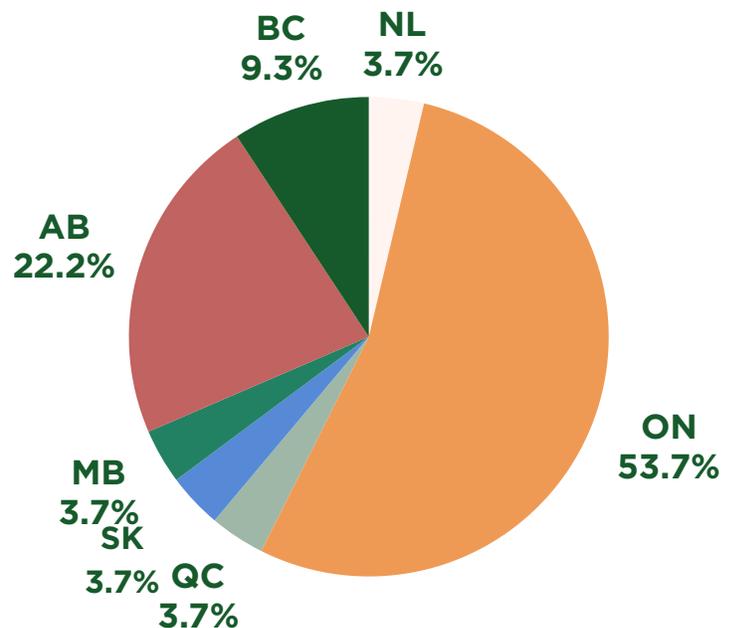
“Move for certainty in policy, as businesses cite uncertainty as the biggest thing holding them back from making decisions.”

“We should stop trying to mend a relationship [with the U.S.] that [they] don't want. I know it's a change, but we need a change.”

“Fierce negotiation of new CUSMA to protect Canadian businesses.”

“Provide funding to impacted industries to offset the tariffs, [...] so they can keep their workforce. It's not beneficial to provide funds to laid-off workers. Keep the businesses operating.”

RESPONDENT BREAKDOWN



A total of 54 respondents completed the survey. The majority of respondents (81.5%) represented municipal ecdev organizations, with additional responses from regional, provincial, federal and First Nations organizations. Three respondents were private consultants, industry associations, and not-for-profit tech infrastructure.