

**New Worker Retention Grant Available ~
Applications Open to Employers Participating in Work-Sharing Program**

February 2026

As readers may recall from our [briefing note of March 13, 2025](#),¹ the Government of Canada has used the Employment Insurance “**Work-Sharing Program**” and related special measures to assist Canadian employers and employees weathering United States tariffs.

The Government has now announced a new “**Worker Retention Grant**” available to an employer participating in the Work-Sharing Program. The Grant is in place until **March 31, 2027**, and is designed to support worker retention and skills development.

The Grant allows an employer to provide an income top-up to an employee participating in a work-sharing agreement who engages in employer-sponsored training during their non-working days.

Eligible training

Eligible training includes:

- Supporting skills development specific to an employer's operations
- Widely applicable foundational skills such as digital and AI literacy, workplace safety, linguistic proficiency, problem-solving, and numeracy
- Informal training such as on-the-job training and peer-to-peer knowledge transfer that builds meaningful skills and knowledge that could be valuable for professional growth.

Costs associated with the design or delivery of training are not eligible under this Grant. The employer must self-fund the training, but may also be able to draw on other financial support for training, including recent investments under the [Workforce Tariff Response](#). Resources for low and no-cost training options can be found on the Government’s website: [Training options for employers](#).

Employer eligibility

To be eligible for the Worker Retention Grant, an employer must:

- Have a work-sharing agreement in place
- Commit to fostering training opportunities for eligible employees and provide training details

¹ [Weathering Trump’s Tariffs ~ Work-Sharing Special Measures for Canadian Businesses](#) (13 Mar 2025).

- Offer the training for at least 40% of the Grant agreement period (e.g., a minimum of 15 weeks of training for a 38-week agreement)
- Declare any amounts owing and in default to the Government of Canada.

How to apply

An employer that meets the eligibility criteria and wishes to be considered for the Grant can apply *via* email to edsc.dgop.dmpj.smet-wrg.wdy.pob.esdc@servicecanada.gc.ca. The email should include:

- Organization name, email, and phone number
- Work-sharing agreement number
- Attestation regarding fostering access to training opportunities and details on approach
- Declaration regarding if any amounts are owed and in default to the Government of Canada.

Eligible applicants will be contacted to provide any additional required information.

If you are interested in applying for the Worker Retention Grant, we are here to help. Contact your Sherrard Kuzz LLP lawyer or info@sherrardkuzz.com.

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