



Monthly Business Barometer®

September 2024



12-month Small Business Confidence Index

55.0

Monthly change

↓ -1.9

3-month Small Business Confidence Index

50.3

Monthly change

↓ -1.7

Business Barometer®: Report summary

Small business confidence in Canada

CFIB's Business Barometer® long-term index, which is based on 12-month forward expectations for business performance, shaved about two points and sits at 55.0—a good reading for the past 12 months but modest when compared to the historical average. The short-term optimism index, based on a 3-month outlook, dropped also about two points to 50.3.

Provincial overview

Most of Canada's drop in optimism is due to declines in long-term confidence in Manitoba, British Columbia and Ontario. The provincial indexes are widespread this month from PEI's top reading of 62.2 to NL's low of 52.6. Similar to the August readings, the top provinces report levels that are closely around their historical averages: Prince Edward Island (62.2), New Brunswick (62.2) and Manitoba (58.3).

Other indicators

Full-time staffing plans have turned net negative for the first time since November 2023, with 12% of SMEs looking to hire and 16% of entrepreneurs looking to reduce their personnel. Consequently, as SMEs are less interested in hiring, labour shortages are less of a limitation on business growth. Current main limitation is still insufficient demand as reported by 53% of firms.

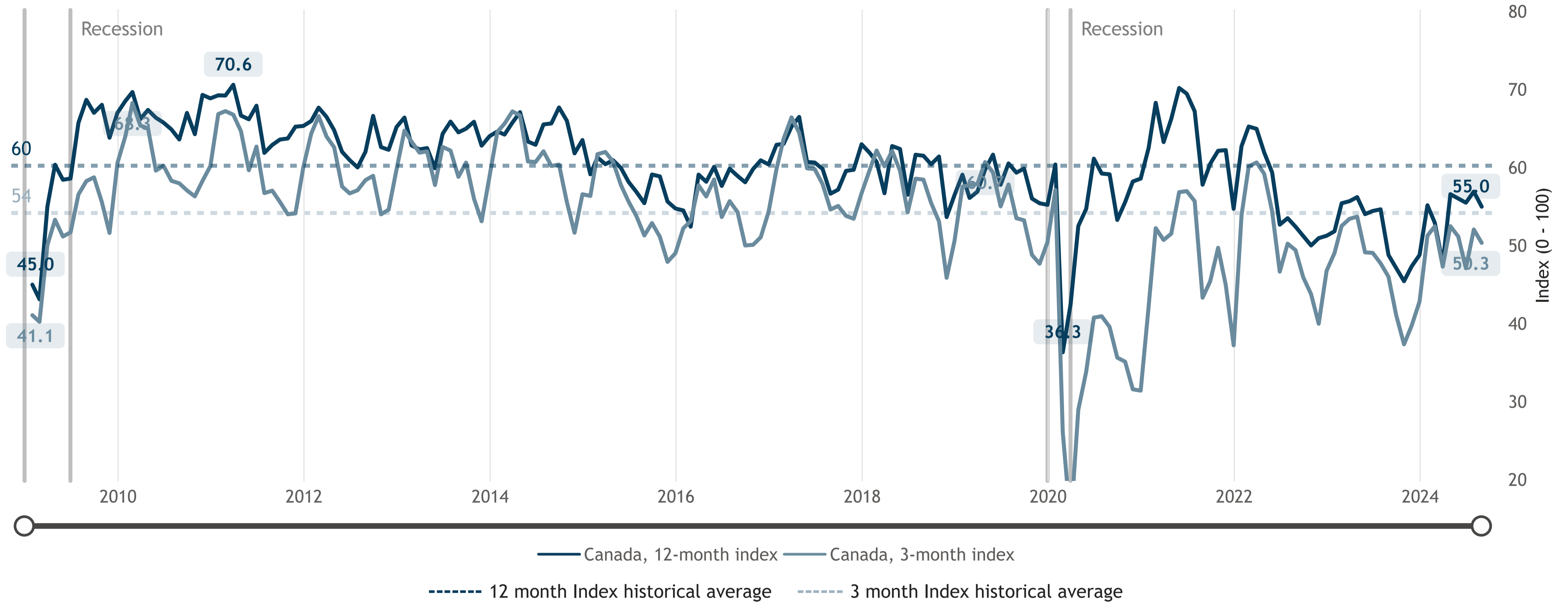
Sectoral overview

The sectoral indices for long-term confidence range from 65.9 in the health and education sector to 45.9 in agriculture. However, other than the information, arts and recreation sector and the hospitality sector, which registered some sharper seasonal drops -8.3 points and -3.7 points respectively, and wholesale (-4.9 points), the other industries have recorded minimal changes.

Inflation indicator

The average price increase indicator decreased to 2.3, similar to the level recorded in March 2021. The average wage increase planned for the next 12 months also dropped to 2.3.

Business Barometer®: 12-month and 3-month small business confidence index, Canada



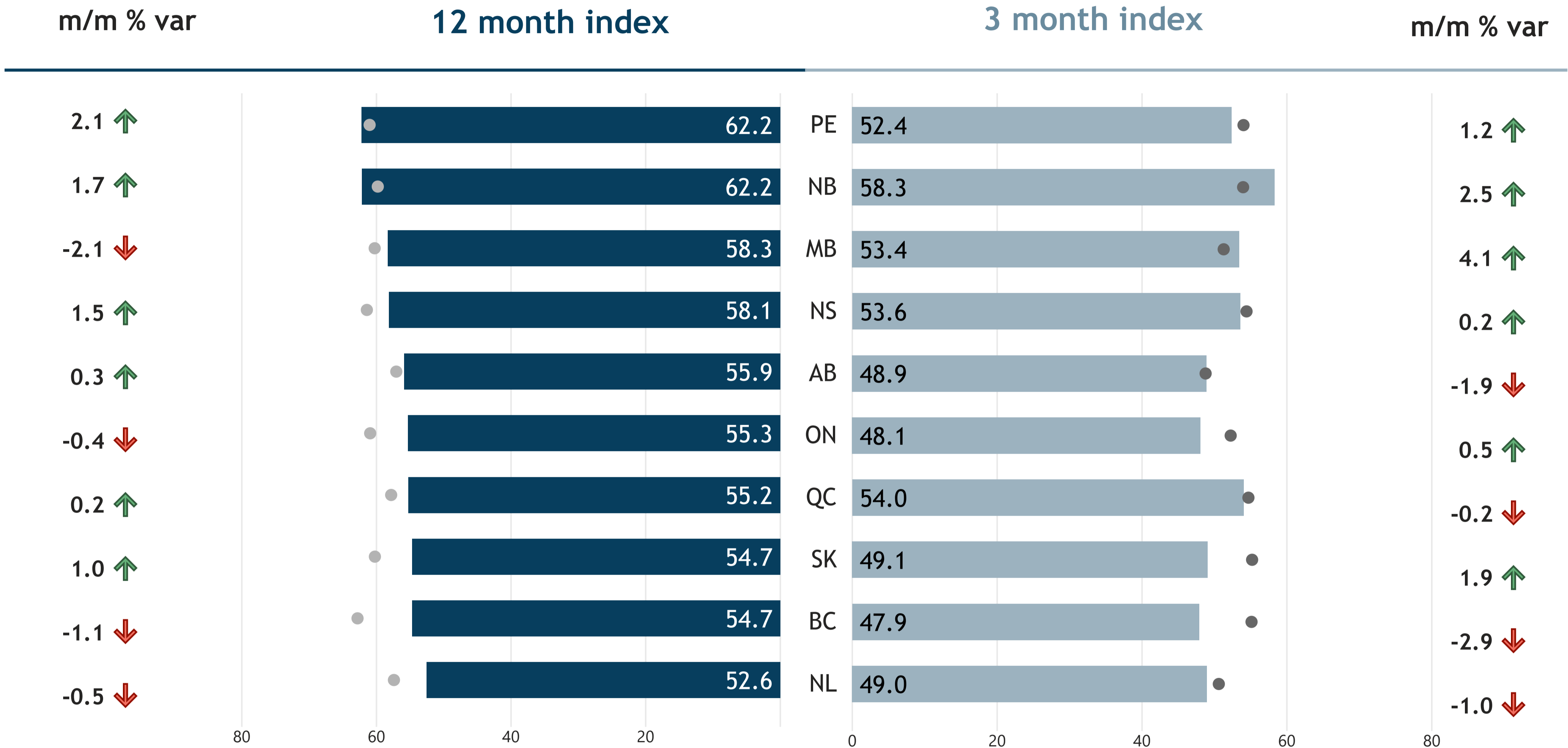
Survey questions:

How do you expect your firm to be performing in **12 months** compared to now?

Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Source : CFIB and Recession: [C.D. Howe Institute Business Cycle Council](#)

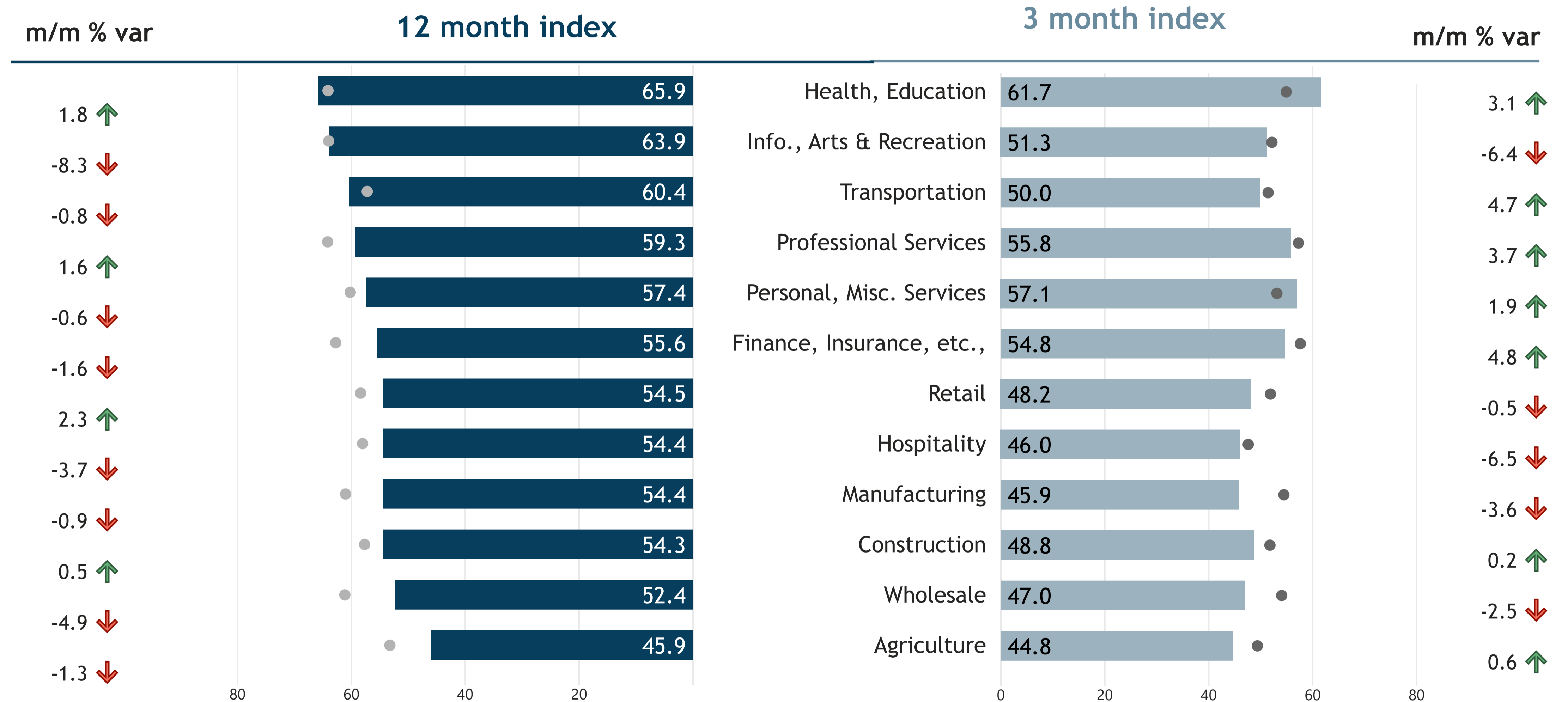
Business Barometer®: Small business confidence index, provinces



Survey question: How do you expect your firm to be performing in **12 months** compared to now?

Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Notes : Calculations for the provincial indexes are based on 3-months moving averages for all provinces except PEI and NL which are based on 12-months moving averages. ● Historical average

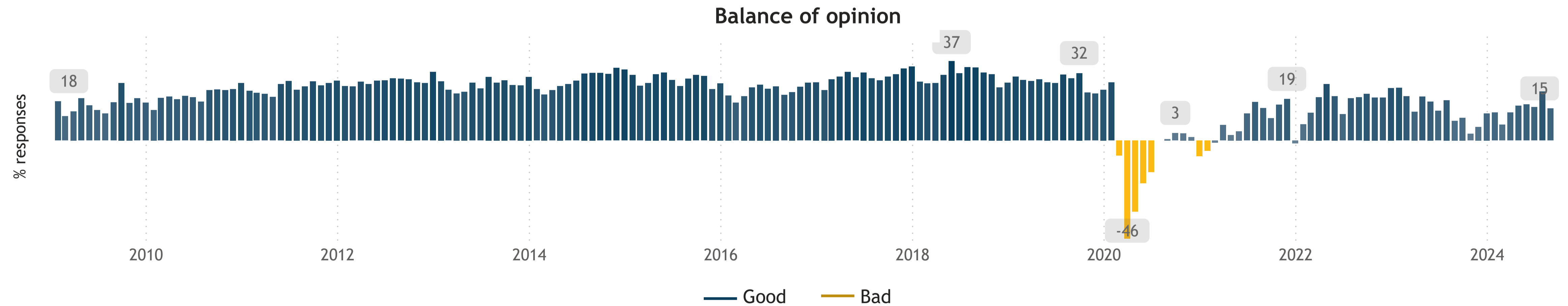
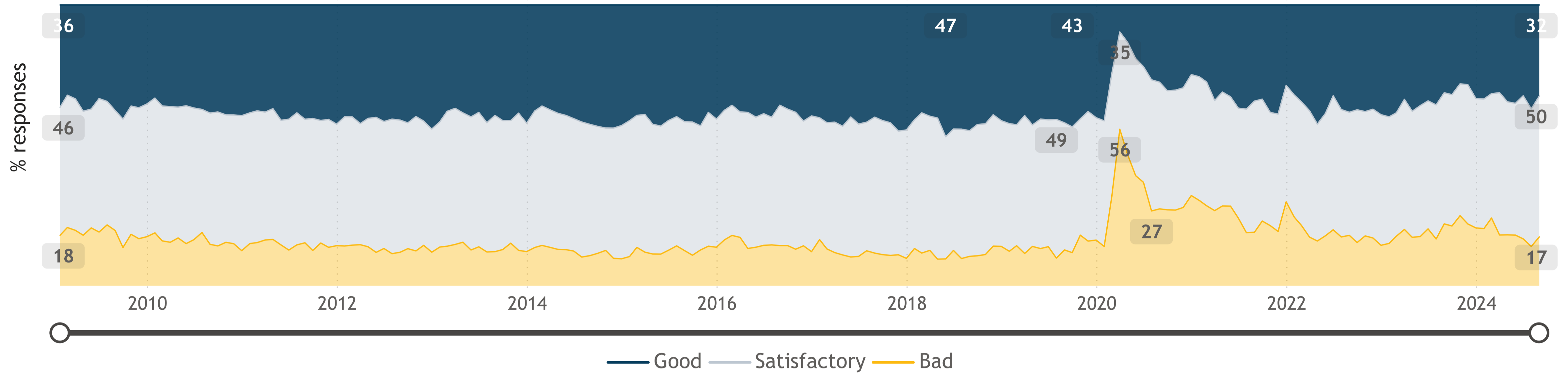


Survey question: How do you expect your firm to be performing in **12 months** compared to now?

Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Notes: ● Historical averages *Natural resources is not included.

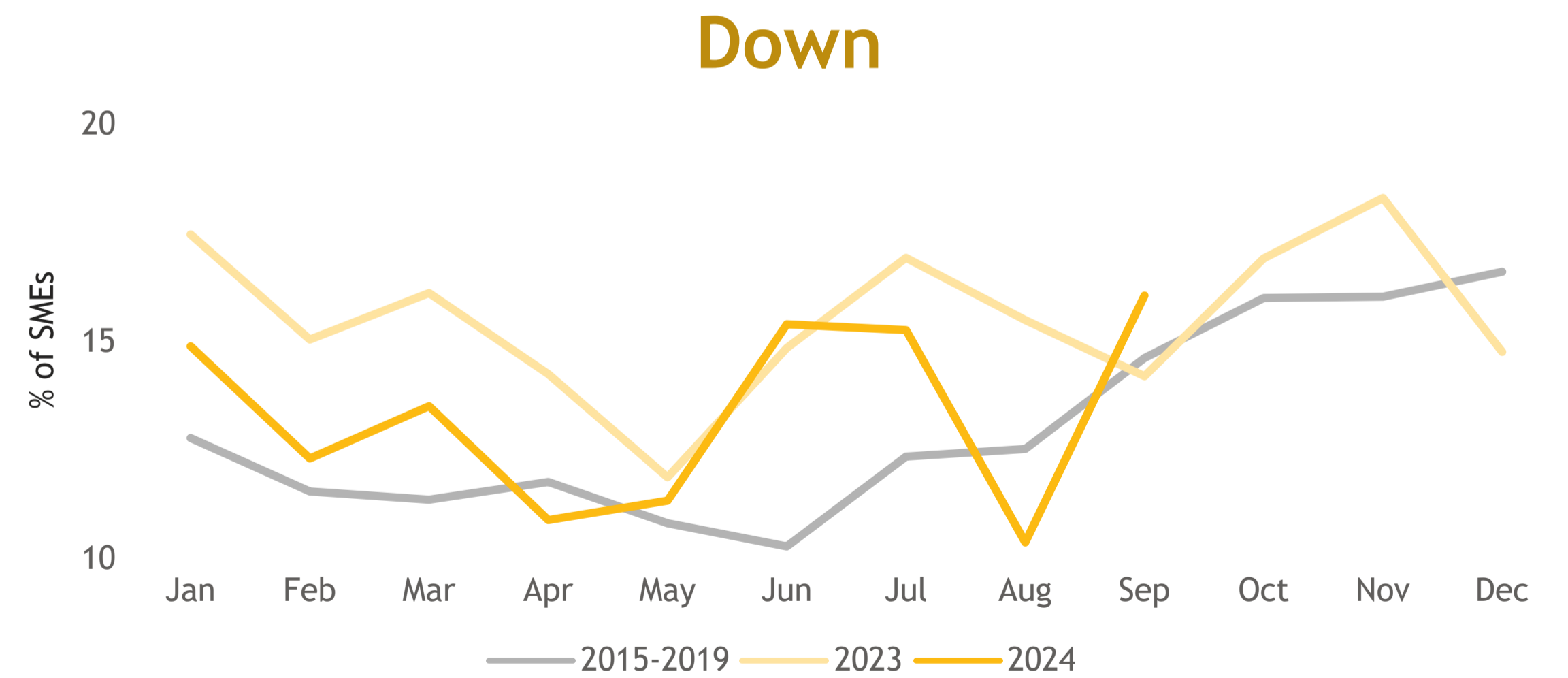
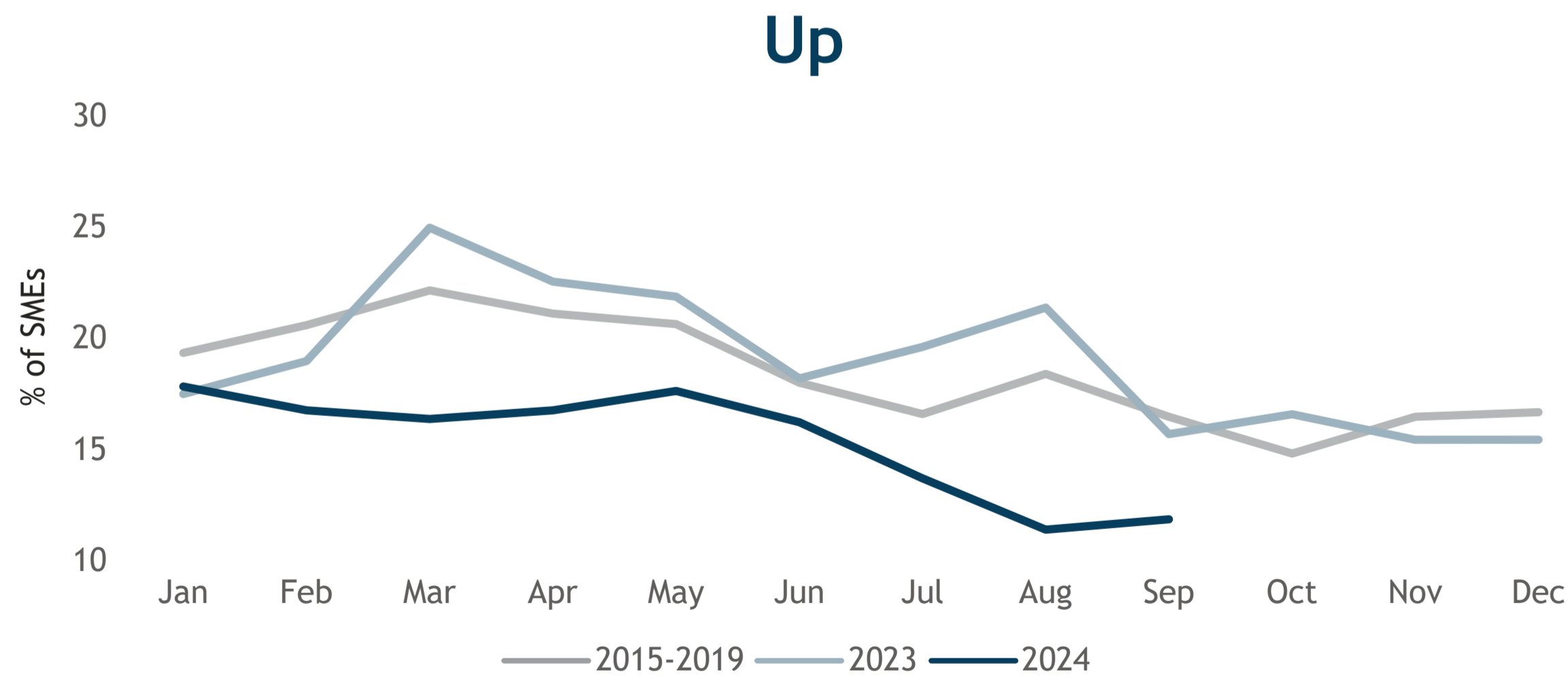
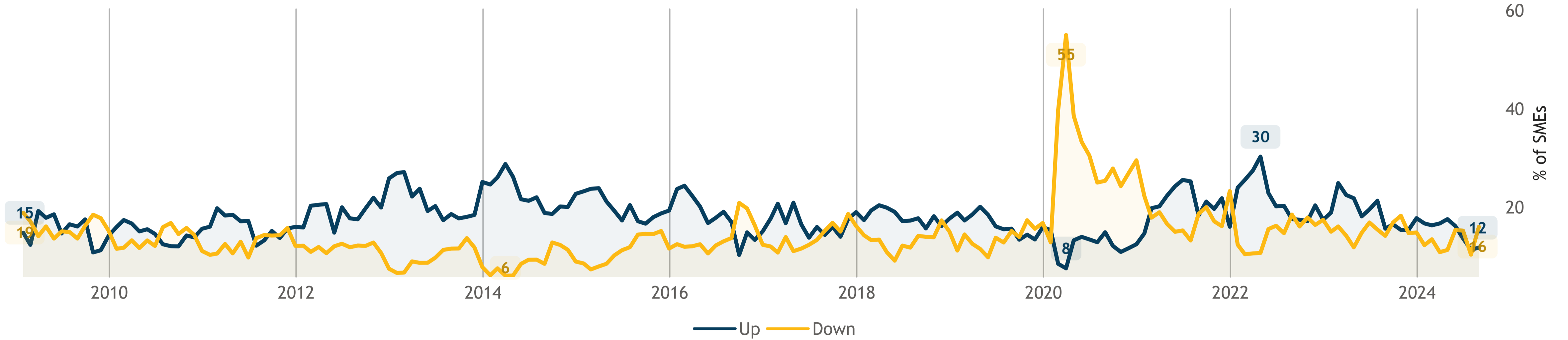
Business Barometer®: General state of business health



Survey question: Currently, what is the general business situation of your company?

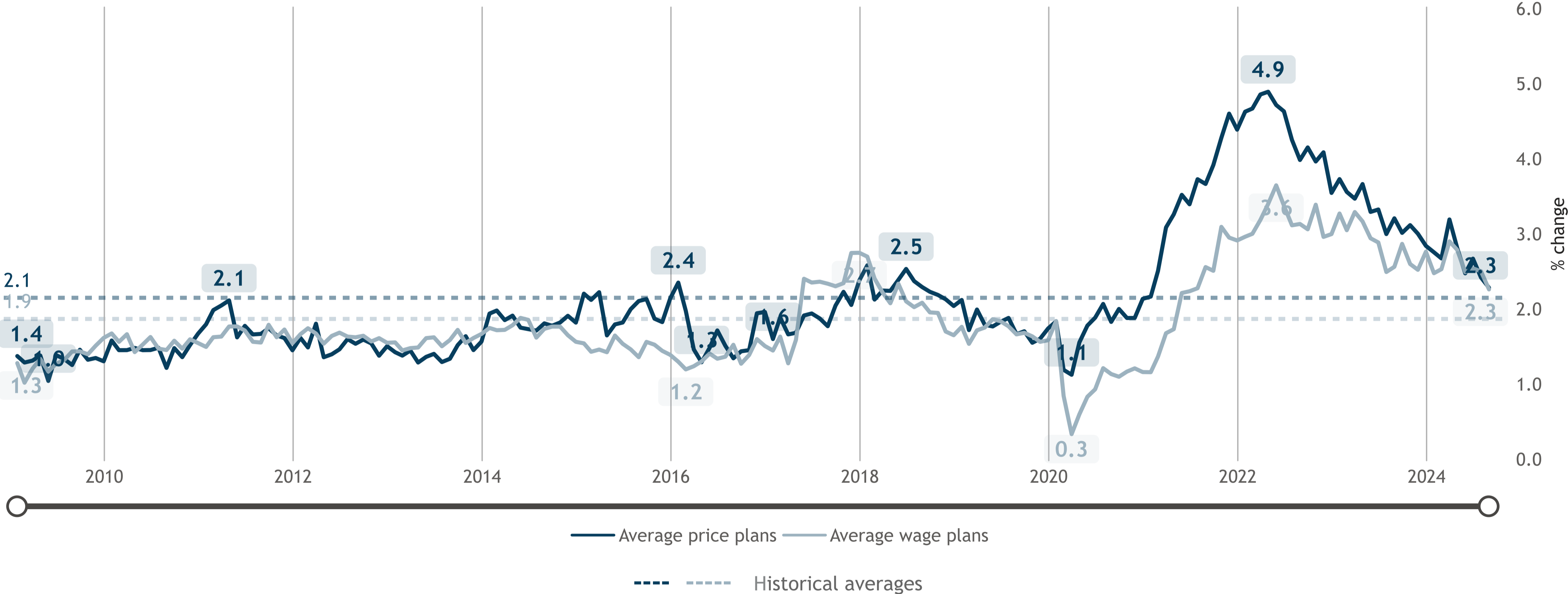
Note: Balance of opinion = [Share of respondents answering **Good**]- [Share of respondents answering **Bad**]

Business Barometer®: Full-time staffing plans, short term



Survey question: How are your expected employment levels to change in the next 3 or 4 months? (Up, Same, Down)

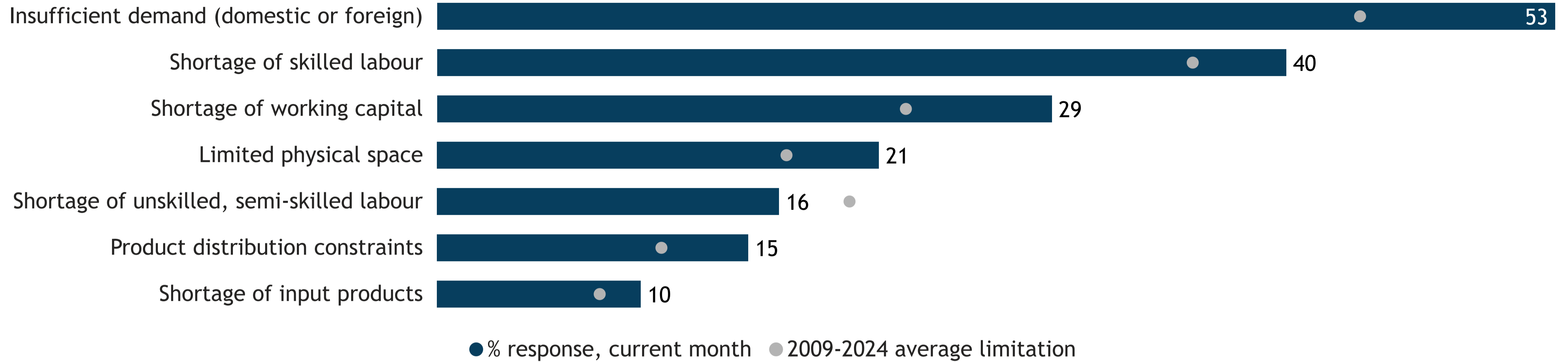
Business Barometer®: Future price and wage increase plans



Survey questions:

In the next year, how much do you expect **average prices** to change?
 In the next year, how much do you expect **average wages** to change?

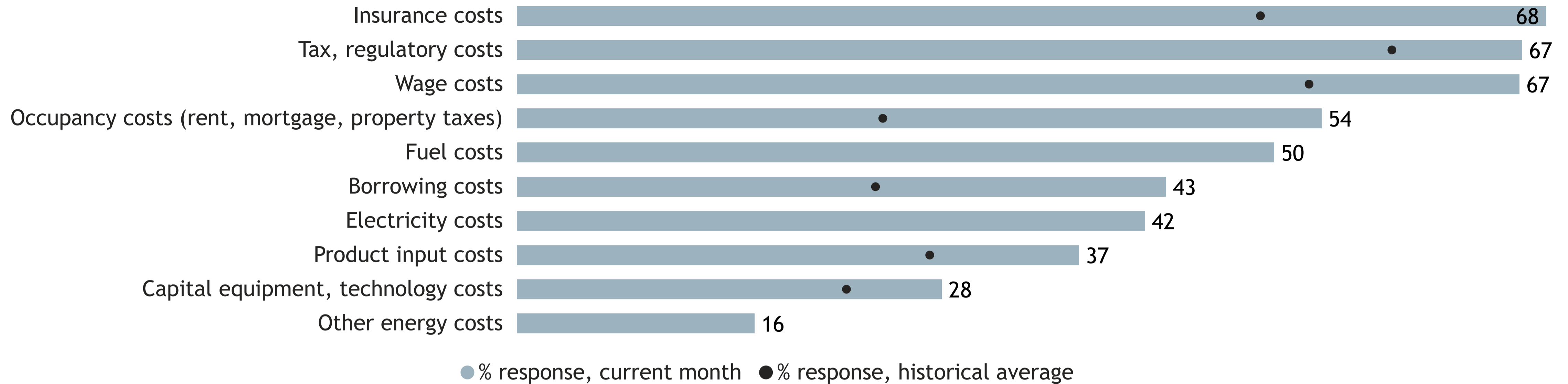
Business Barometer®: Factors limiting sales or production growth- current levels and trend



Survey question: What factors are limiting your ability to increase sales or production?

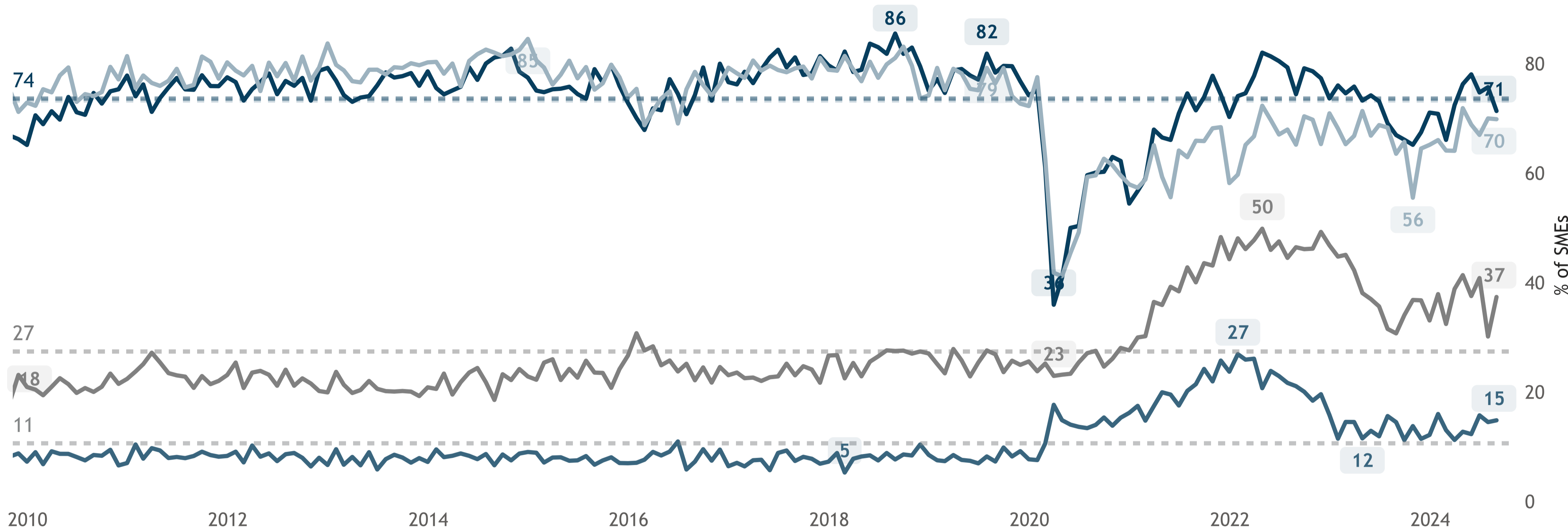
Note: Starting January 2024, the options "Insufficient domestic demand" and "insufficient foreign demand" have been combined into one option "insufficient demand".

Business Barometer®: Major input cost constraints- current levels and trend



Survey question: What types of input costs are currently causing difficulties for your business?

Note: Starting January 2024, the option "Fuel, energy costs" was divided into separate options: "Fuel costs", "Electricity costs", "Other energy costs".



Firms with: — Normal/above normal unfilled orders — Normal/above normal unsold inventories — Product input costs difficulties — Product distribution constraints
 - - - - - Historical averages

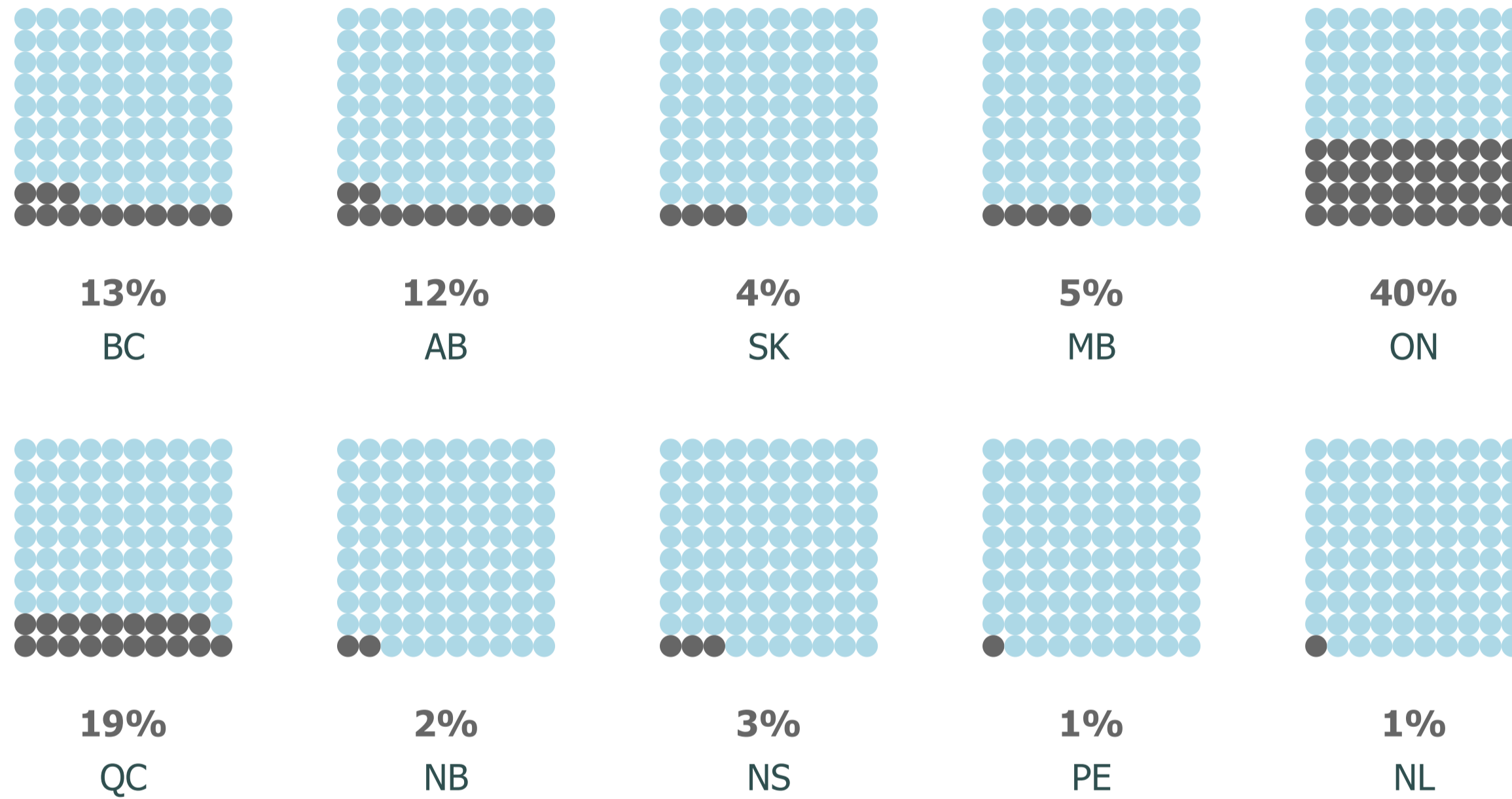
Survey questions:

Allowing for normal seasonal influences, what are **current unfilled orders** and **unsold inventories** compared to normal?

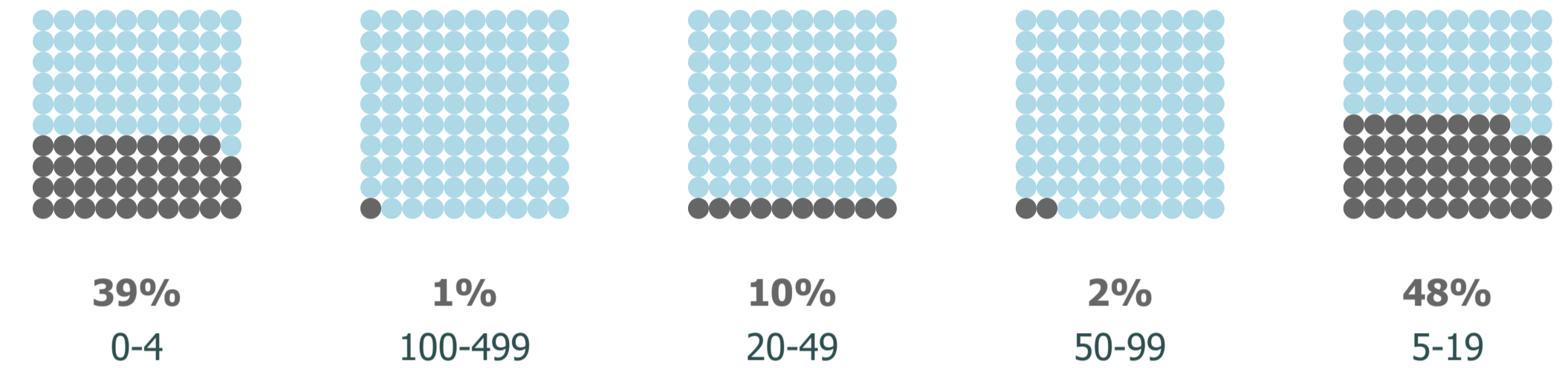
What types of input costs are currently causing difficulties for your business? [Respondents selecting "Product input costs"]

What factors are limiting your ability to increase sales or production? [Respondents selecting "Product distribution constraints"]

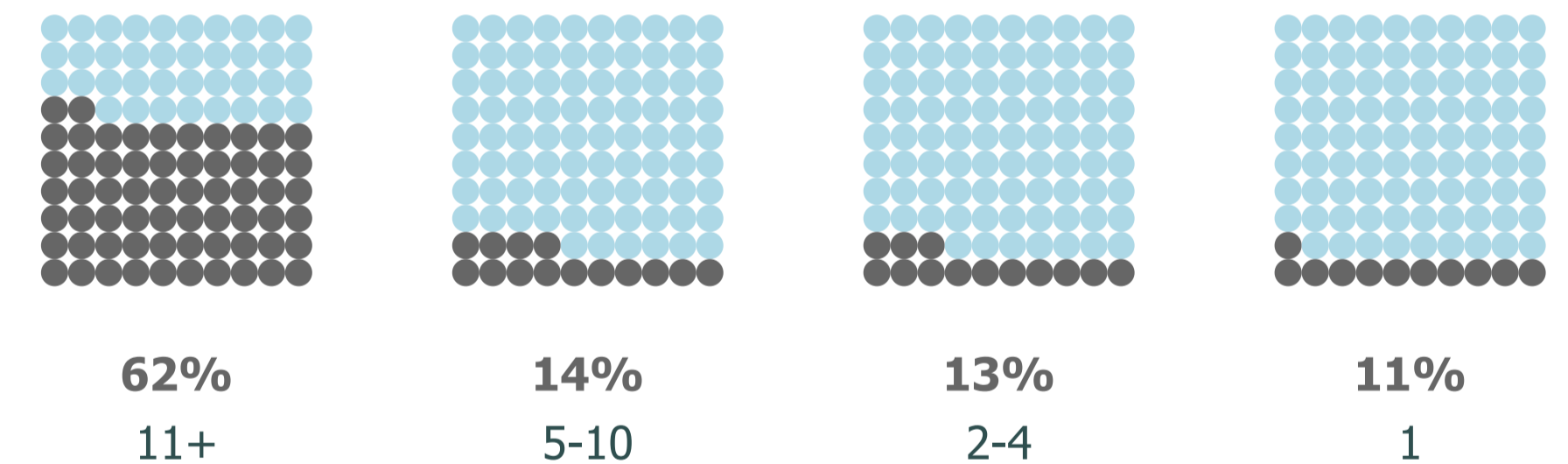
By location of business



By number of employees



By number of years in business



Methodology

- Stratified random sample of CFIB members to a controlled-access web survey: 630 responses
- Responses were received from: September 3-16
- The survey is considered accurate to within +/- 3.9 percentage points, 19 times out of 20.
- Every new month, all indicators are recalculated for the previous month to include all survey responses received in that previous month.
- Measured on a scale between 0 and 100, an index above 50 means owners expecting their business's performance to be stronger over the next three or 12 months outnumber those expecting weaker performance.
- An index level near 65 normally indicates that the economy is growing at its potential.

Questions or data requests

Simon Gaudreault

Chief Economist and Vice-President
Research

simon.gaudreault@cfib.ca



Andreea Bourgeois

Director, Economics

andreea.bourgeois@cfib.ca



Additional information

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research@cfib.ca