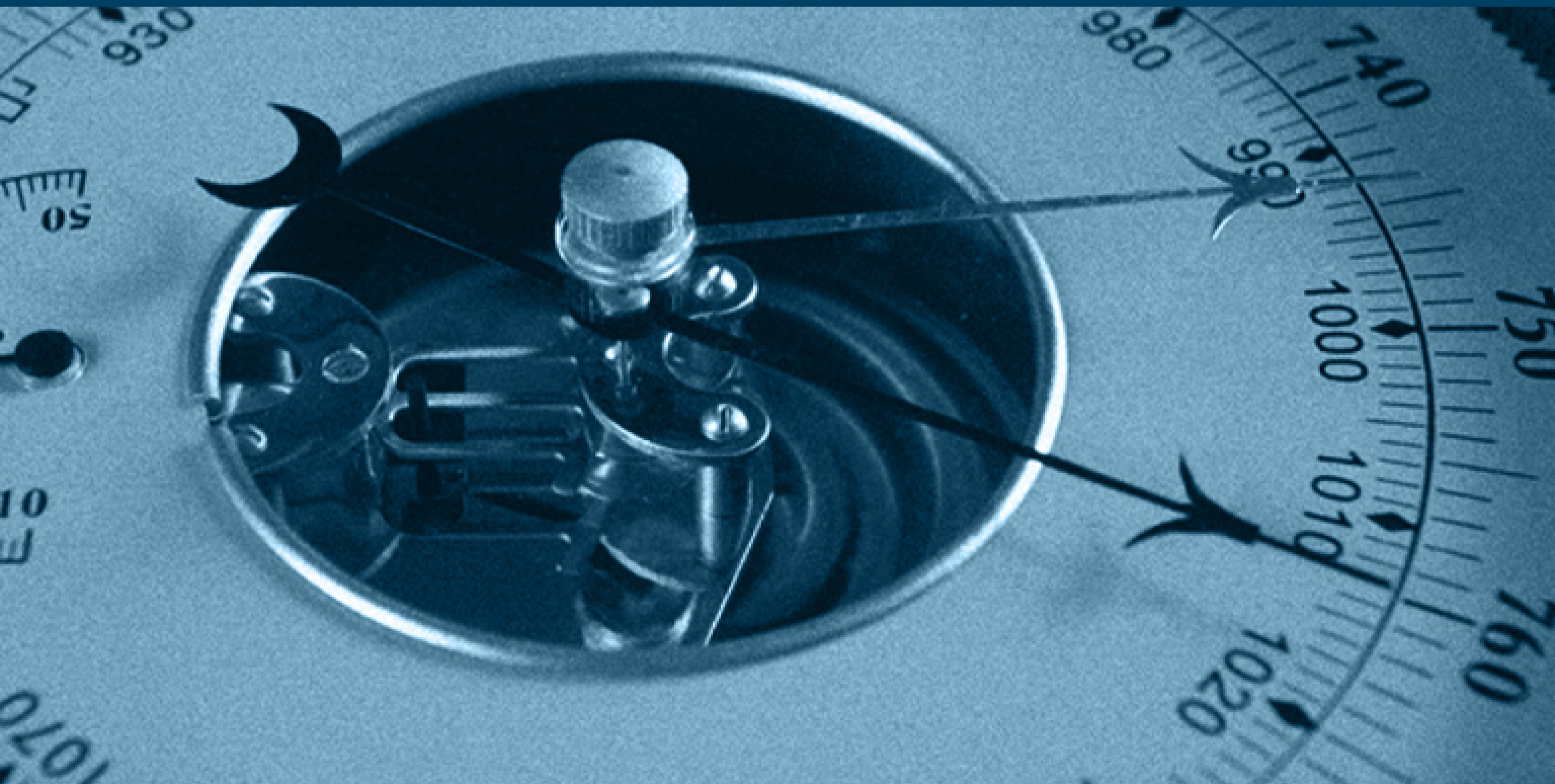




In business
for your business.

Monthly Business Barometer®

October 2024



12-month Small Business Confidence Index

55.8

Monthly change

↑ 0.7

3-month Small Business Confidence Index

48.3

Monthly change

↓ -1.9

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, remained unchanged in October at 55.8. The short-term optimism index, based on a 3-month outlook, dropped about two points to 48.3. Long-term confidence has remained in the mid-50s over the past six months, indicating some stability in the economic climate. Short-term optimism, however, has fluctuated between 47 and 52 since the start of the year, with this month proving no exception.

Provincial overview

Full-time staffing plans remain modest but are trending more closely with historical patterns this month. The main cost constraints on business growth are wage costs (71%), insurance (70%), and tax and regulatory costs (69%). Concern about insufficient demand continues at a historical high outside of the pandemic, with 53% of businesses affected. This indicates that, while small business confidence is steady, it remains modest by historical standards.

Other indicators

Full-time staffing plans are very timid, with 11% of SMEs looking to hire and 10% of entrepreneurs looking to reduce their personnel. Fewer firms (47%) reported domestic/foreign demand as the main limitation on sales or production growth in August versus July (53%).

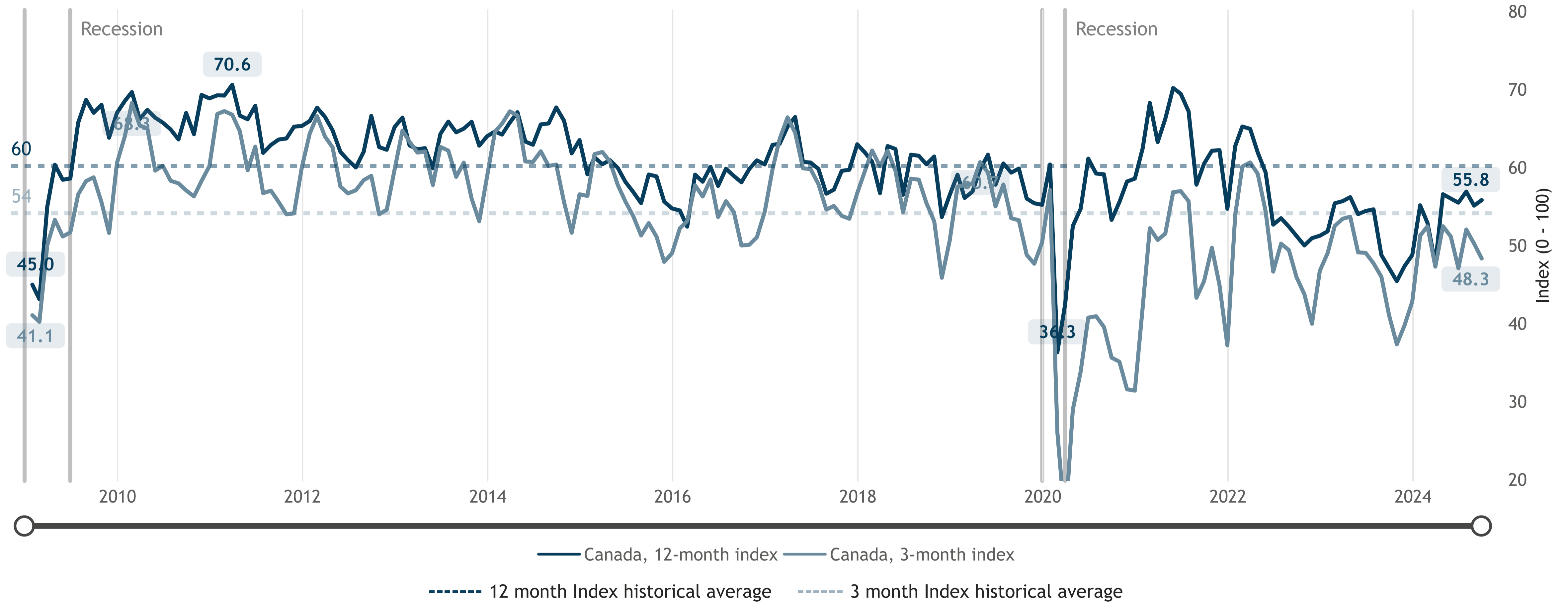
Sectoral overview

Sectoral indices for long-term confidence vary widely. The four most optimistic industries—finance and insurance; information, arts, and recreation; professional services; and health and education—have indices above 60, though still slightly below their historical averages. Most other sectors are in the 50s range, with agriculture notably lower at 43.5, a full 10 points below its historical reading.

Inflation indicator

The average price increase indicator edged up slightly to 2.5, while the planned average wage increase for the next 12 months rose modestly to 2.7.

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



Survey questions:

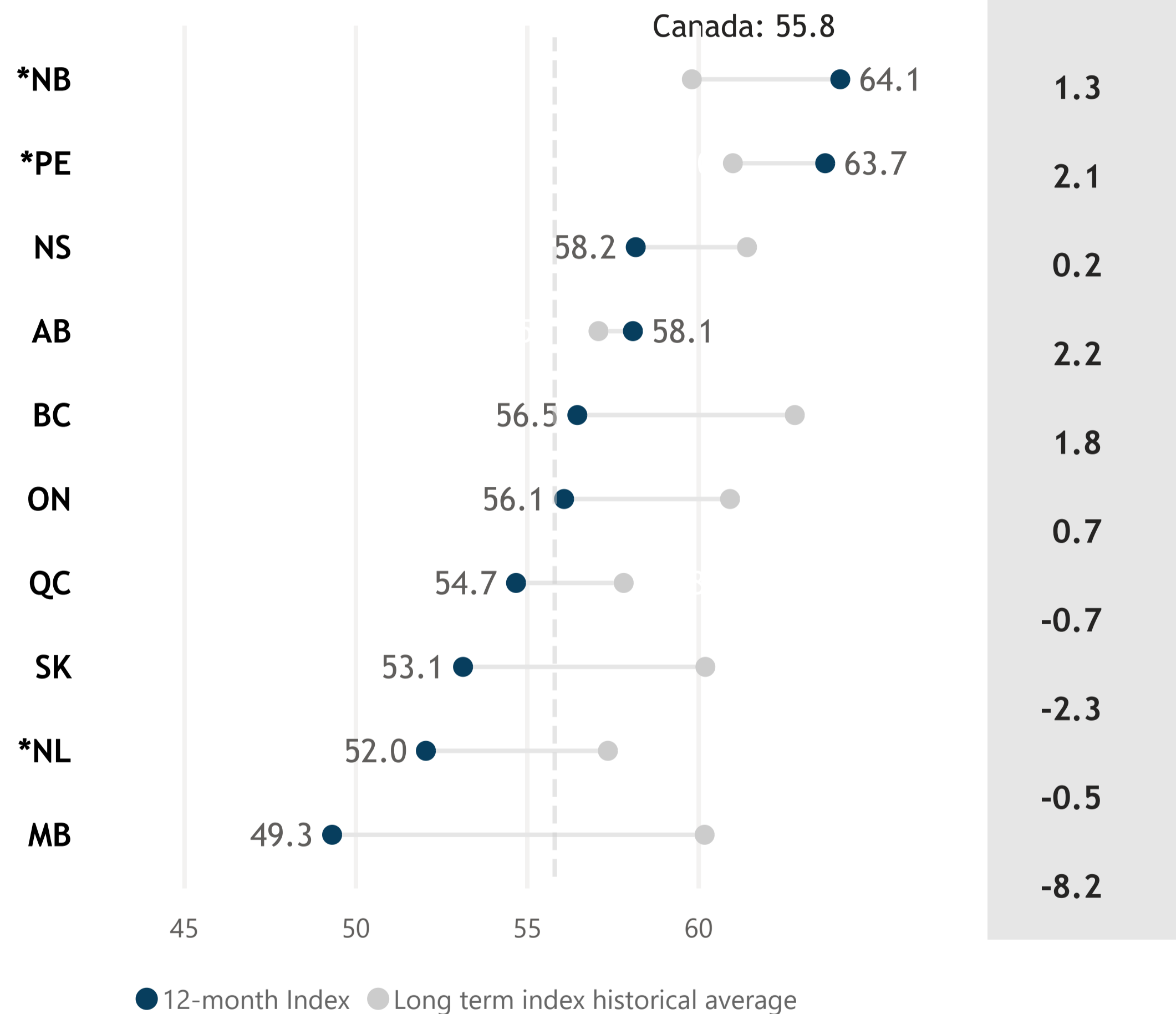
How do you expect your firm to be performing in **12 months** compared to now?

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

Sources : [C.D. Howe Institute Business Cycle Council](#) (Recession data), CFIB

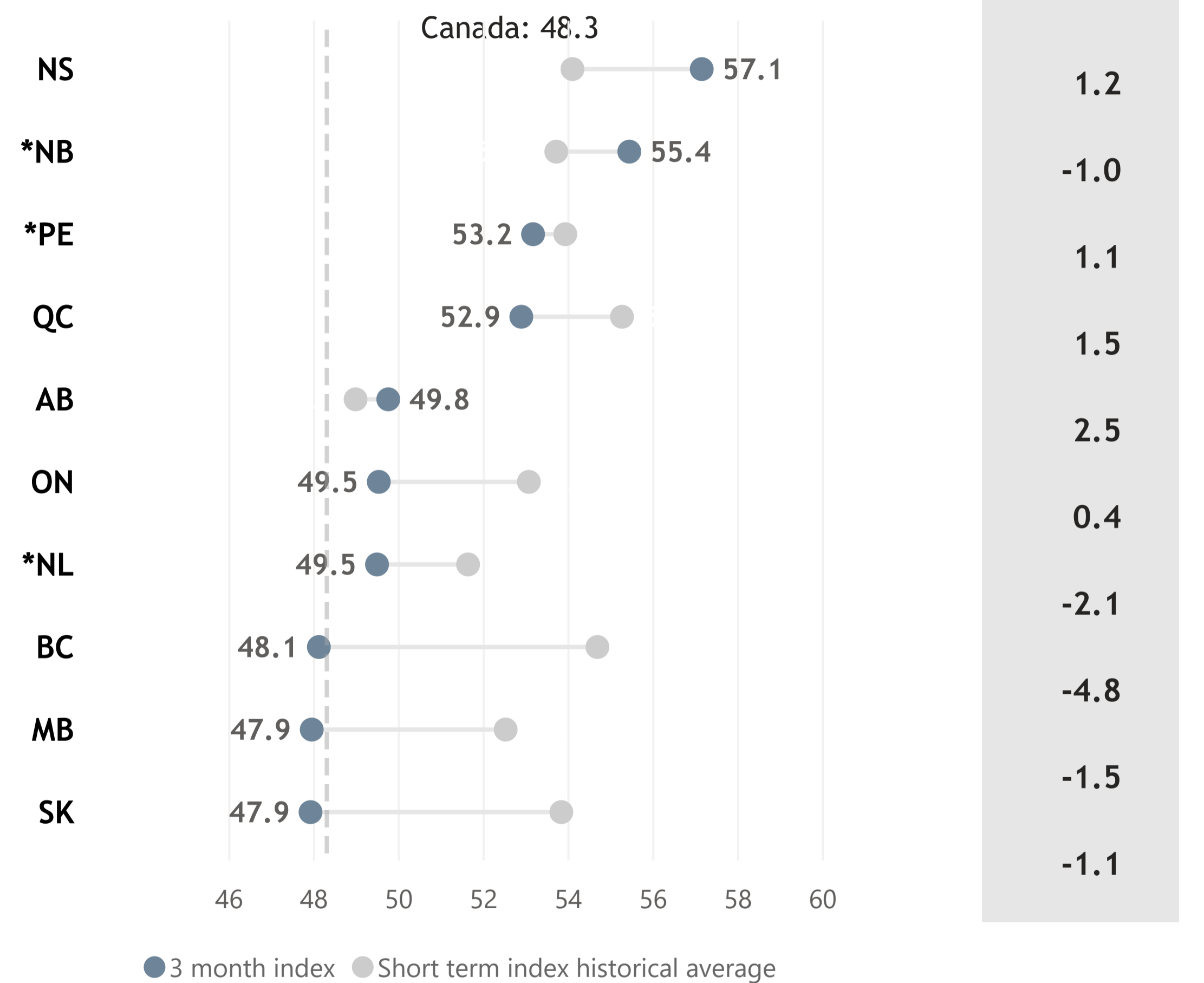
12 month index

m/m % var



3 month index

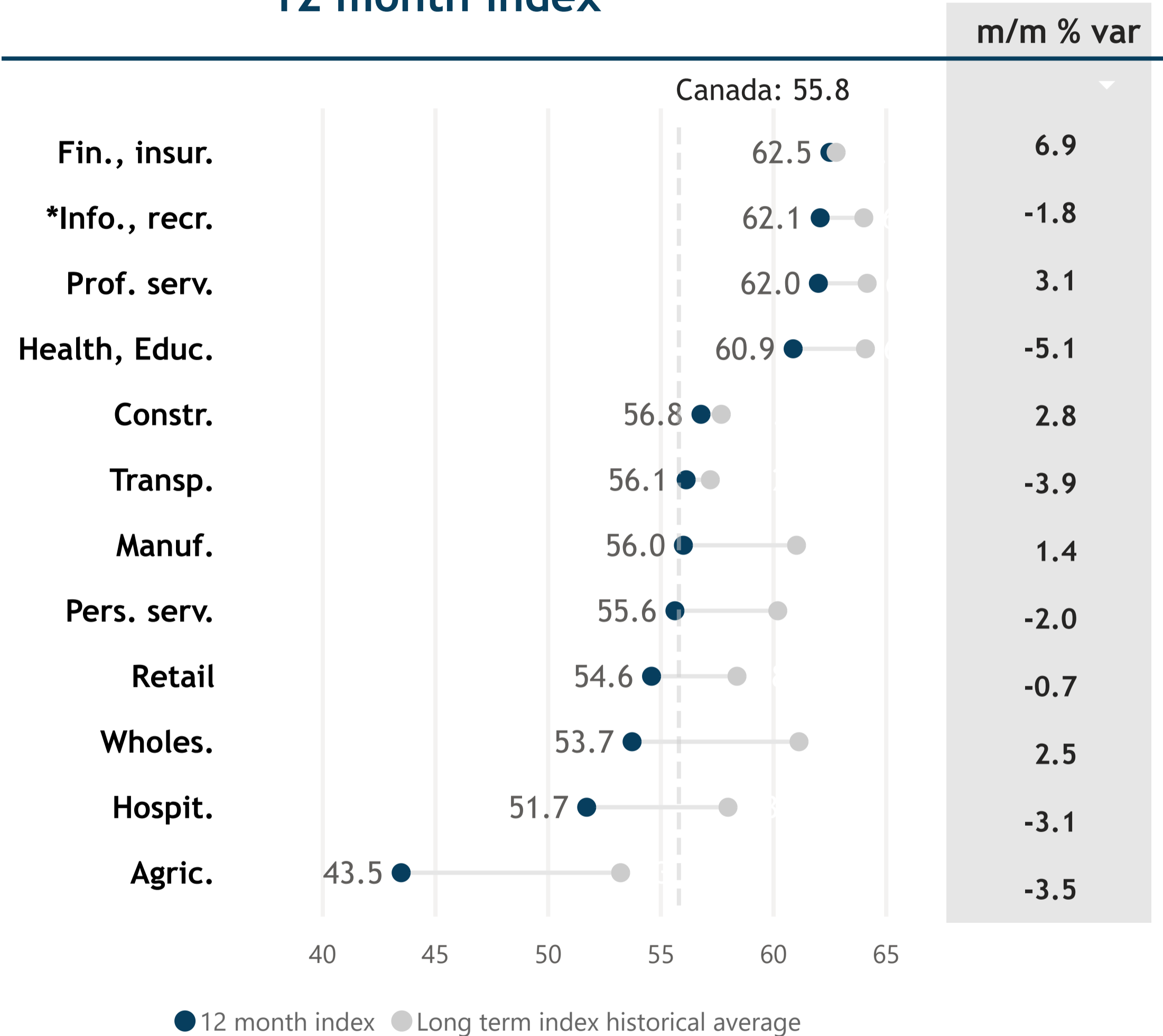
m/m % var



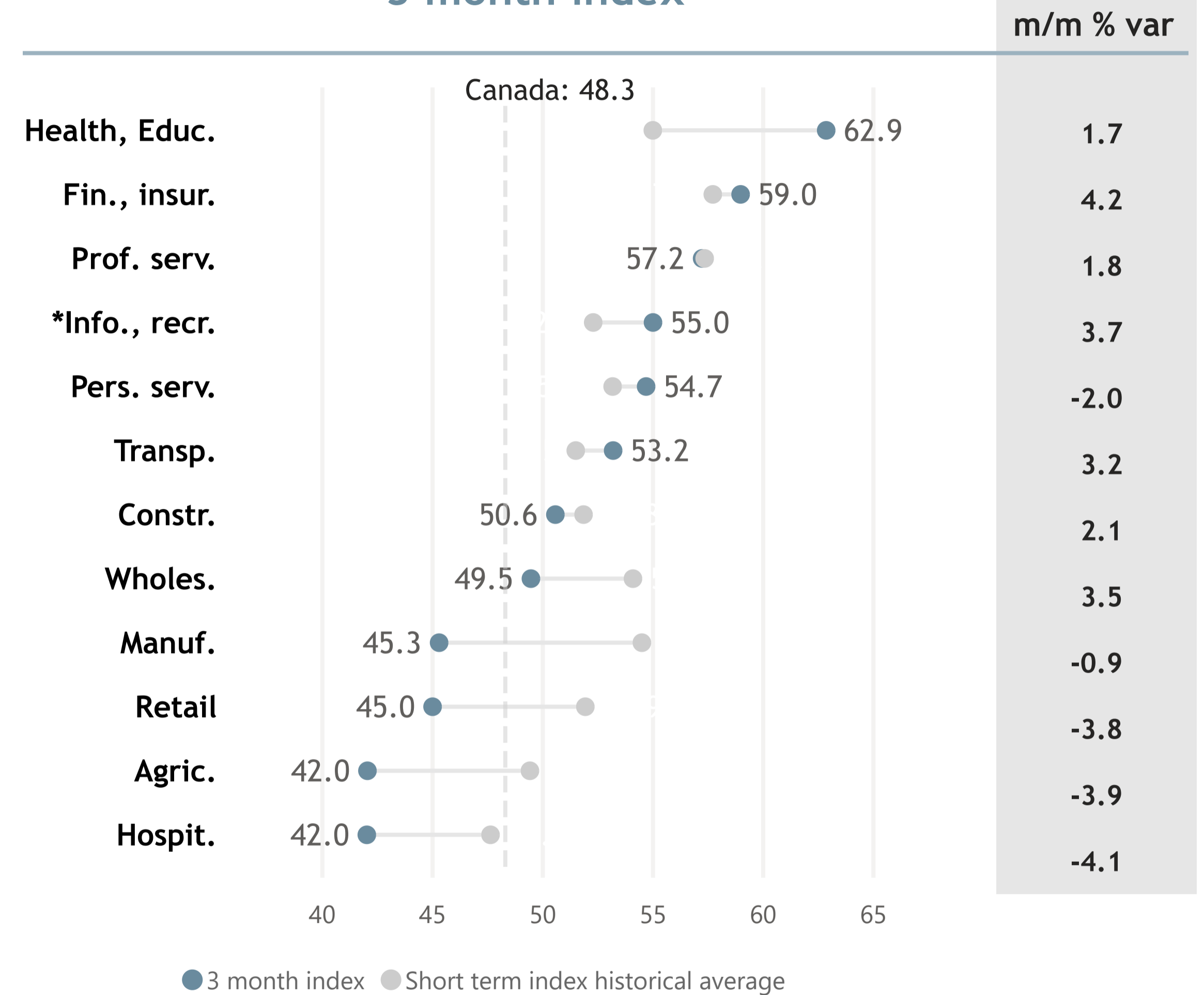
Survey question: How do you expect your firm to be performing in **12 months** compared to now?

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

12 month index



3 month index

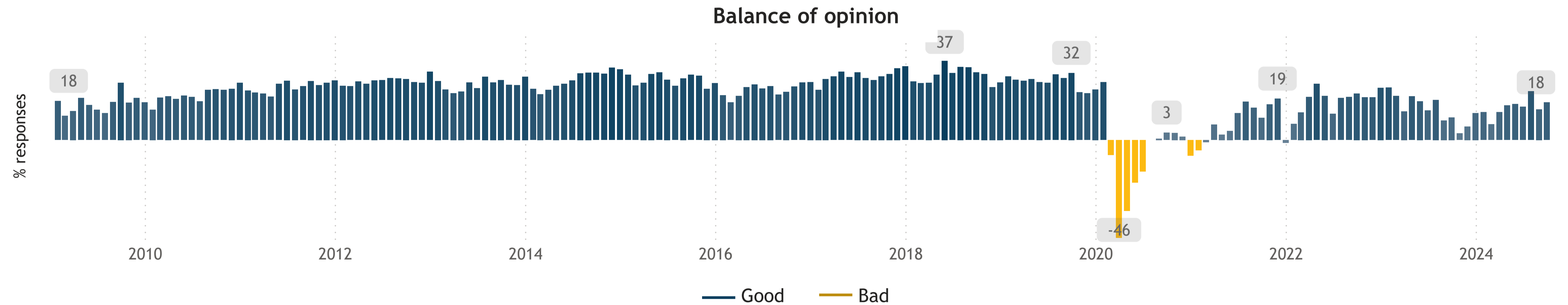
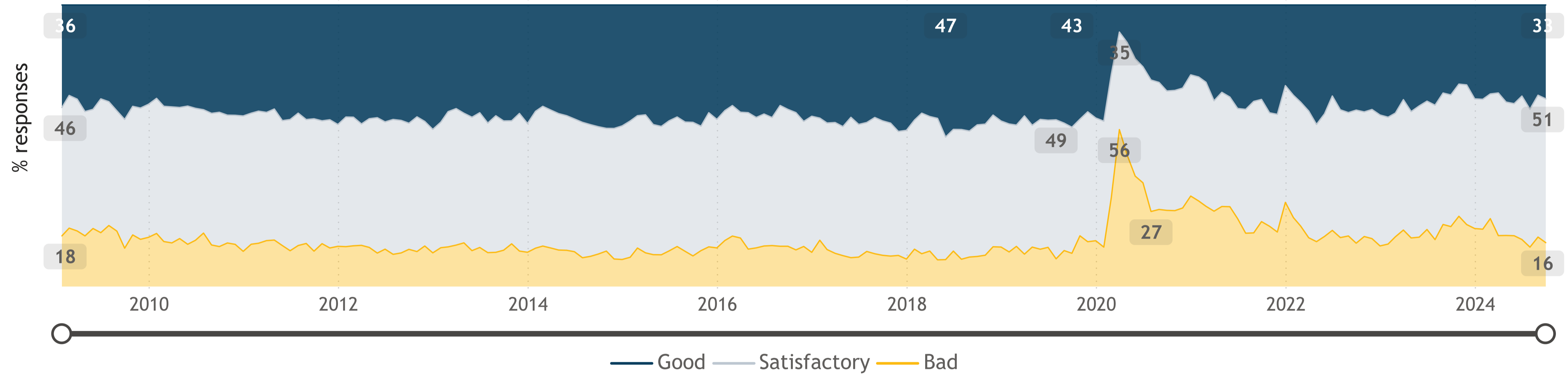


Survey question: How do you expect your firm to be performing in **12 months** compared to now?

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

Notes : *Number of responses under 40 **Natural resources is not included.

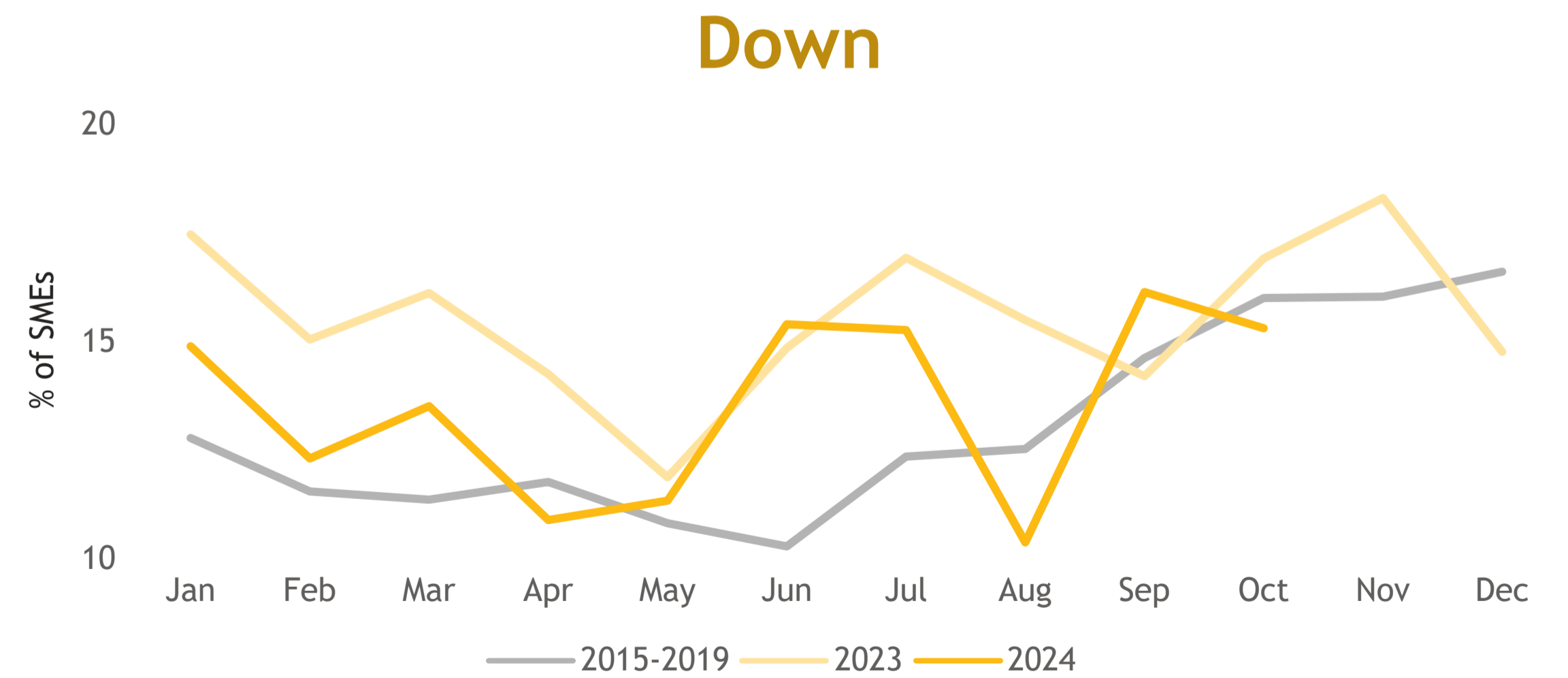
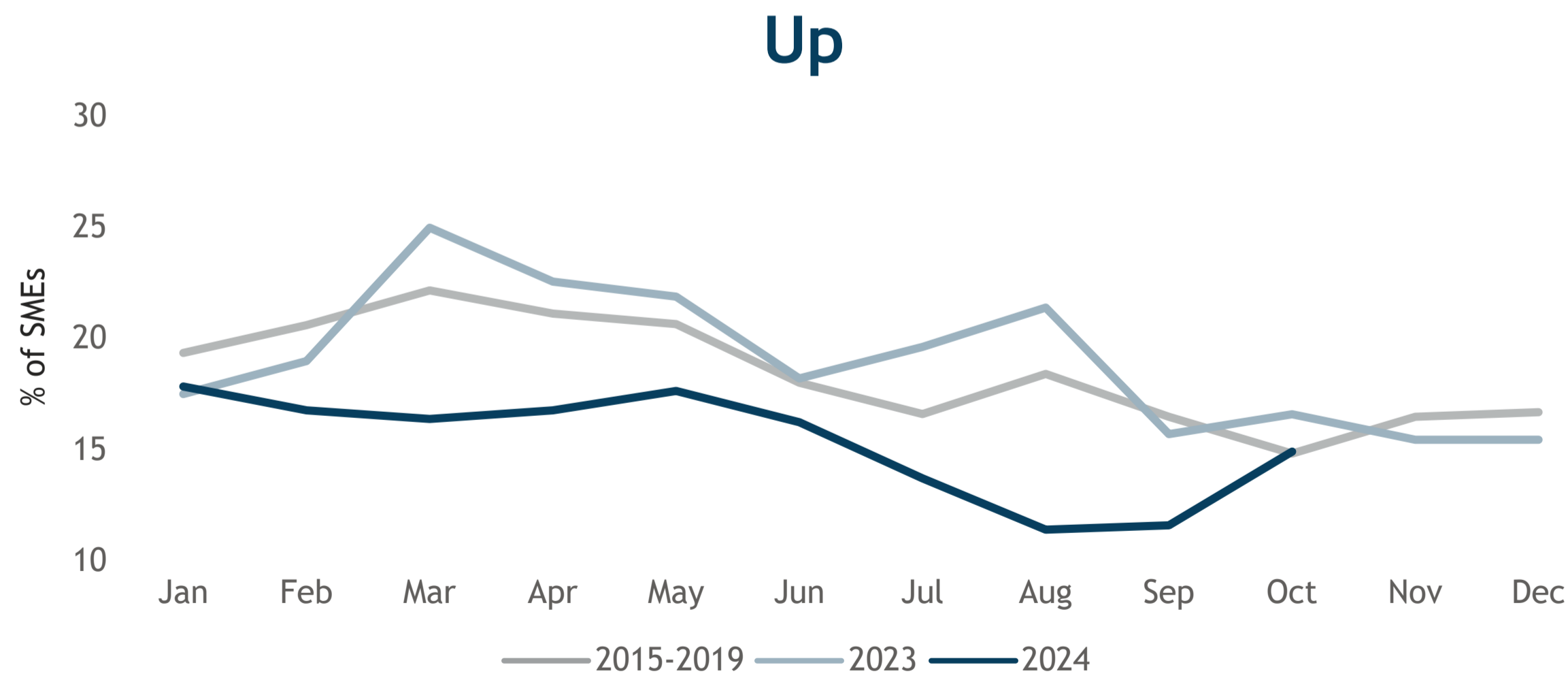
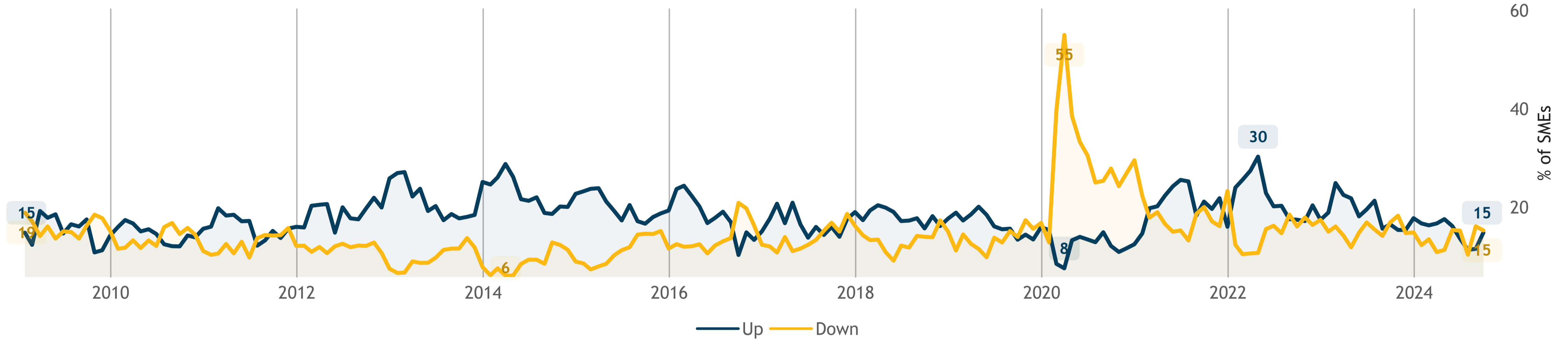
Business Barometer®: General state of business health



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)

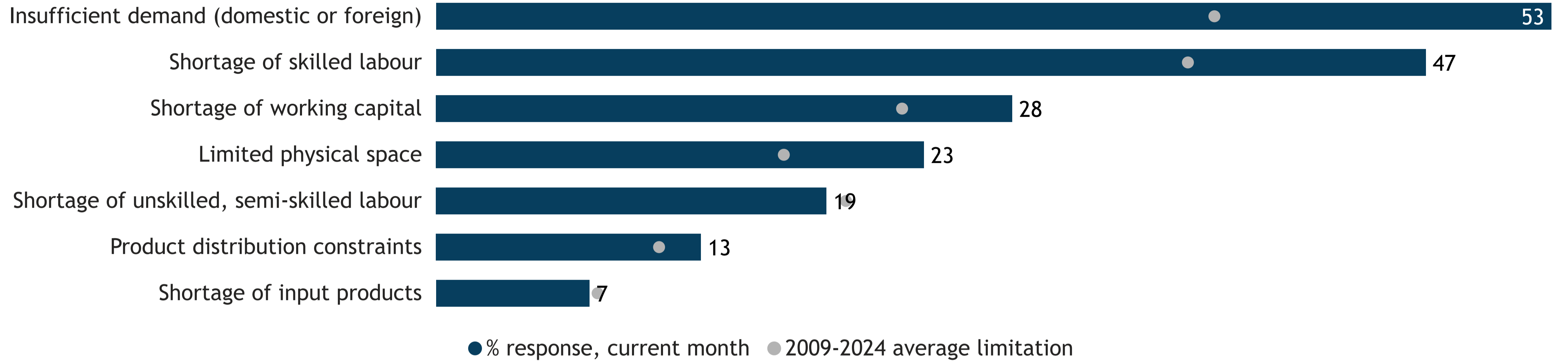
Business Barometer®: Future price and wage increase plans



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?

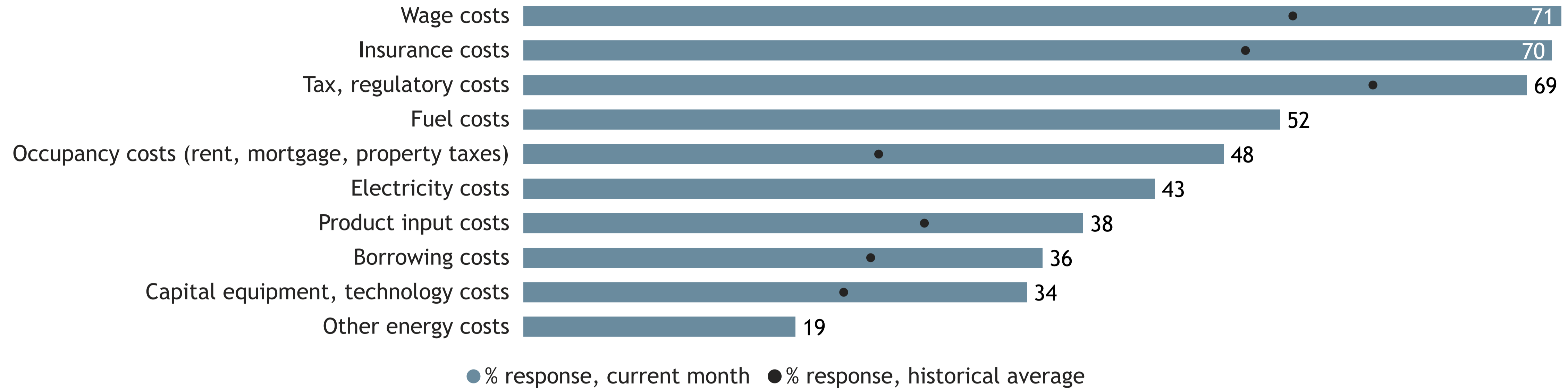
Business Barometer®: Factors limiting sales or production growth- current levels and trend



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

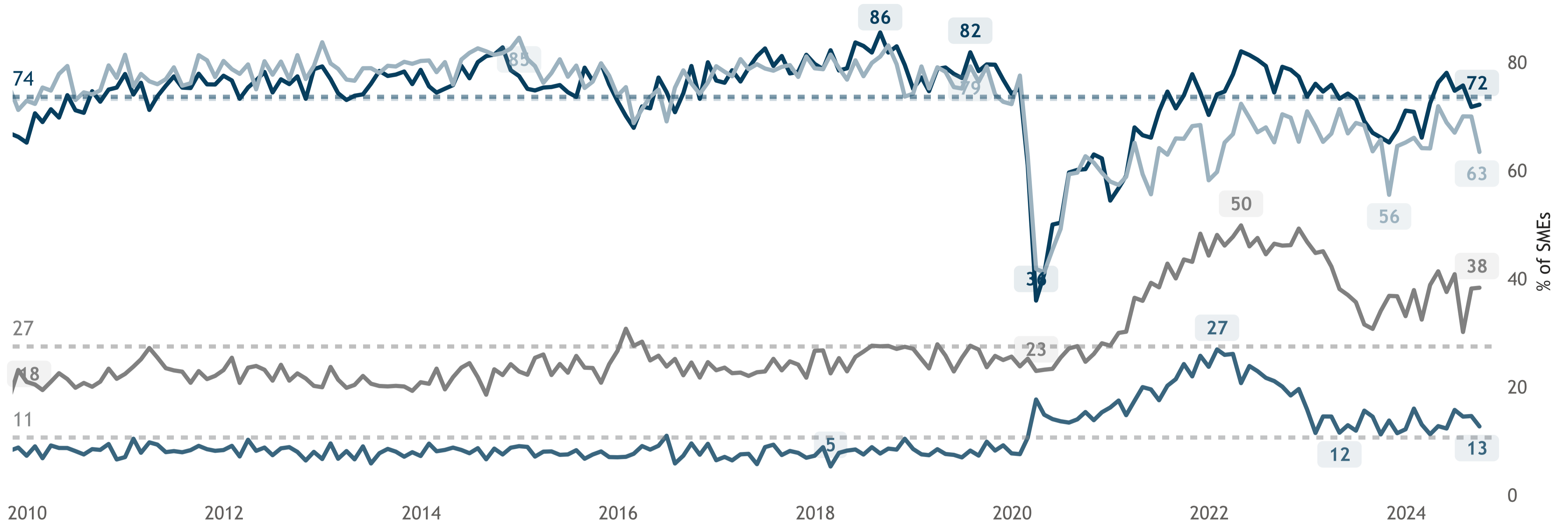
Note: Starting January 2024, the options "Insufficient domestic demand" and "insufficient foreign demand" have been combined into one option "insufficient demand".

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

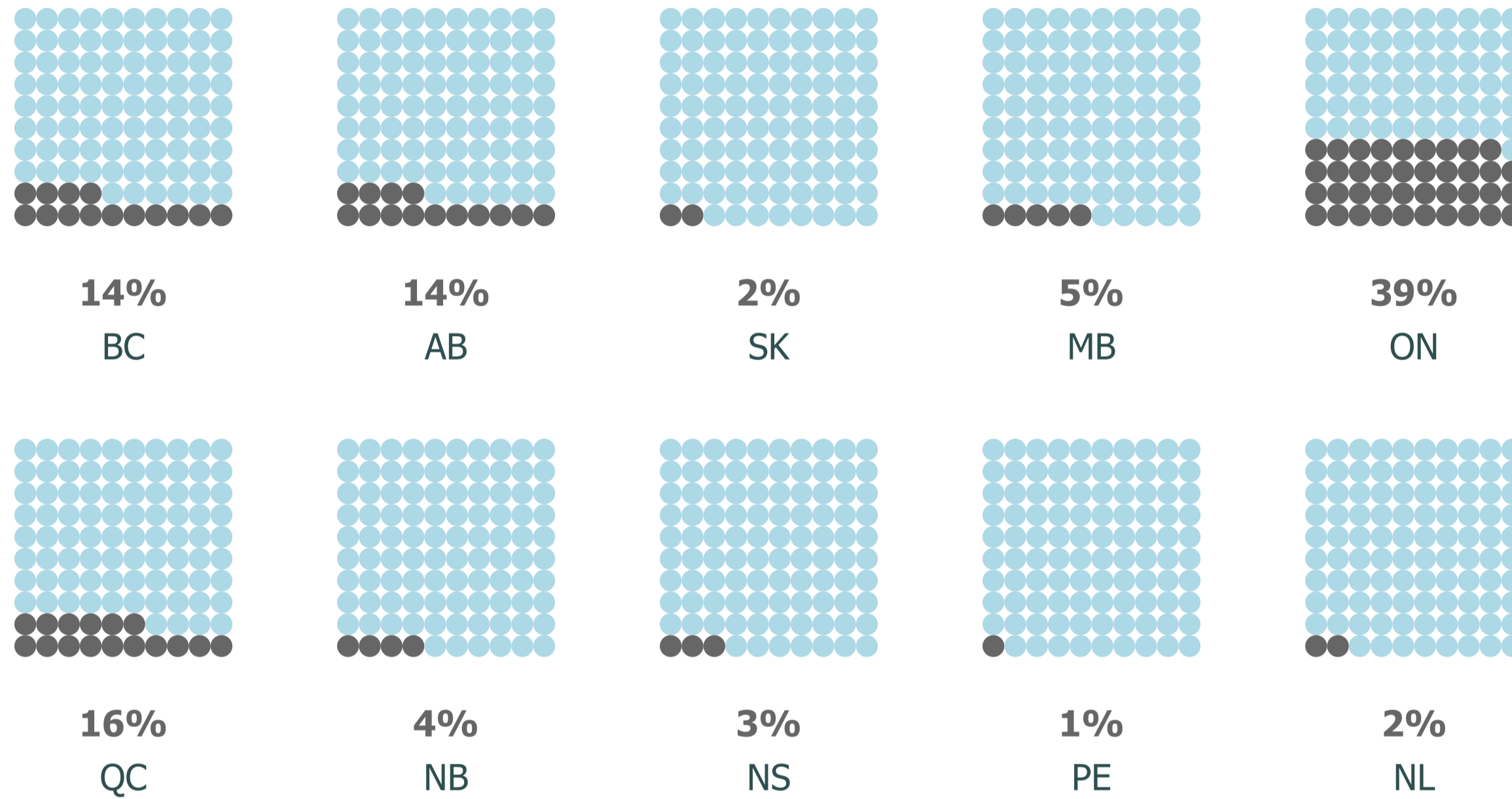
Survey questions:

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

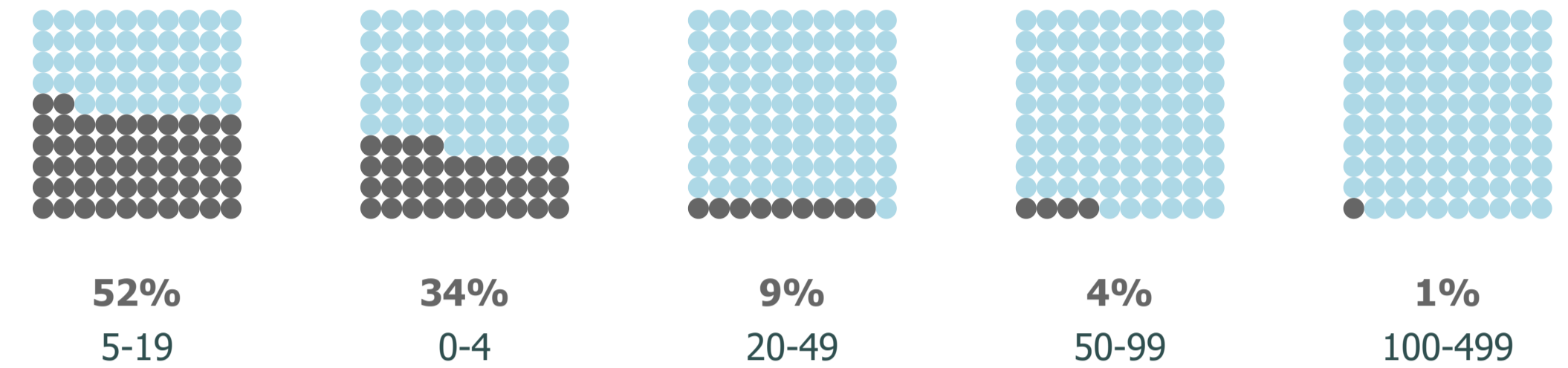
What types of input costs are currently causing difficulties for your business? [Respondents selecting "Product input costs"]

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

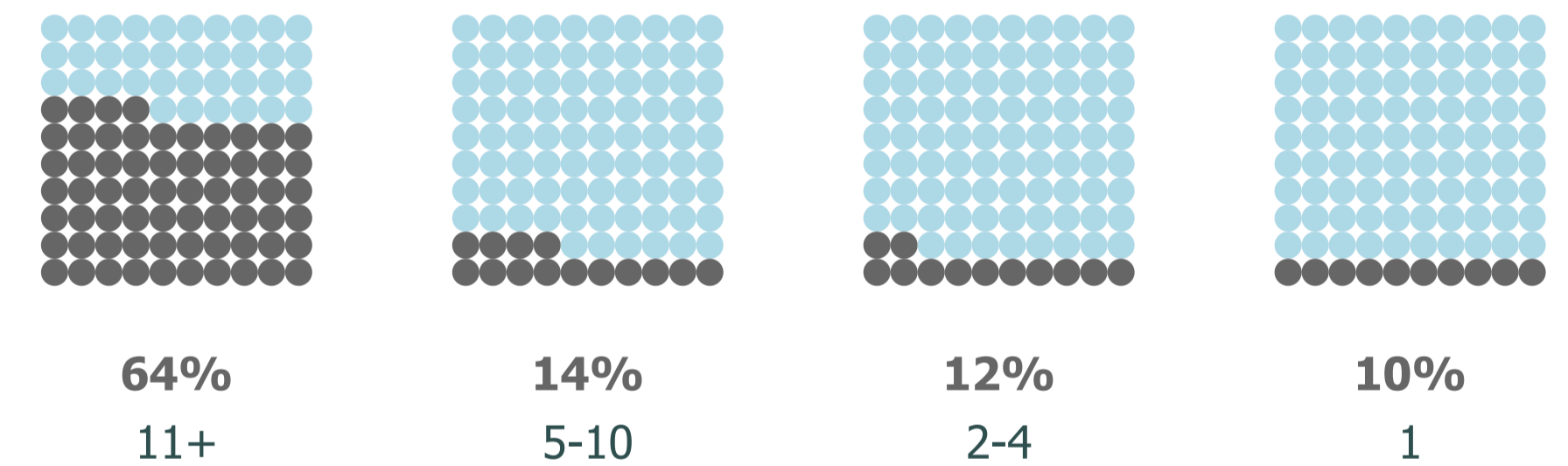
By location of business



By number of employees



By number of years in business



Methodology

- Stratified random sample of CFIB members to a controlled-access web survey: 516 responses
- Responses were received from: October 2-22
- The survey is considered accurate to within +/- 4.3 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

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Additional information

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