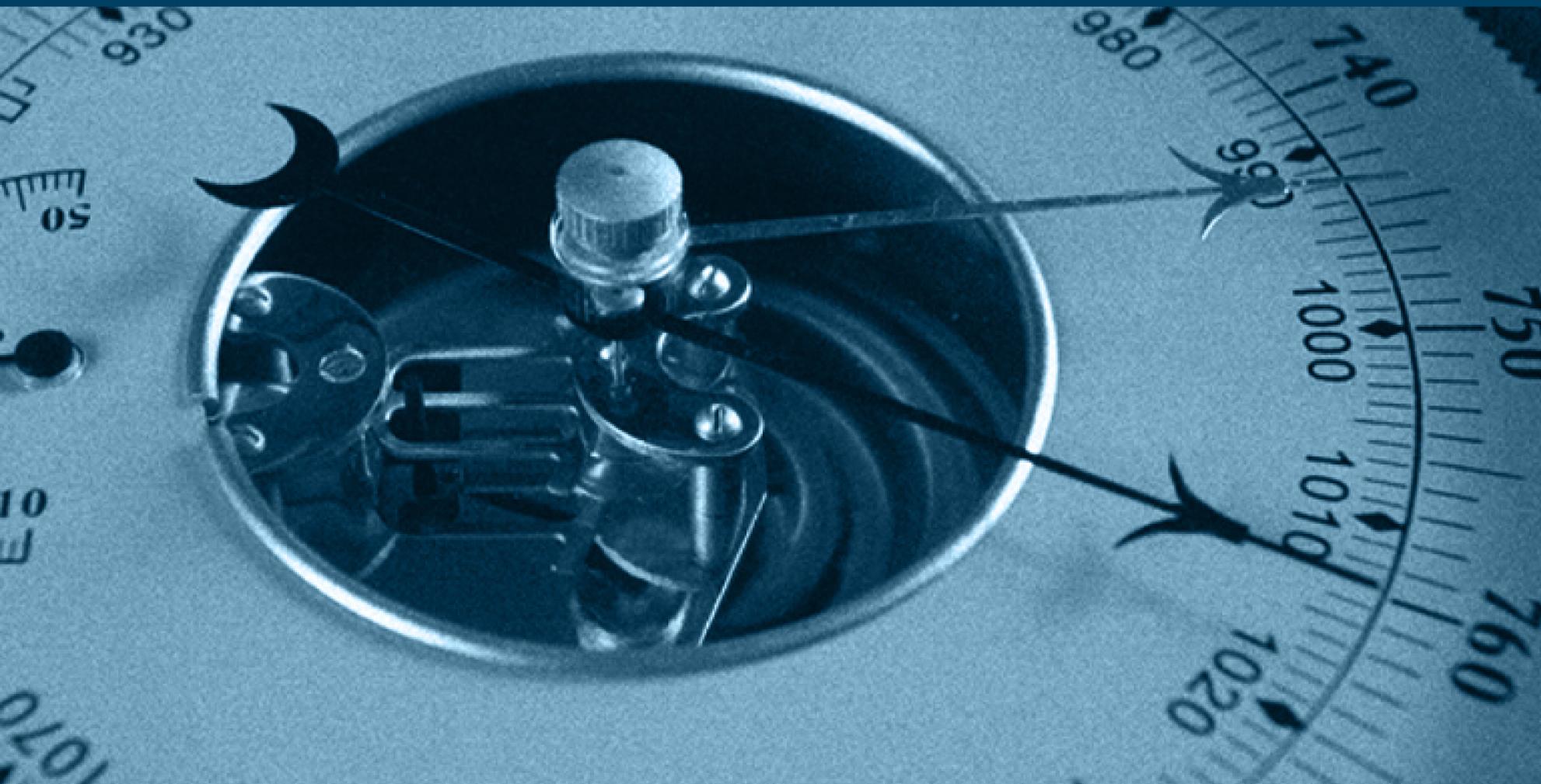




In business  
for your business.

# Monthly Business Barometer®

August 2025



## 12-month Small Business Confidence Index

47.8

Monthly change

↓ -3.7

## 3-month Small Business Confidence Index

46.8

Monthly change

↓ -2.6

August 2025

## 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, edged down to 47.8—about 3.7 points lower than in July. The short-term optimism index, based on a 3-month outlook, fell by 2.6 points to 46.8. After a four-month climb to the 50 threshold, long-term confidence is trending downward again.

### Provincial overview

Following modest gains in recent months, the long-term confidence is now declining in most provinces, with the exception of New Brunswick, Manitoba, and Newfoundland and Labrador. Only New Brunswick, Prince Edward Island, Quebec and Manitoba remain above the 50-point threshold - the level where equal shares of entrepreneurs expect stronger and weaker performances.

### Inflation indicators

These indicators remain unchanged from July, with the average price increase holding at 2.7%, and the average wage increase steady at 2.1%.

### Sectoral overview

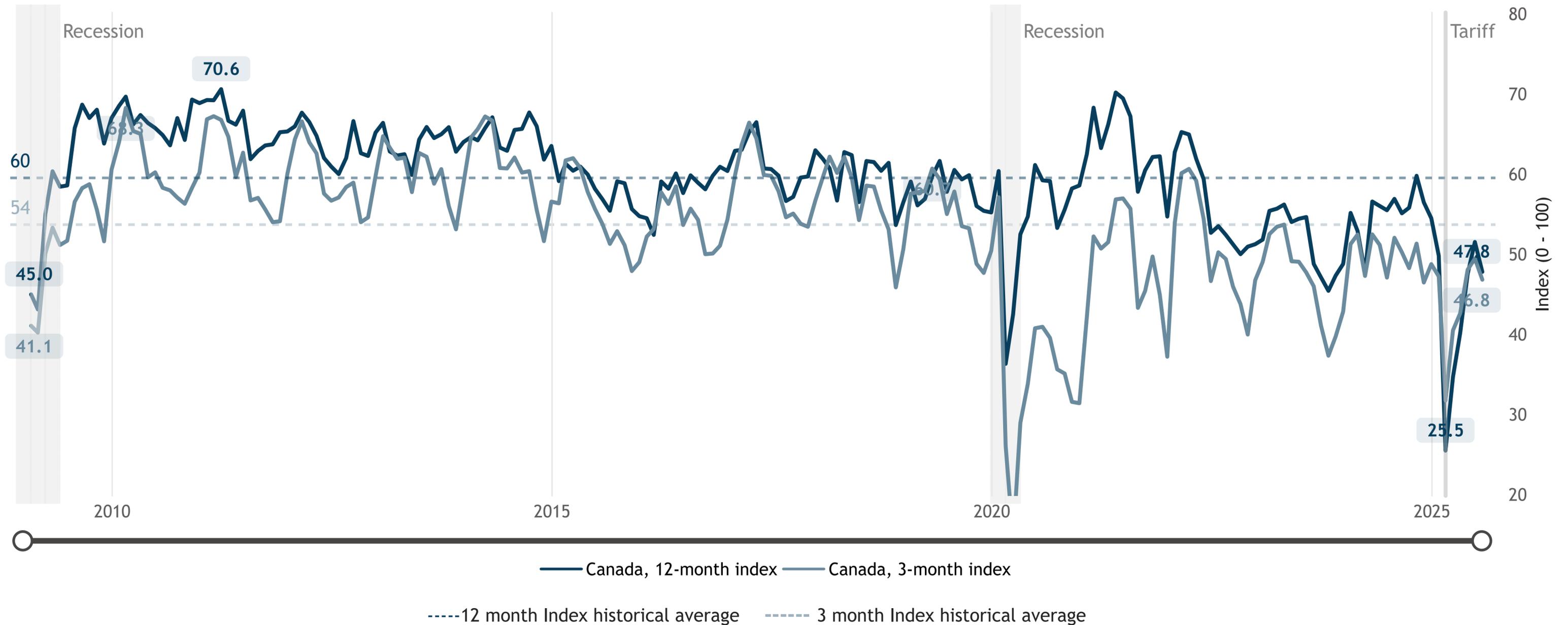
Long-term confidence has also deteriorated across most sectors, except wholesale, professional services, construction and agriculture. Retail, manufacturing, personal services, transportation and warehousing, as well as insurance, real estate, and financial services, continue to lag below the 50-point mark.

### Other indicators

Full-time staffing plans remain muted with no real appetite for hiring, with a little more employers looking to add staff than to reduce it. Part-time employment remains negative, a trend that has persisted for most of the time since mid-2023.

Insufficient demand persists as the primary barrier to business and production expansion (as reported by 49% of SMEs). Key cost constraints hindering business growth include insurance costs (63%), tax and regulatory expenses (63%), and wage costs (58%).

# 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?

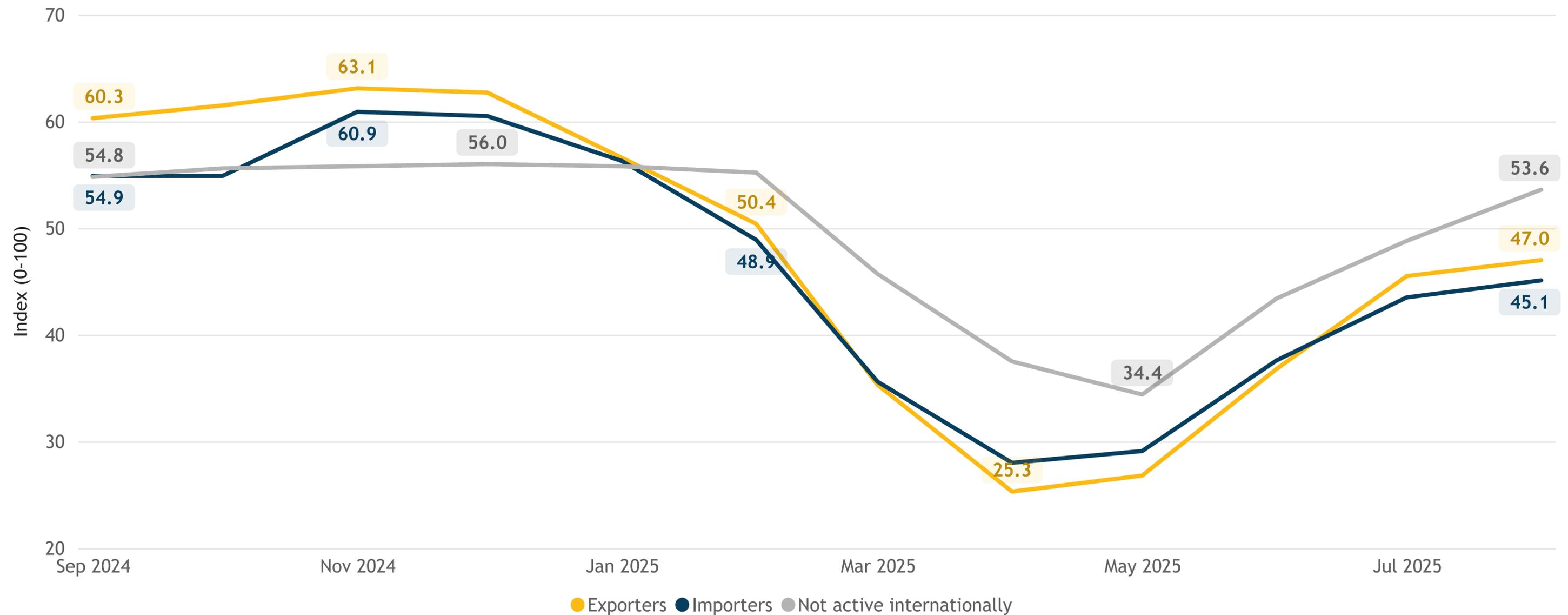
Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Sources : CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.

C.D. Howe Institute Business Cycle Council (Recession dates)

Note: Index > 50 = more businesses expecting stronger performance than weaker performance

# Business Barometer®: 12-month small business confidence index for exporters and importers, Canada



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

International trade (Select one): **Buying from abroad**, **Selling abroad**, **A mix of both**, **Not active internationally**

Source: CFIB, Your business outlook survey. 367 responses received from August 5-12.

Note: Data presented as 3-month moving averages. New series started from September 2024.



# Business Barometer®: Small business confidence index, provinces



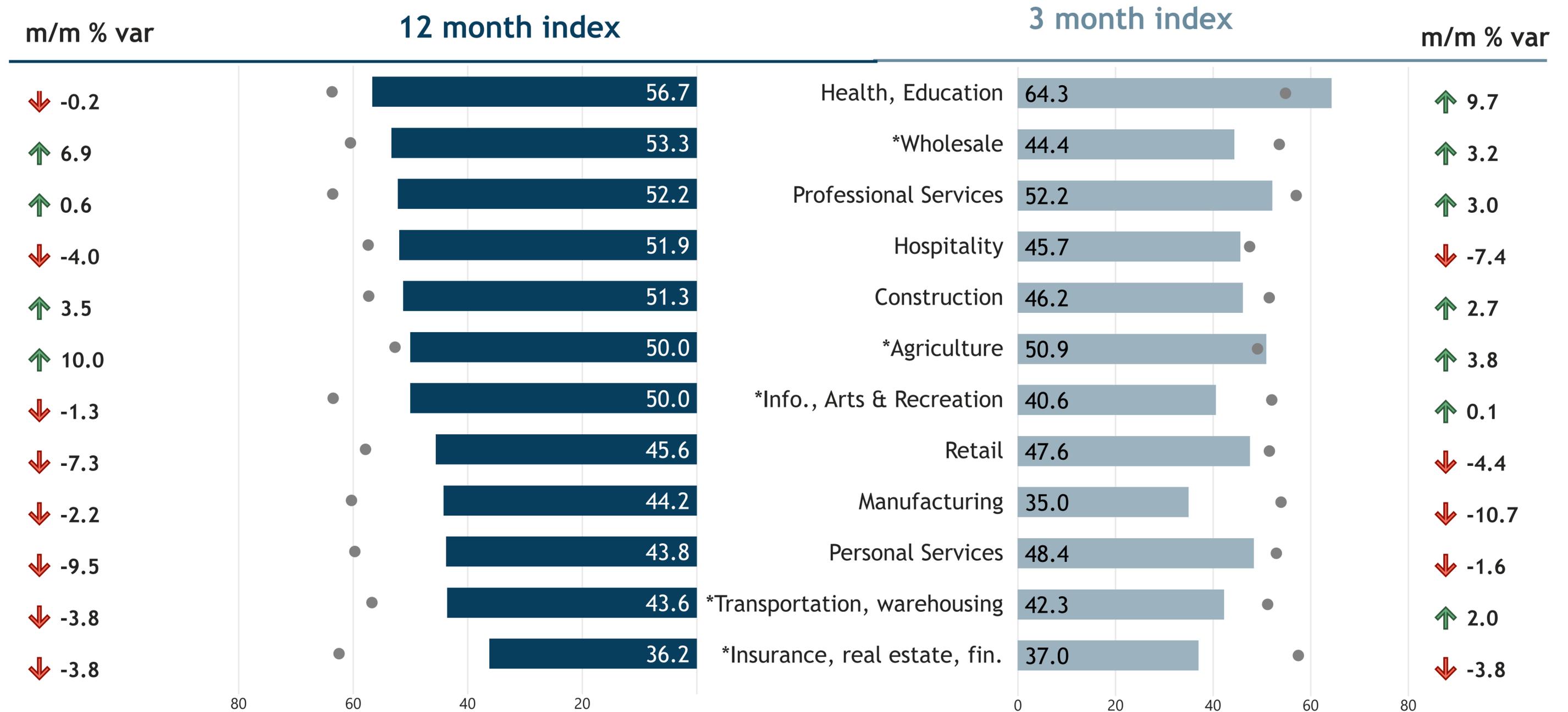
Survey question: How do you expect your firm to be performing in **12 months** compared to now?

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

Source: CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.

Note: ● Historical averages. \*\*Data presented by 12-month moving average \*Data presented by 3-month moving average.  
 Index > 50 = more businesses expecting stronger performance than weaker performance

# Business Barometer®: Small business confidence index, sectors



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

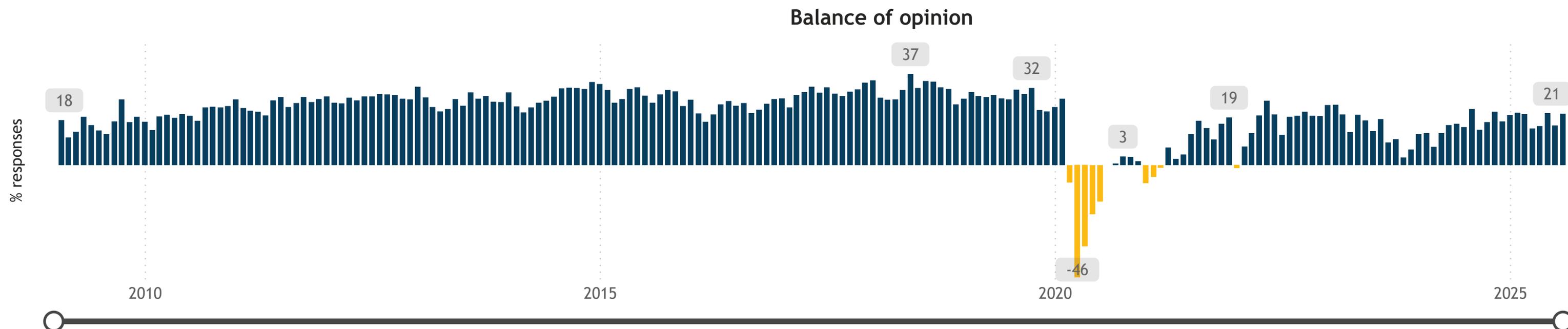
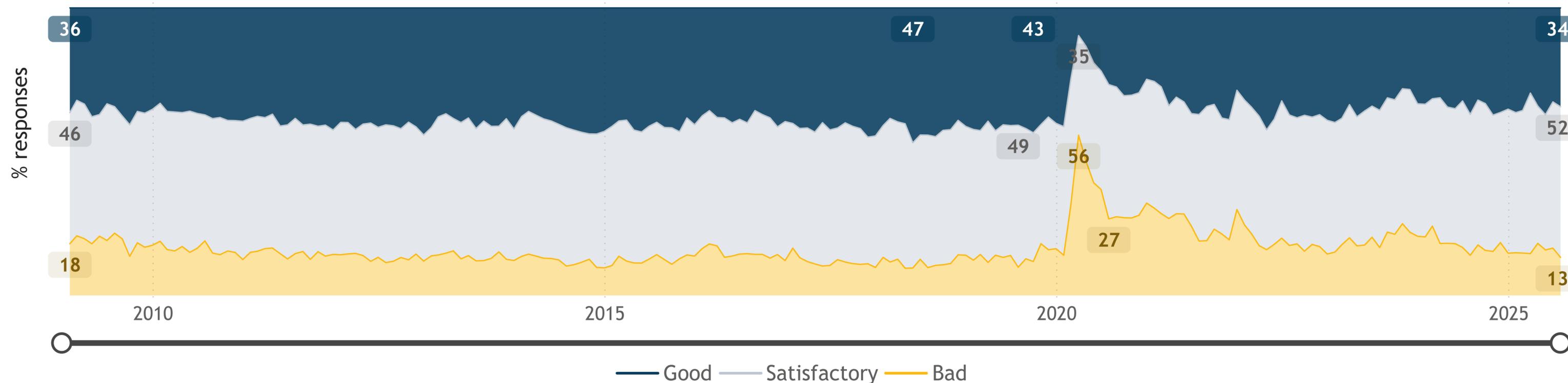
Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Source: CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.

Notes: ● Historical averages \*Data presented by 3-month moving average. \*\*Natural resources is not included.

Index > 50 = more businesses expecting stronger performance than weaker performance

# Business Barometer®: General state of business health



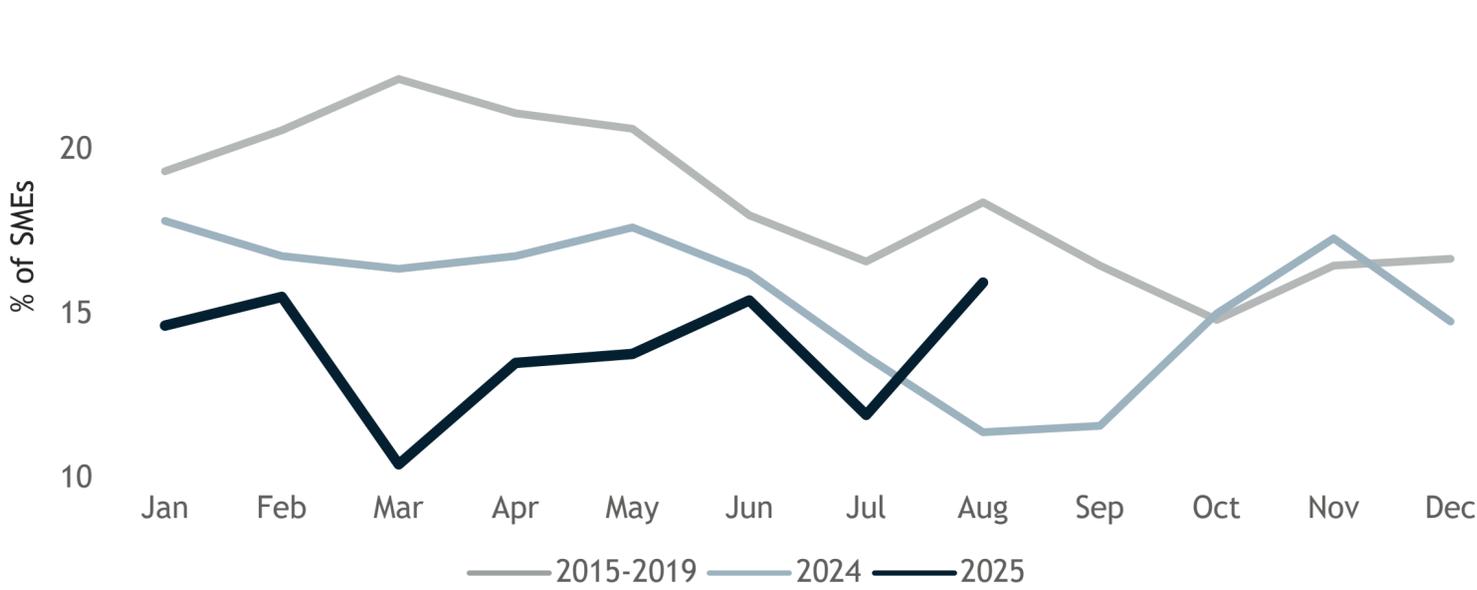
**Survey question:** Currently, what is the general business situation of your company?

**Source:** CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.

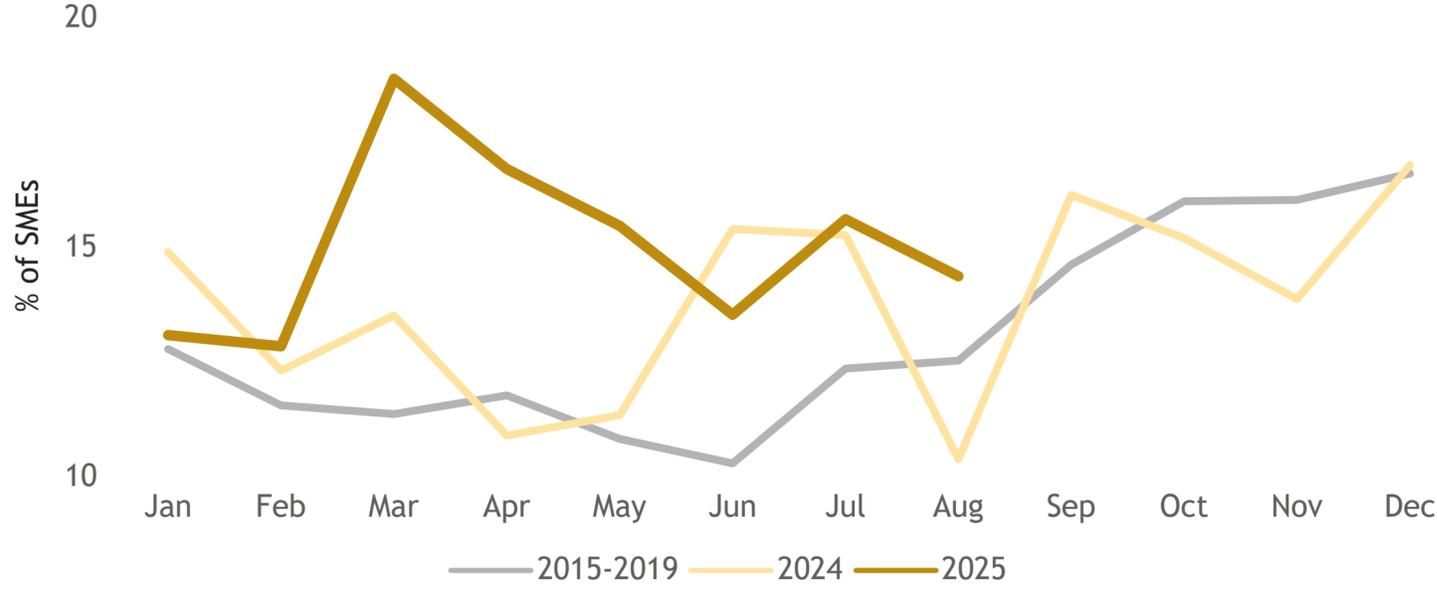
**Note:** Values are automatically rounded, so totals may not always equal 100%. Balance of opinion = [Share of respondents answering **Good**] - [Share of respondents answering **Bad**].

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

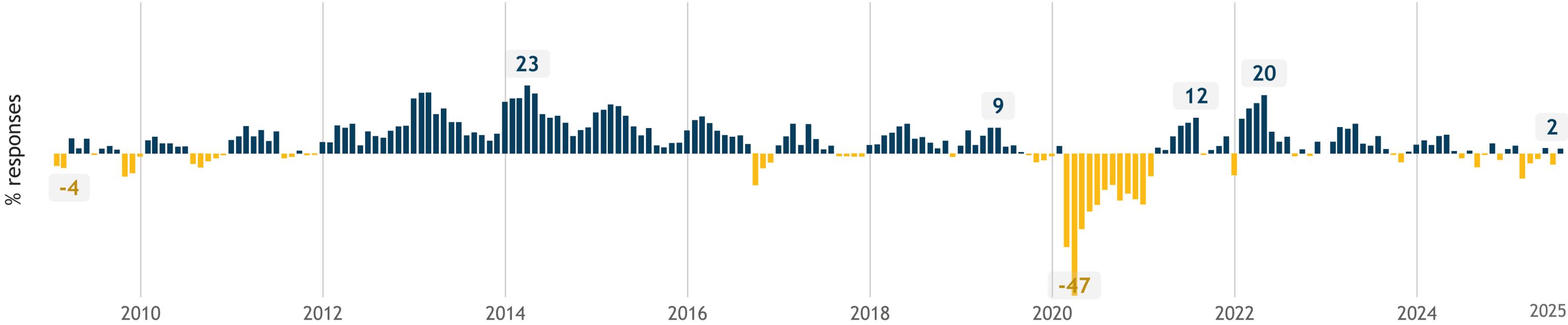
## Adding staff



## Reducing staff



## Net staffing intentions, full time

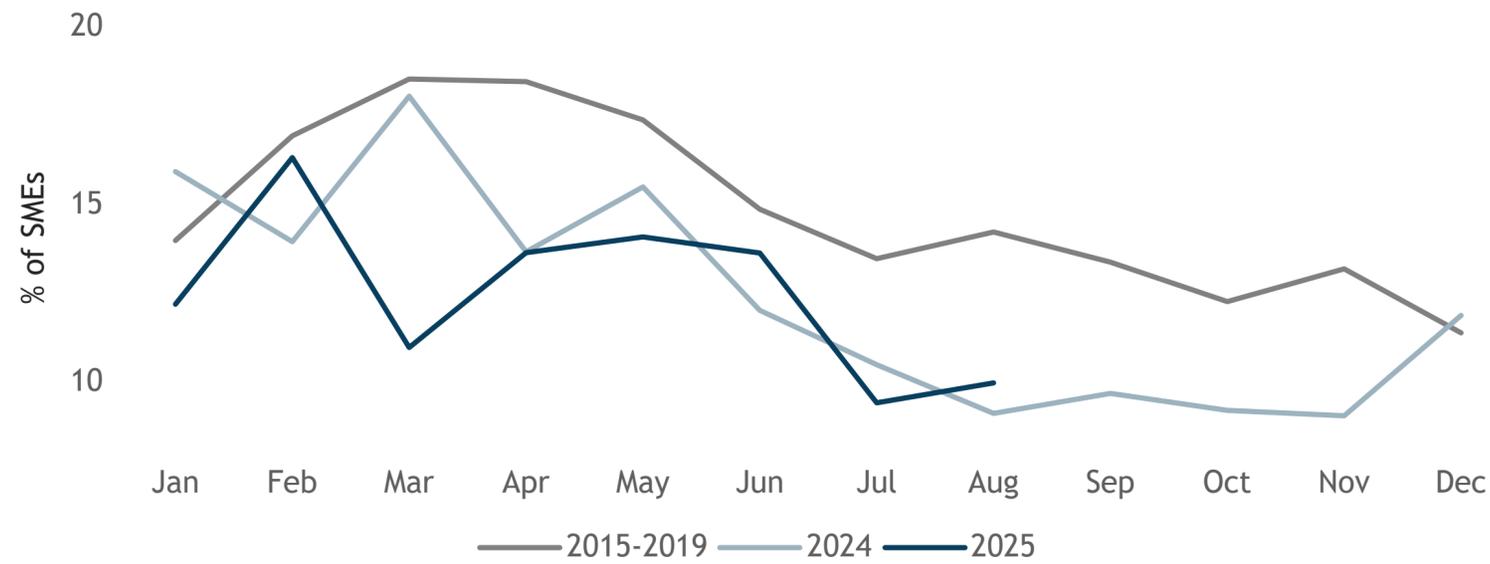


**Survey question:** How are your expected employment levels to change in the next 3 or 4 months? ( Up, Same, Down)  
**Source:** CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.  
**Note:** Net staffing intentions = [Share of respondents answering UP]- [Share of respondents answering Down]

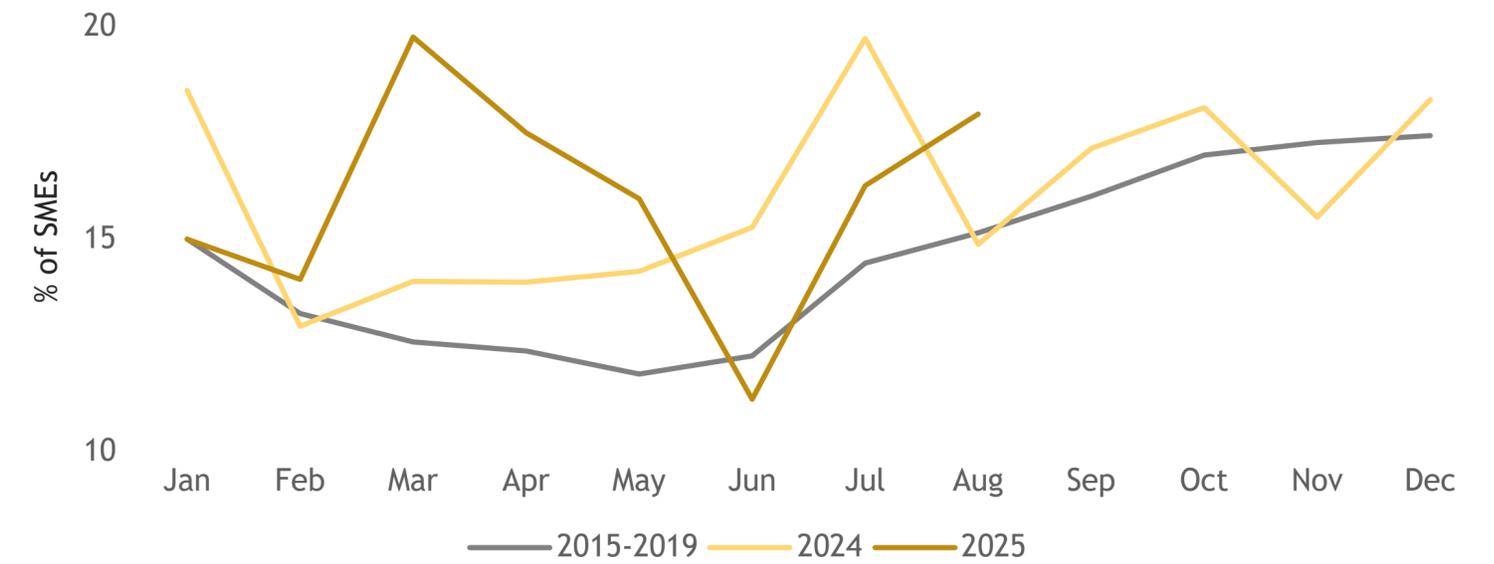


# Business Barometer®: Part-time staffing plans, short term

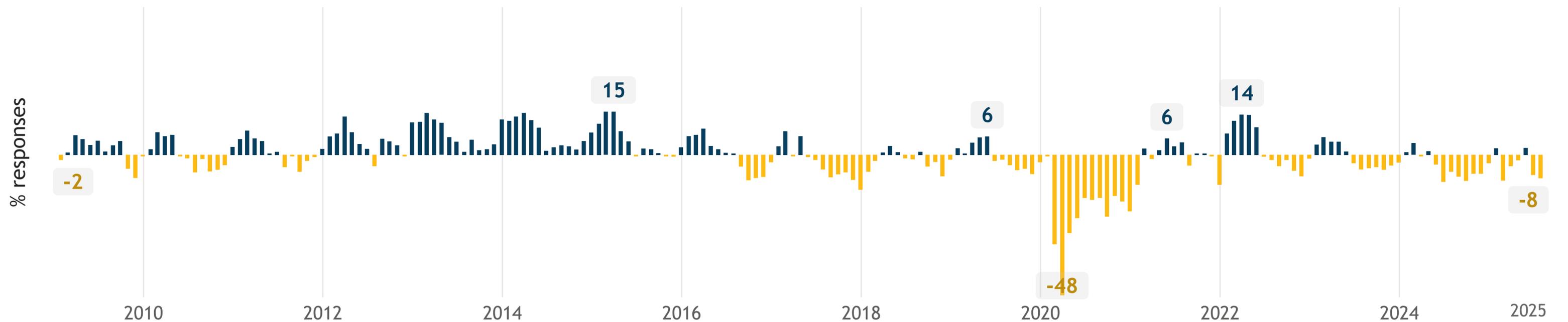
## Adding staff, part time



## Reducing staff, part time



## Net staffing intentions, part time



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

Source: CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.

Note: Net staffing intentions = [Share of respondents answering UP]- [Share of respondents answering Down]

# Business Barometer®: Future price and wage increase plans



— Average price plans — Average wage plans

----- Historical averages

**Survey questions:**

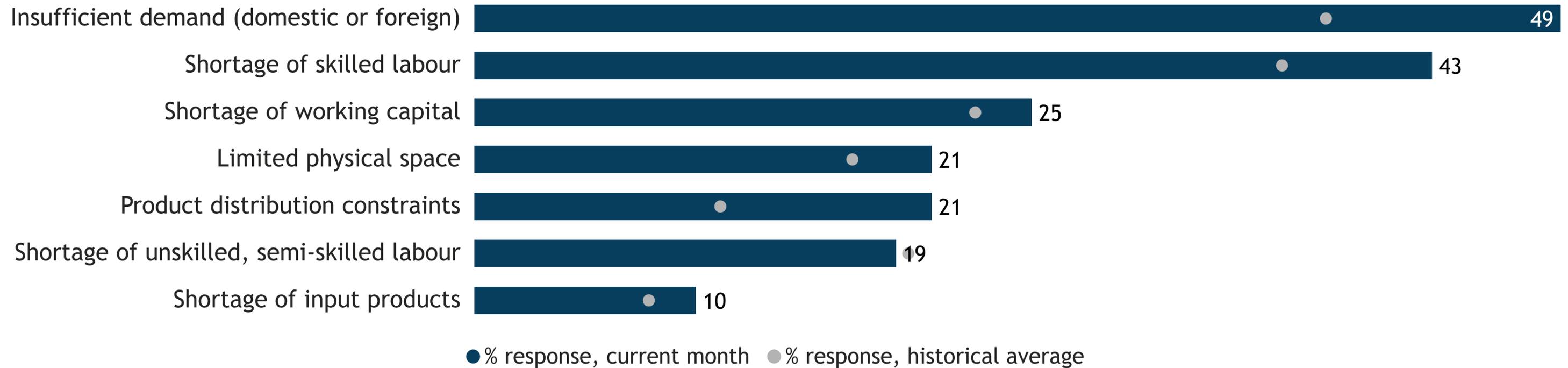
In the next year, how much do you expect **average prices** to change?

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

Source: CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.



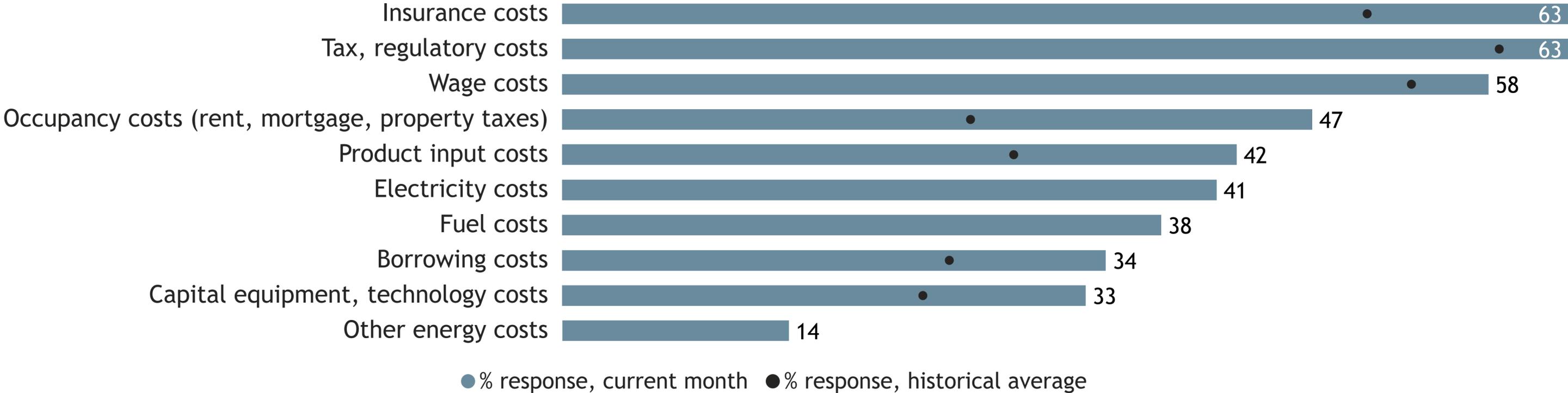
## Business Barometer®: Factors limiting sales or production growth- current levels and trend



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

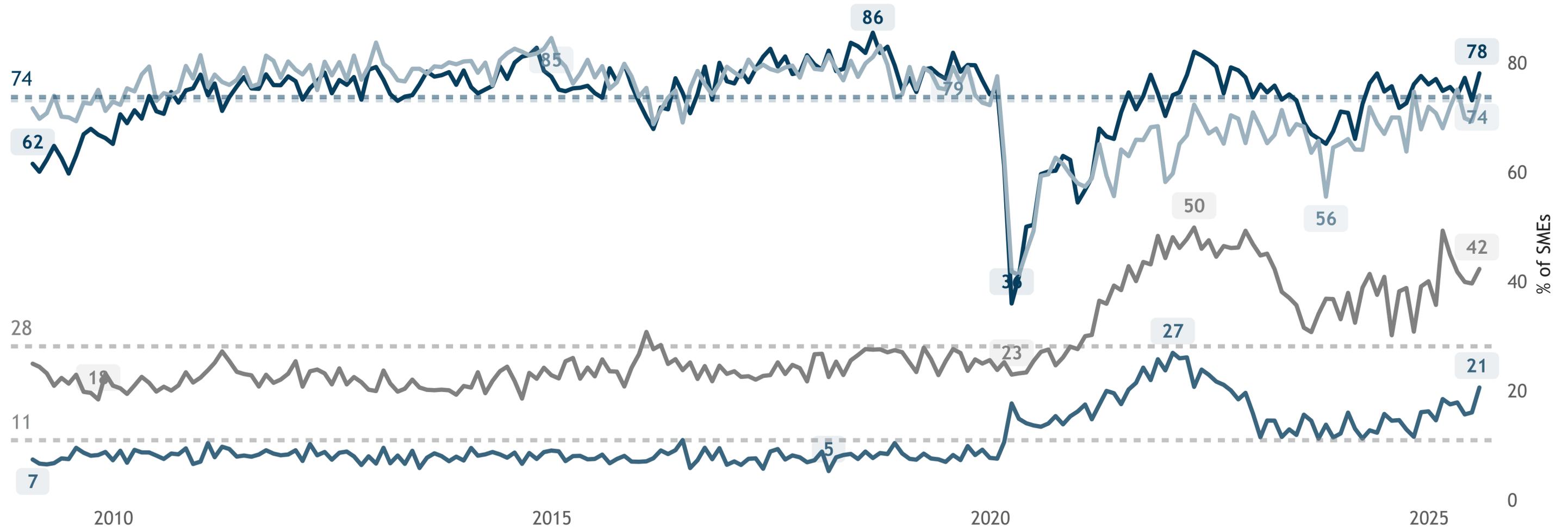
**Source:** CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.

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



Survey question: What types of input costs are currently causing difficulties for your business?  
Source: CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.

# Business Barometer®: Supply chain indicators



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?

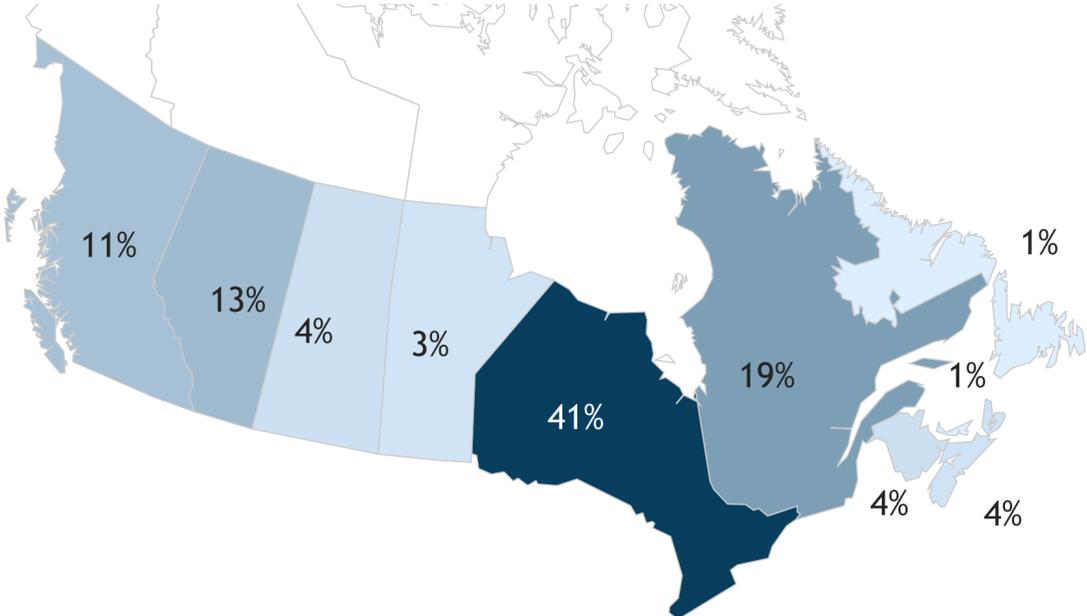
What types of input costs are currently causing difficulties for your business? [Respondents selecting "Product input costs"]

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

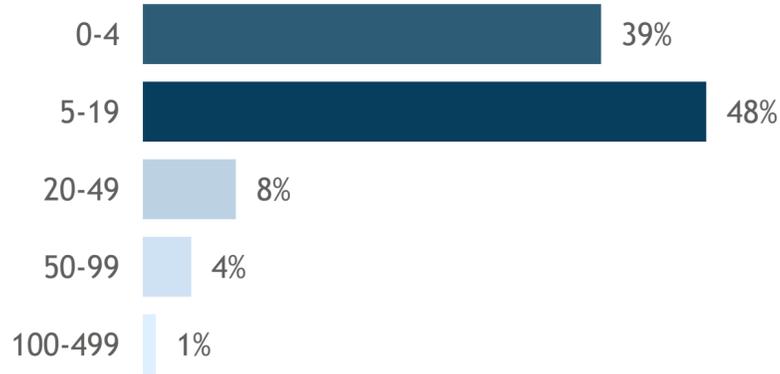
Source: CFIB, Your business outlook survey, February 2009 - August 2025. 367 responses received from August 5-12.

# Business Barometer®: Sample distribution

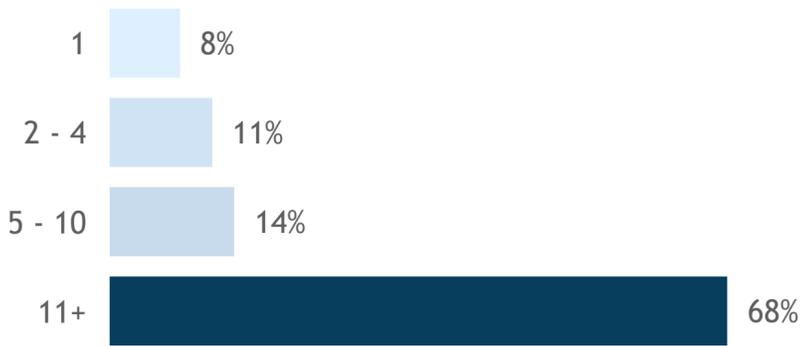
By location of the business



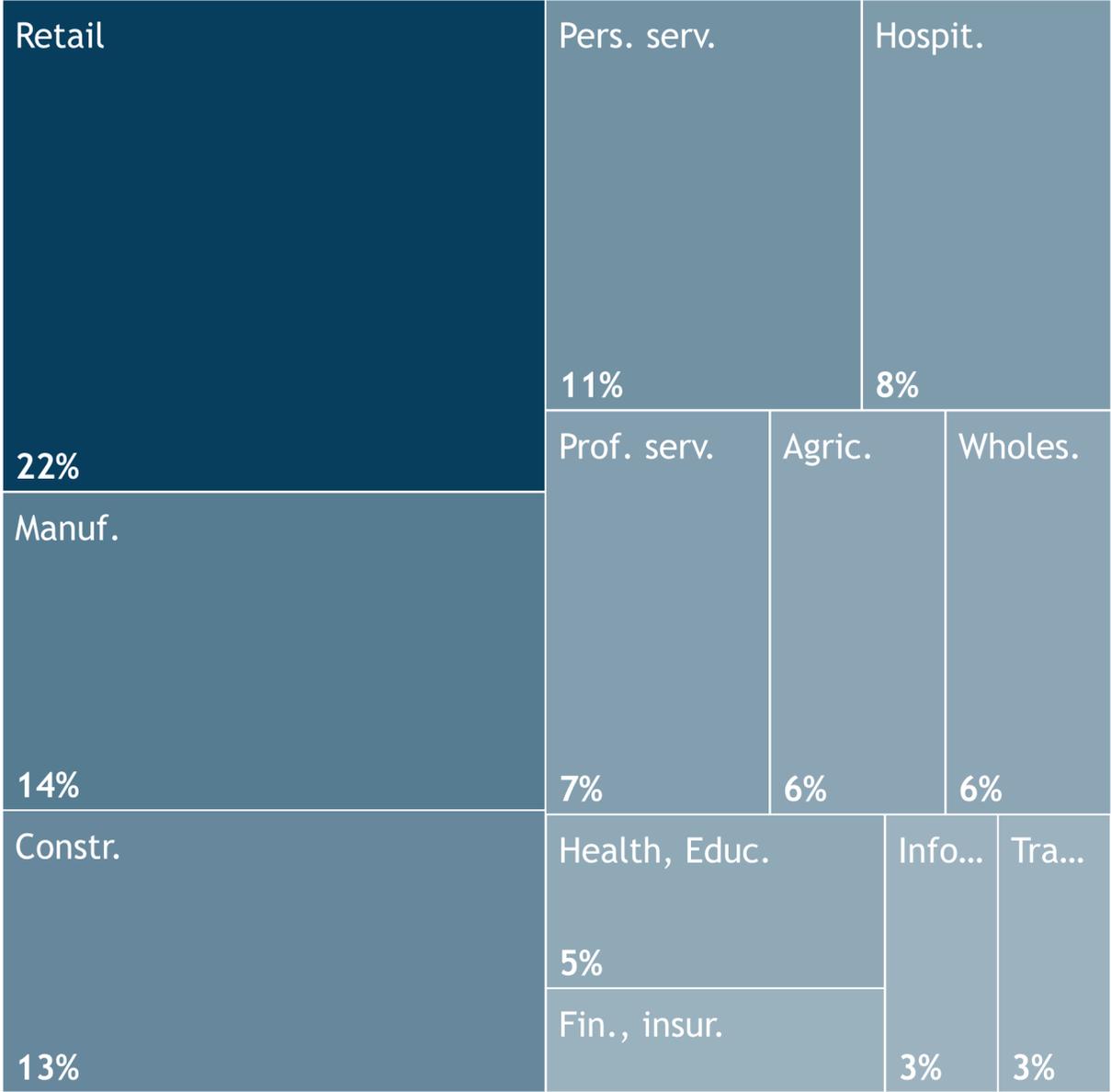
By number of employees



By years in business



By industry



## Methodology

- CFIB, Your business outlook survey, February 2009 - August 2025
- Stratified random sample of CFIB members to a controlled-access web survey: 367 responses
- Responses were received from: August 5-12
- The survey is considered accurate to within +/- 5.1 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 below 50 means owners expecting their business’s performance to be weaker over the next three or 12 months outnumber those expecting stronger performance.

# Questions or data requests

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# Additional information

All CFIB research



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