YOUR VOICE

Survey Results
October 2026

Insights From Canada's
Small Business Owners



About this survey

Purpose and Context:

The CFIB Your Voice omnibus survey is conducted bi-monthly, focusing on issues that matter most to small-and medium-sized enterprises (SMEs) across Canada. For over five decades, CFIB has used its in-house surveys to amplify member voices and deliver data-driven policy insights on small business priorities.

Impact:

The survey's insights are gathered directly from CFIB members, ensuring an authentic representation of small business priorities. These responses help shape CFIB's advocacy efforts, driving policies that are aligned with the evolving needs of the small business community.

Your Voice October 2026

Survey Type:
Controlled-access online CFIB survey.

Survey Period:
October 7-23

Sample:
Based on responses from 1,675 CFIB members who are owners of Canadian independent businesses, from all sectors and regions of the country. For comparison purposes, a probability sample with the same number of responses would have a margin of error of +/- 2.4%, 19 times out of 20.

Note:
In some instances, responses may not add up to 100% due to rounding.

This report was prepared by:



Marvin Cruz
Senior Director, Research



Alchad Alegbeh
Senior Research Analyst



Bérengère Fouqueray
Research Analyst



Goli Eshtiaghi
Research Analyst



Maliheh Garoosiha
Data Analyst

Key insights

Business owners' expectations for the upcoming holiday season

- Four in ten small businesses consider the upcoming holiday season important to their financial outlook, with 11% heavily relying on holiday sales.
- Expectations for the 2026 holiday season are mixed, with 32% of businesses expecting a positive season.
- Consumer spending cutbacks are by far the biggest threat to holiday sales, cited by nearly three-quarters (73%) of businesses that rely on the holiday season.

Impacts of the Canada-U.S. trade war

- Since the August 2026 escalation in the trade war, businesses have responded to tariffs by increasing prices, shifting to Canadian suppliers, and absorbing additional costs.
- Trade war escalation is squeezing profits, with 47% reporting a decrease, and buying is tilting toward Canadian-made products (36% report higher sales).

Small business and cost pressures

- Nearly 9 in 10 businesses report a medium to high impact from energy prices, with about 6 in 10 reporting the same for tariffs.

Small businesses views on government initiatives

- Businesses see lower taxes and reduced costs as having the greatest potential to improve business success.
- If governments implemented measures that support small businesses, owners would prioritise lower prices, higher wages, and new investment.

Mandate Vote

Employee tips tax exemption: Nearly half of business owners (48%) support exempting employee tips from income tax, with support highest in the Accommodation and food services sector (69%).

Explore more Insights | Region | Business size | View Dashboard

Business owners' expectations for the upcoming holiday season

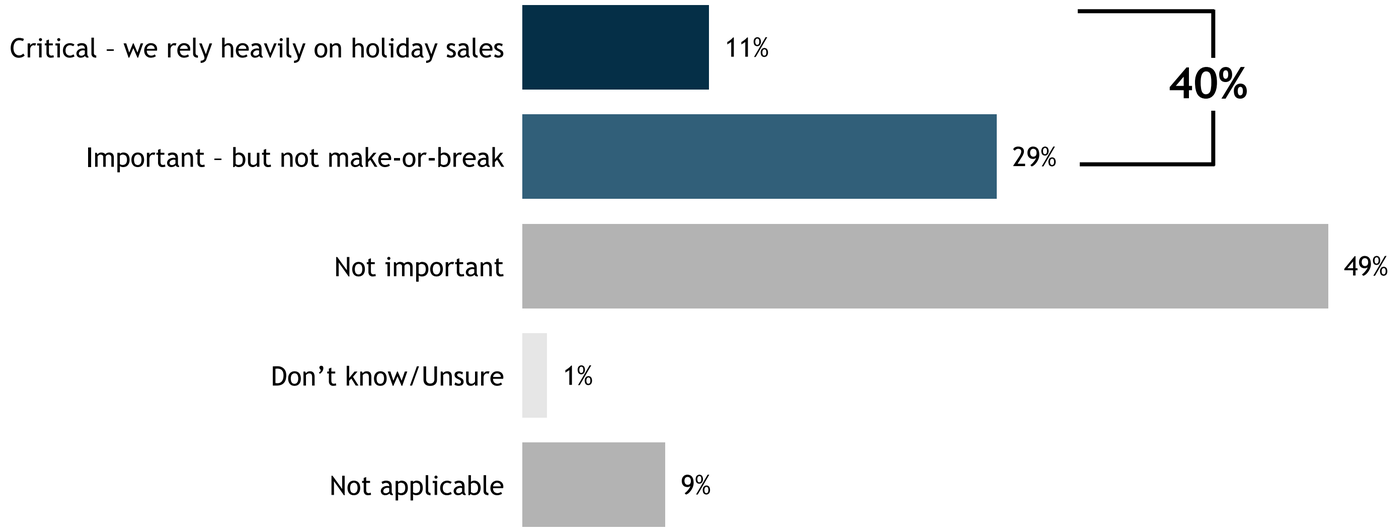


Four in ten small businesses consider the upcoming holiday season important to their financial outlook, with 11% heavily relying on holiday sales.

For many business owners, the holidays matter: 29% call the season important to their financial outlook, and 11% call it critical.

A weak season could deepen the strain of rising costs and economic uncertainty.

Holiday season's importance to business owners' financial outlook





1,674 Responses

Question: How important is the upcoming holiday season to your business's financial outlook? (Select one)

Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

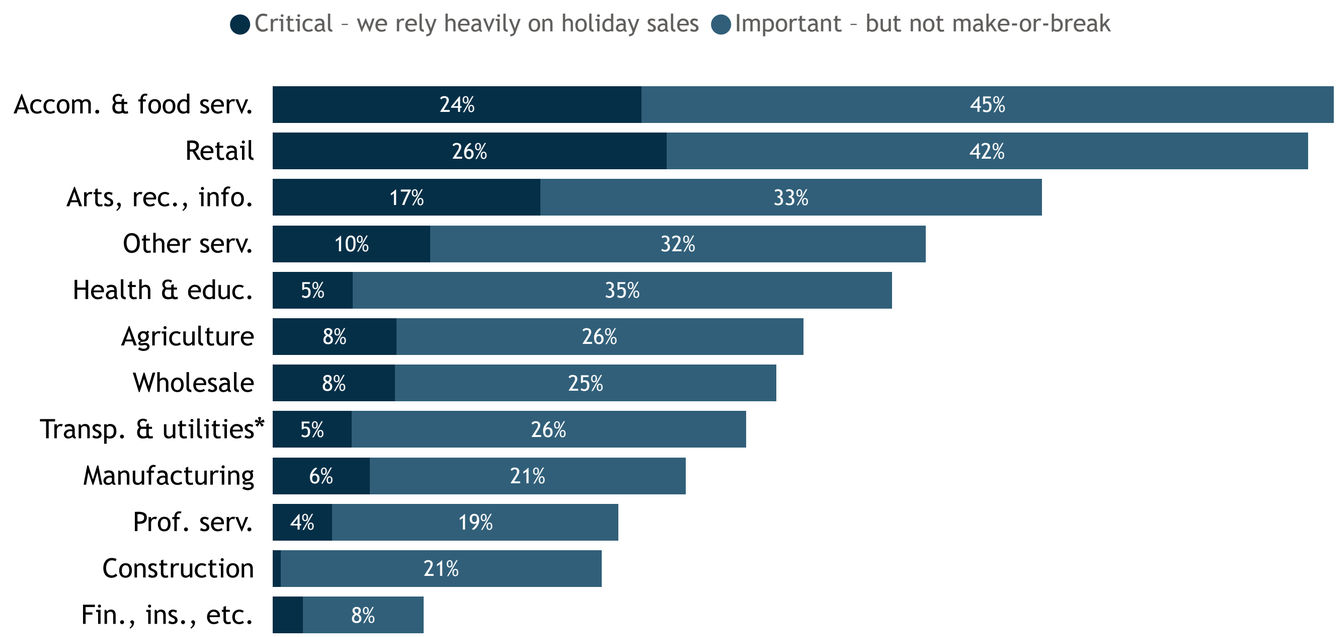
Reliance on holiday sales varies across sectors, with businesses in hospitality and retail placing higher importance on the season.

The holiday season matters most to customer-facing sectors.

About seven in ten businesses in accommodation and food services (69%) and retail (68%) say the season is critical or important to their financial outlook. Roughly a quarter of them rely heavily on holiday sales (24% and 26%).

Beyond retail and hospitality, half (50%) of arts, recreation and information businesses, also say the holiday season matters to their business.

Holiday season's importance to business owners' financial outlook, By sector





1,674 Responses

Question: How important is the upcoming holiday season to your business's financial outlook? (Select one)

Source: CFIB, Your Voice Survey - October 2026, October 7 - 23, 2026, final results.

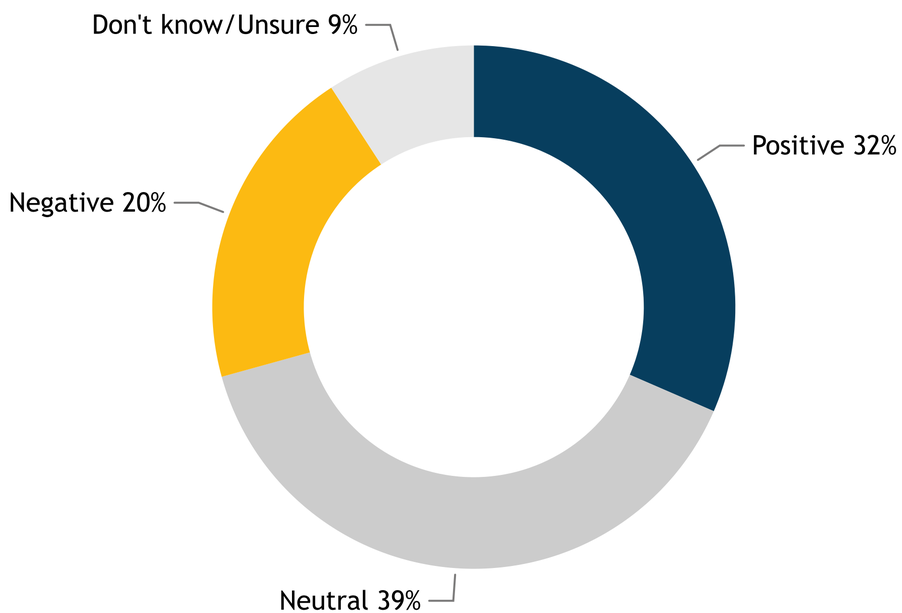
Note: *Small sample size (<40).

Expectations for the 2026 holiday season are mixed, with 32% of businesses expecting a positive season.

Among businesses that rely on the holiday season, **about a third (32%) expect a positive season**, while close to 6 in 10 anticipate a flat (39%) or negative (20%) season.

Even among the businesses most dependent on holiday sales, sentiment remains subdued, suggesting that few expect this year's season to provide a meaningful boost.

Business owners relying on holiday season overall outlook





676 Responses

Question: What is your business's outlook for the 2026 holiday season (e.g., sales, revenues, customer demand)? (Select one)

Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

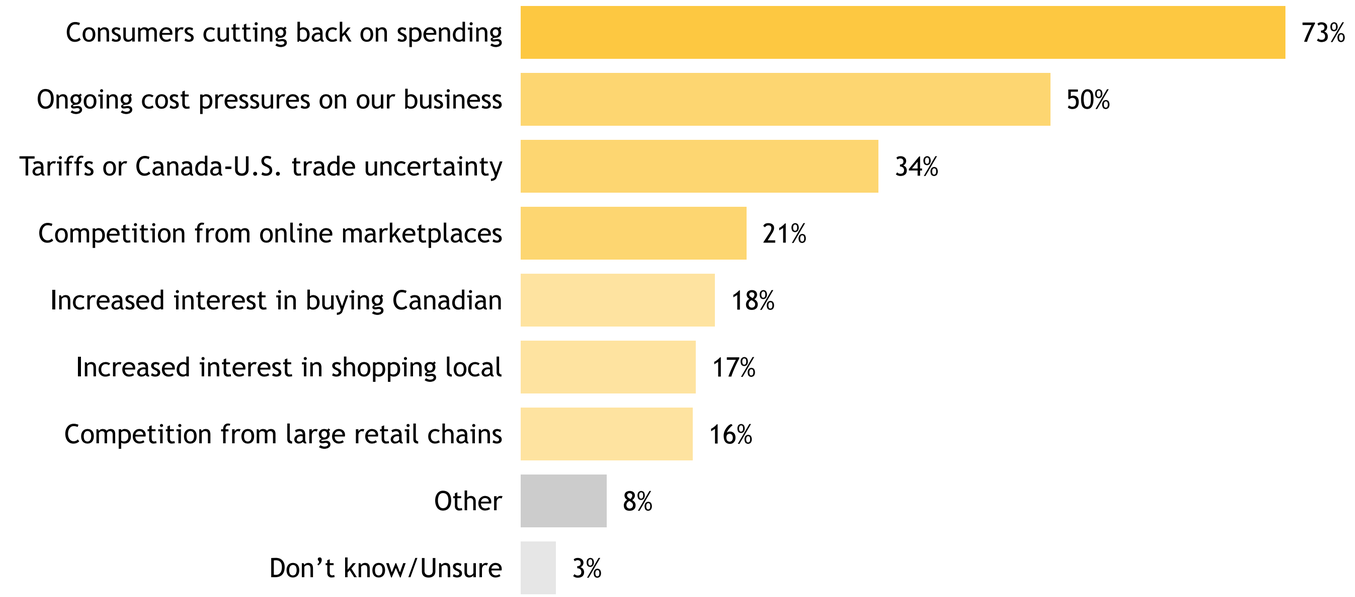
Consumer spending cutbacks are by far the biggest threat to holiday sales, cited by nearly three-quarters (73%) of businesses that rely on the holiday season.

Business owners say consumer spending cutbacks (73%) will have the biggest impact on their holiday sales, followed by ongoing cost pressures (50%) and trade uncertainty (34%).

This pattern is fairly consistent across provinces and business sizes, but it varies more by sector.

Retail stands out: nearly eight in 10 retailers (78%) are worried about consumers cutting back.

Factors expected to have the greatest impact on holiday sales





663 Responses

Question: What factors do you expect will have the greatest impact on your holiday sales this year? (Select up to three)

Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

Impacts of the Canada-U.S. trade war

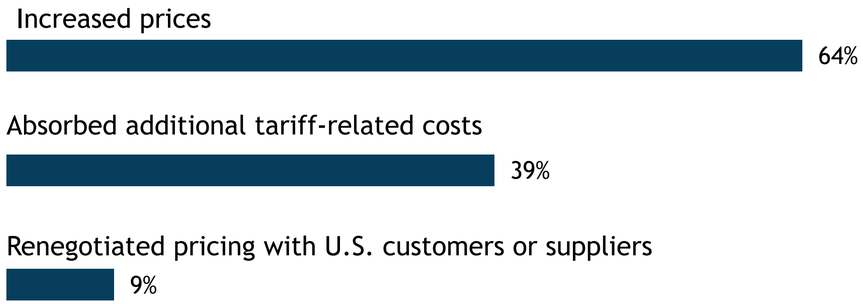


Since the August 2026 escalation in the trade war, businesses have responded to tariffs by increasing prices, shifting to Canadian suppliers, and absorbing additional costs.

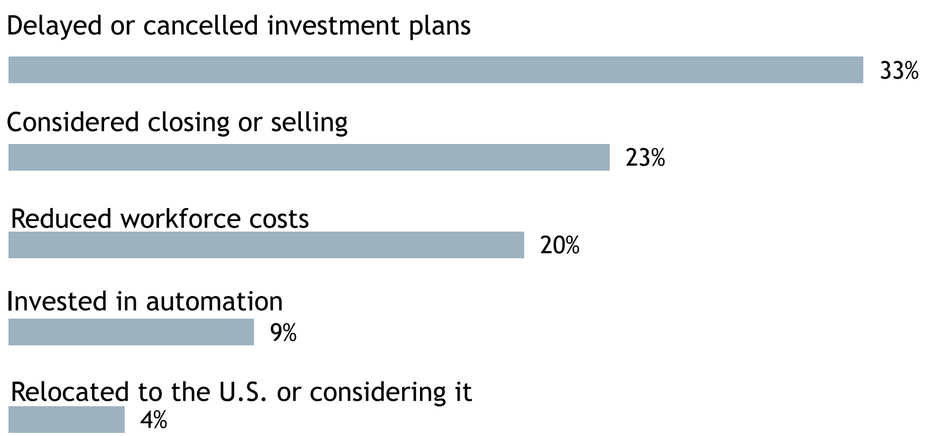
Actions businesses have taken in response to tariffs since August 2026



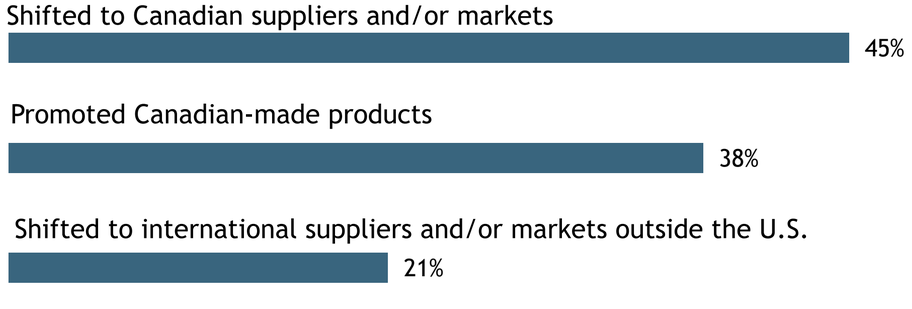
Pricing



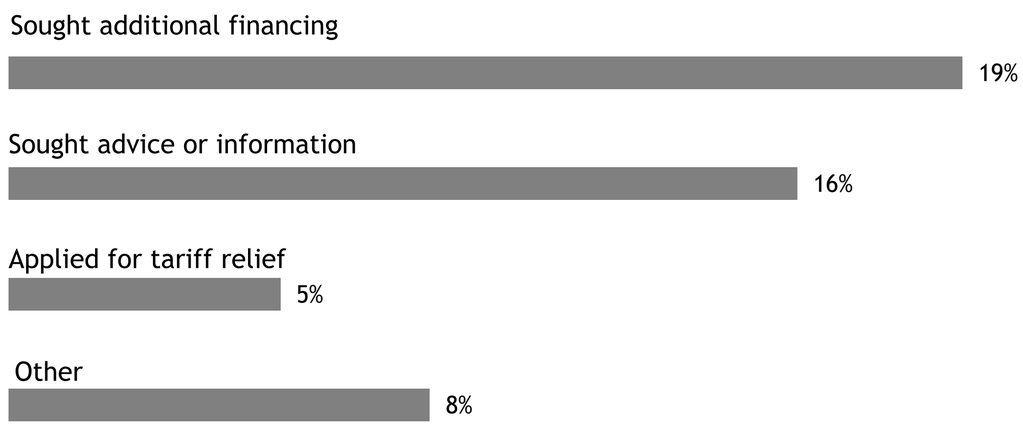
Operations



Suppliers



Others



951 Responses

Question: Since the escalation of the U.S.-Canada trade dispute in August 2026, which of the following actions has your business taken in response? (Select all that apply)

Note: Percentages are based on respondents who took action, excluding those who took no action or were unsure.

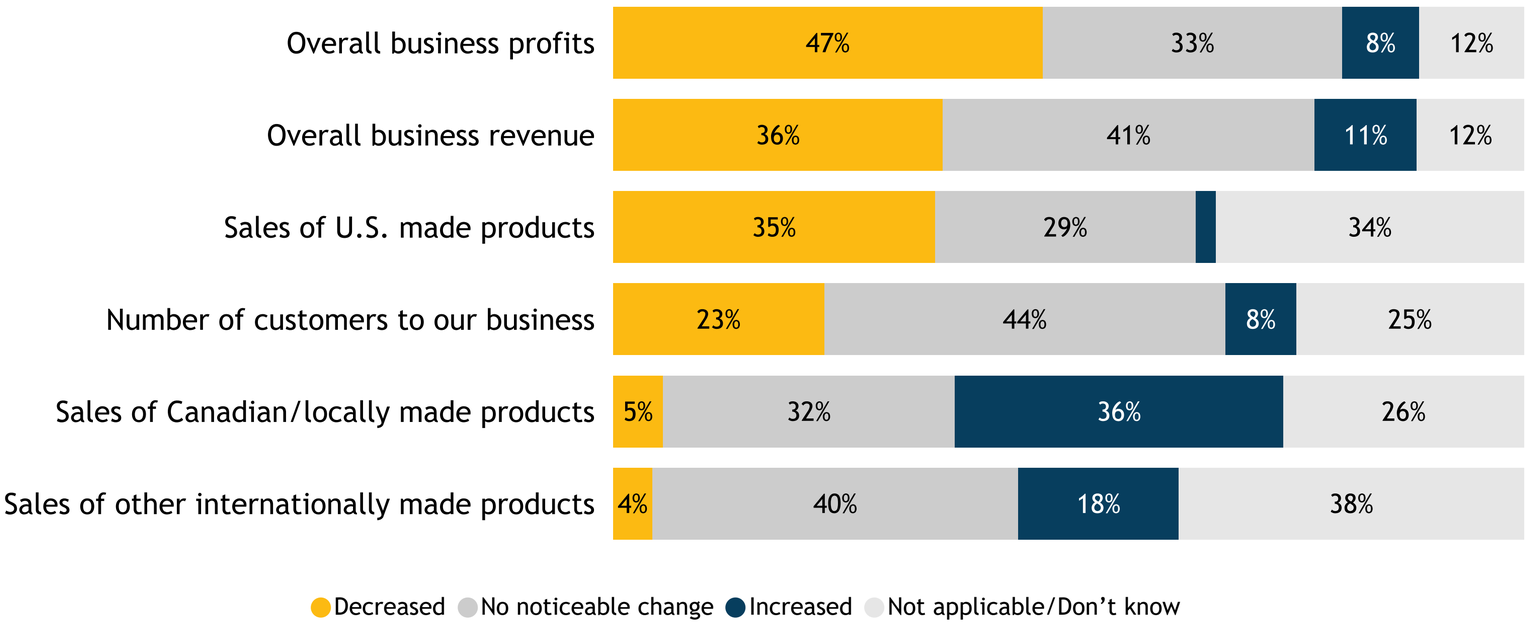
Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

Trade war escalation is squeezing profits, with 47% reporting a decrease, and buying is tilting toward Canadian-made products (36% report higher sales).

Financial pressure: 47% report lower profits and 36% lower revenue, while only 8% and 11% report gains. Customer counts held steadier (44% no noticeable change).

Shifting sales mix: 35% saw U.S.-made sales fall (almost none saw gains), while 36% saw Canadian or locally made sales rise (only 5% saw declines).

Changes to business performance and sales since the trade war escalated



1,459 - 1,478 Responses

Question: Since the escalation of the U.S.-Canada trade war in August 2026, what changes have you noticed in the following areas? (Select one for each line)

Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

Small business and cost pressures

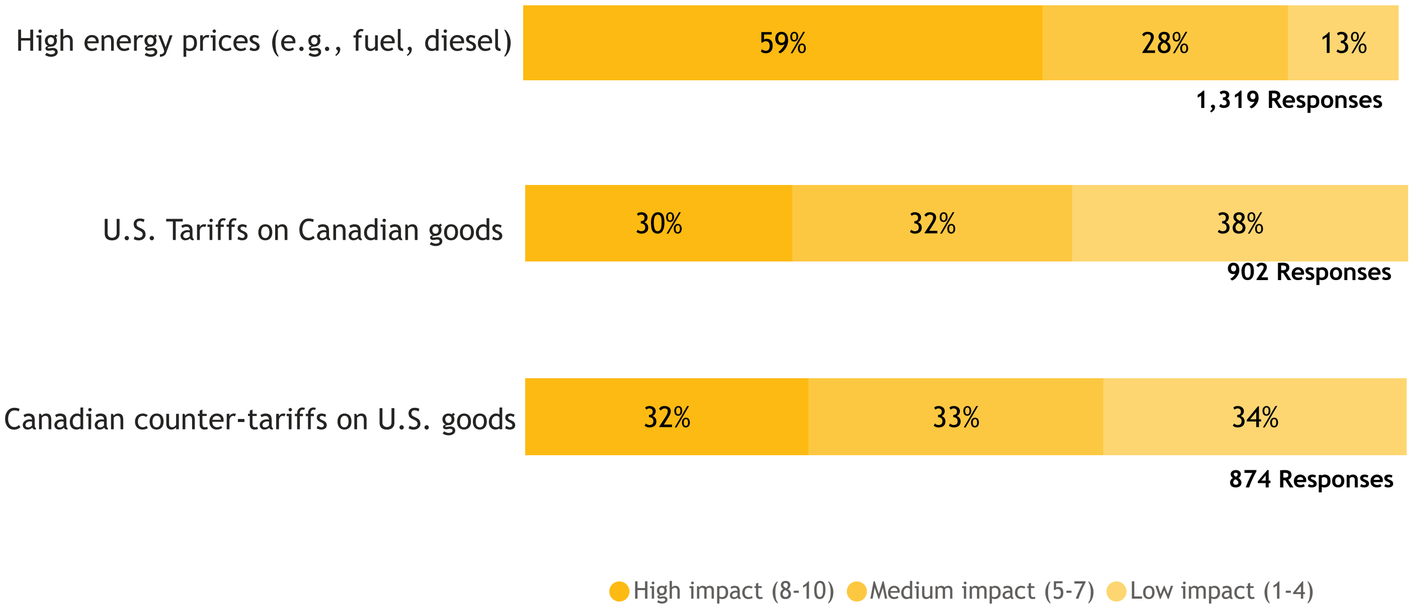


Nearly 9 in 10 businesses report a medium to high impact from energy prices, with about 6 in 10 reporting the same for tariffs.

The majority of businesses report that high energy prices and tariffs from the ongoing Canada-U.S. trade war are having a medium to high impact on their operations.

Rather than a single dominant challenge, the results point to **a combination of rising input costs and trade disruptions compounding pressures on small businesses.**

Reported impact of selected factors on business operations



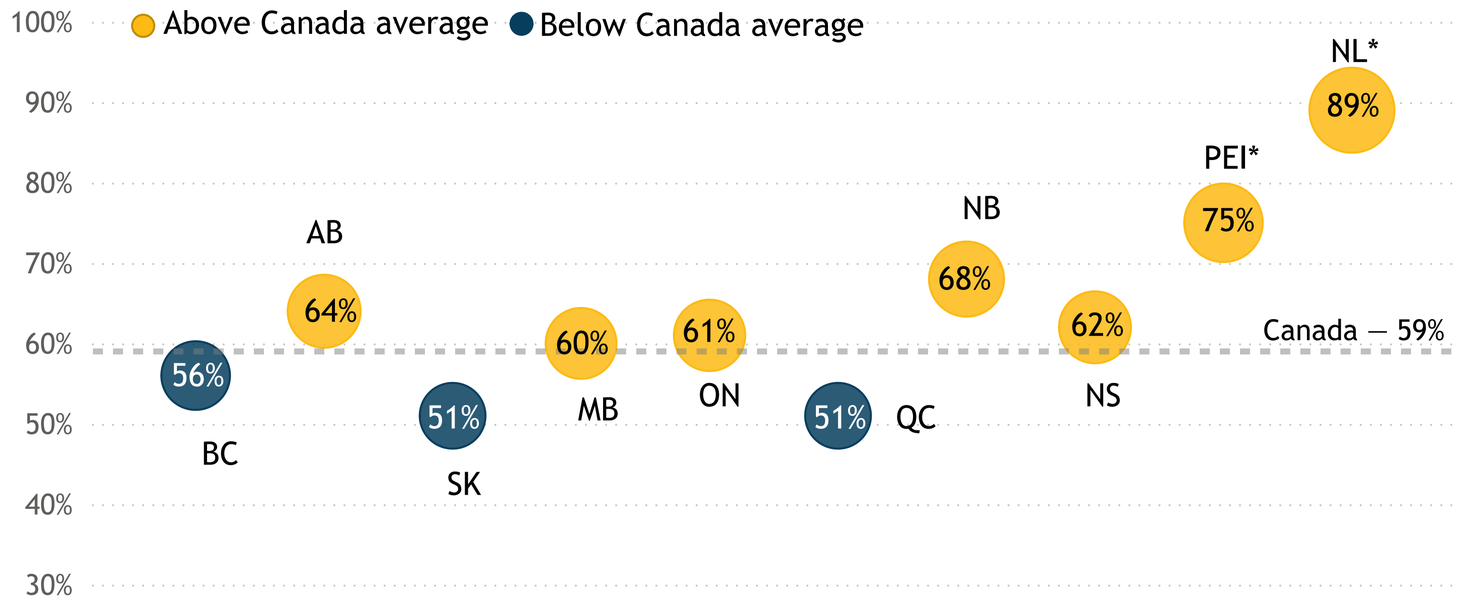
Question: On a scale from 1 to 10, to what extent have the following factors affected your business operations? (For each item, move the slider to the number that best reflects the extent of the impact on your business)

Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

High energy prices are a significant concern across Canada, with most of businesses in every province reporting a high impact.

The severity of energy prices varies by region, however, the consistently elevated results highlight the broad reach of energy-related cost pressures on small businesses.

Share of businesses reporting a high impact from energy prices



Note: High impact refers to ratings of 8-10 on a 10-point scale.

1,319 Responses

Question: On a scale from 1 to 10, to what extent have the following factors affected your business operations? (For each item, move the slider to the number that best reflects the extent of the impact on your business)

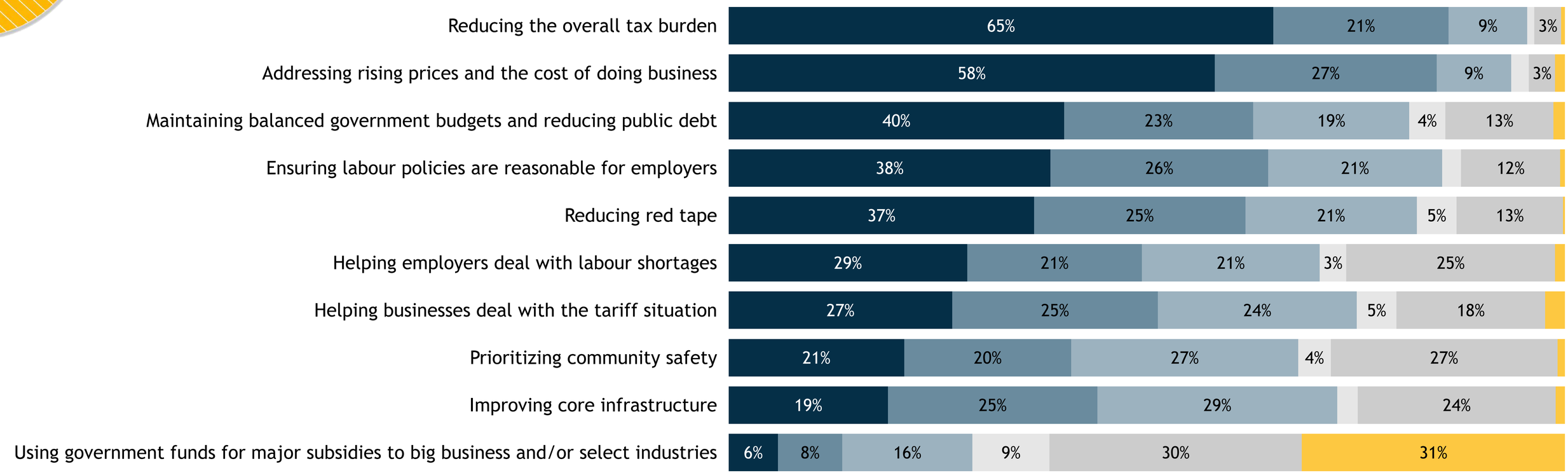
Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

Small businesses views on government initiatives



Businesses see lower taxes and reduced costs as having the greatest potential to improve business success.

Impact of selected government actions on business success



1,388 - 1,398 Responses

Question: What impact would each of the following measures have on the success of your business? (Select one for each line)

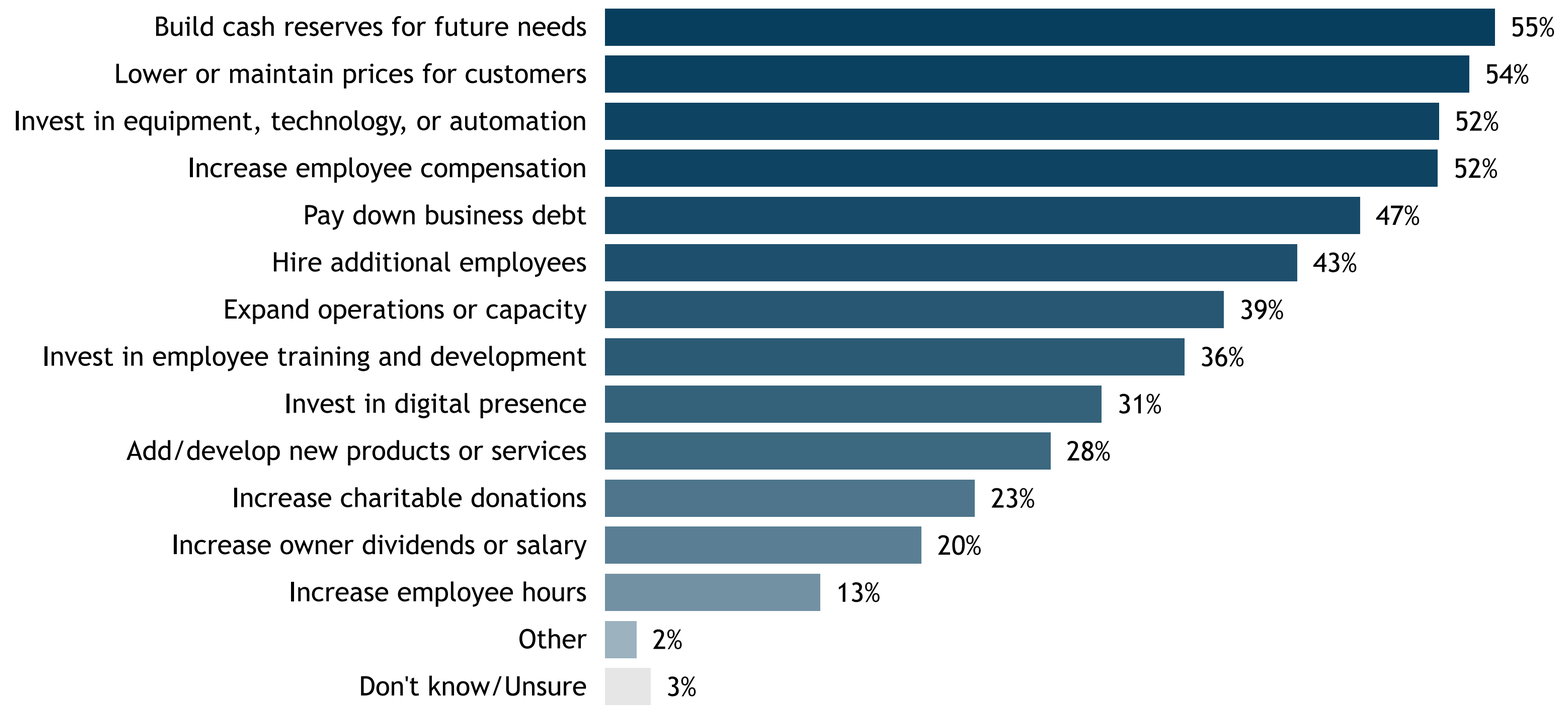
Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

If governments implemented measures that support small businesses, owners would prioritise lower prices, higher wages, and new investment.

Should governments implement measures to support small business, the majority of owners would put the benefits towards maintaining or lowering prices of customers and strengthening and growing their business.

Only one in five business owners would seek to increase their dividends or salaries, highlighting that business-centered policies would ripple in the economy through affordability, higher wages and increased investment.

How businesses would use the benefits of supportive government policies



1,379 Responses

Question: If governments were to implement measures that positively impact your business, what changes would you implement in your business? (Select all that apply)

Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

Mandate Vote Results



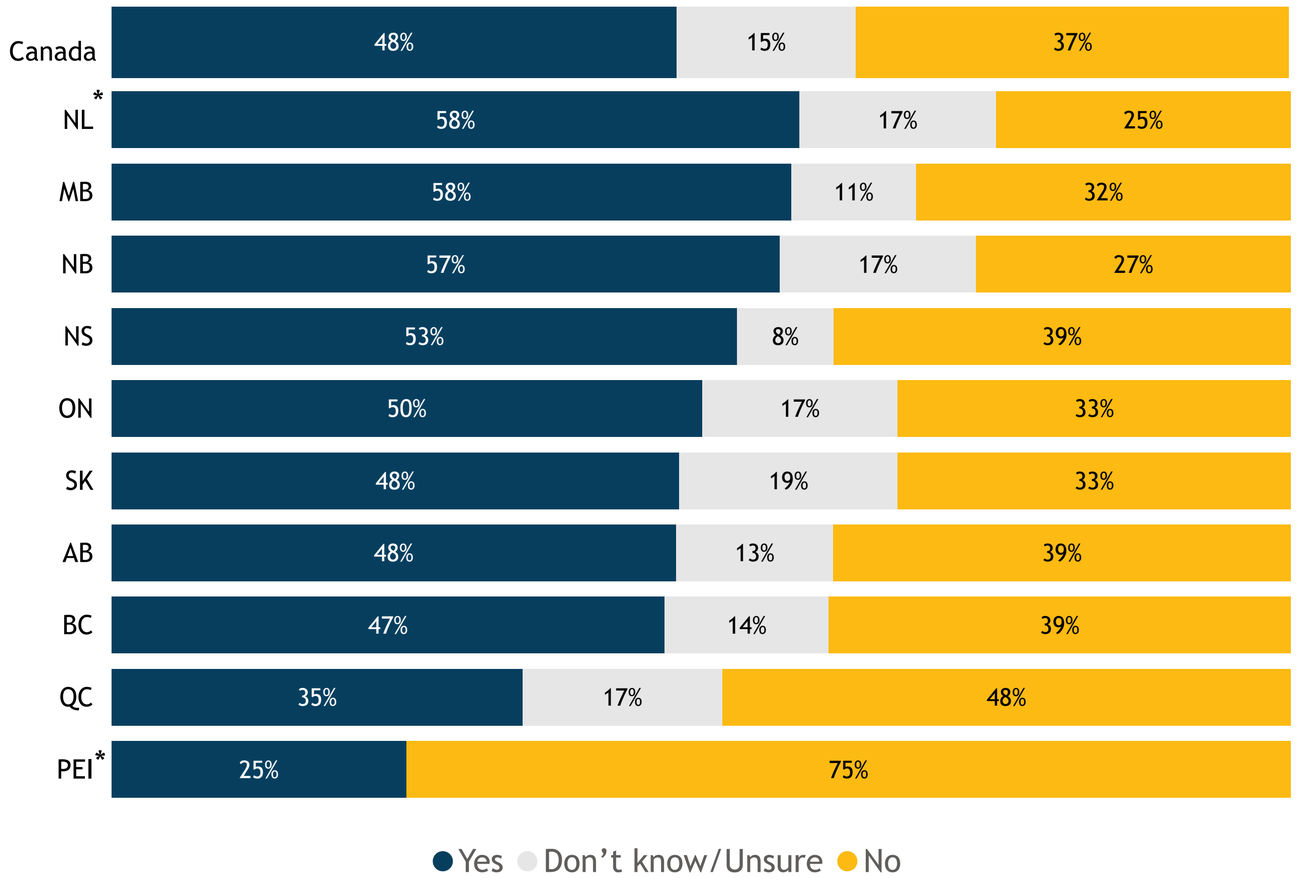
Nearly half of business owners (48%) support exempting employee tips from income tax, with support highest in the Accommodation and food services sector (69%).

Background: Tips are voluntary payments made by customers to recognize the quality of service they receive. In industries such as restaurants, hospitality, salons, spas, and personal care services, tips often represent an important source of income for employees.
In the United States, legislation signed into law in July 2025 allows eligible workers in qualifying tipped occupations to deduct up to US$25,000 in tip income from their federal taxable income for the 2025 to 2028 tax years. This has renewed discussion in Canada about whether employee tips should receive different tax treatment.

Supporting arguments:
- Allowing workers to keep more of their tips could increase take-home pay for employees in tipped occupations;
- A tax exemption on tips could help attract and retain workers in sectors facing ongoing labour shortages (e.g., hospitality and food services).

Opposing arguments:
- A tax exemption for tips could reduce government revenues available for public programs and services;
- Different tax rules for tipped and non-tipped workers could create fairness concerns across sectors.

Question: Should the federal government exempt employee tips from income tax?



1,338 Responses

Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

Note: *Small sample size (<40).

Business Owners' Voices

Business cost pressures

Taxes continue to increase and hurt our ability to hire and promote/retain workers...Let small businesses keep more of their money so they can put it back into the economy by hiring.

Retail, ON, 5-19 employees

Tariff imapcts

Our aluminum suppliers are impacted by the tariffs. They have raised their prices, which we have had to pass onto out customers in higher costs of doing business.

Manufacturing, AB, 5-19 employees

Tariff impacts

We are struggling with the new tariffs that have been put in place. We need steel to manufacture our braces and with the tariffs the prices have skyrocketed. We have also run into very high shipping rates to ship our products across Canada.

Construction, ON, 5-19 employees

Fuel cost pressures

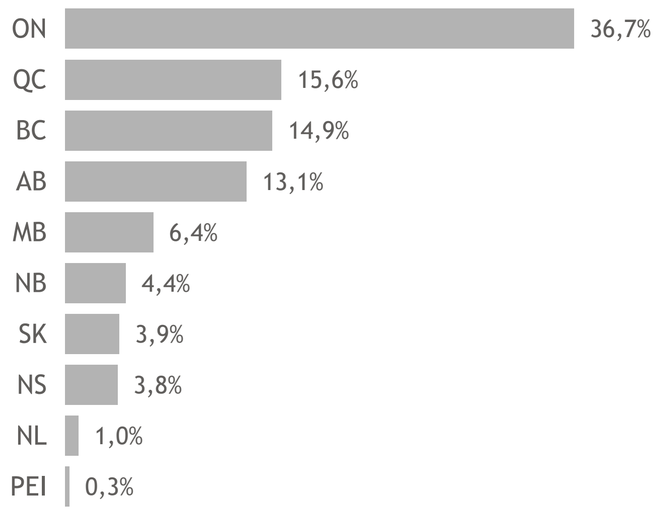
The government needs to step up and provide gas relief for all (and especially truckers) as this is what is driving up costs for society as a whole. We can purchase Canadian made as much as possible, but people won't be spending on [Canadian goods] if the cost of living exceeds the money needed to cover their necessities.

Retail, MB, 0-4 employees

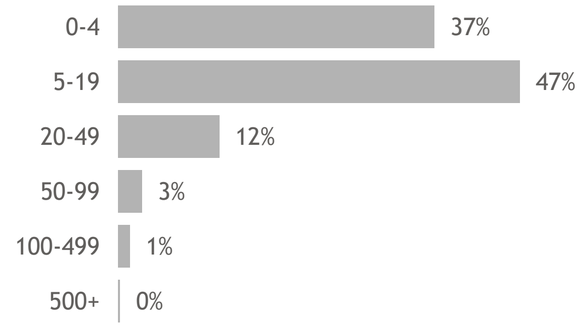
Appendix: Sample distribution

By location of the business

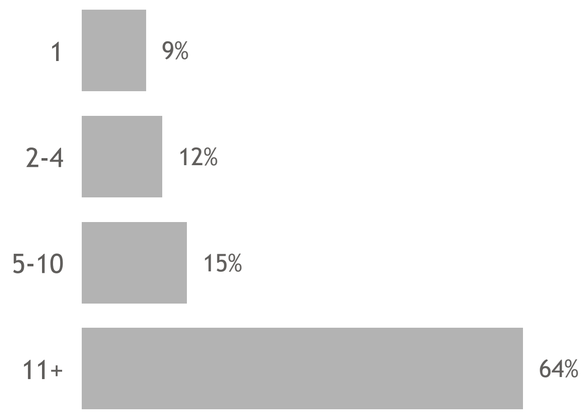




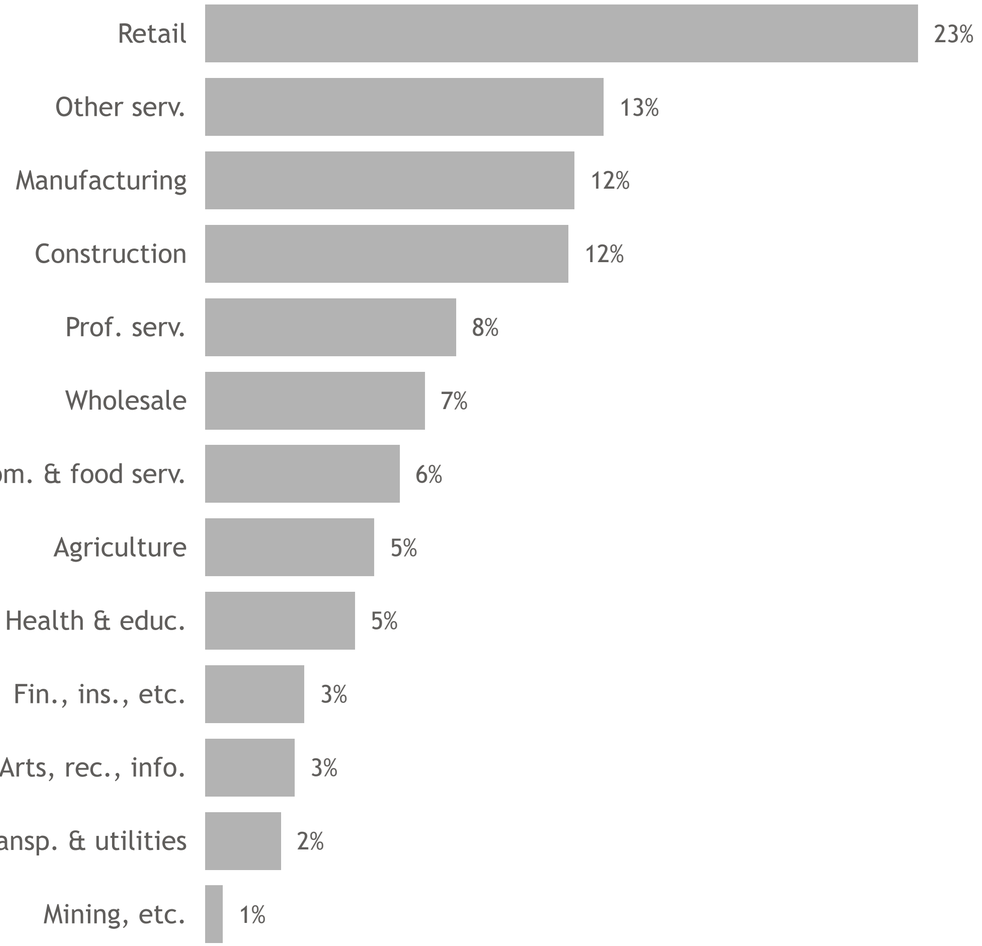
By number of employees



By years in business



By industry



Source: CFIB, Your Voice Survey – October 2026, October 7 - 23, 2026, final results.

CFIB Research Publications and Business Stats



Monthly Business Barometer®

Our monthly survey tracks small business confidence, expectations and operating conditions in Canada.



Enterprise Pulse

Overview of self-employed, businesses with employees, entries/exits, and insolvencies.



Private Sector Job Vacancies in Canada

Quarterly insights on private sector job vacancies in Canada, highlighting vacancy rates by province, sector, and business size.

About Our Research

CFIB's research delivers timely, relevant and actionable insights to help small businesses navigate challenge and seize opportunities.

Questions or data requests



Simon Gaudreault
Chief Economist and Vice-President, Research

Simon.Gaudreault@cfib.ca



Marvin Cruz
Senior Director, Research

Marvin.Cruz@cfib.ca

Additional information

All CFIB research

cfib.ca/research

@CFIB_FCEI_Stats

research@cfib.ca

We're here to help!

For any questions about this report or to request additional data, please don't hesitate to reach out.