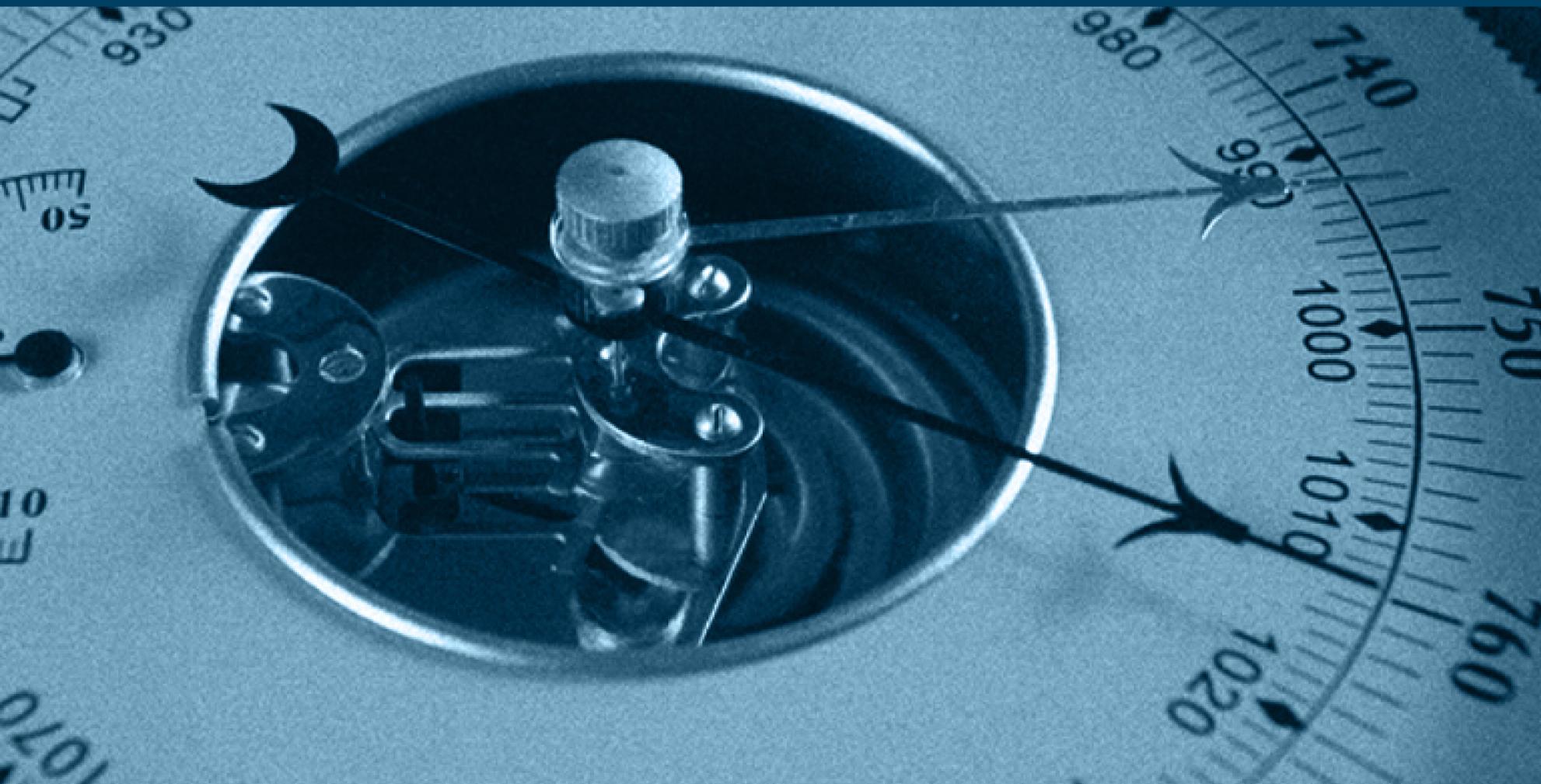




In business
for your business.

Monthly Business Barometer®

March 2026



12-month Small Business Confidence Index

55.8

Monthly change

↓ -9.5

3-month Small Business Confidence Index

54.5

Monthly change

↓ -7.3

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, fell to 55.8—a decrease of almost 10 points from February. The short-term optimism index, based on a 3-month outlook, also declined, dropping about 7 points to 54.5, indicating a significant deterioration.

Provincial overview

Provincial trends—calculated as three month moving averages—display a similar pattern but with a delay. Nova Scotia and Quebec show negligible improvements, while most other provinces declined. Short-term confidence, also shown as three-month moving averages, remains below the long-term index. The two smallest provinces (PEI and NL) are calculated on 12-month moving averages, their indices respond more slowly and show even longer lags.

Inflation indicators

The average price increase edged up to 2.7% in March, marking a 0.5 percentage point increase, while the average wage increase eased slightly to 2.2%.

Sectoral overview

Long-term confidence—calculated as three month moving averages—decreased across most sectors, consistent with the national trend. The increases were limited to three industries: wholesale; insurance, real estate and financial activities; and information, arts and recreation.

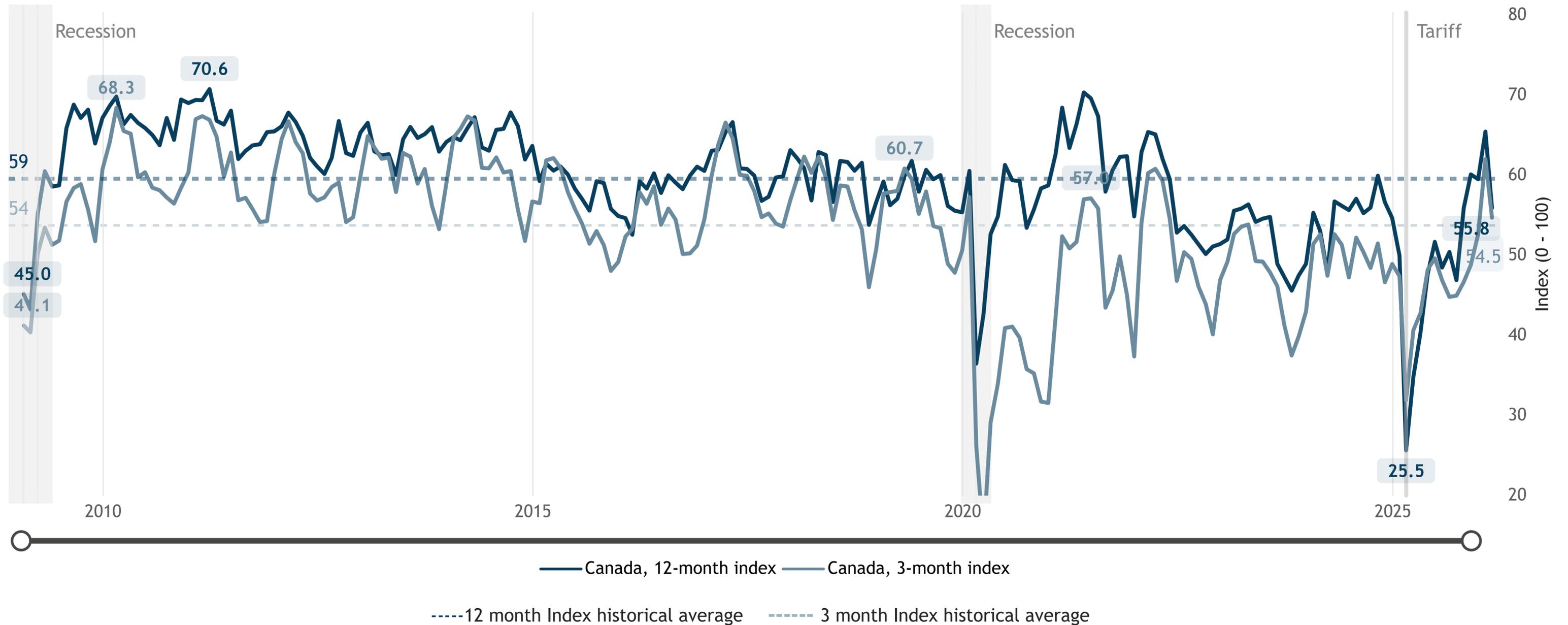
Other indicators

Full-time staffing plans remain steady, with a larger share of employers planning to hire (17%) than to lay off staff (12%), marking a third consecutive month of positive net staffing intentions after a year of sluggishness.

Insufficient demand remains the top constraints to business and production expansion, cited by 57% of SMEs—almost 20 percentage points above its historical average and worsening compared to the recent months. Cost related pressures continue to weigh heavily on growth prospects, led by insurance costs (65%), tax and regulatory expenses costs (61%), and wage costs (59%). Fuel costs saw the largest monthly jump, rising 14 points to 50%. Product input and raw material costs followed, increasing 12 points to 44%. Capital and technology expenses remain high, with 39% of SMEs reporting them as a major constraint.

The balance of opinion on the current state of business health dropped by 9 percentage points, returning to levels last seen in Fall 2025.

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?

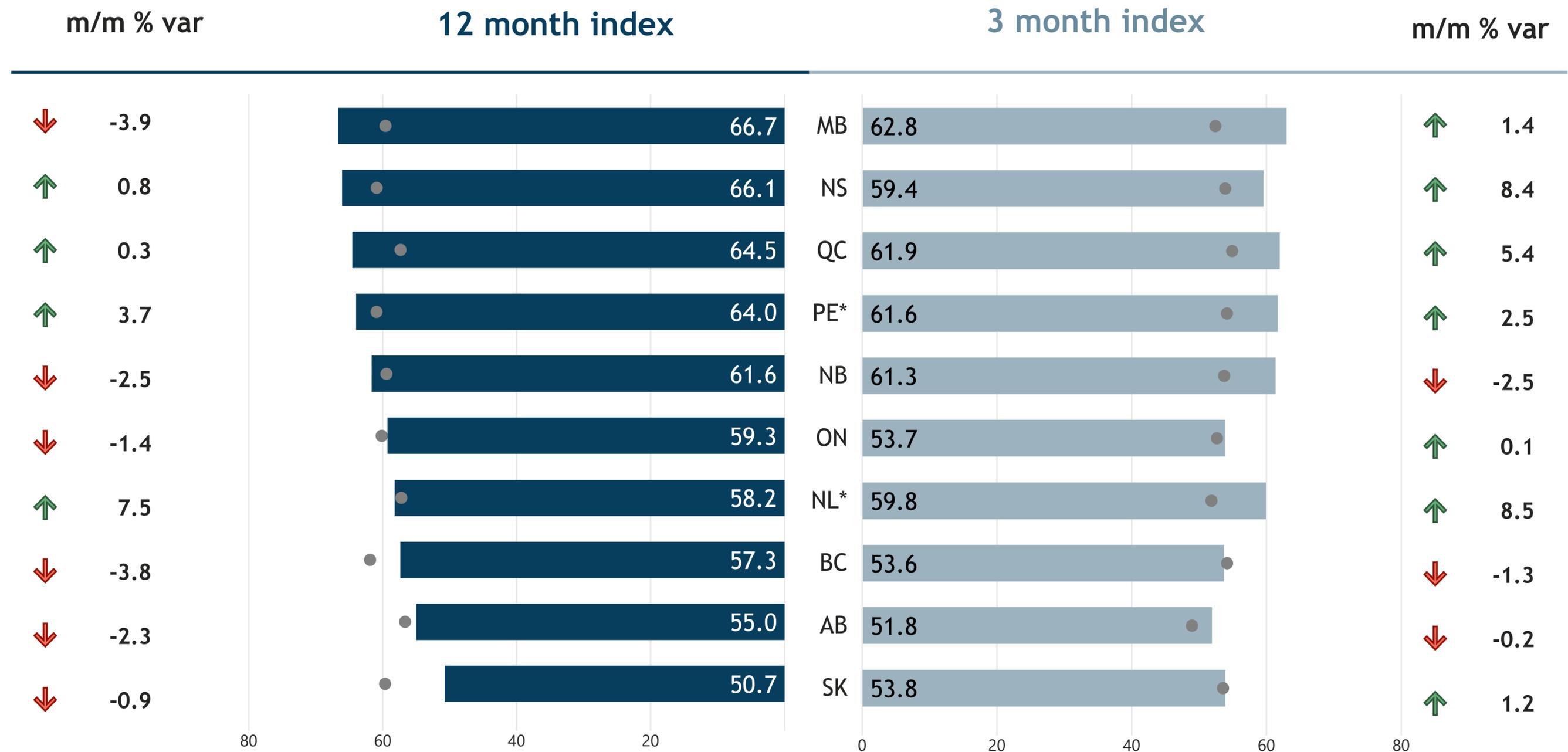
Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Sources : CFIB, Your business outlook survey, February 2009 - March 2026. 651 responses received from March 3-10.

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

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

Business Barometer®: Small business confidence index, provinces



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

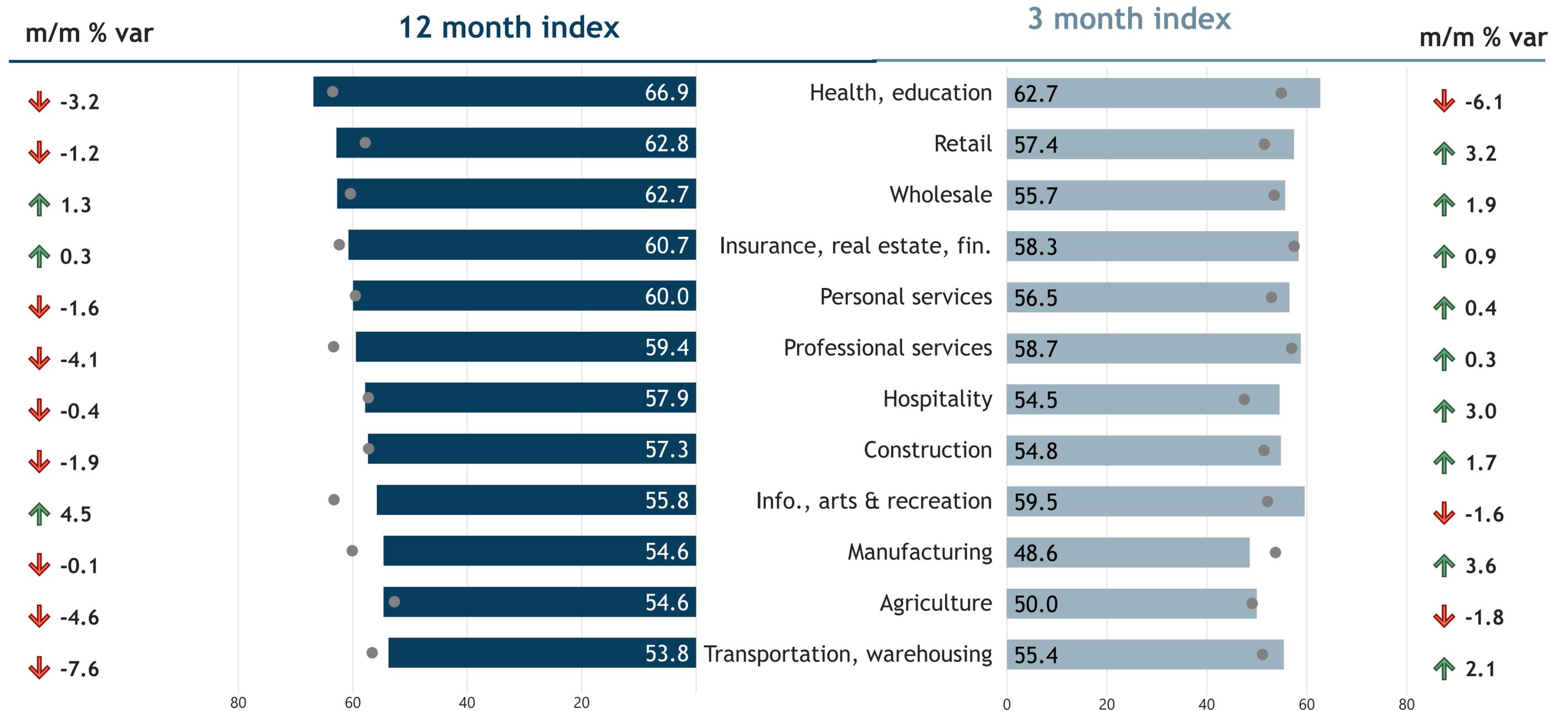
Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Source: CFIB, Your business outlook survey, February 2009 - March 2026. 651 responses received from March 3-10.

Note: ● Historical averages. Data presented by 3-month moving average. *Data presented by 12-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**?

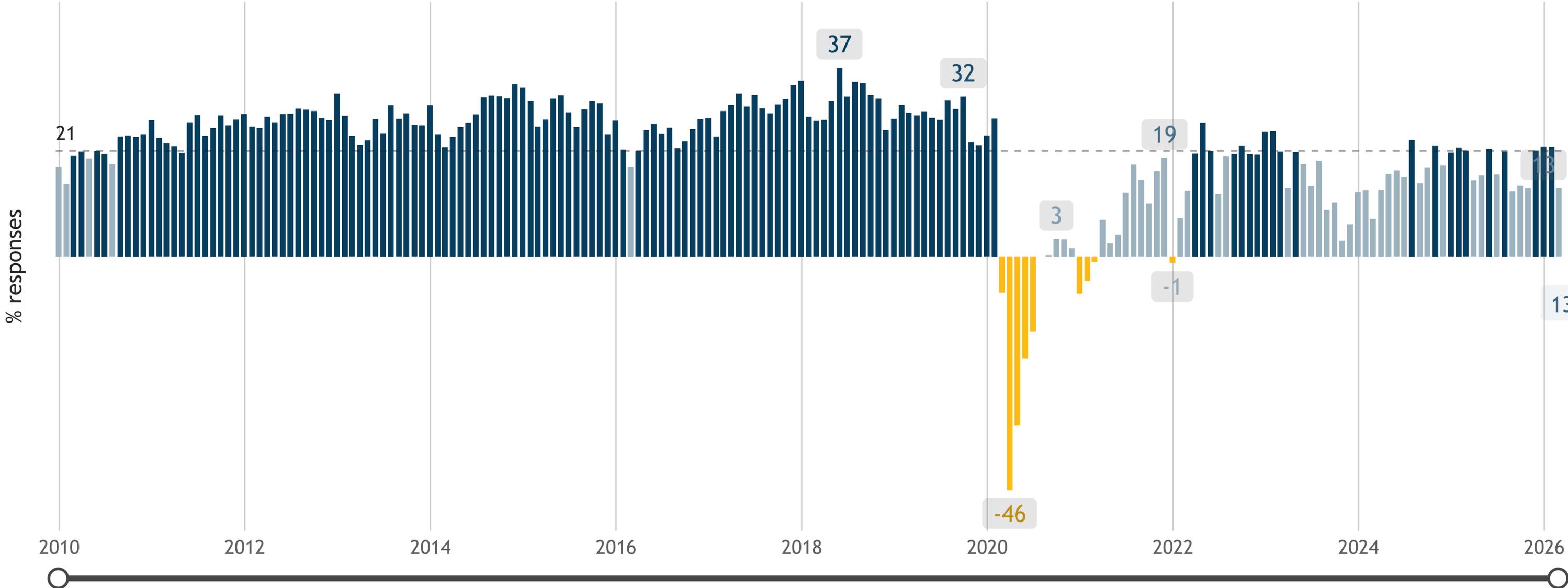
Source: CFIB, Your business outlook survey, February 2009 - March 2026. 651 responses received from March 3-10.

Notes: ● Historical averages. Data is presented as 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

Balance of opinion

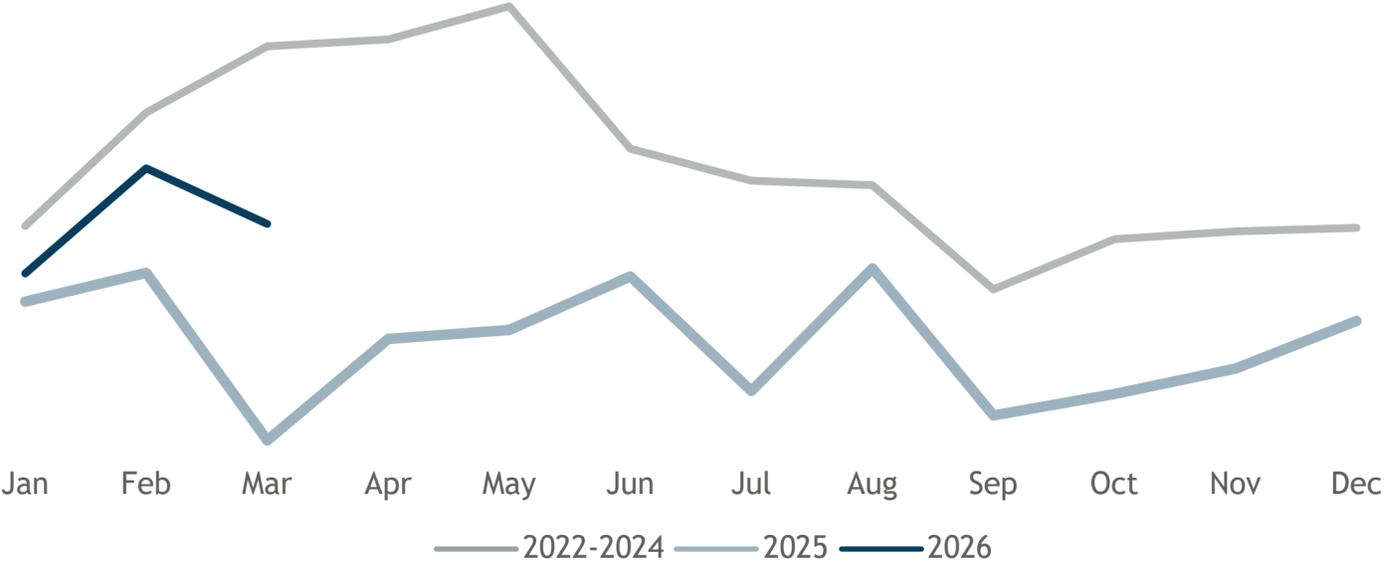


----historical average ■ above the historical average ■ below the historical average ■ negative balance of opinion

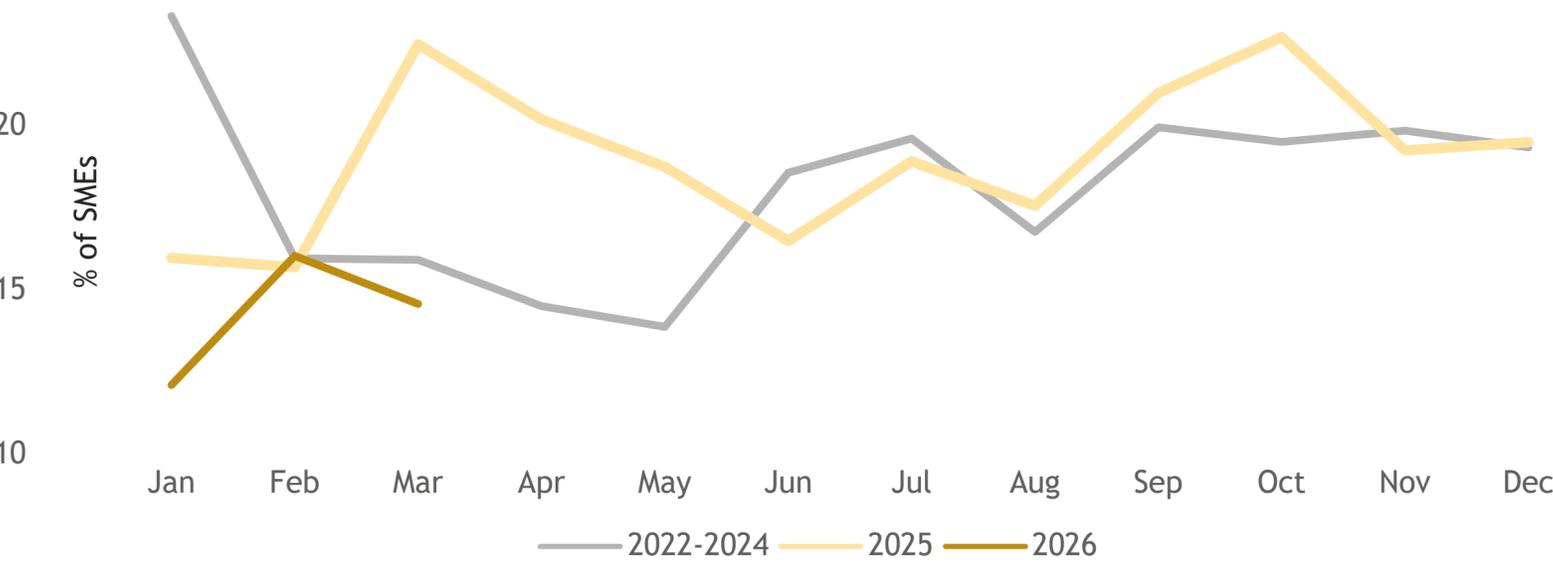
Survey question: Currently, what is the general business situation of your company?
Source: CFIB, Your business outlook survey, February 2009 - March 2026. 651 responses received from March 3-10.
Note: Balance of opinion = [Share of respondents answering **Good**]- [Share of respondents answering **Bad**].

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

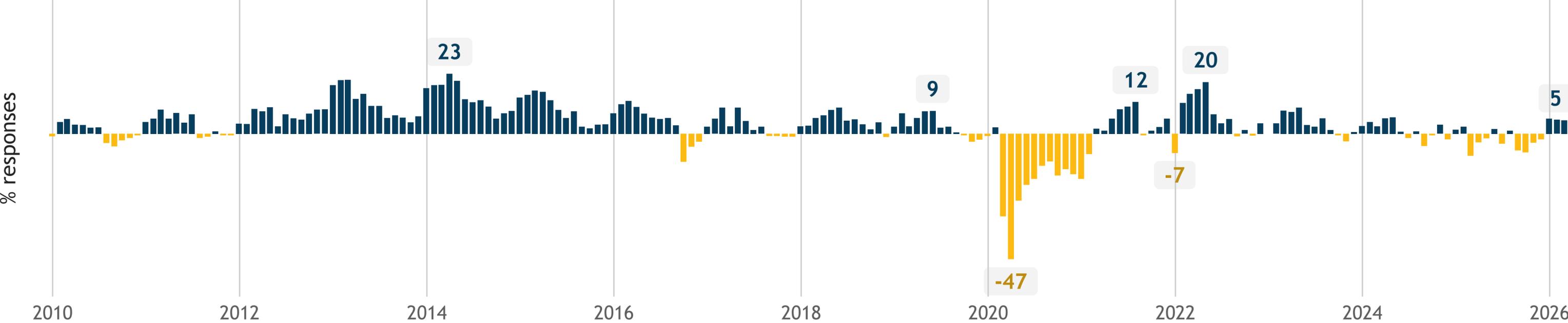
Adding staff



Reducing staff



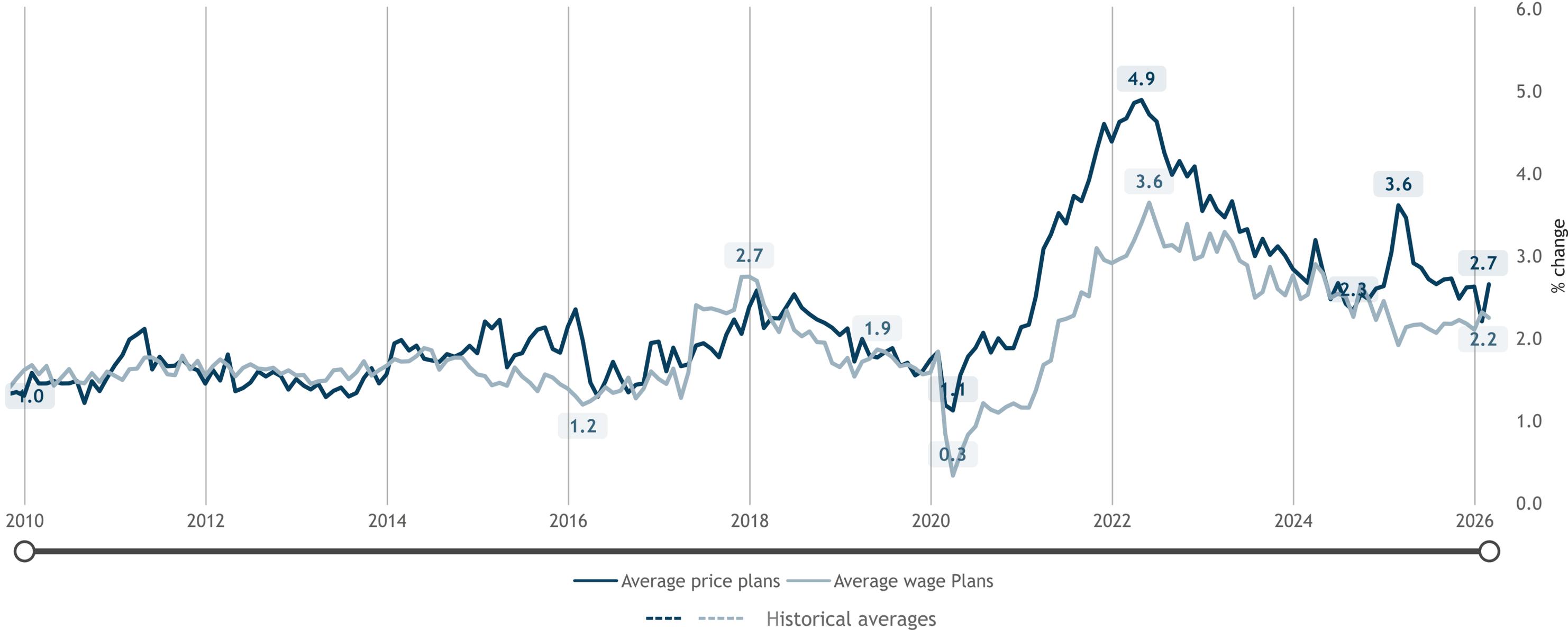
Net staffing intentions, full time



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 - March 2026. 651 responses received from March 3-10.
Note: Net staffing intentions = [Share of respondents answering UP]- [Share of respondents answering Down]



Business Barometer®: Future price and wage increase plans



Survey questions:

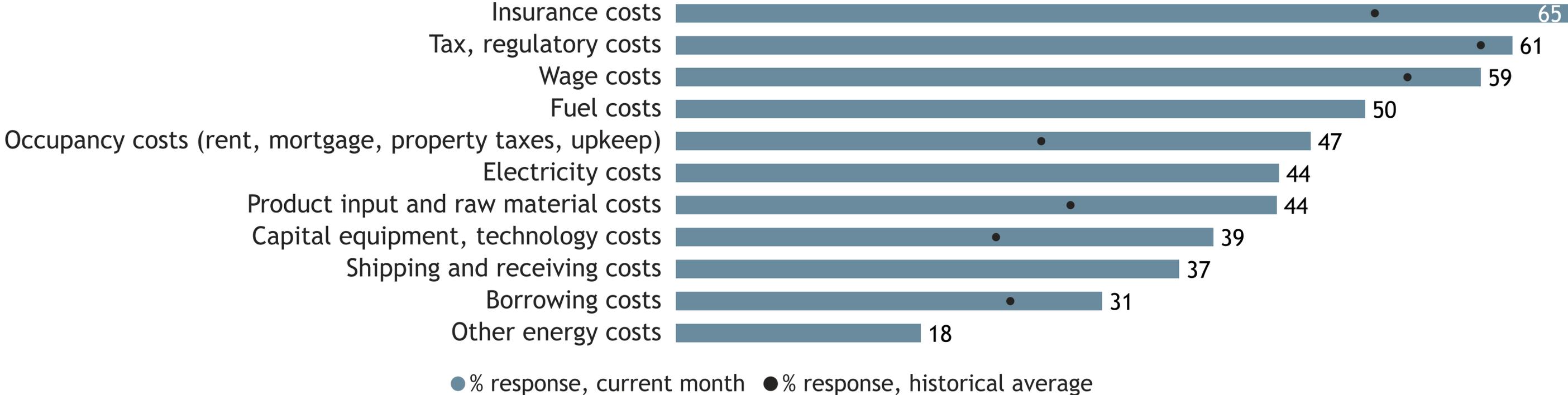
In the next year, how much do you expect **average prices** to change?

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

Source: CFIB, Your business outlook survey, February 2009 - March 2026. 651 responses received from March 3-10.

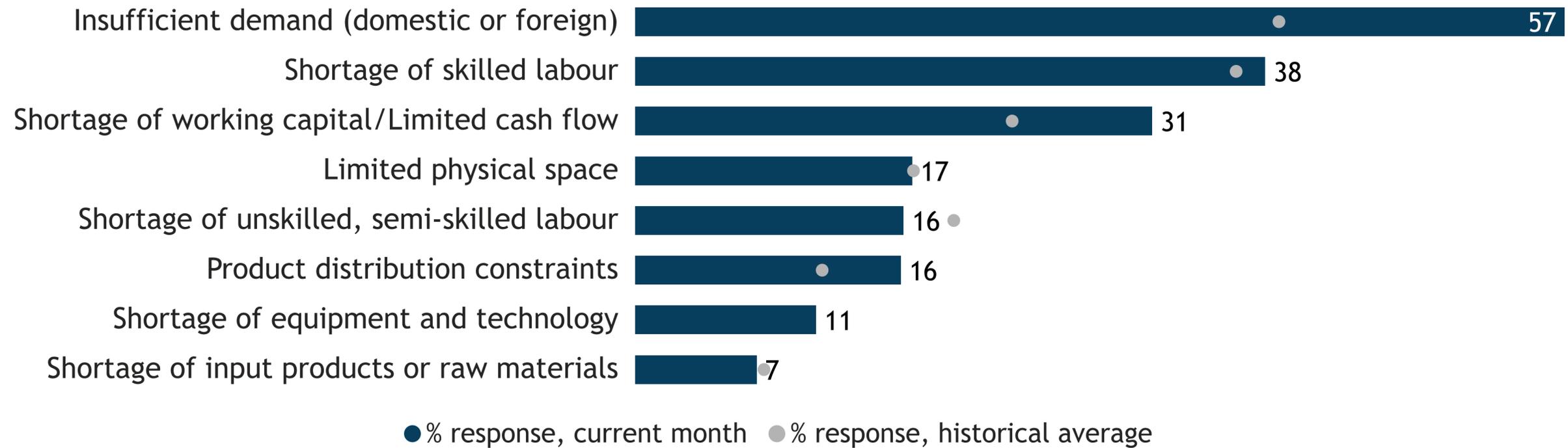


Business Barometer®: Major input cost constraints - current levels and trend



Survey question: What types of input costs are currently causing difficulties for your business?
Source: CFIB, Your business outlook survey, February 2009 - March 2026. 651 responses received from March 3-10.
Note: Since February 2026, the question includes a new data point on shipping and receiving costs.

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

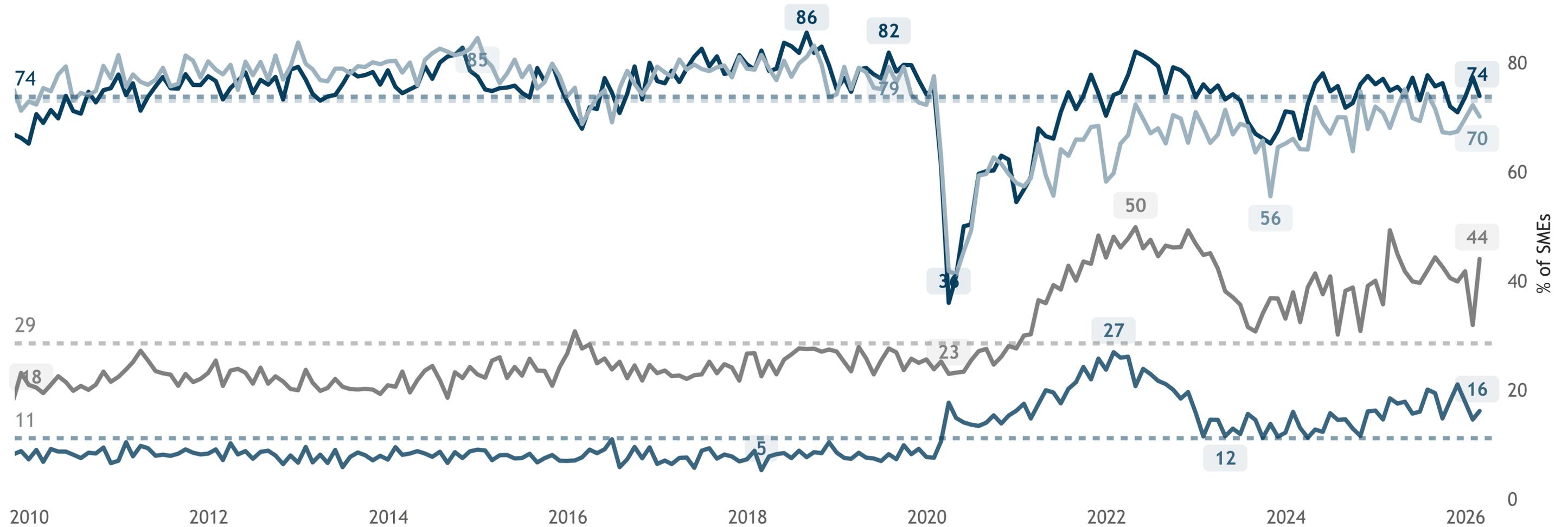


Survey question: What factors are limiting your ability to increase sales or production?

Source: CFIB, Your business outlook survey, February 2009 - March 2026. 651 responses received from March 3-10.

Note: Since February 2026, the question includes a new data point on shortages of equipment and technology.

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?

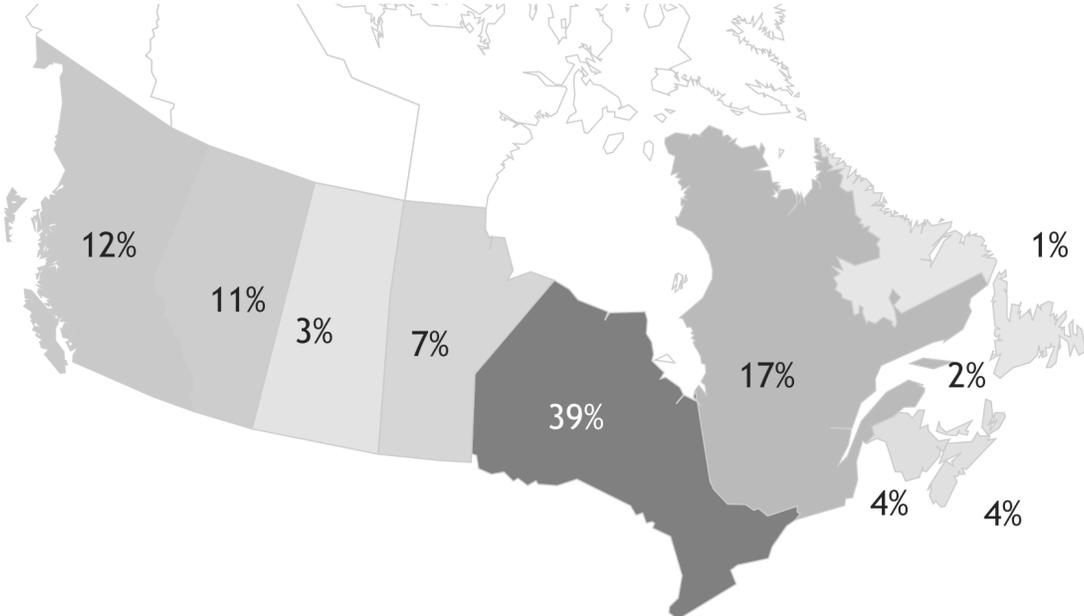
What types of input costs are currently causing difficulties for your business? [Respondents selecting "Product input costs"]

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

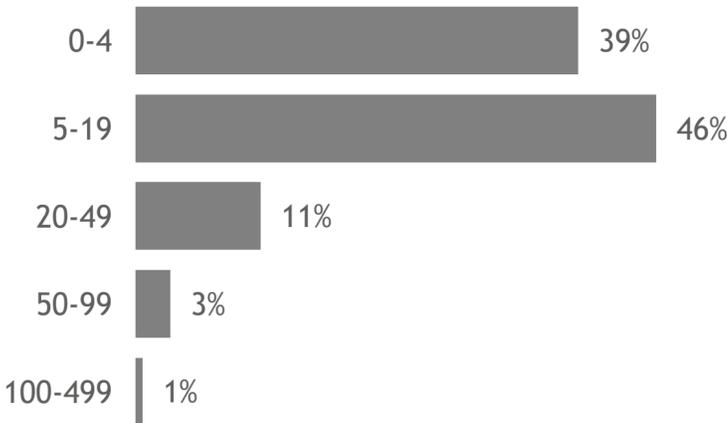
Source: CFIB, Your business outlook survey, February 2009 - March 2026. 651 responses received from March 3-10.

Business Barometer®: Sample distribution

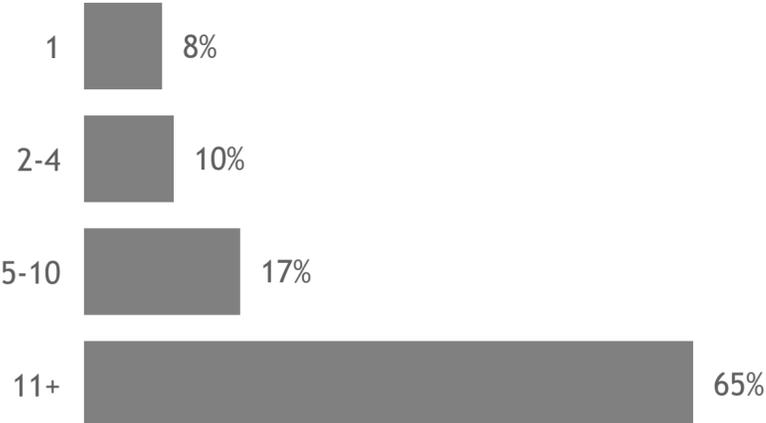
By location of the business



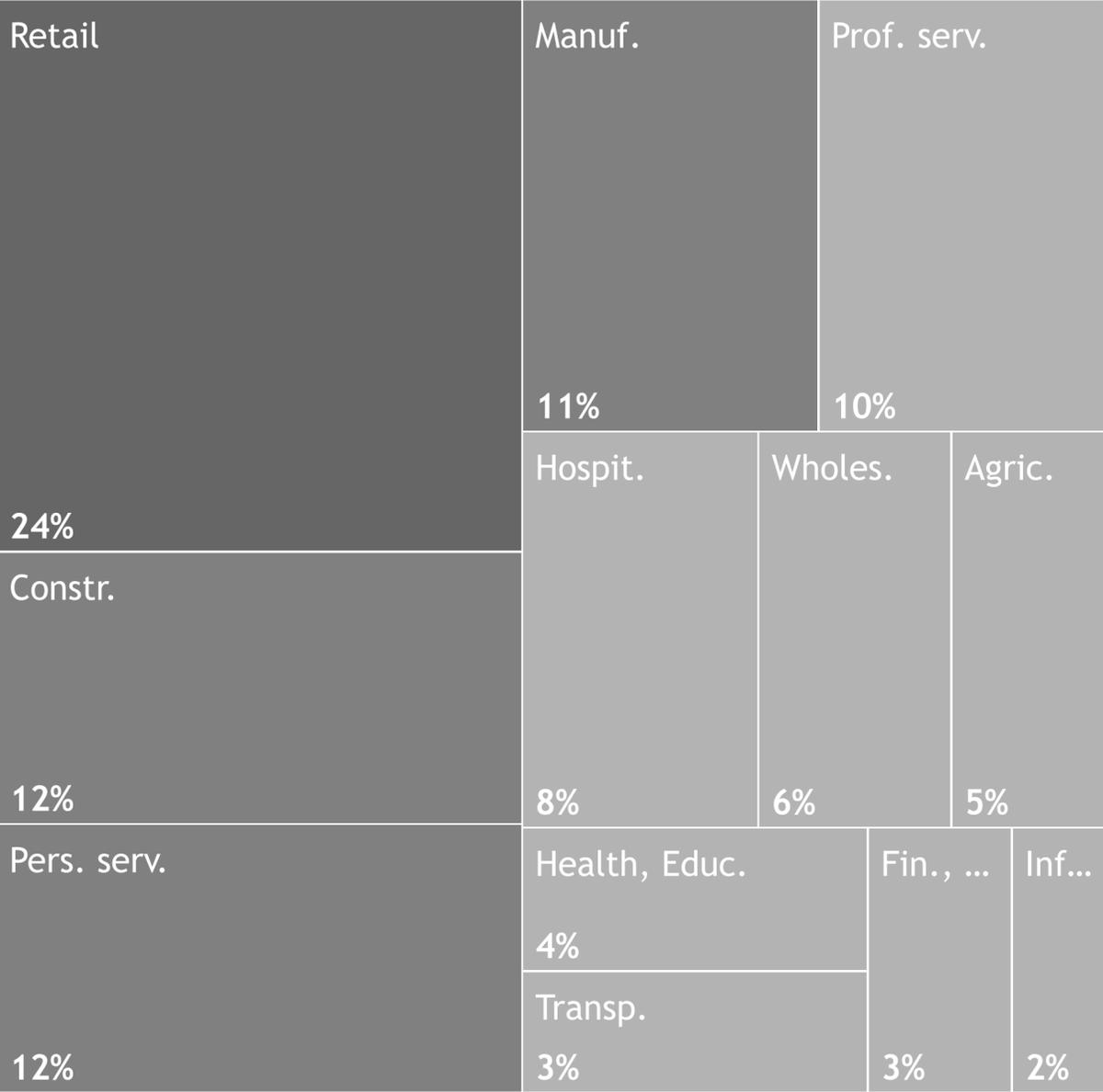
By number of employees



By years in business



By industry



Methodology

- CFIB, Your business outlook survey, March 2026
- Stratified random sample of CFIB members to a controlled-access web survey: 651 responses
- Responses were received from: March 3-10
- The survey is considered accurate to within +/- 3.8 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. Accordingly, February’s results were recalculated to include 23 additional responses beyond the 601 originally used.
- 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.
- Since February 2026, the survey includes two new data points on shipping and receiving costs; and on shortages of equipment and technology. Provincial and sectoral details are not available yet.



Questions or data requests

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