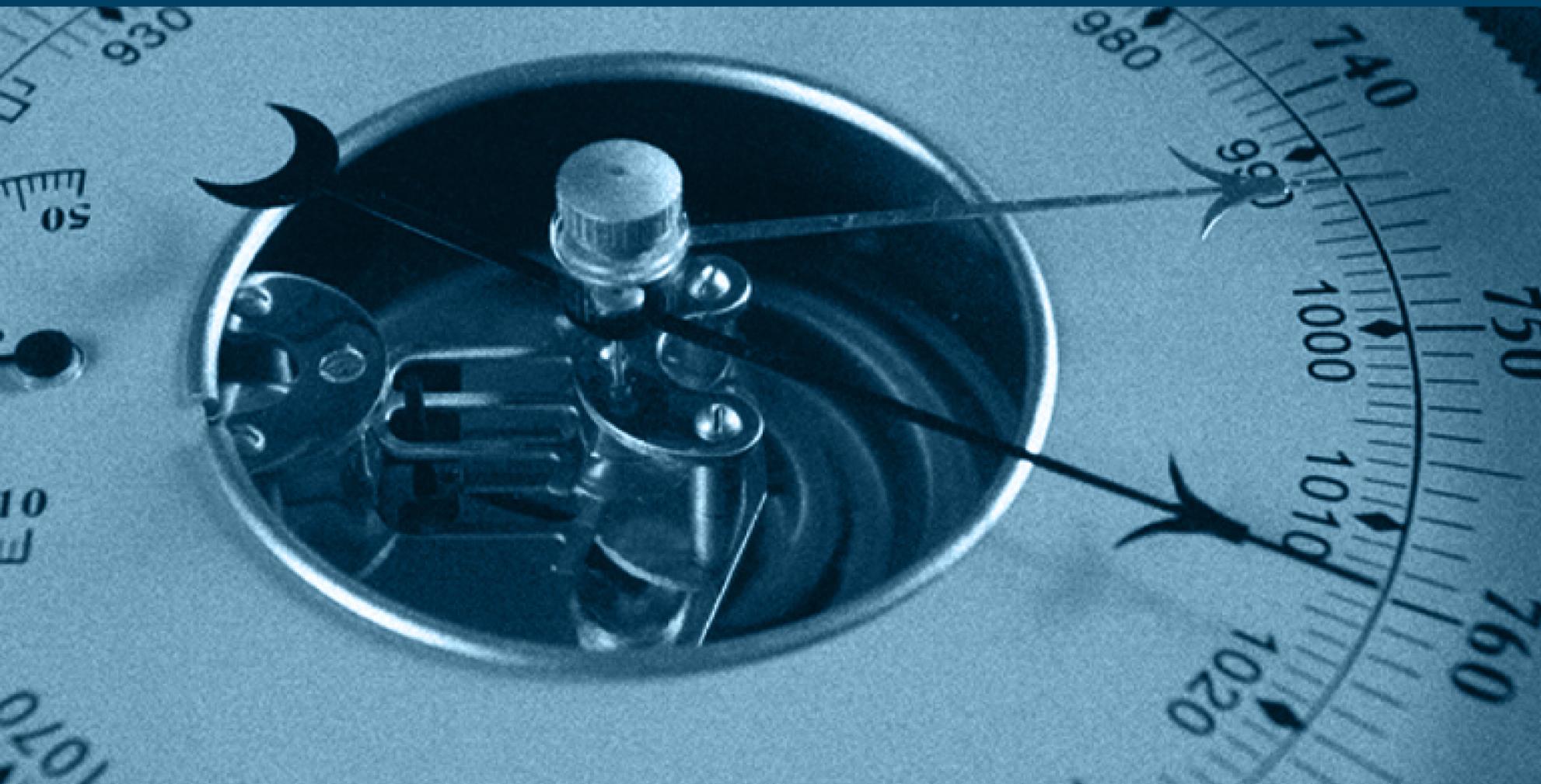




In business  
for your business.

# Monthly Business Barometer®

February 2026



## 12-month Small Business Confidence Index

64.8

Monthly change

↑ 5.4

## 3-month Small Business Confidence Index

61.2

Monthly change

↑ 8.7

## Business Barometer<sup>®</sup>: Report summary

### Small business confidence in Canada

CFIB's Business Barometer<sup>®</sup> long-term index, which is based on 12-month forward expectations for business performance, reached 64.8—an increase of 5.4 points from January. The short-term optimism index, based on a 3-month outlook, rose by 8.7 points to 61.2, indicating a strong improvement.

### Provincial overview

The long-term confidence increased in all provinces except in Saskatchewan. All provinces recorded index levels at or above 50, with more than half sitting above the 60-point threshold. Short-term confidence improved in almost all provinces but remains slightly lower than the long term, ranging from the low-50s to low-60s.

### Inflation indicators

The average price increase dropped to 2.2% in February, while the average wage increased slightly to 2.3%.

### Sectoral overview

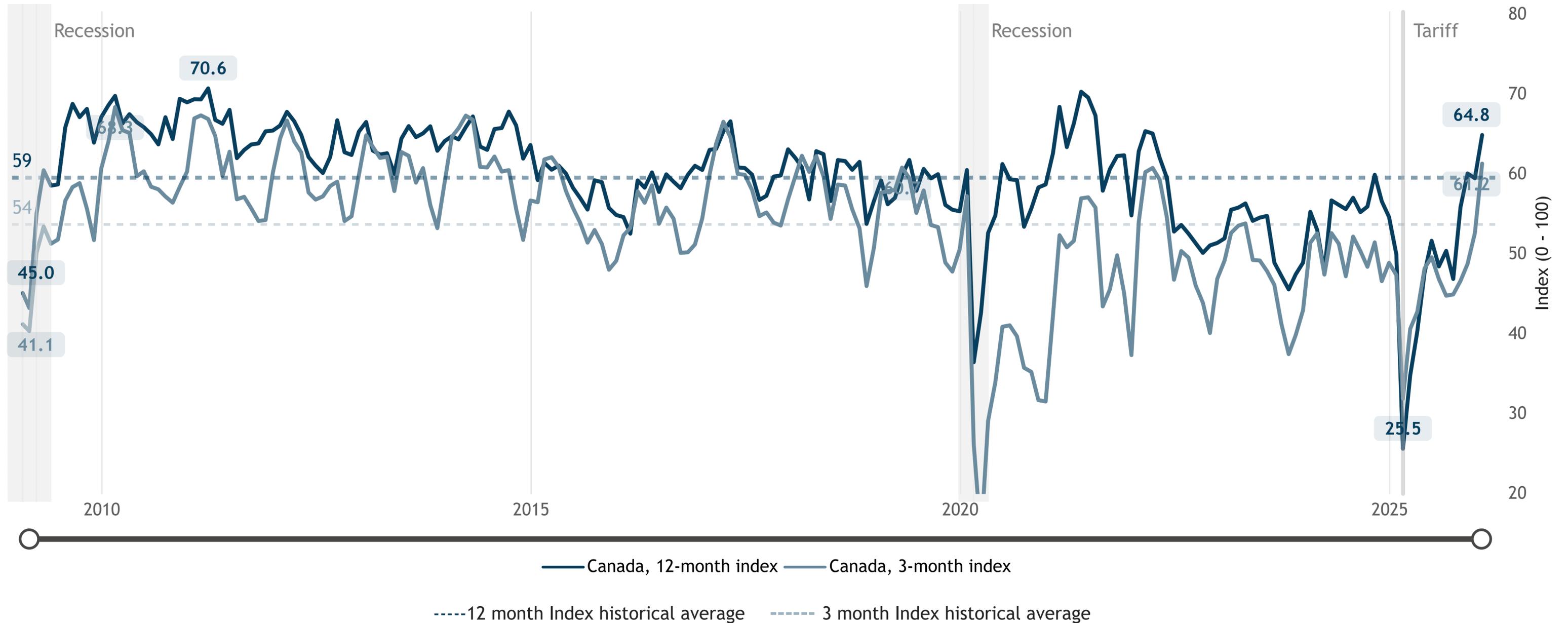
Long-term confidence increased across most sectors, but the expectations ranged from 50 to 70s showing pockets of strength in economic activity. The declines were limited to three industries: professional services; insurance, real estate and financial activities; and information, arts and recreation.

### Other indicators

Full-time staffing plans remain steady, with a larger share of employers planning to hire (19%) than to lay off staff (13%), marking a second consecutive month of positive net staffing intentions after a year of sluggishness.

Insufficient demand remains the leading obstacle to business and production expansion, cited by 49% of SMEs—around 10 percentage points above its historical average but showing minor improvement compared to the recent months. Cost related pressures continue to weigh heavily on growth prospects, led by wage costs (58%), insurance costs (58%), and tax and regulatory expenses (58%). Capital and technology costs declined but remain 9 points above average.

# 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 - February 2026. 601 responses received from February 3-17.

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?

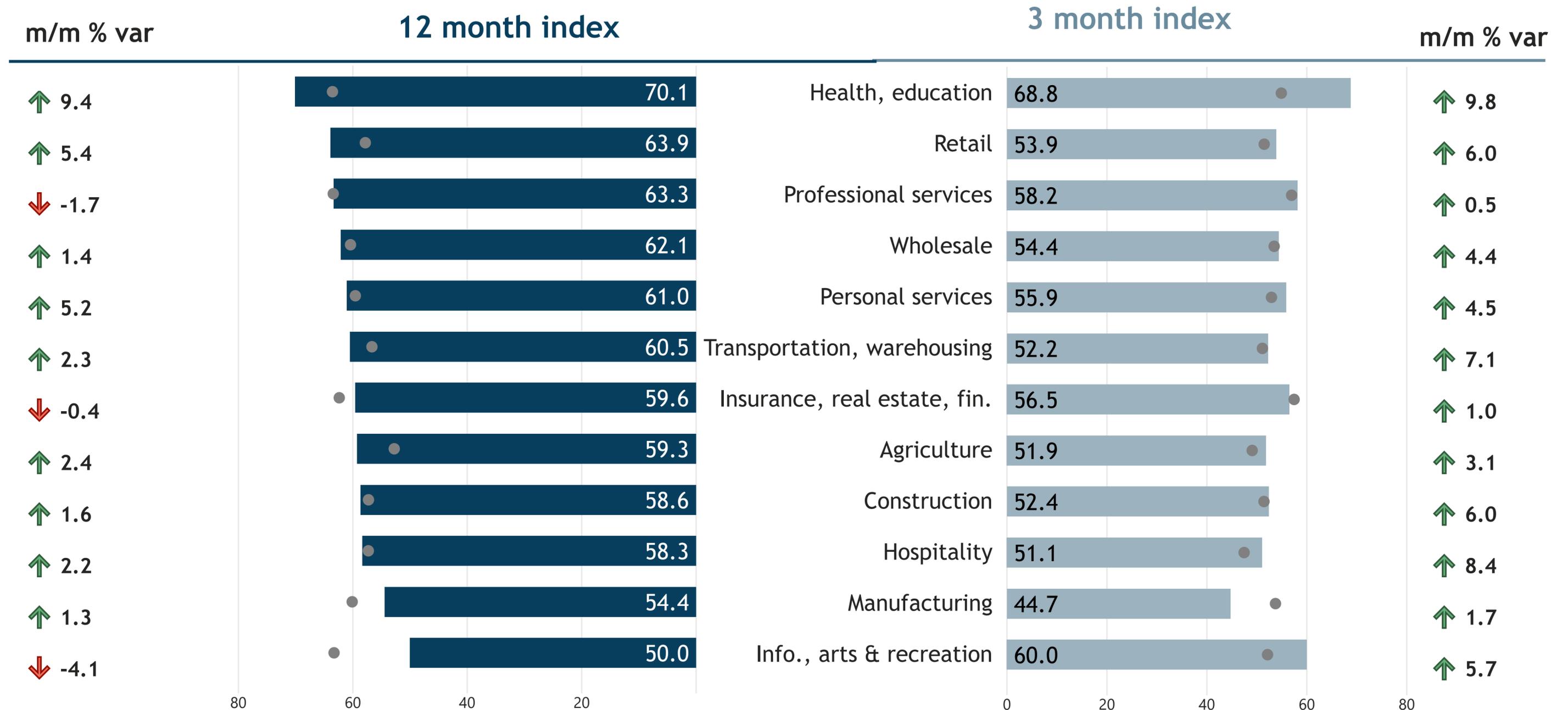
Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Source: CFIB, Your business outlook survey, February 2009 - February 2026. 601 responses received from February 3-17.

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**?

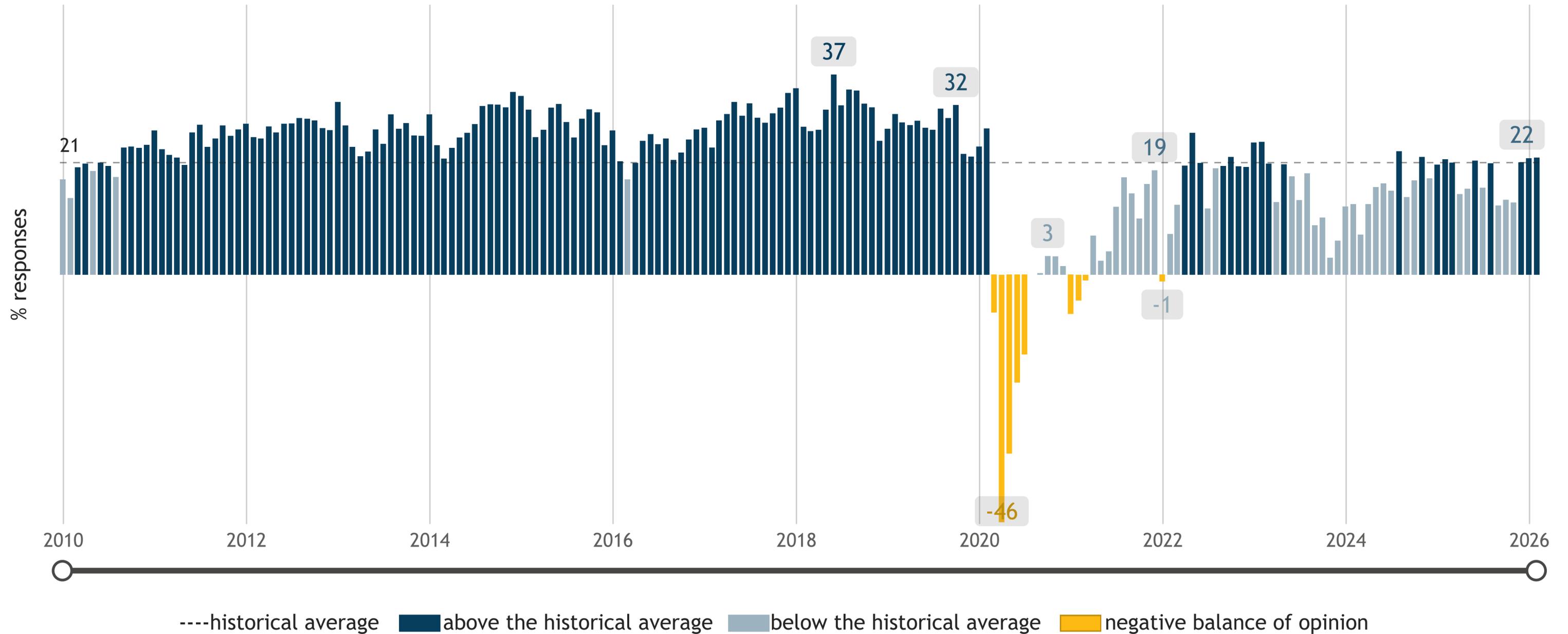
Source: CFIB, Your business outlook survey, February 2009 - February 2026. 601 responses received from February 3-17.

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



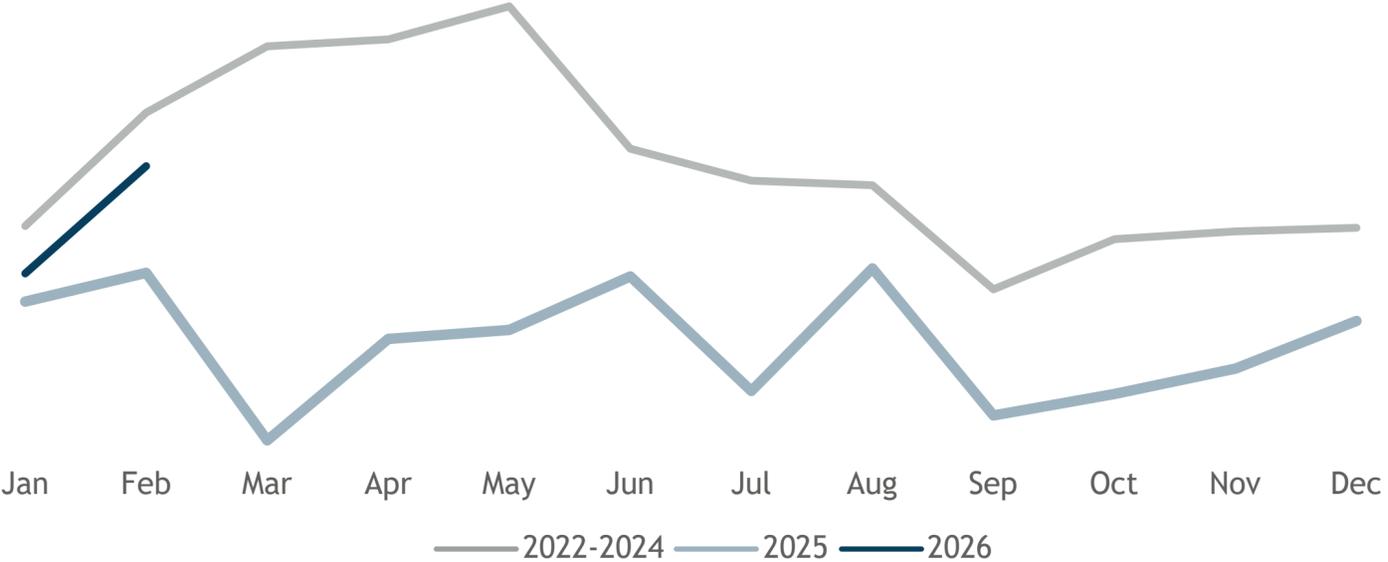
**Survey question:** Currently, what is the general business situation of your company?

**Source:** CFIB, Your business outlook survey, February 2009 - February 2026. 601 responses received from February 3-17.

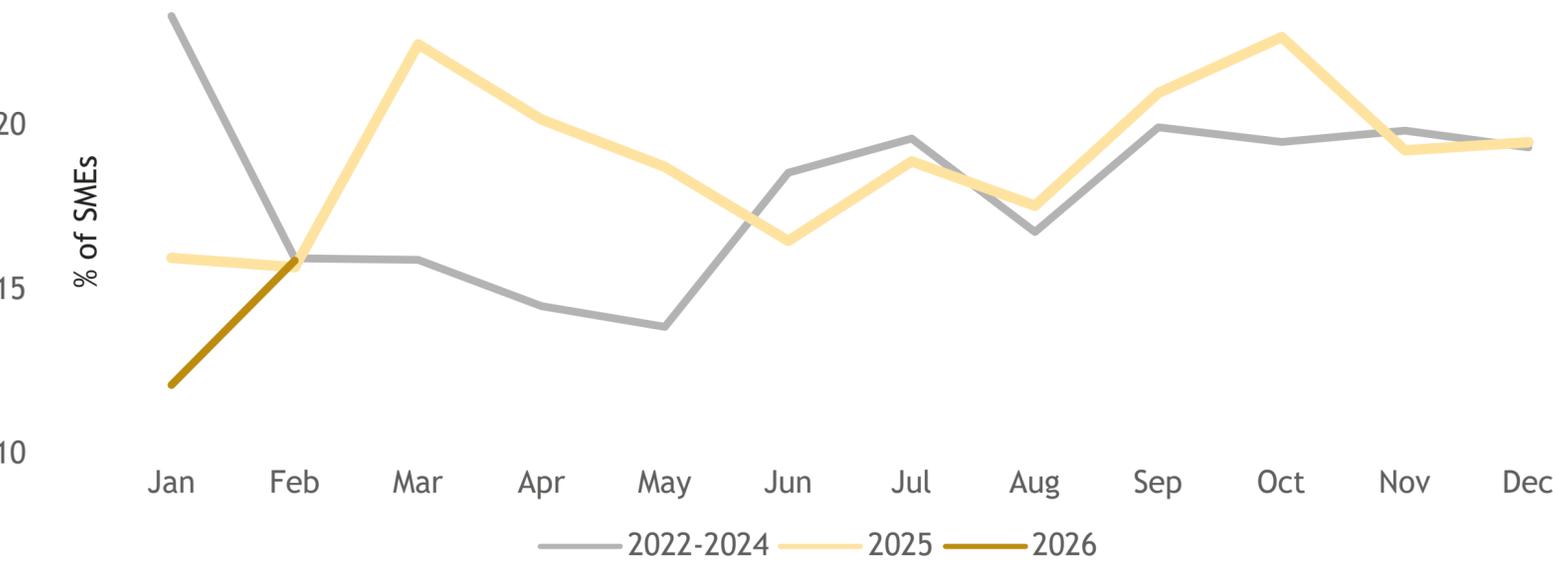
**Note:** Balance of opinion = [Share of respondents answering **Good**]- [Share of respondents answering **Bad**].

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

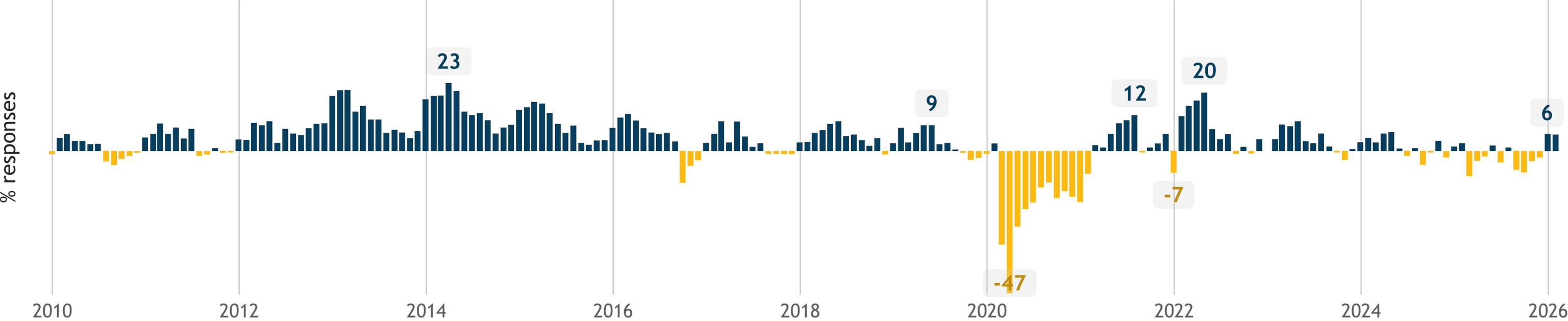
### Adding staff



### 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 - February 2026. 601 responses received from February 3-17.  
**Note:** Net staffing intentions = [Share of respondents answering UP]- [Share of respondents answering Down]



# Business Barometer®: Future price and wage increase plans



**Survey questions:**

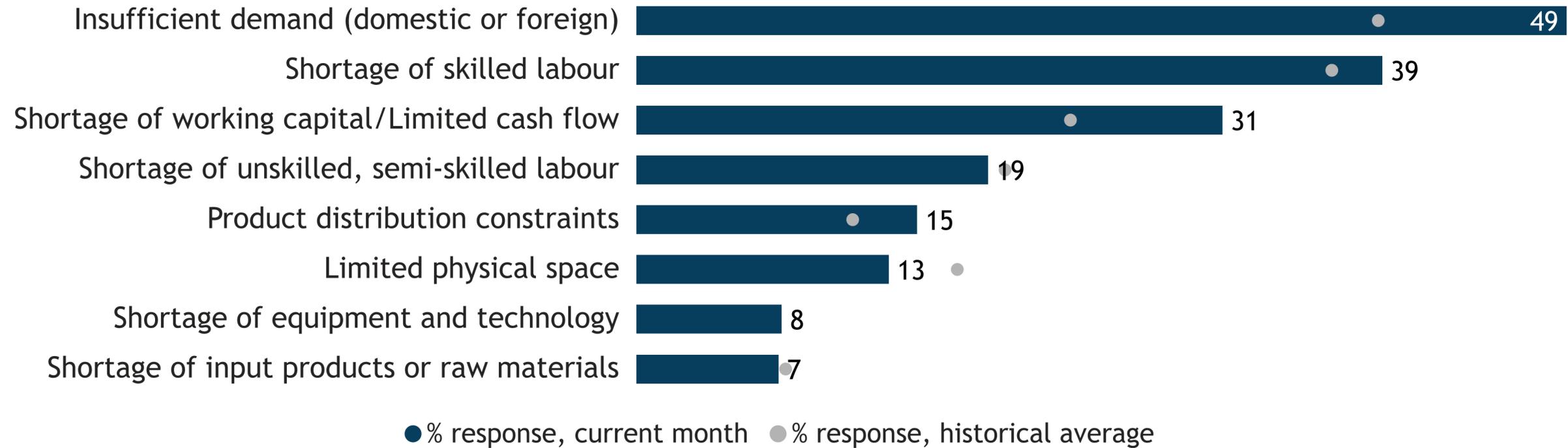
In the next year, how much do you expect **average prices** to change?

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

Source: CFIB, Your business outlook survey, February 2009 - February 2026. 601 responses received from February 3-17.



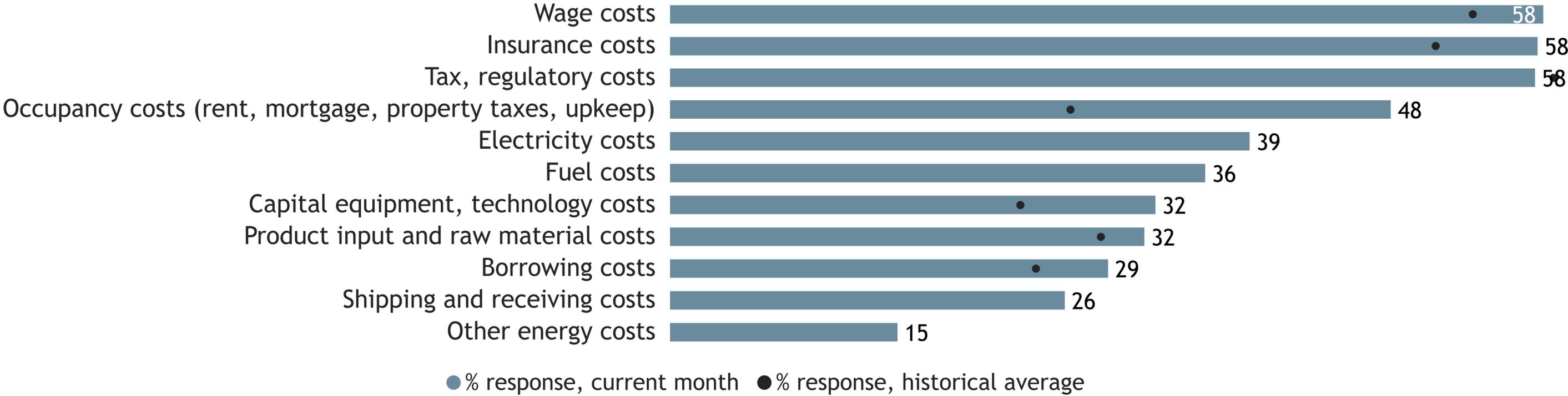
## Business Barometer®: Factors limiting sales or production growth - current levels and trend



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

**Source:** CFIB, Your business outlook survey, February 2009 - February 2026. 601 responses received from February 3-17.

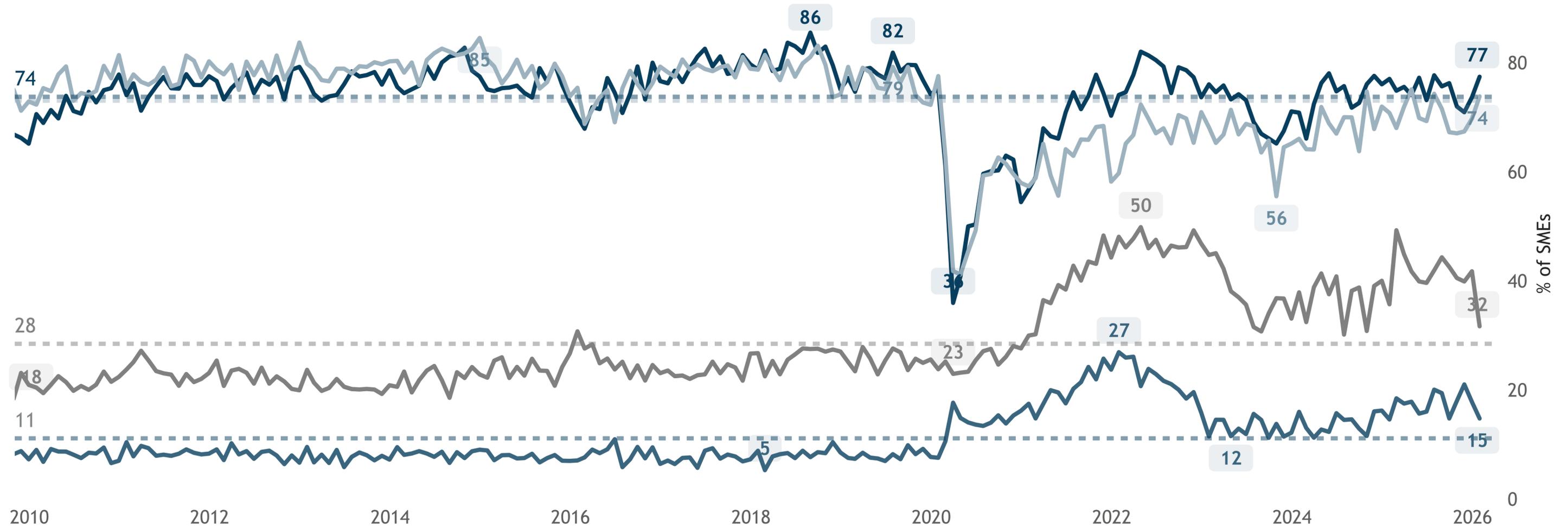
# Business Barometer®: Major input cost constraints - current levels and trend



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

Source: CFIB, Your business outlook survey, February 2009 - February 2026. 601 responses received from February 3-17.

# 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?

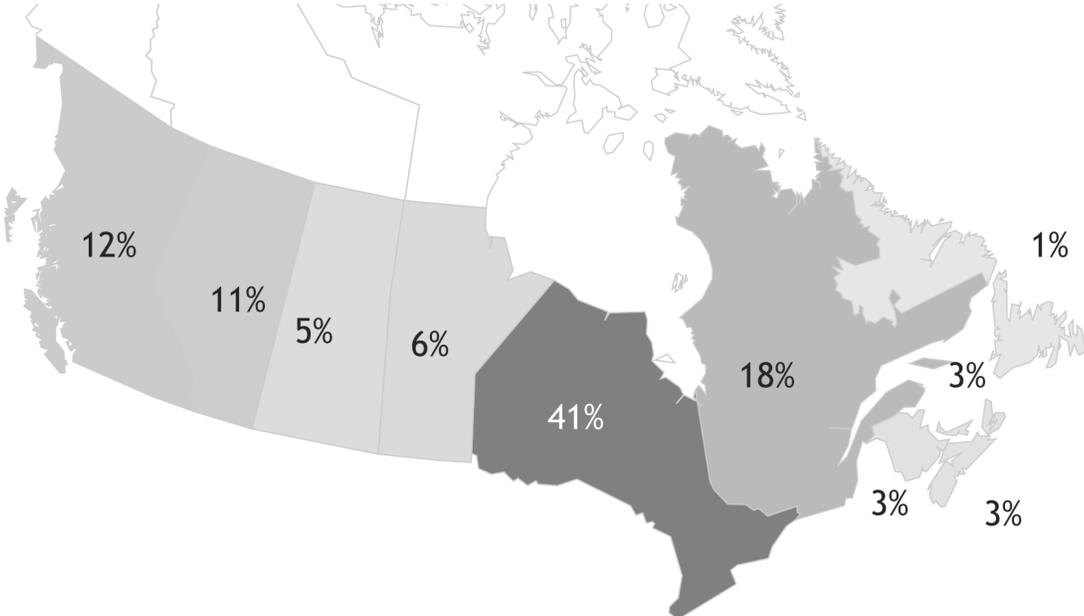
What types of input costs are currently causing difficulties for your business? [Respondents selecting "Product input costs"]

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

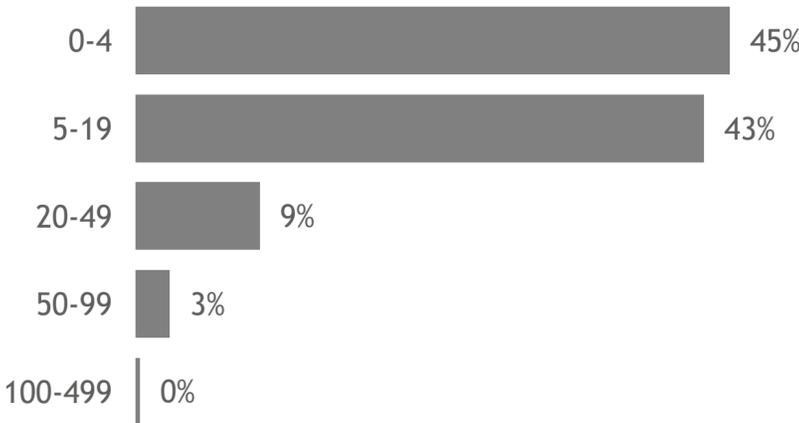
Source: CFIB, Your business outlook survey, February 2009 - February 2026. 601 responses received from February 3-17.

# Business Barometer®: Sample distribution

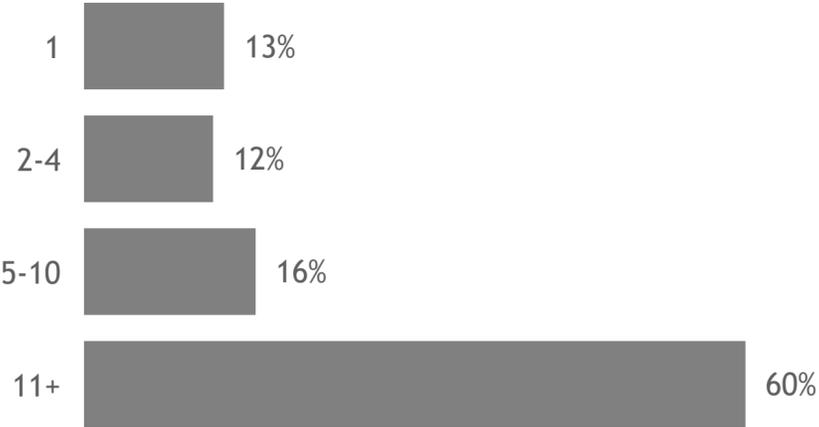
By location of the business



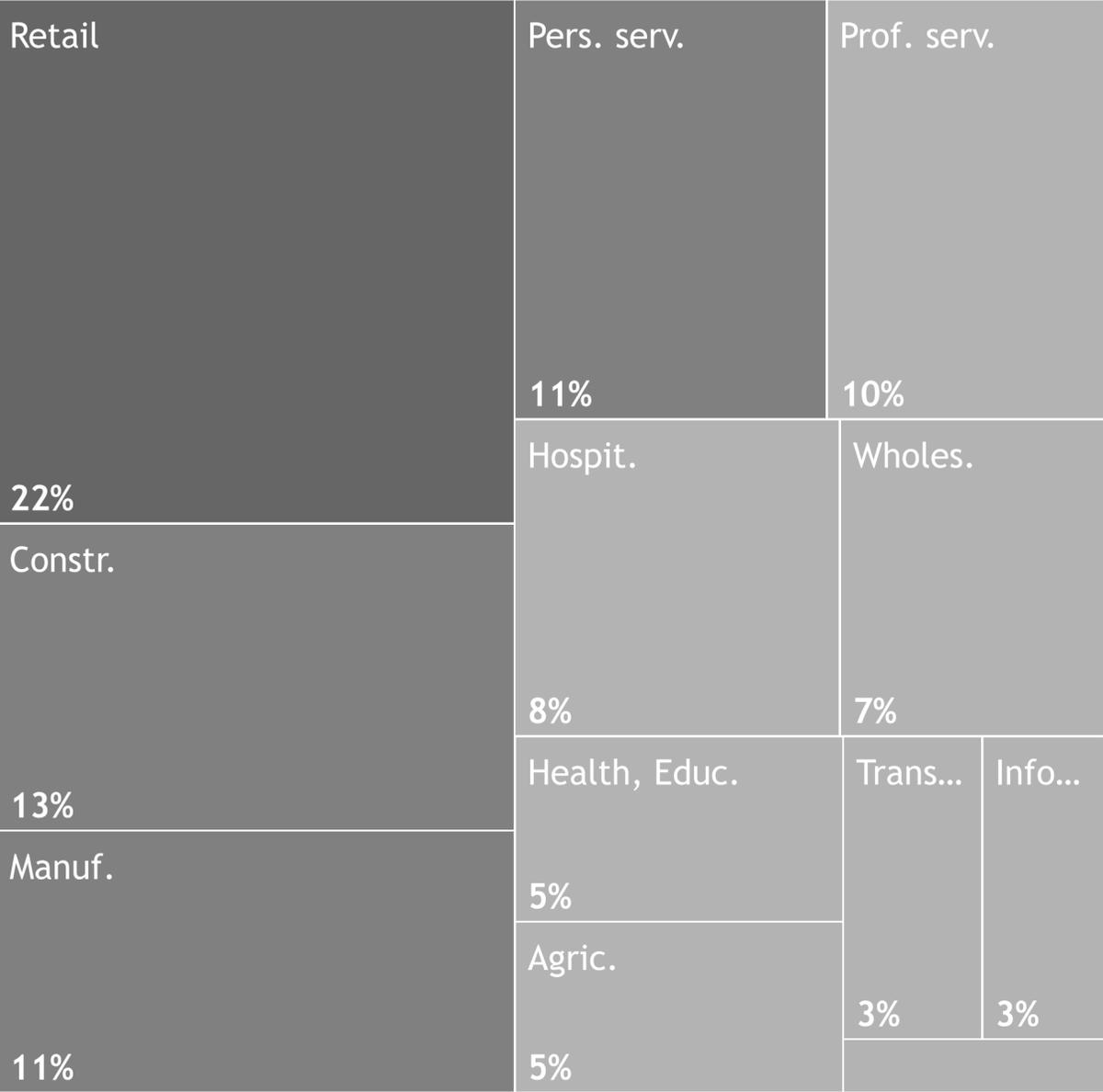
By number of employees



By years in business



By industry



## Methodology

- CFIB, Your business outlook survey, February 2026
- Stratified random sample of CFIB members to a controlled-access web survey: 601 responses
- Responses were received from: February 3-17
- The survey is considered accurate to within +/- 4.0 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.

# Questions or data requests

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# Additional information

All CFIB research



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