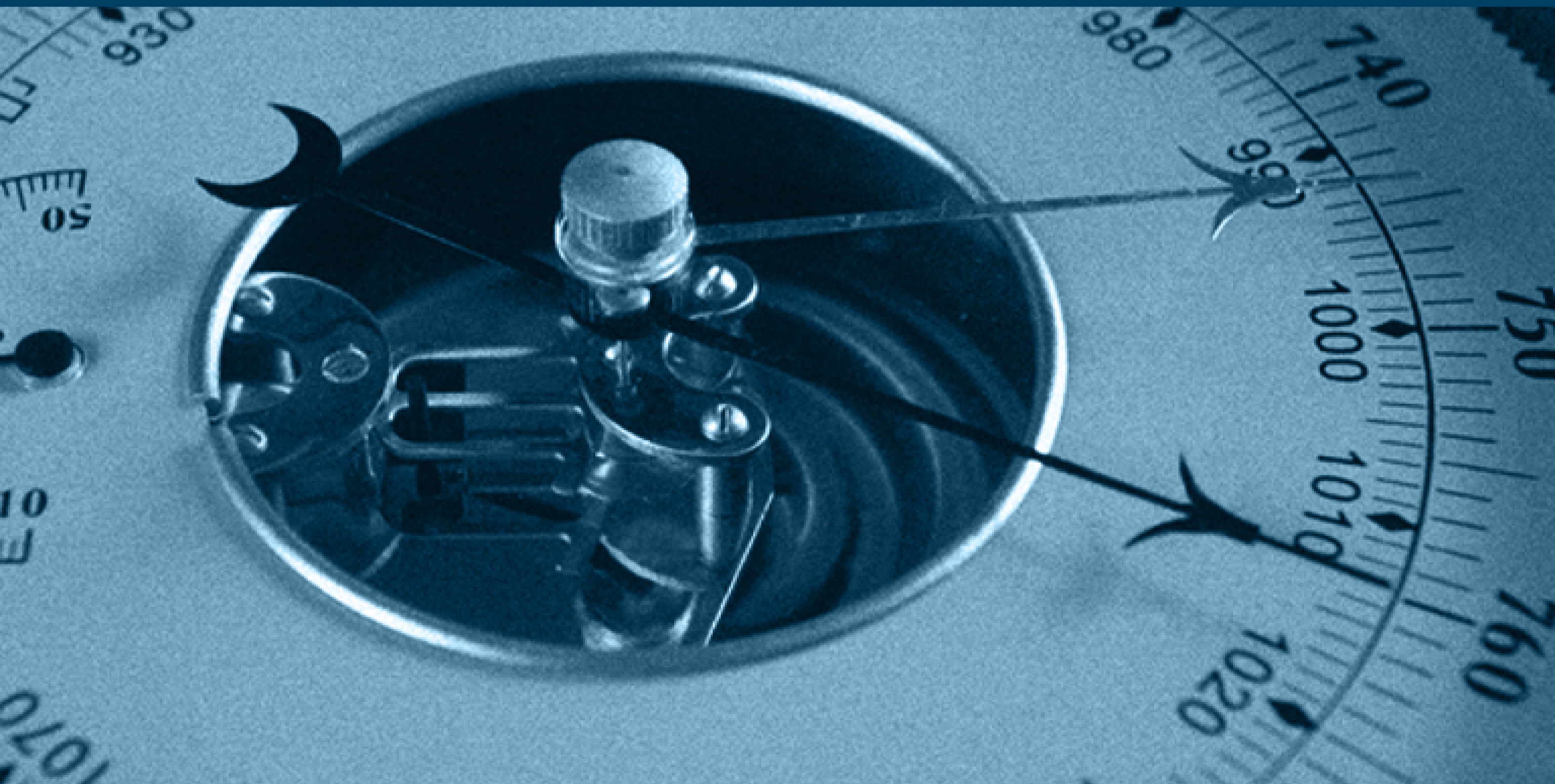




In business
for your business.

Monthly Business Barometer®

June 2026



12-month Small Business Confidence Index

49.6

Monthly change

↑ 3.3

3-month Small Business Confidence Index

46.1

Monthly change

↓ -2.0

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 virtually unchanged at 49.6. The short-term optimism index, based on a 3-month outlook, remained below the 50-point mark at 46.1.

Provincial overview

Provincial trends—calculated as three-month moving averages—display a similar pattern. British Columbia, Ontario, and New Brunswick are below the 50-point mark. Short-term confidence, also shown as three-month moving averages, displays a mitigated trend: several provinces sit well below 50 (Saskatchewan, British Columbia, New Brunswick and Ontario), while a few post readings in the high 50s (Prince Edward Island, Newfoundland and Labrador, and Nova Scotia) with the remainder clustered around the mid-50 range.

Sectoral overview

Long-term confidence—calculated as three-month moving averages—decreased across almost all sectors. Retail, information, arts and recreation, transportation and utilities, agriculture, and accommodation and food services all recorded long term index levels below 50, with most (except transportation and utilities) also posting short-term index levels below 50. Short-term confidence is particularly low across most sectors.

Inflation indicators

The average price increase edged down to 3.0% in May, marking a slight decrease (0.1), and the average wage increase displayed a similar monthly change and now stands at 2.3%.

State of business health

The balance of opinion on the current state of business health increased to 18 but remains below the historical average of 21.

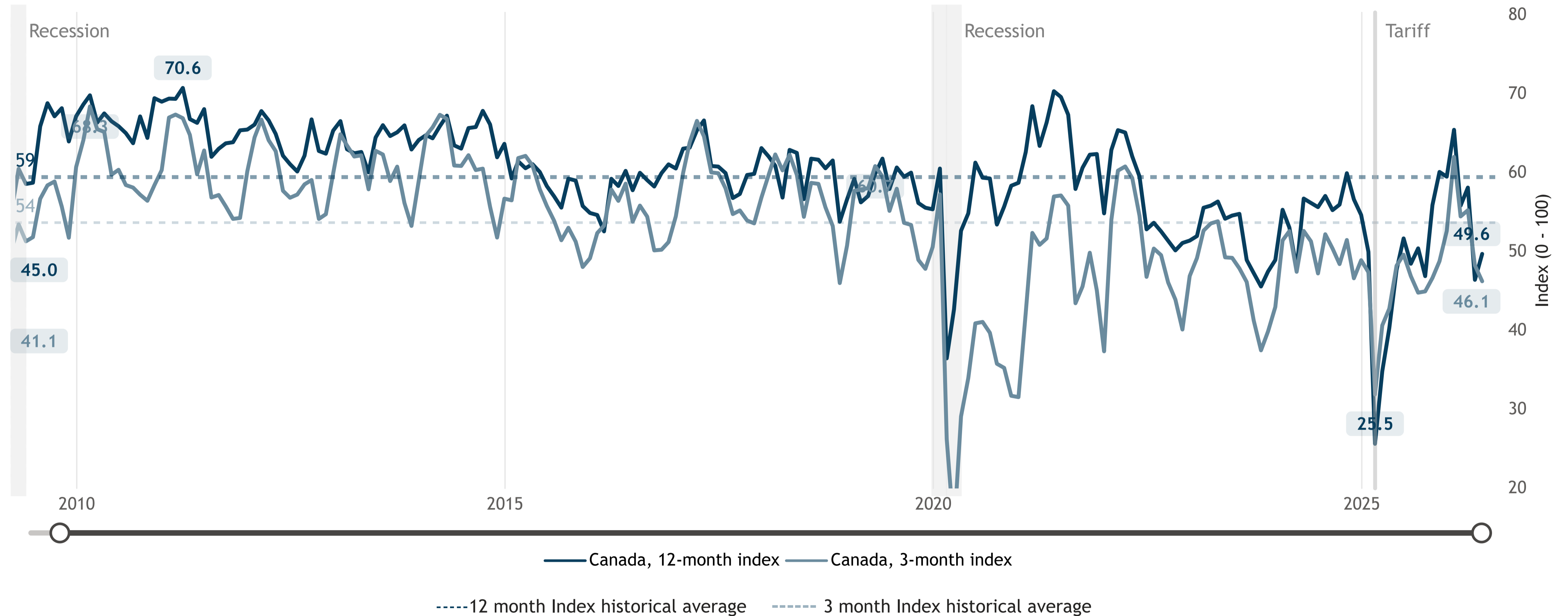
Other indicators

Full-time staffing plans remain steady but weak, with a slightly higher share of employers planning to lay off staff (13%) than to hire (12%). This marks the second consecutive month of 2026 with negative net staffing intentions, following several months of a net positive balance.

Insufficient demand remains the top constraints to business and production expansion, reported by 53% of SMEs—about 15 percentage points above its historical average.

Cost related pressures continue to weigh heavily on growth prospects, led by fuel costs (66%), tax and regulatory costs (60%), and wage costs (59%). Despite a continued decrease since April 2026, fuel costs remain high amid ongoing geopolitical tensions, impacting two-third of small businesses. Product input and raw material costs, as well as capital and technology costs, also remain a significant constraints, 42% and 38% of SMEs respectively.

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**?

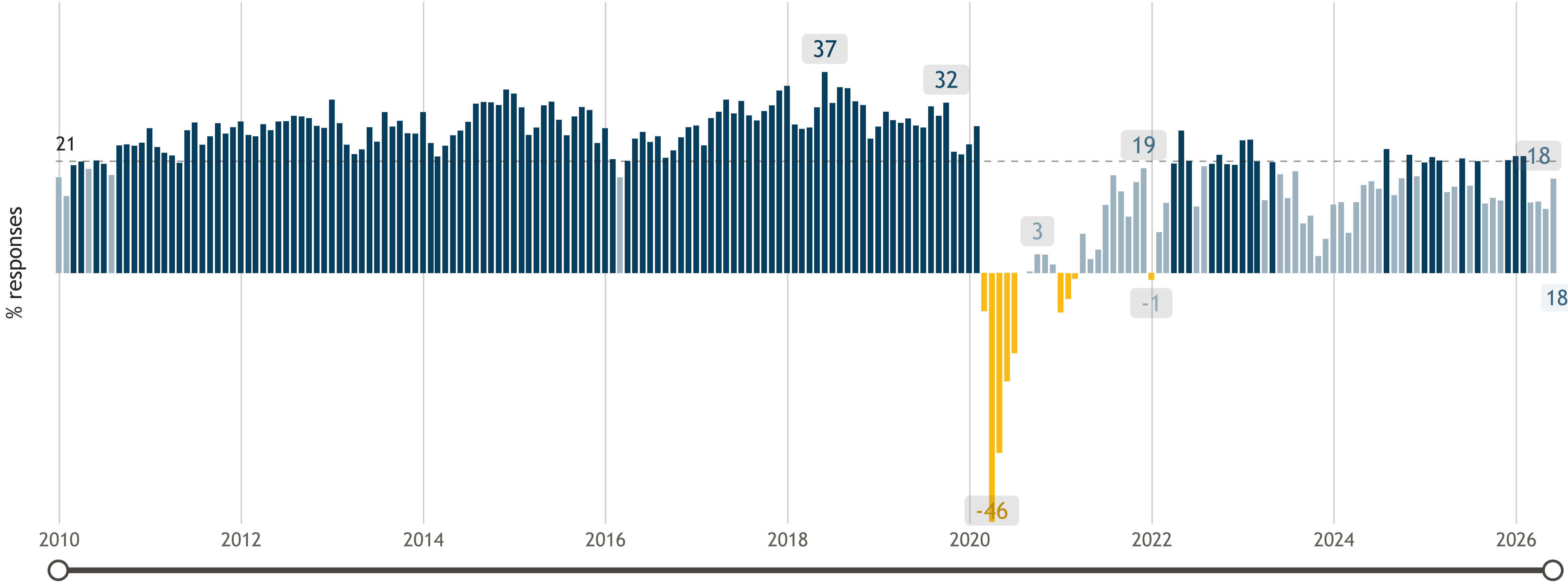
Sources : CFIB, Your business outlook survey, February 2009 - June 2026. 347 responses received from June 2-8.

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

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

Business Barometer®: General state of business health

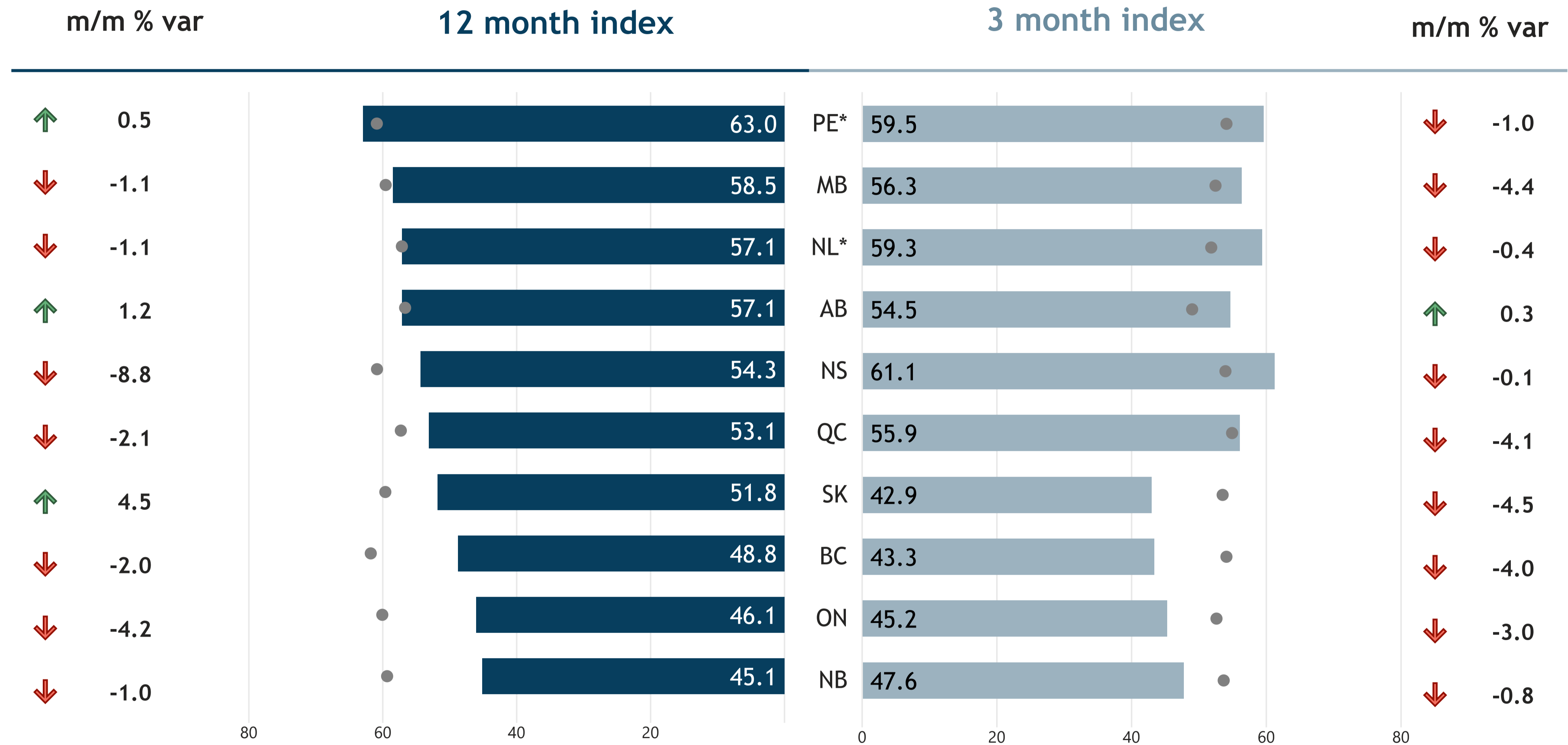
Balance of opinion



----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 - June 2026. 347 responses received from June 2-8.
Note: Balance of opinion = [Share of respondents answering **Good**]- [Share of respondents answering **Bad**].

Business Barometer®: Small business confidence index, provinces



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

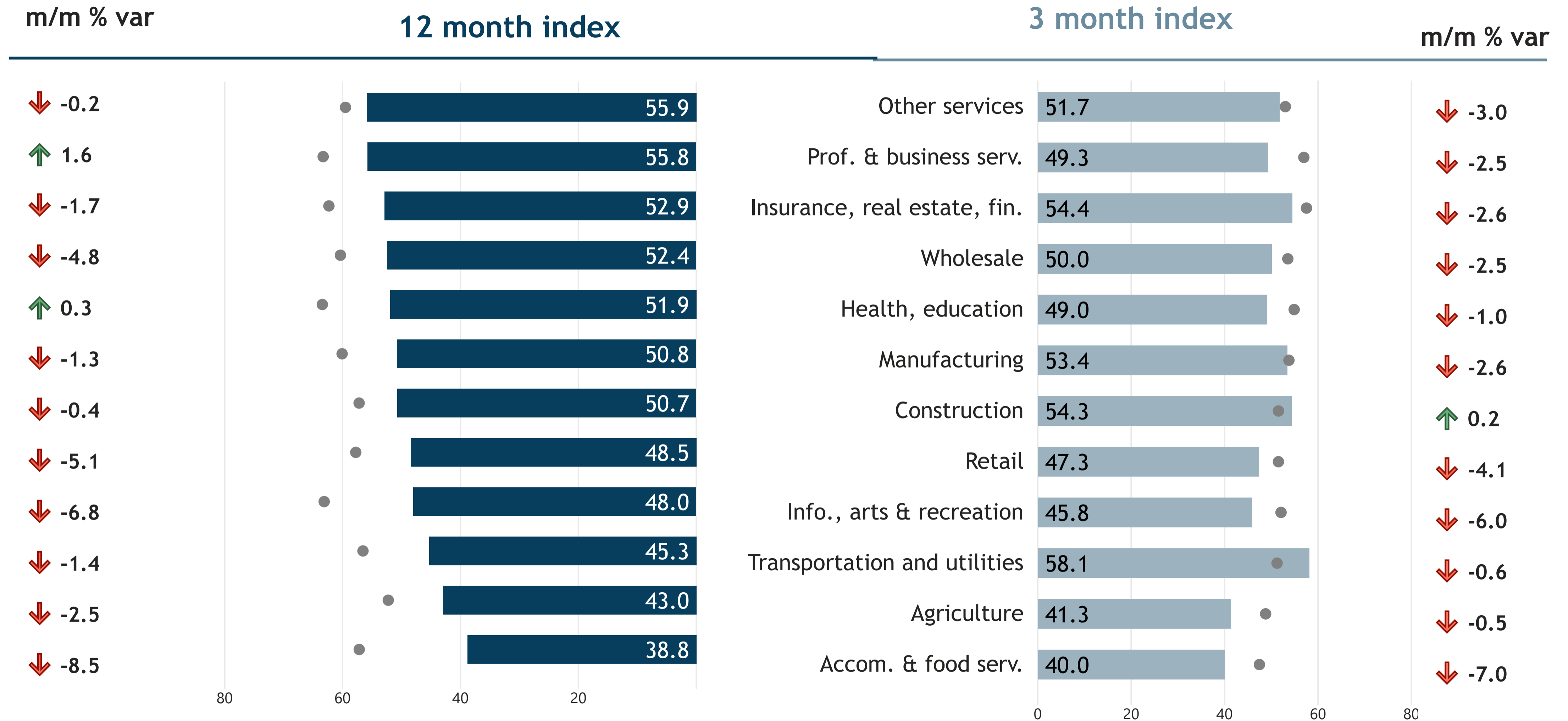
Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Source: CFIB, Your business outlook survey, February 2009 - June 2026. 347 responses received from June 2-8.

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

Index < 50 = more businesses expecting weaker performance than stronger 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**?

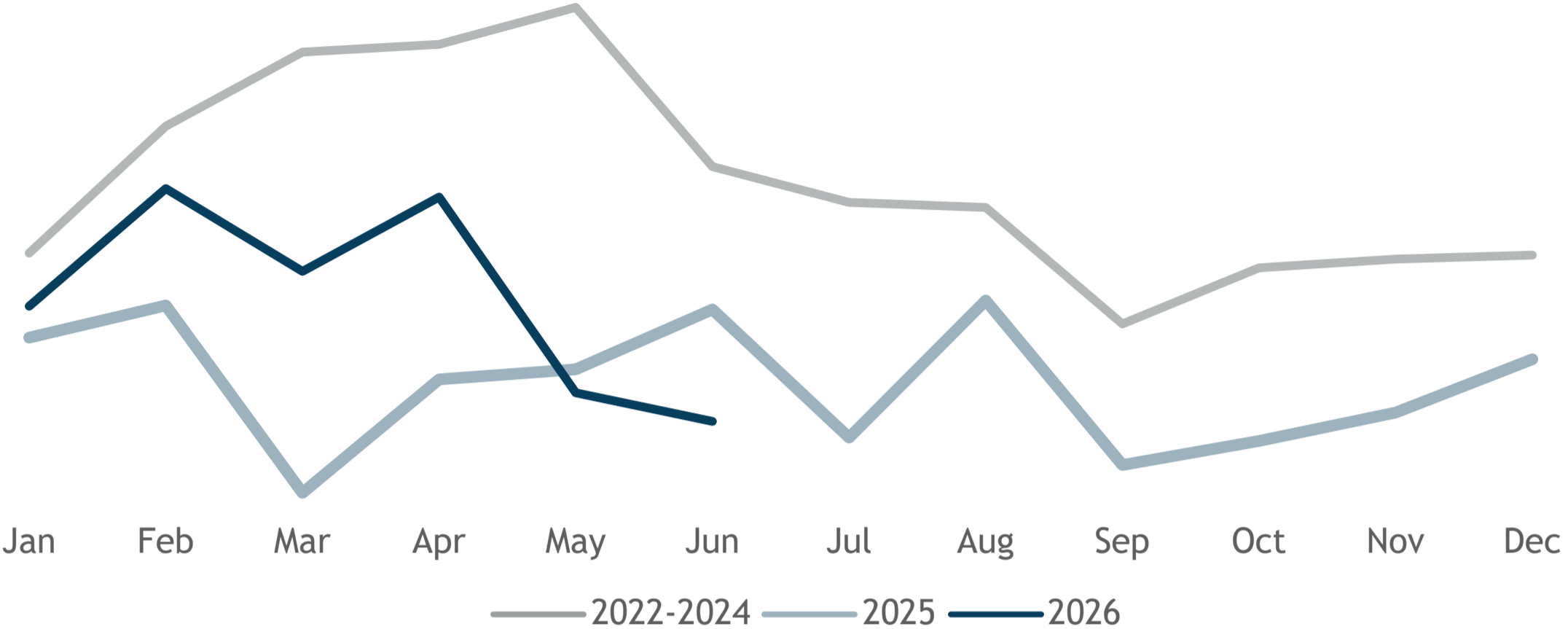
Source: CFIB, Your business outlook survey, February 2009 - June 2026. 347 responses received from June 2-8.

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

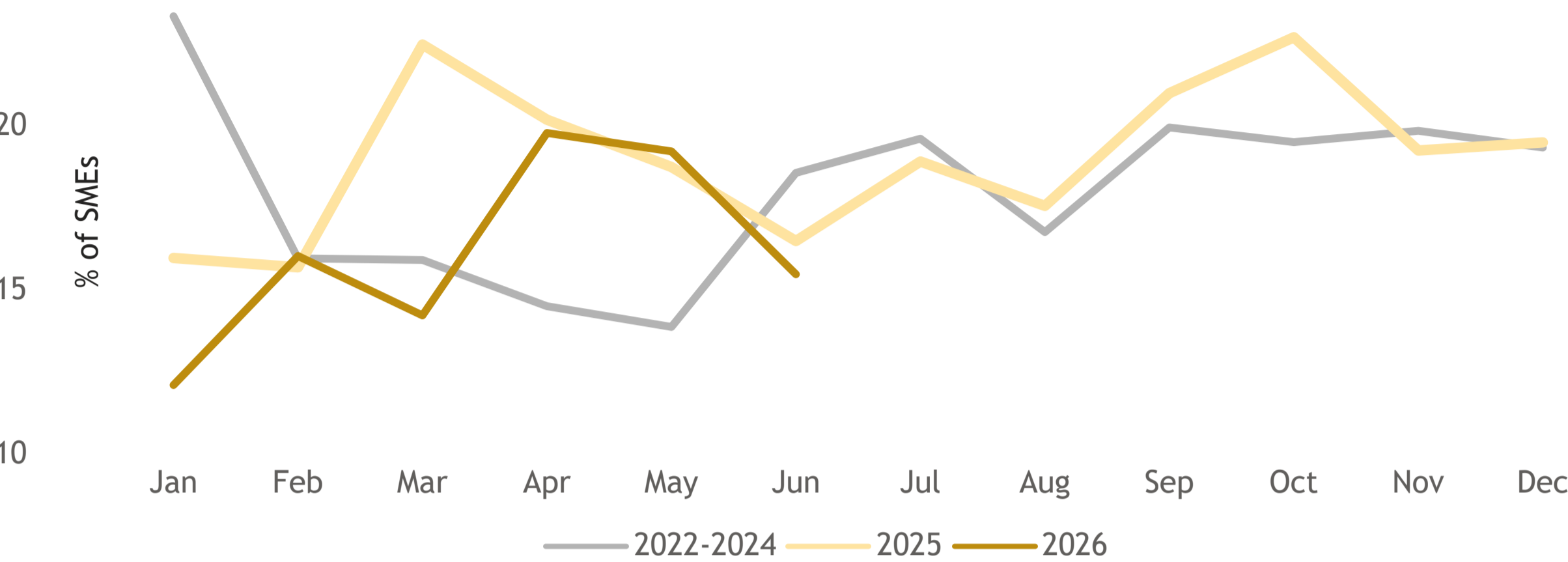
Index < 50 = more businesses expecting weaker performance than stronger performance

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

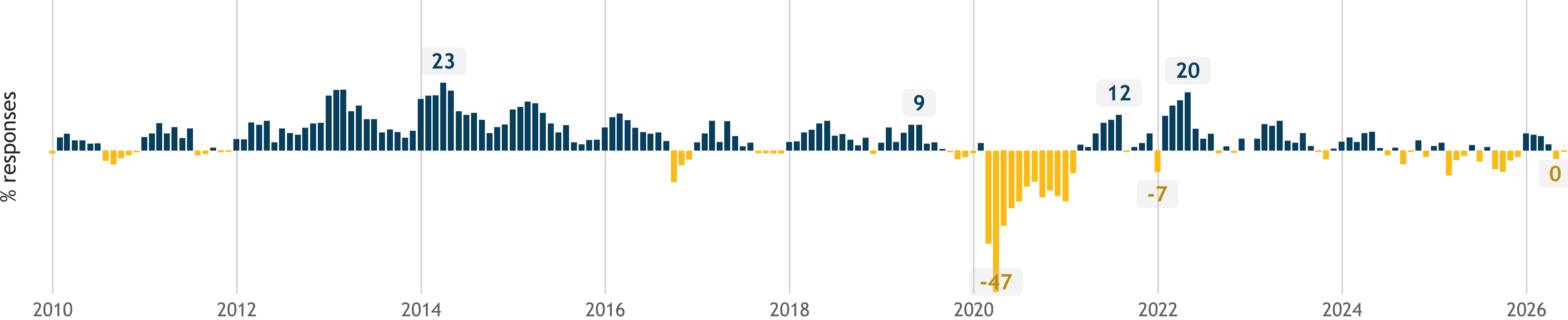
Adding staff



Reducing staff



Net staffing intentions, full time

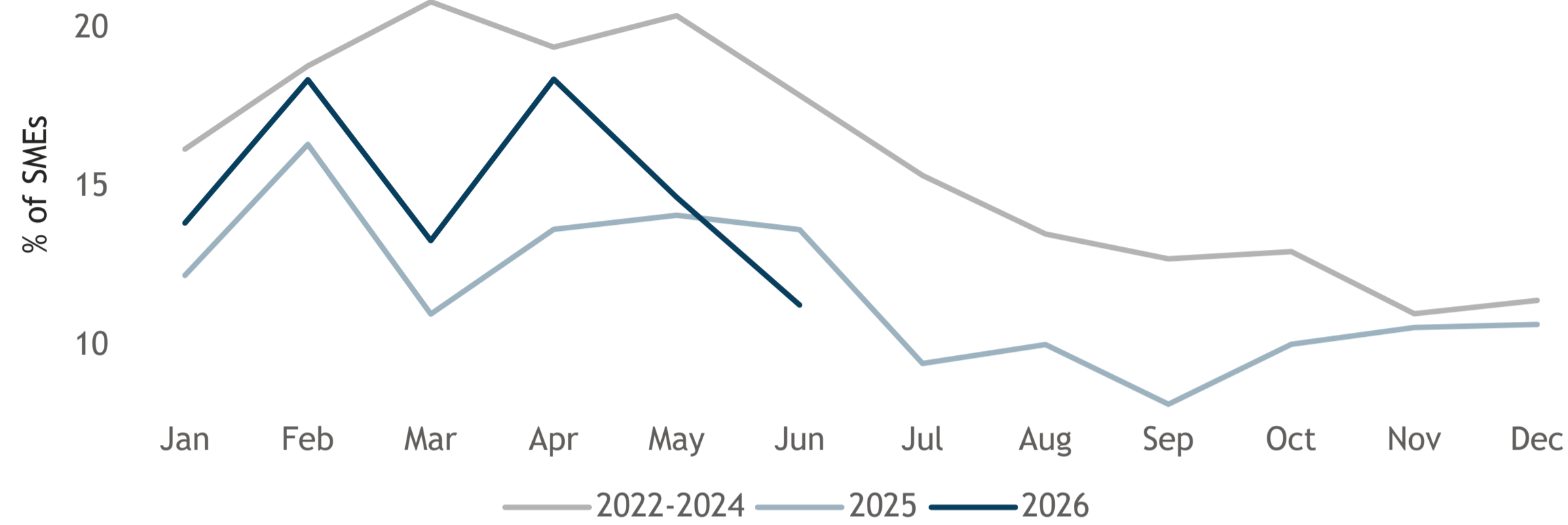


Survey question: How are your expected employment levels to change in the next 3 or 4 months? (Up, Same, Down)
Source: CFIB, Your business outlook survey, February 2009 - June 2026. 347 responses received from June 2-8.
Note: Net staffing intentions = [Share of respondents answering UP]- [Share of respondents answering Down]

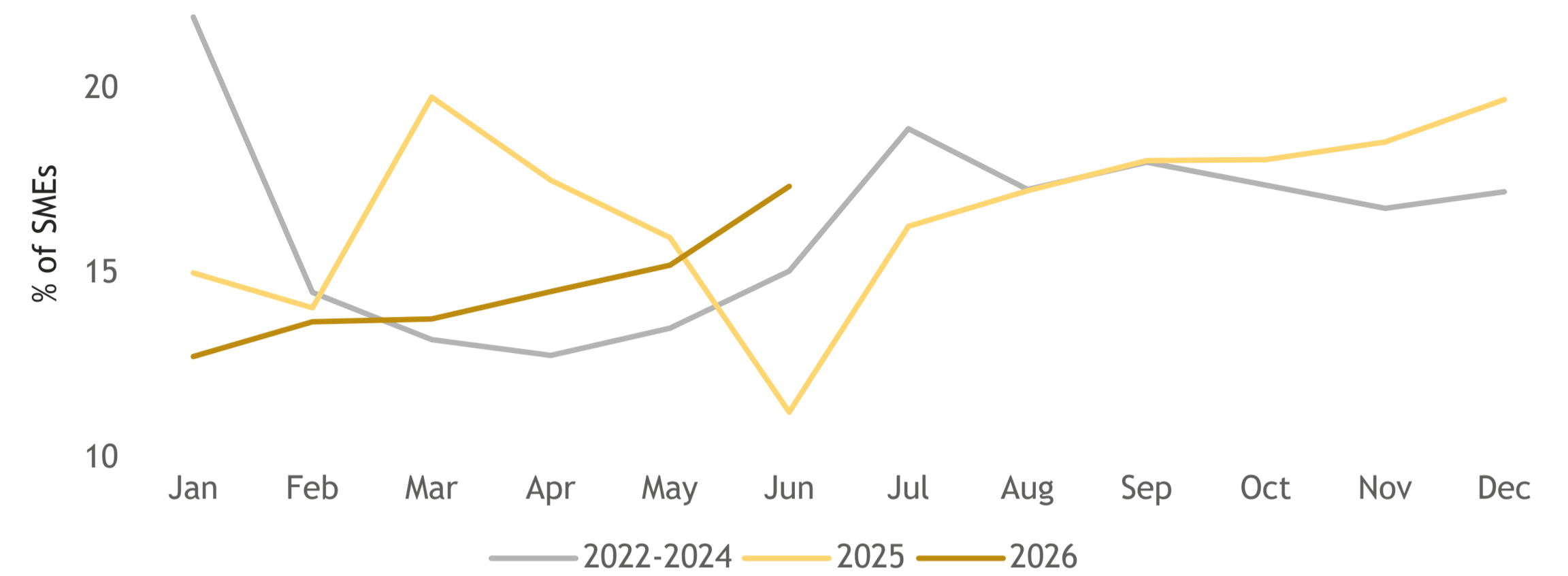


Business Barometer®: Part-time staffing plans, short term

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 - June 2026. 347 responses received from June 2-8.

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

Business Barometer®: Future price and wage increase plans



Survey questions:

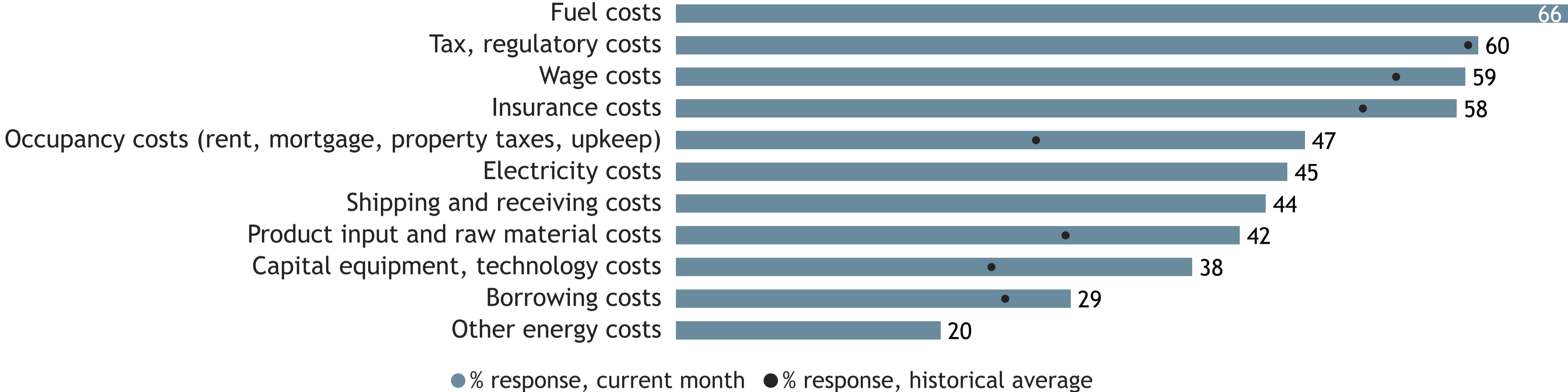
In the next year, how much do you expect **average prices** to change?

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

Source: CFIB, Your business outlook survey, February 2009 - June 2026. 347 responses received from June 2-8.

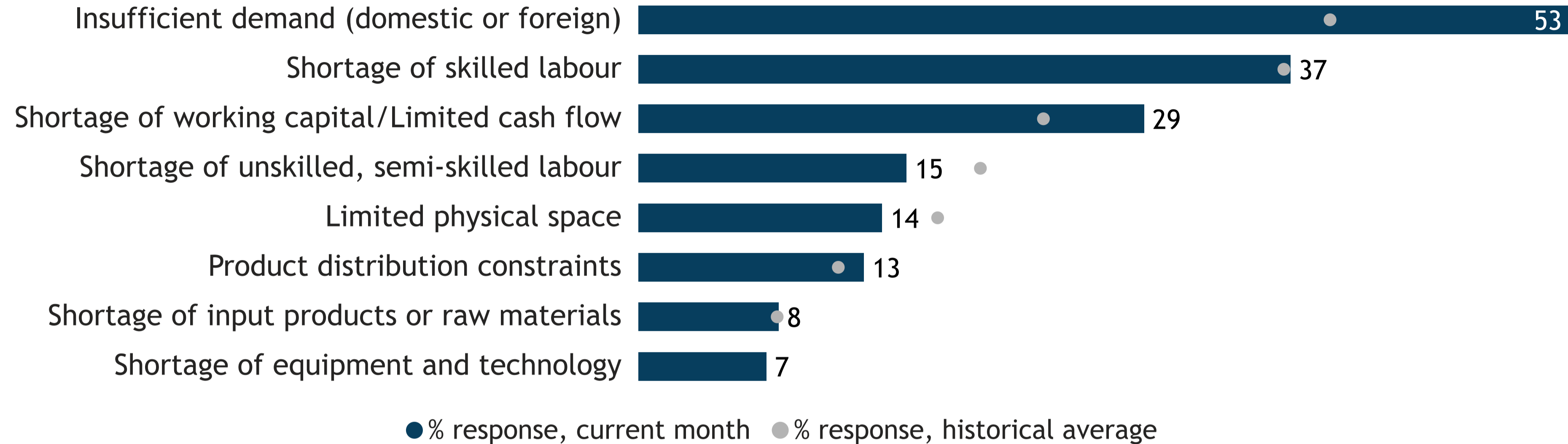


Business Barometer®: Major input cost constraints - current levels and trend



Survey question: What types of input costs are currently causing difficulties for your business?
Source: CFIB, Your business outlook survey, February 2009 - June 2026. 347 responses received from June 2-8.
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

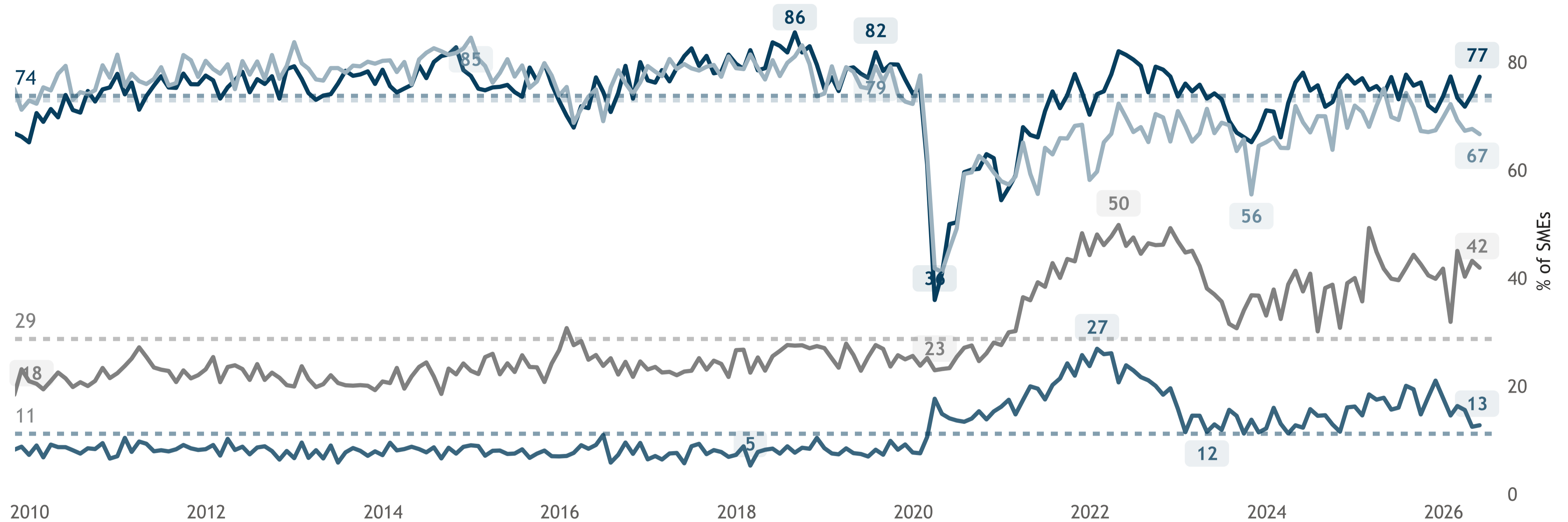


Survey question: What factors are limiting your ability to increase sales or production?

Source: CFIB, Your business outlook survey, February 2009 - June 2026. 347 responses received from June 2-8.

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:

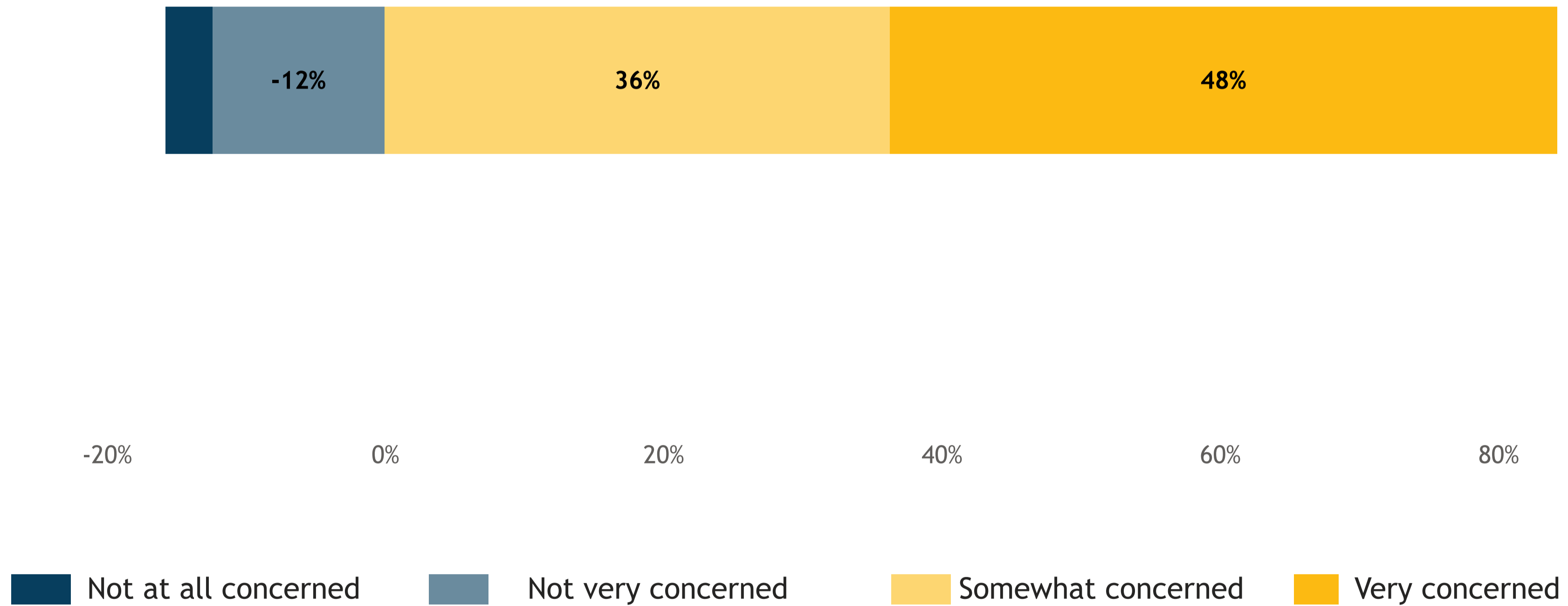
Allowing for normal seasonal influences, what are **current unfilled orders** and **unsold inventories** compared to normal?

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 - June 2026. 347 responses received from June 2-8.

Business Barometer®: Concern Over Fuel Costs and International Conditions for Summer Tourism 2026



Survey question: How concerned are you that higher fuel costs or the international situation could affect your business's 2026 summer tourism season?

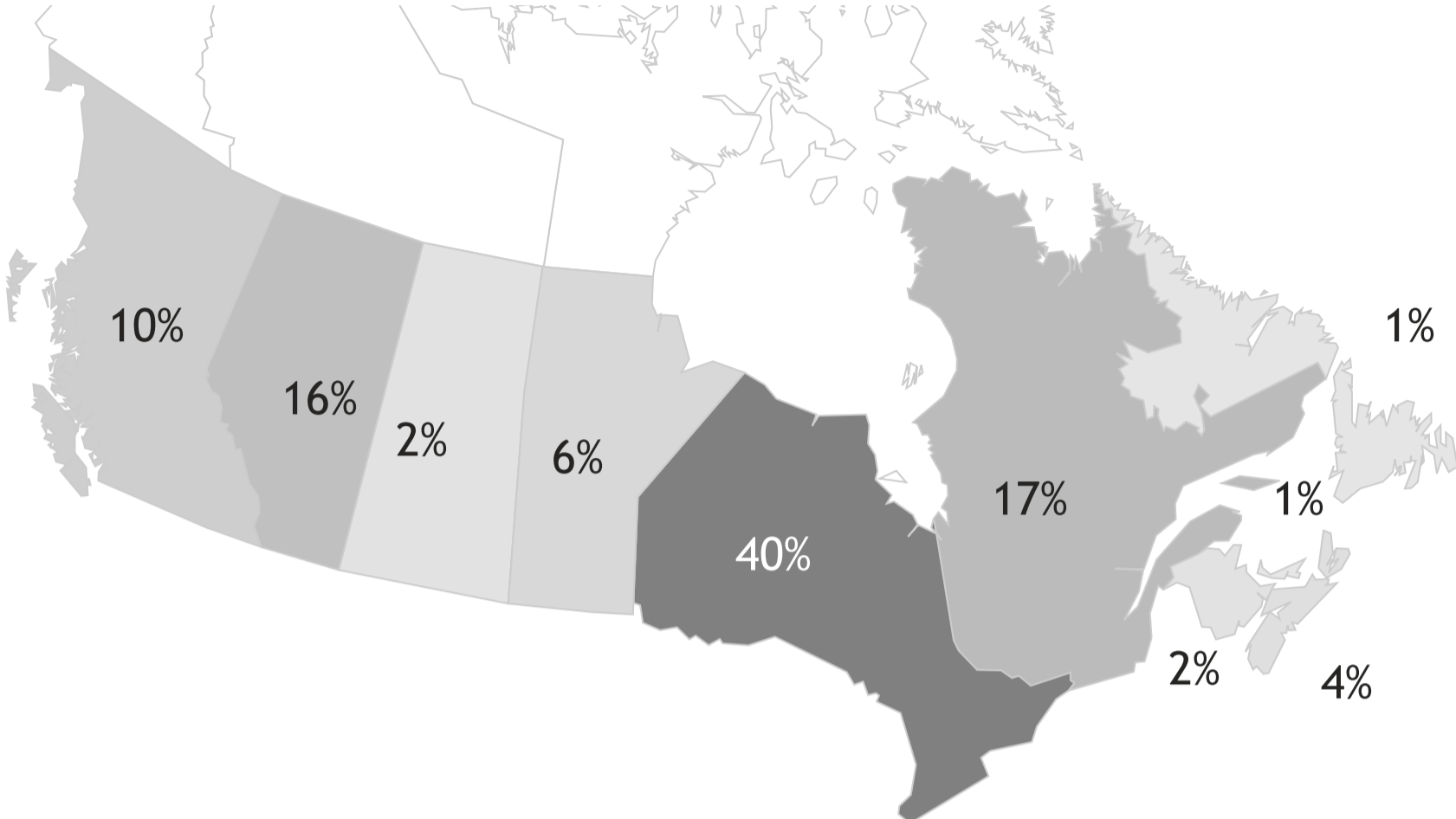
Source: CFIB, Your Business Outlook Survey; 973 responses received between May 5 and June 8, 2026.

Methodology: Responses of “Not applicable” (26% of all responses) were excluded from the analysis, and percentages were recalculated based on the remaining valid responses.

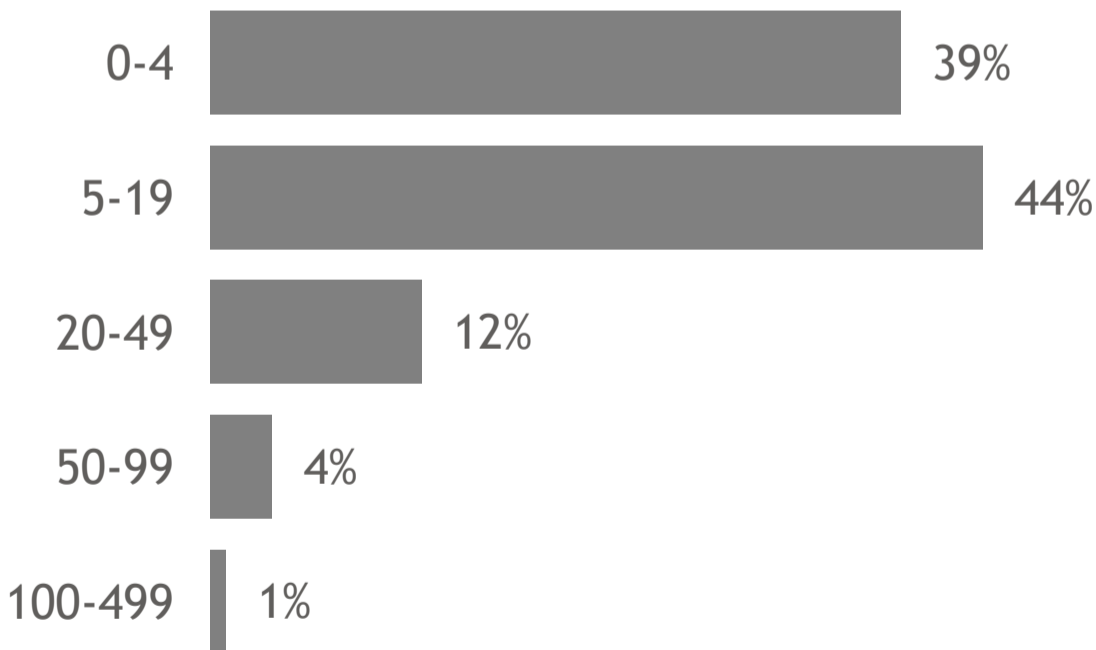


Business Barometer®: Sample distribution

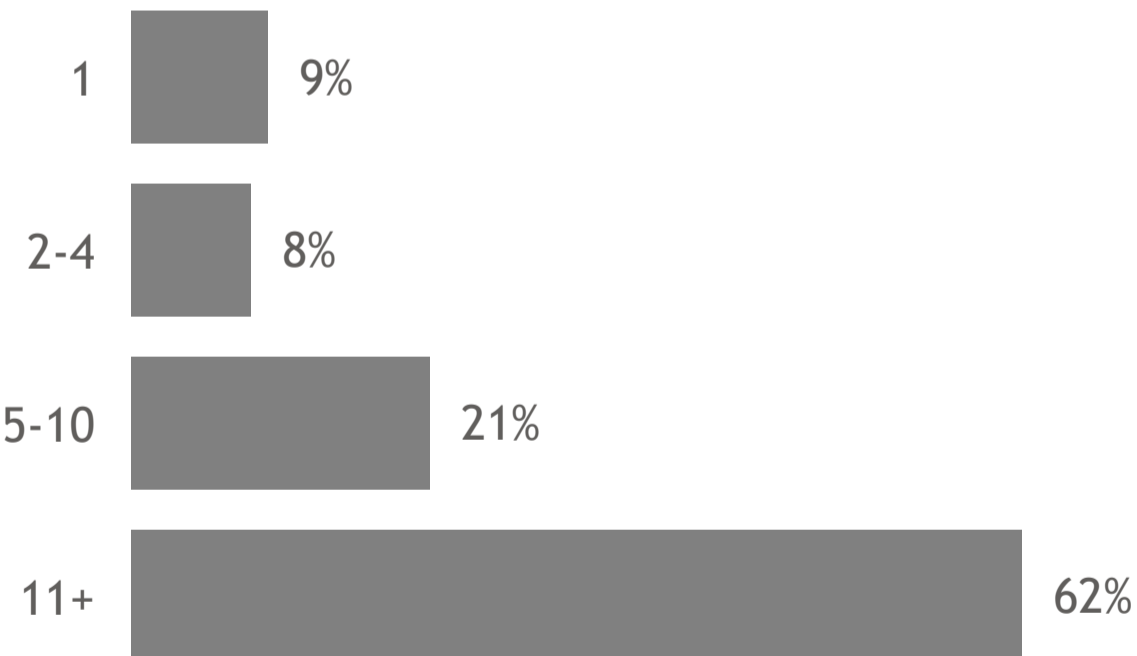
By location of the business



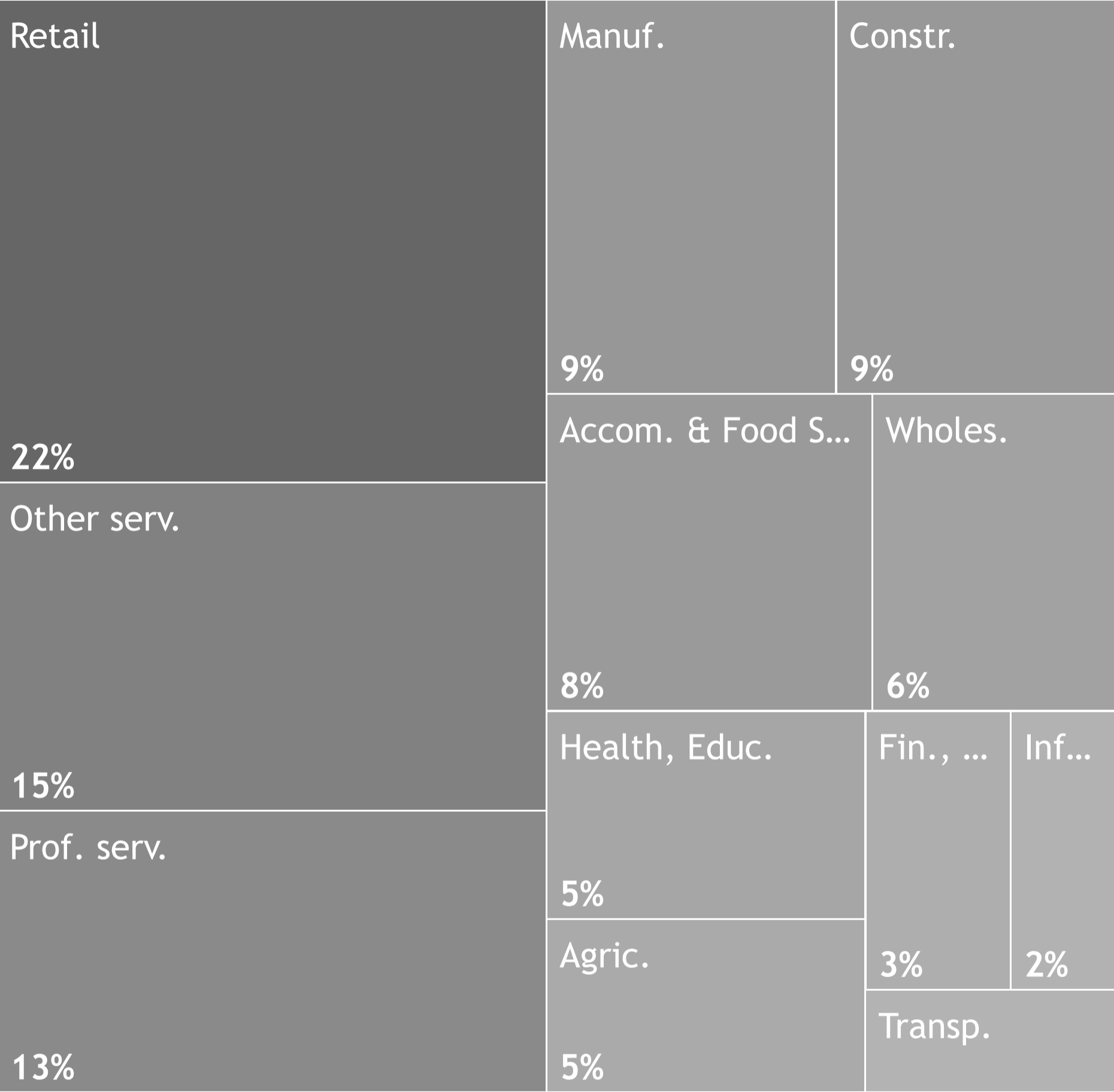
By number of employees



By years in business



By industry



Methodology

- CFIB, Your business outlook survey, June 2026
- Stratified random sample of CFIB members to a controlled-access web survey: 347 responses
- Responses were received from: June 2-8.
- The survey is considered accurate to within +/- 5.3 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. Accordingly, May's results were recalculated to include 28 additional responses beyond the 563 originally used.
- 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.
- 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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