



In business
for your business.

Monthly Business Barometer®

October 2026



12-month Small Business Confidence Index

50.0

Monthly change

↑ 1.5

3-month Small Business Confidence Index

45.3

Monthly change

↑ 1.3

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, remained virtually unchanged. The short-term optimism index, based on a 3-month outlook, also flatlined at 45.3.

Provincial overview

Provincial trends—calculated as three month moving averages—are around the 50-point mark in most provinces. Confidence ranges from the 60s in Nova Scotia to 45.7 in New Brunswick. The four largest provinces are clustered around the breakeven point of 50.

Sectoral overview

Sectoral confidence—also calculated as three month moving averages—remains weakest in agriculture, construction, manufacturing, transportation, and retail trade; with readings below 50. Transportation, construction, retail and manufacturing also recorded the largest declines in long-term confidence.

Inflation indicators

The average price increase edged down to 2.8% in October, a decrease of 0.5 percentage points. The average wage increase decreased slightly to 2.2%.

State of business health

The balance of opinion on the current state of business health increased to 20 in October, bringing it close to its historical average.

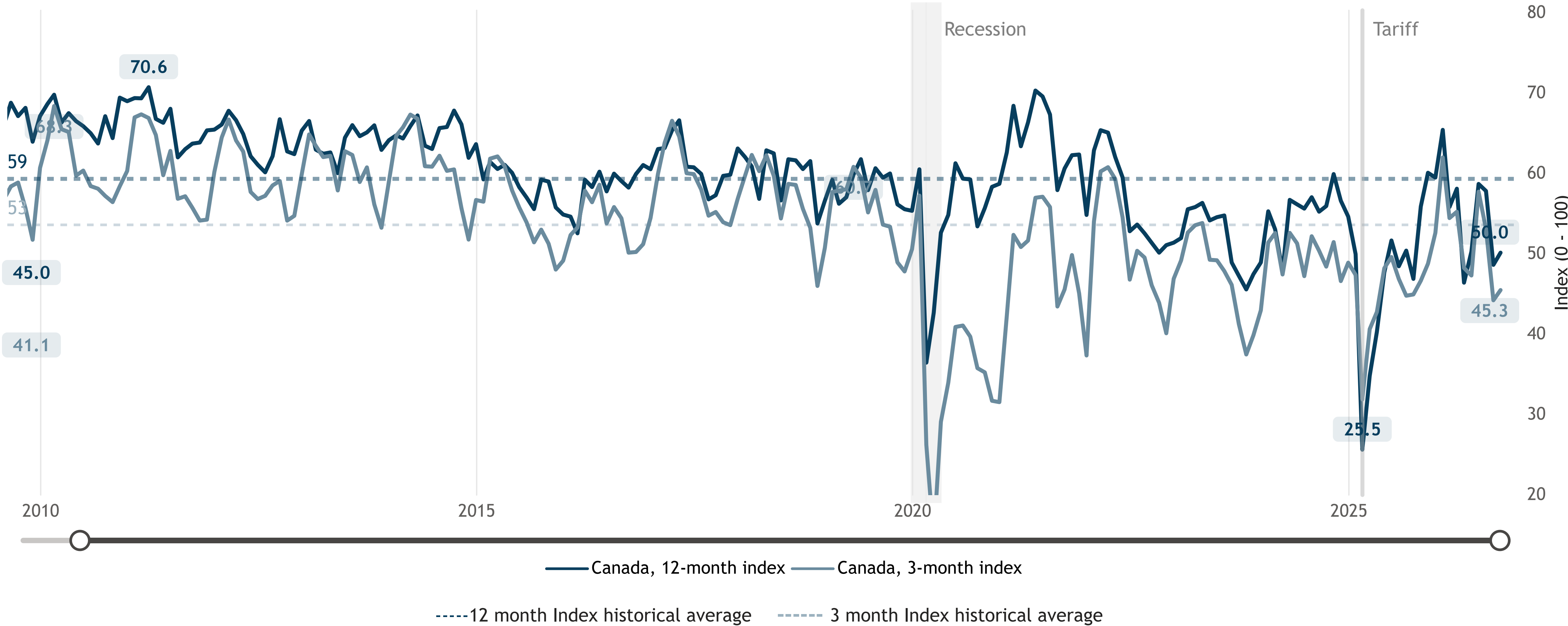
Other indicators

Full-time staffing plans weakened further in October, with a higher share of employers planning to lay off staff (22%) than to hire (11%). This month marks the weakest net staffing intentions since the pandemic.

Fuel costs ranked as the top cost constraint again and have remained elevated since their peak in April 2026. Despite the additional pressures from higher fuel costs, about 70% of small businesses expect to pass on to customers only a very small part of these higher costs. On average, businesses expect to pass on only about one-fifth (21%) of the higher costs through price increases.

Insufficient demand remains the top constraint to business and production expansion, cited by 50% of SMEs, followed by the shortage of skilled labour (43%).

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?

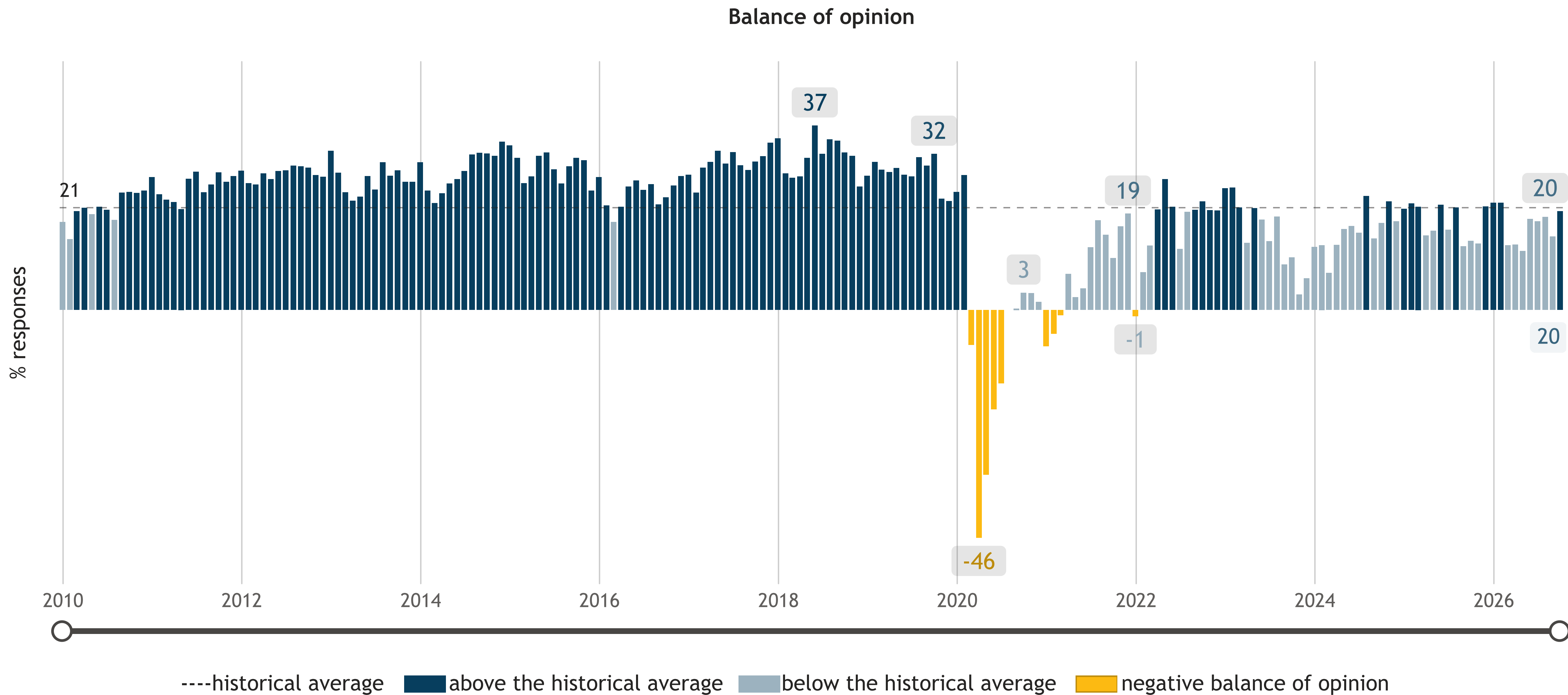
Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Sources : CFIB, Your business outlook survey, February 2009 - October 2026. 301 responses received from October 01 - 08.

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

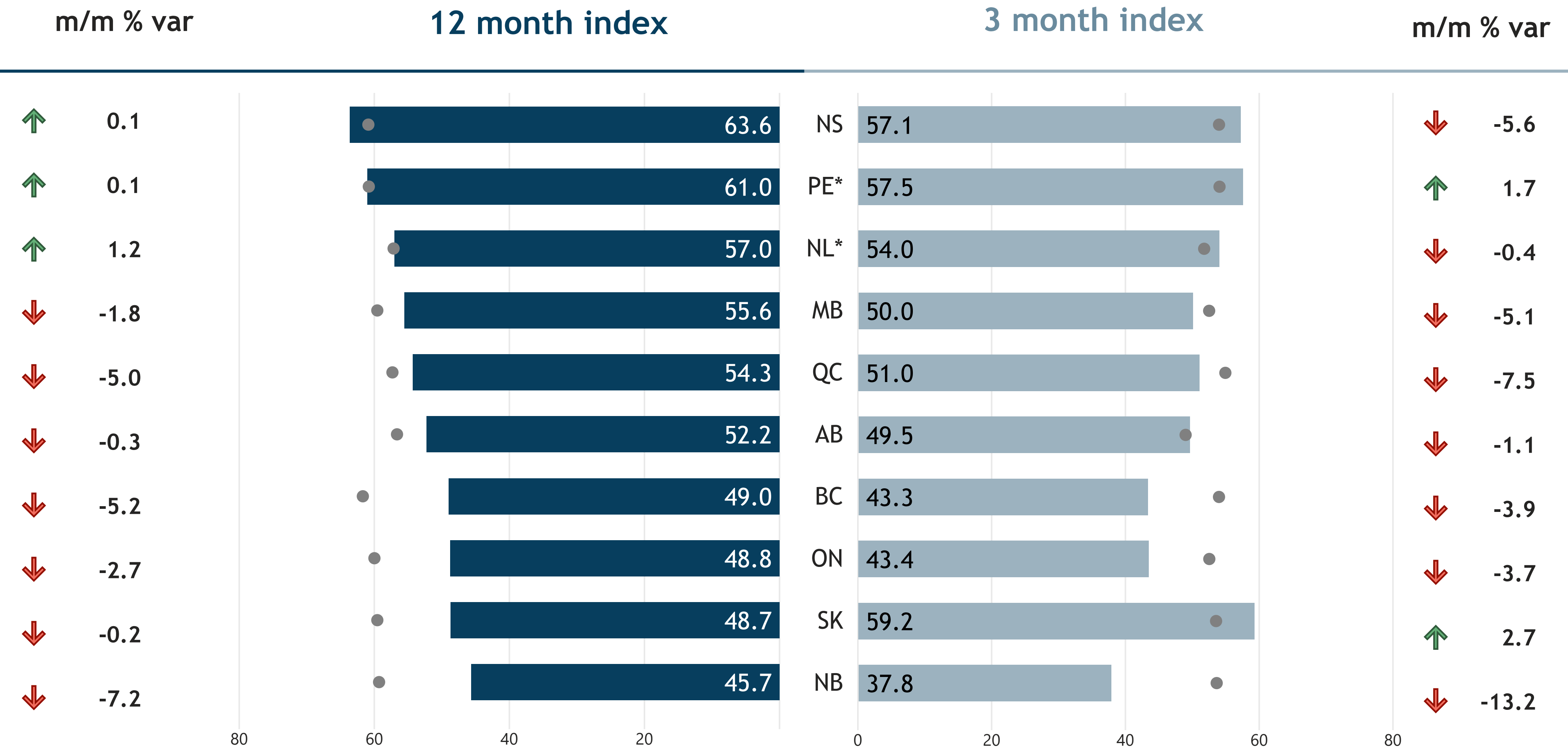
Note: Index < 50 = more businesses expecting weaker performance than stronger performance

Business Barometer®: General state of business health



Survey question: Currently, what is the general business situation of your company?
Source: CFIB, Your business outlook survey, February 2009 - October 2026. 301 responses received from October 01 - 08.
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?

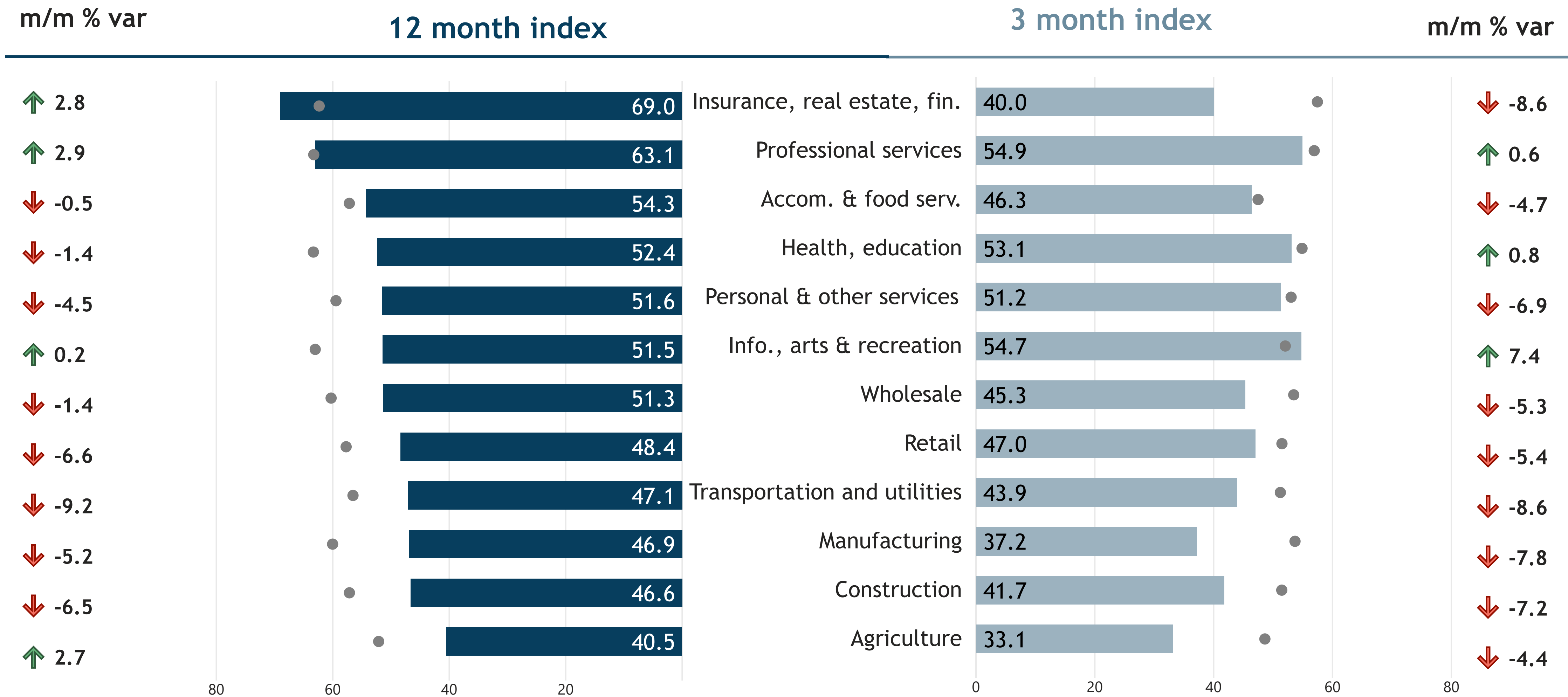
Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Source: CFIB, Your business outlook survey, February 2009 - October 2026. 301 responses received from October 01 - 08.

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 - October 2026. 301 responses received from October 01 - 08.

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®: Future price and wage increase plans



Survey questions:

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

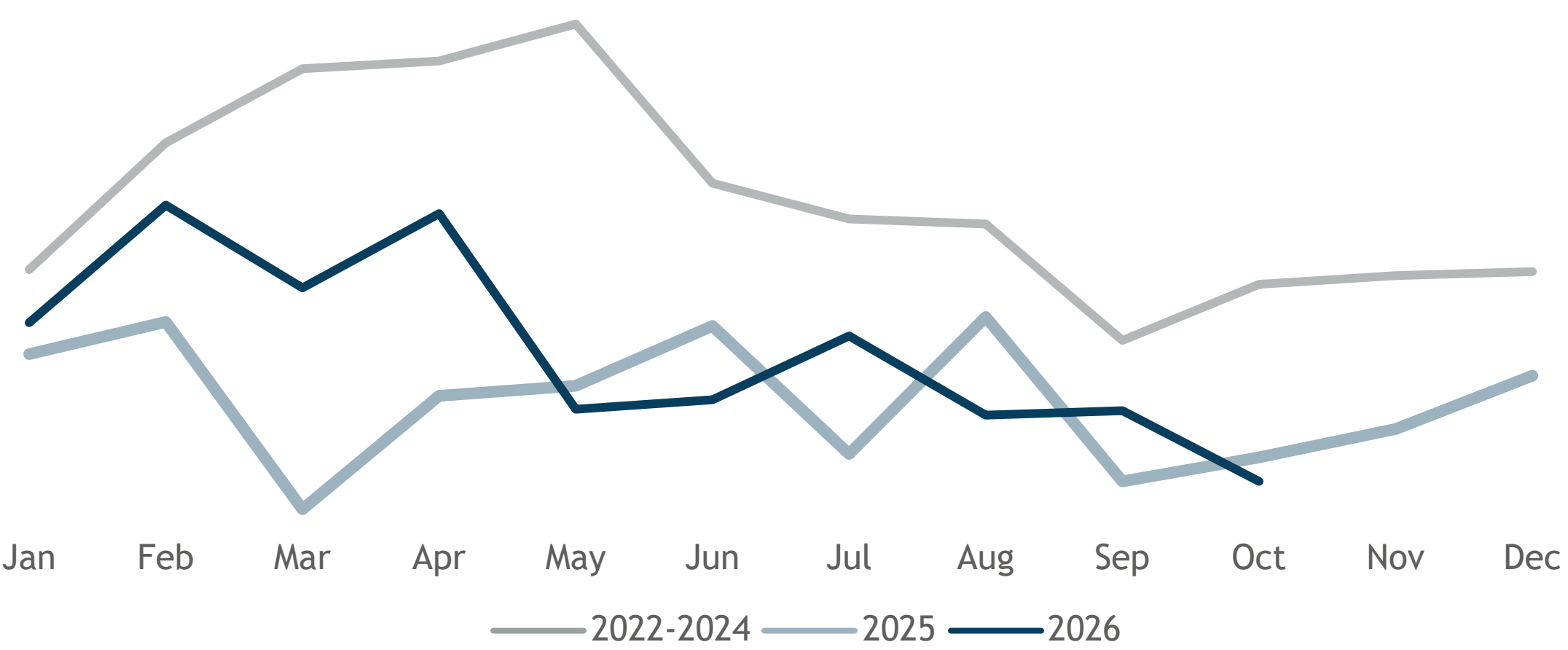
In the next year, how much do you expect **average wages** to change?

Source: CFIB, Your business outlook survey, February 2009 - October 2026. 301 responses received from October 01 - 08.

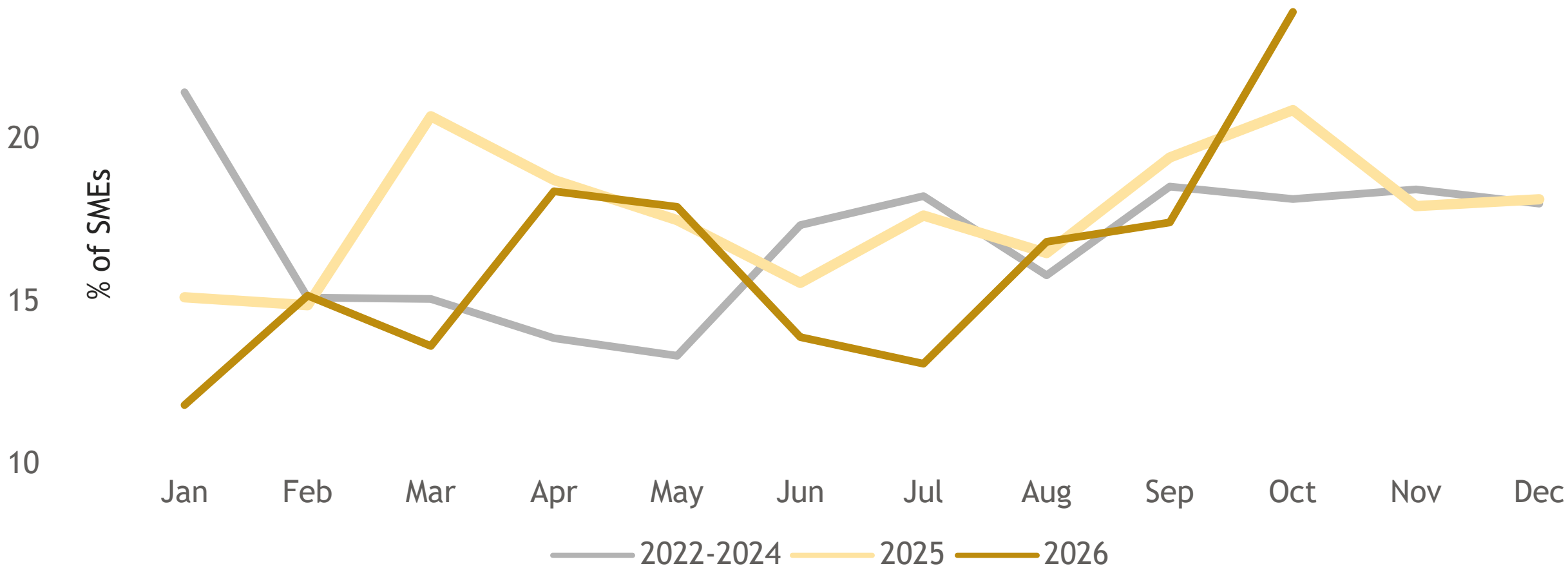


Business Barometer®: Full-time staffing plans, short term

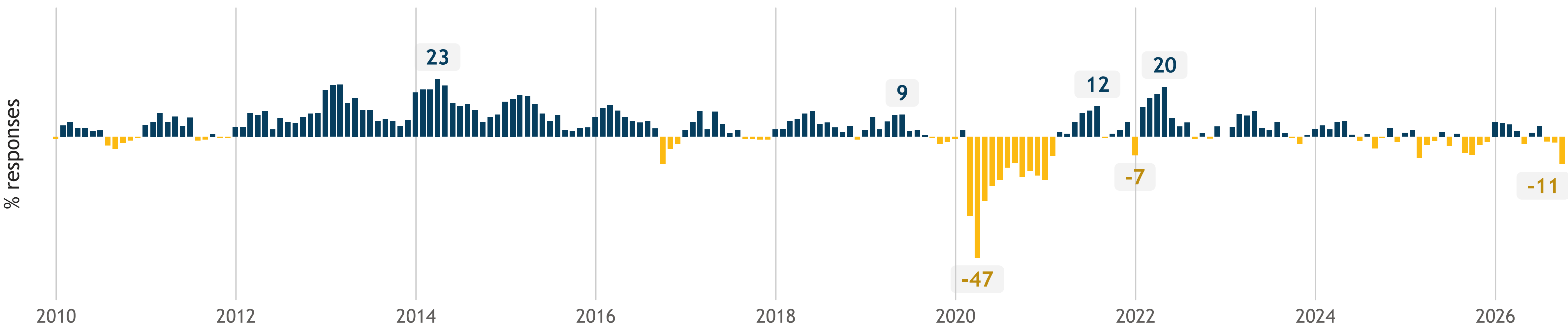
Adding staff



Reducing staff



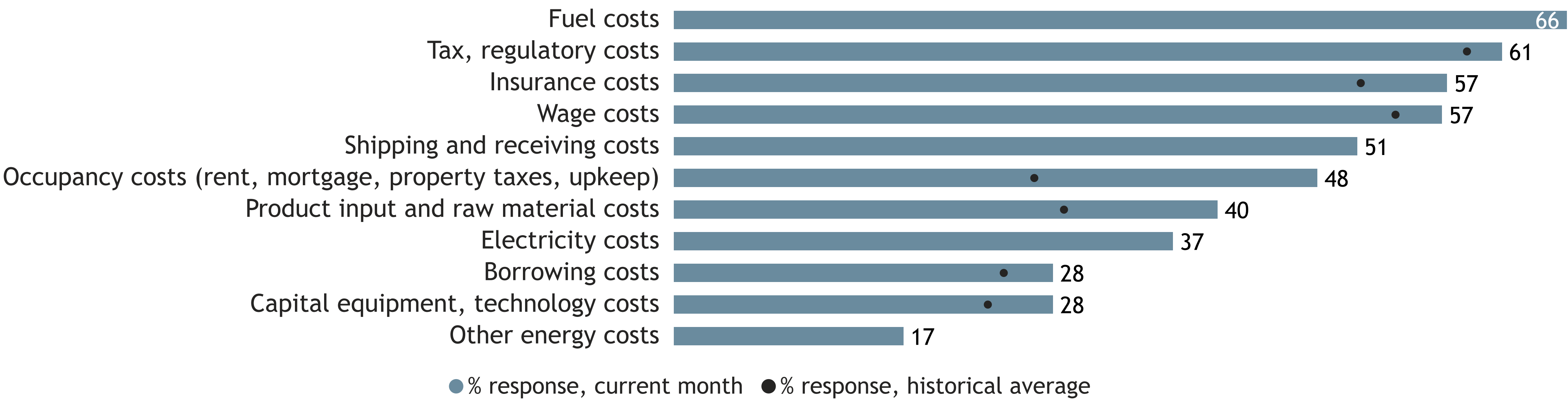
Net staffing intentions, full time



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 - October 2026. 301 responses received from October 01 - 08.
Note: Net staffing intentions = [Share of respondents answering UP]- [Share of respondents answering Down]



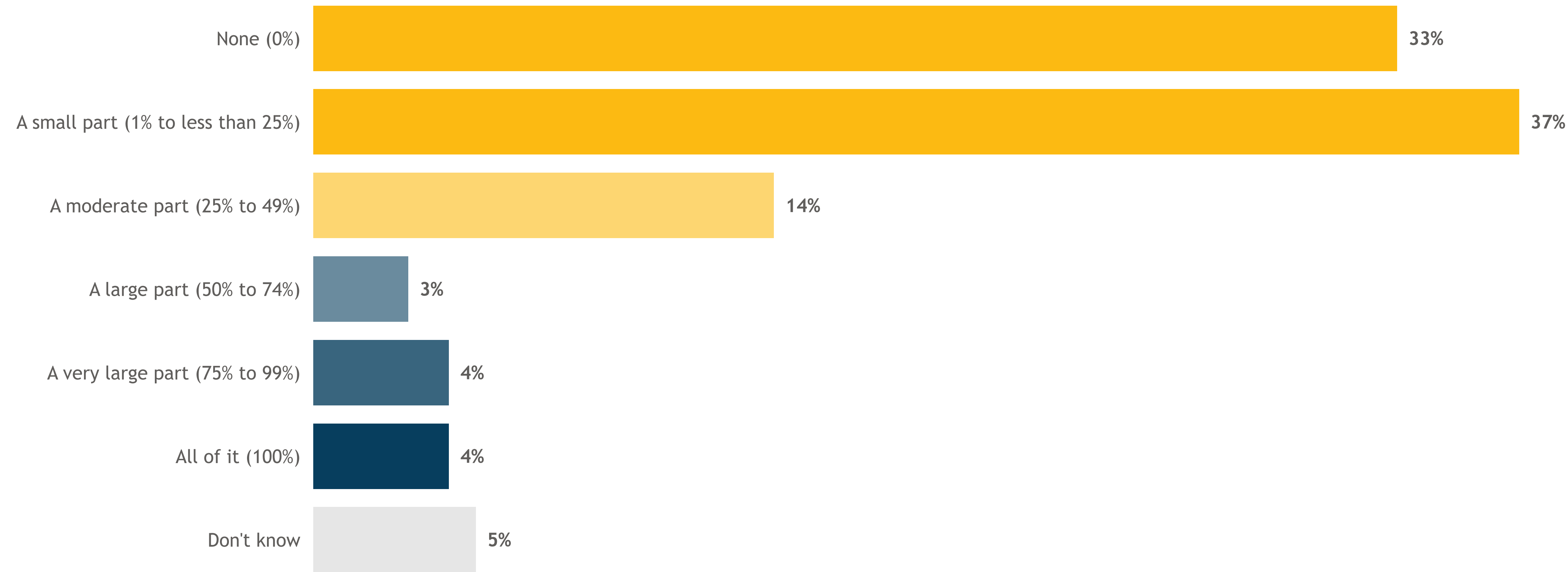
Business Barometer®: Major input cost constraints - current levels and trend



Survey question: What types of input costs are currently causing difficulties for your business?
Source: CFIB, Your business outlook survey, February 2009 - October 2026. 301 responses received from October 01 - 08.
Note: Since February 2026, the question includes a new data point on shipping and receiving costs.

Business Barometer®: Fuel costs offset

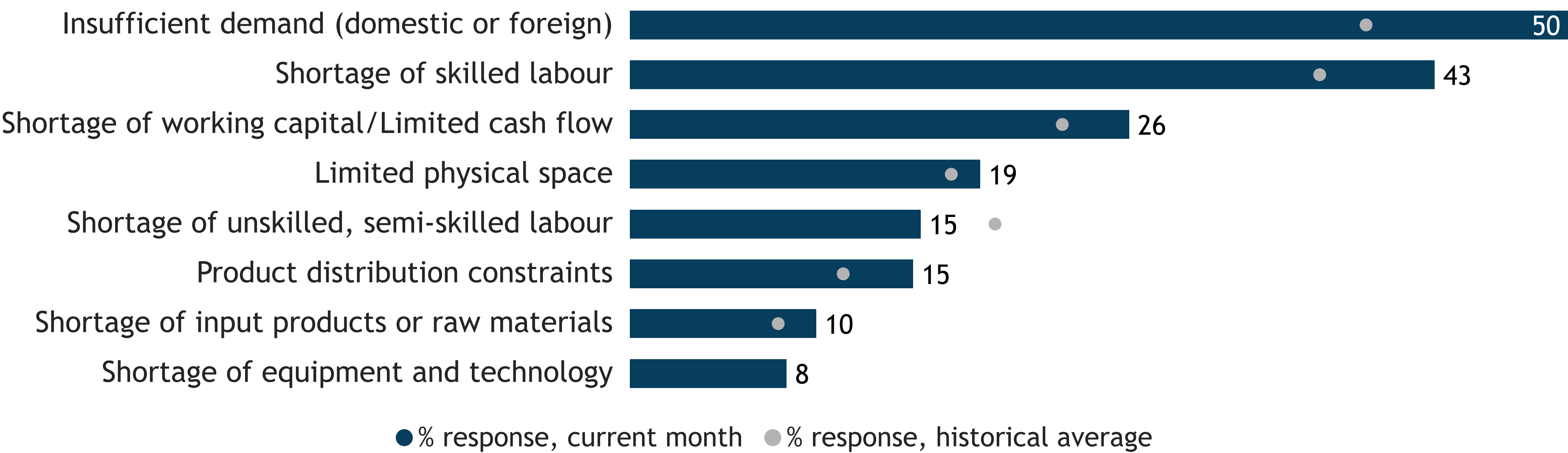
Share of higher fuel costs to be passed on to customers



Survey question: What share of your higher fuel costs has your business been able to, or expects to be able to, pass on to customers through higher prices?

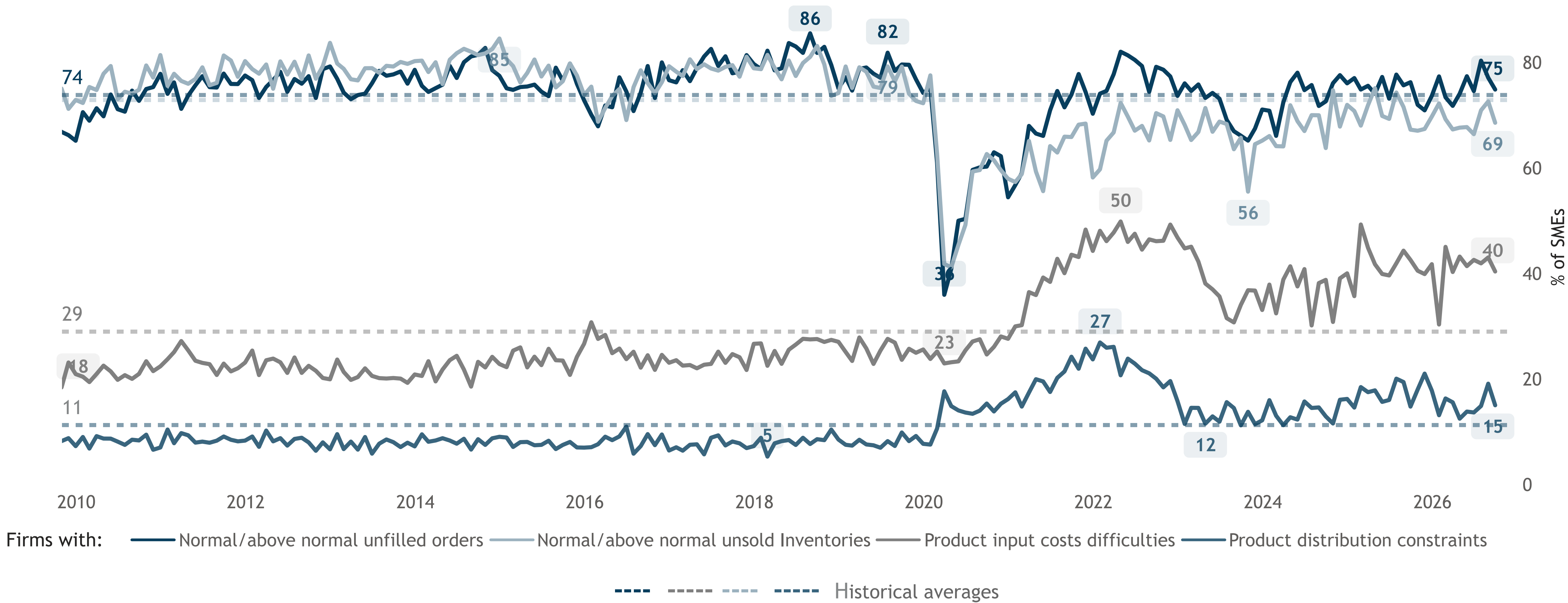
Source: CFIB, Your business outlook survey. 301 responses received from October 01 - 08.

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 - October 2026. 301 responses received from October 01 - 08.
Note: Since February 2026, the question includes a new data point on shortages of equipment and technology.

Business Barometer®: Supply chain indicators



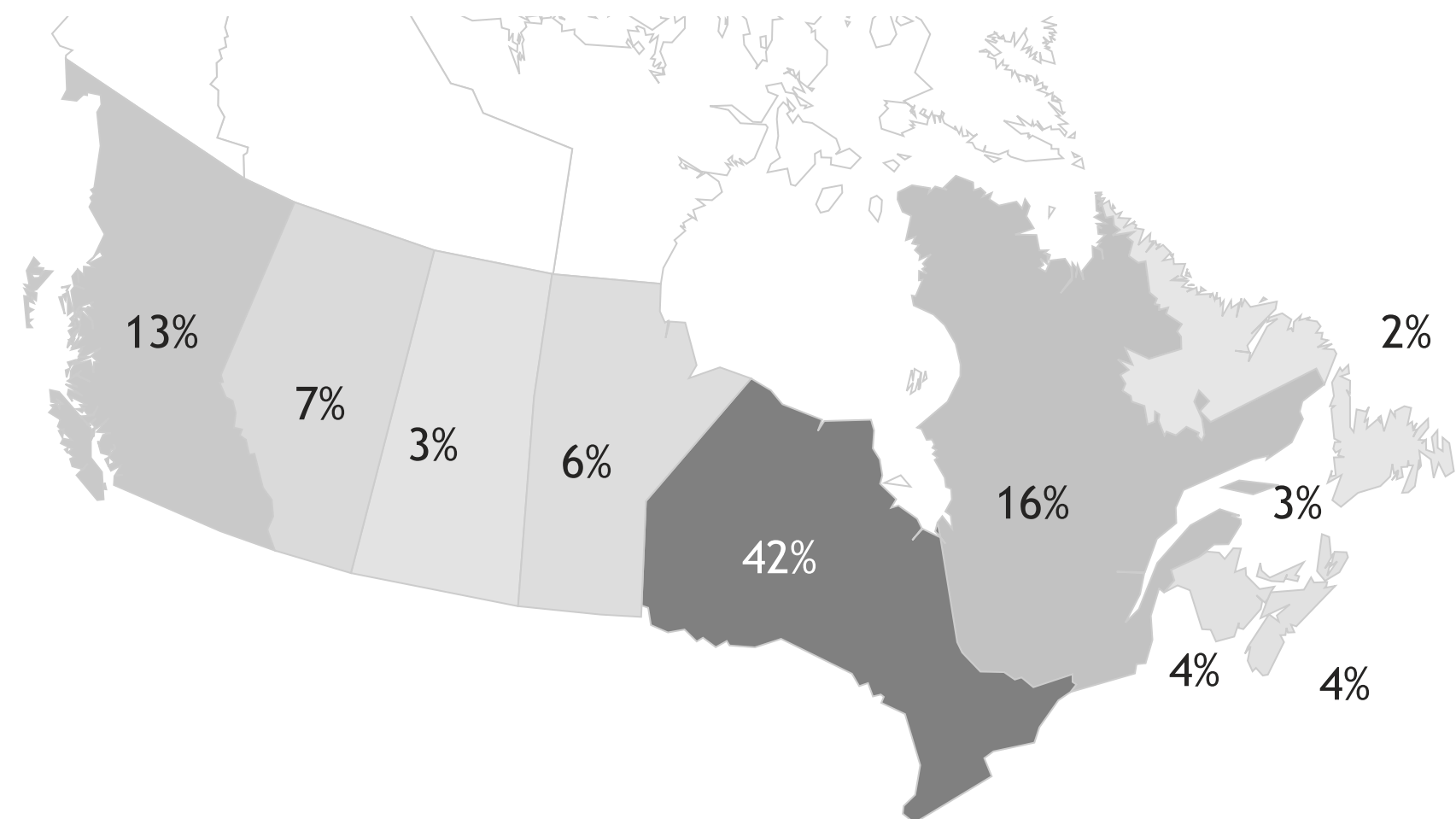
Survey questions:

- 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"]

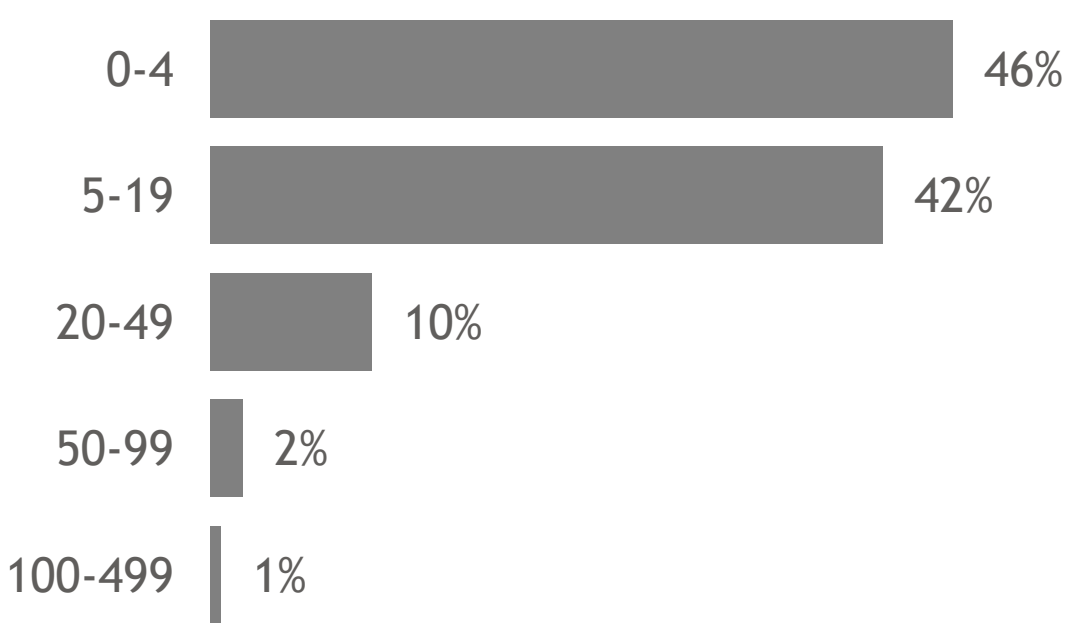
Source: CFIB, Your business outlook survey, February 2009 - October 2026. 301 responses received from October 01 - 08.

Business Barometer®: Sample distribution

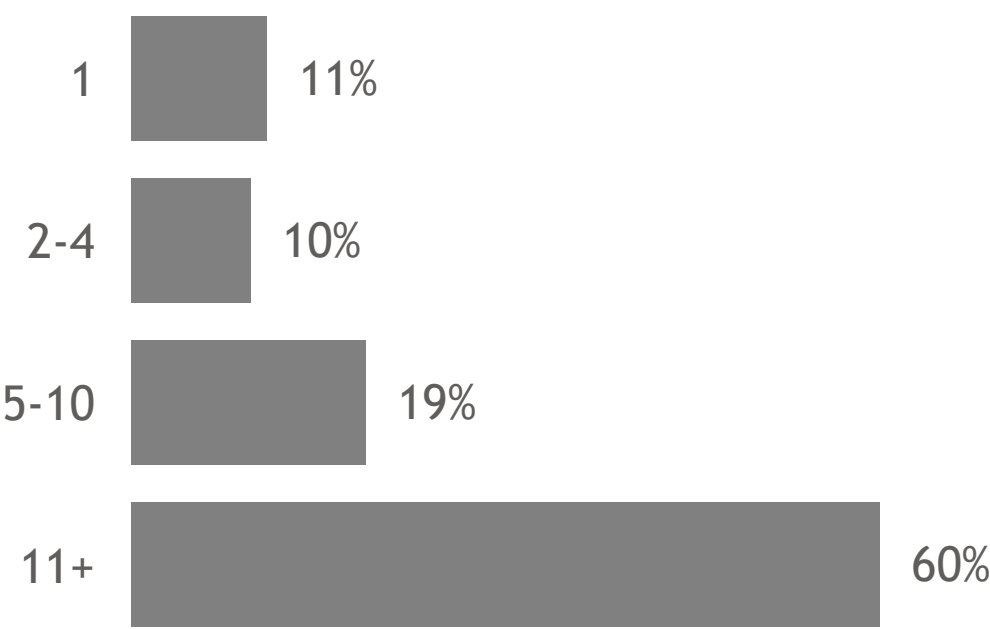
By location of the business



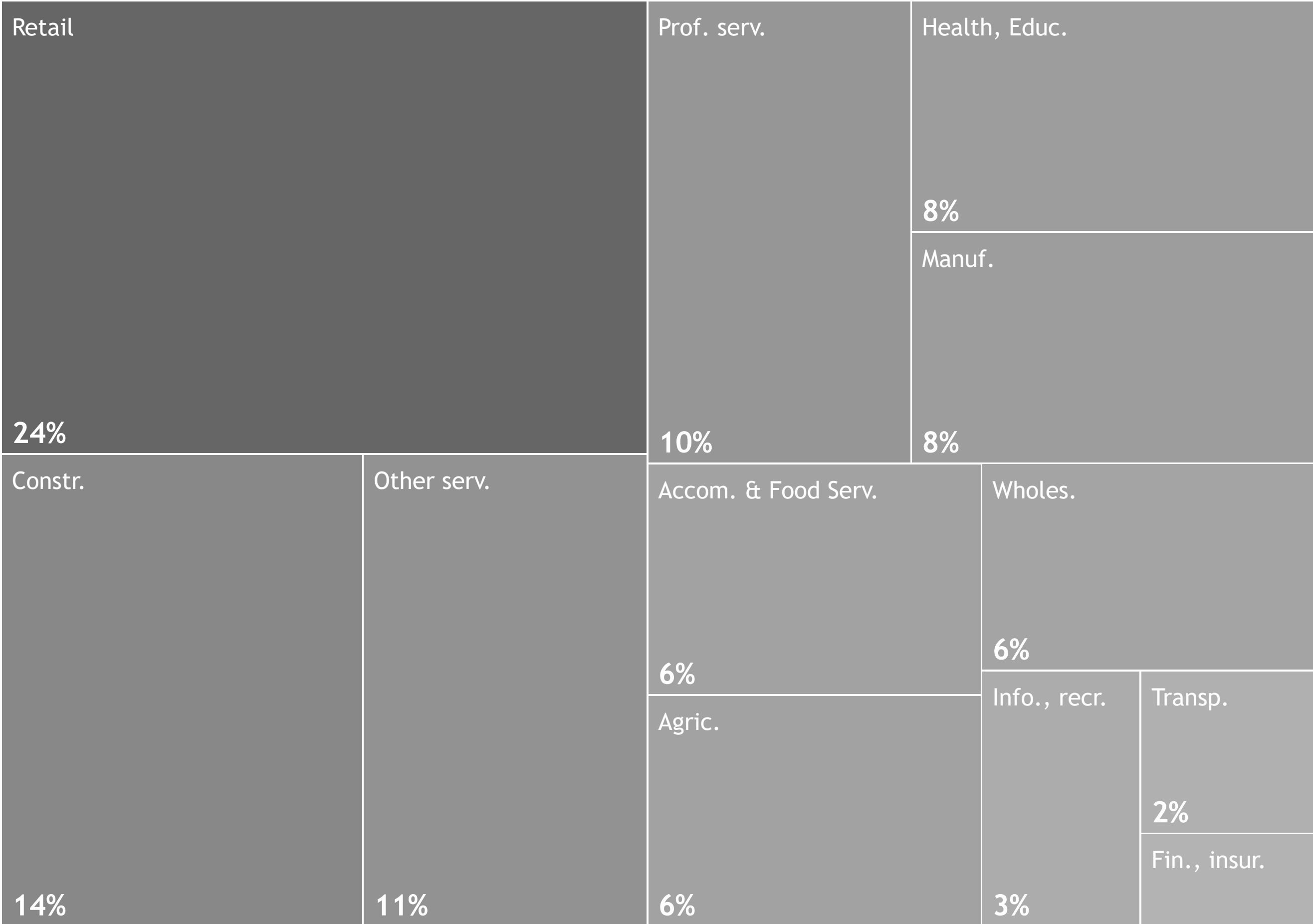
By number of employees



By years in business



By industry



Methodology

- CFIB, Your business outlook survey, October 2026
- Stratified random sample of CFIB members to a controlled-access web survey: 301 responses
- Responses were received from: October 01-08.
- The survey is considered accurate to within +/- 5.6 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, September's results were recalculated to include 26 additional responses beyond the 581 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.

Questions or data requests

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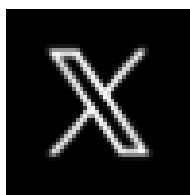


Additional information

All CFIB research



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