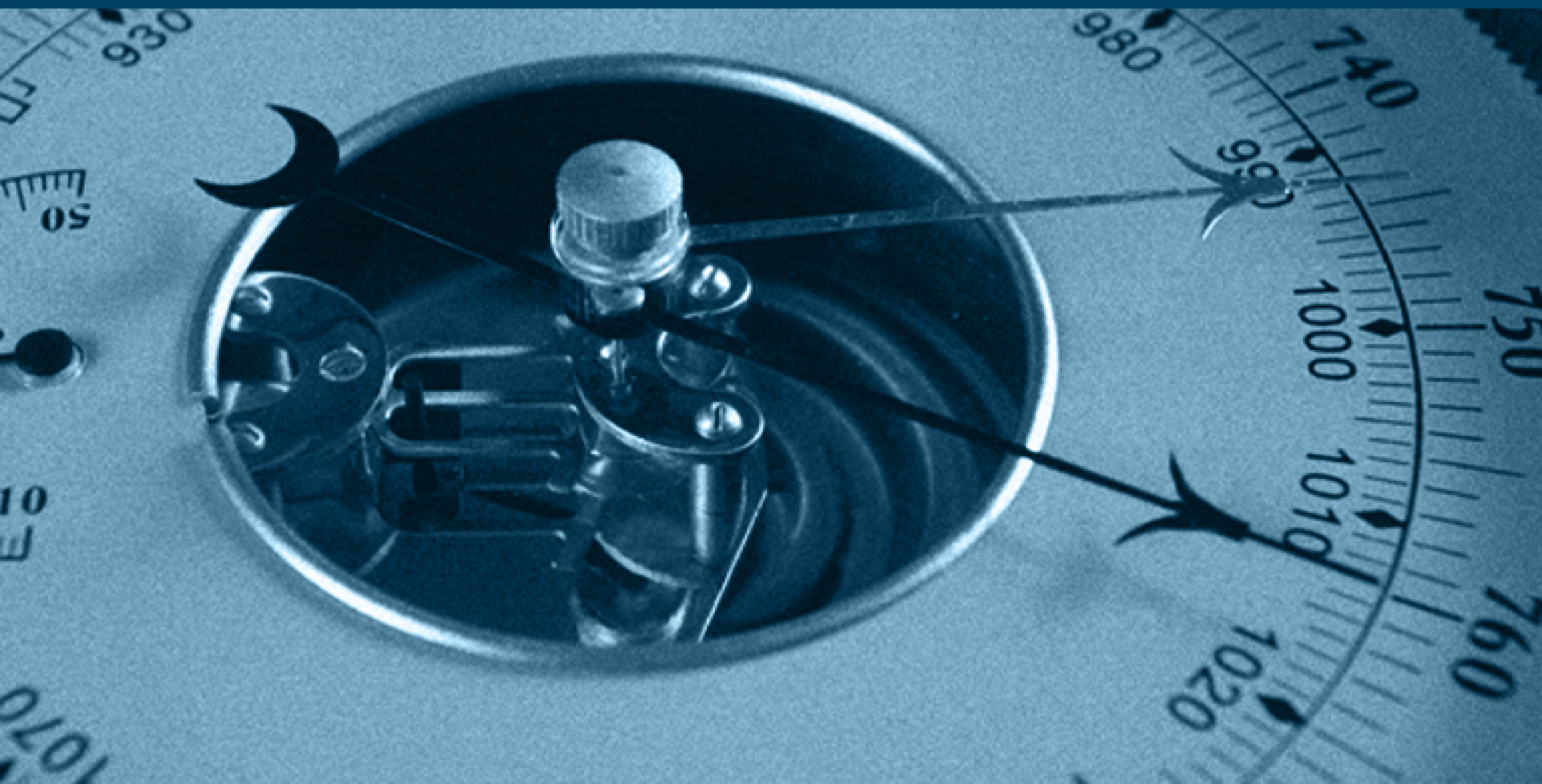


Monthly Business Barometer®

June 2025



12-month Small Business Confidence Index

47.3

Monthly change

↑ 7.1

3-month Small Business Confidence Index

47.7

Monthly change

↑ 5.1

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, edged up reaching 47.3—about seven points above May level. The short-term optimism index, based on a 3-month outlook, moved up by five points to 47.7. Although confidence is showing a gradual upward trend for the third consecutive month, it still falls short of the breakeven threshold of 50 on both long- and short-term horizons.

Optimism among all SMEs remains quite low, albeit firms trading internationally register lower levels than firms doing business only in Canada.

Provincial overview

Long-term confidence in all provinces now ranges from the low 40s to the high 50s, indicating weak potential for economic growth despite monthly gains. Prince Edward Island and British Columbia are the only provinces to exceed the 50-point threshold - the level where equal shares of entrepreneurs expect stronger and weaker performances.

Inflation indicators

These indicators remain unchanged from May, with the average price increase holding at 2.9%, and the average wage increase steady at 2.2%.

Sectoral overview

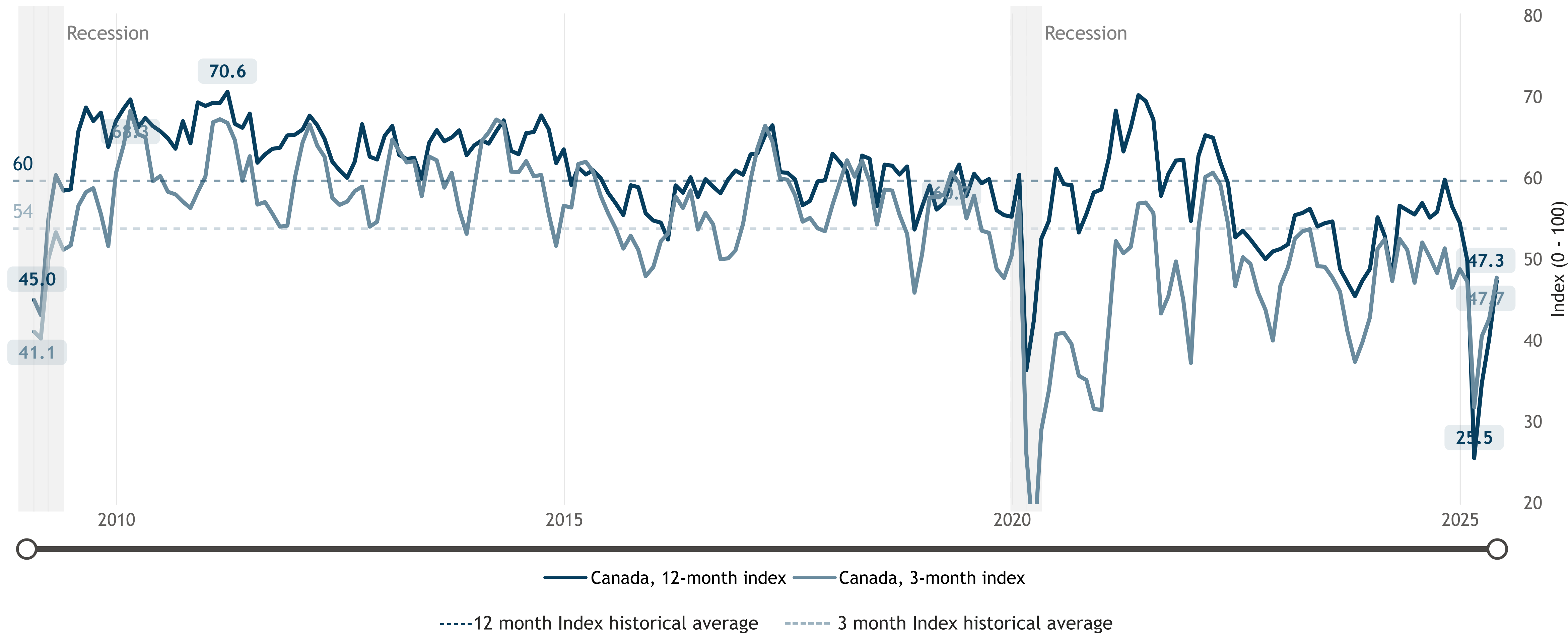
Long-term confidence has also improved across most sectors, but the range is wider—spanning from the low 30s to the mid-50s. Professional services, and personal services are the only sectors above 50, while information, arts and recreation, wholesale, and agriculture continue to lag below the 40-point mark.

Other indicators

Full-time staffing plans remain muted with no real appetite for hiring. Similarly, soft trends are observed for part-time employment, reflecting timid hiring intentions.

Insufficient demand persists as the primary barrier to business and production expansion (as reported by 51% of SMEs). Key cost constraints hindering business growth include tax and regulatory expenses (65%), wage costs (63%) and insurance costs (63%).

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?

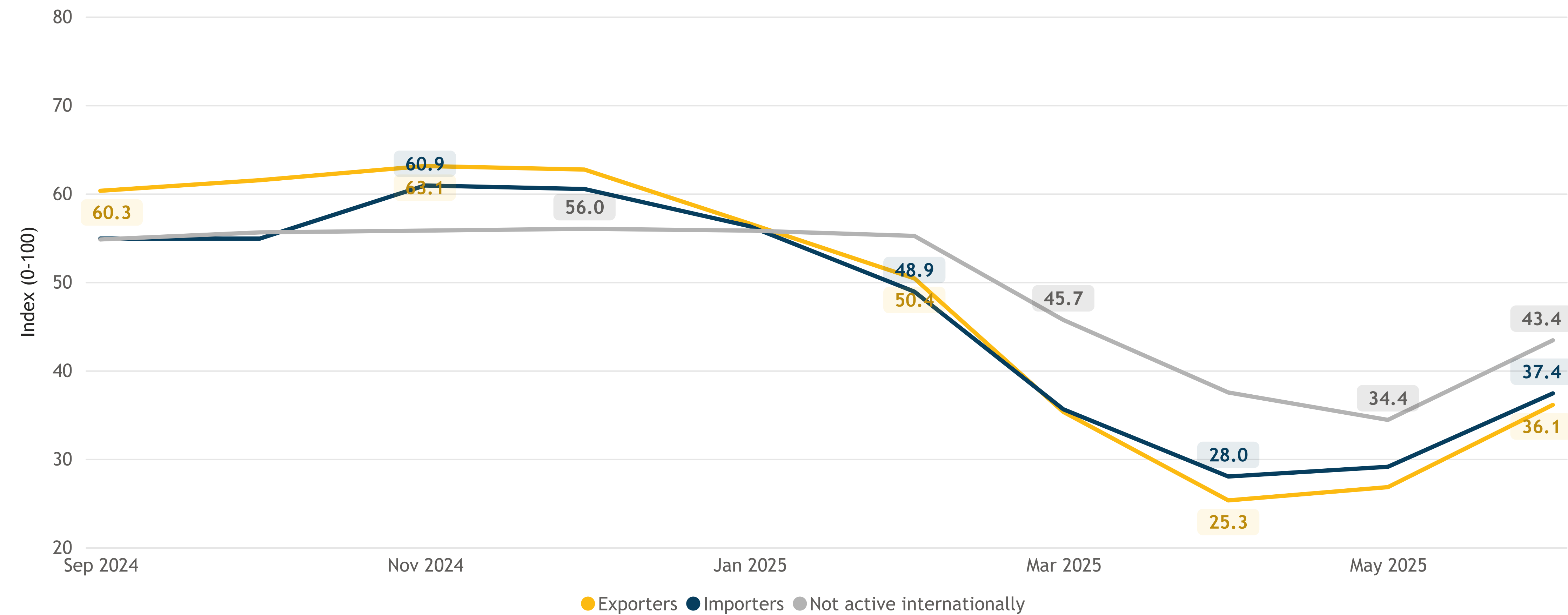
Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Sources : CFIB, Your business outlook survey, February 2009 - June 2025. 412 responses received from June 3-9.

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

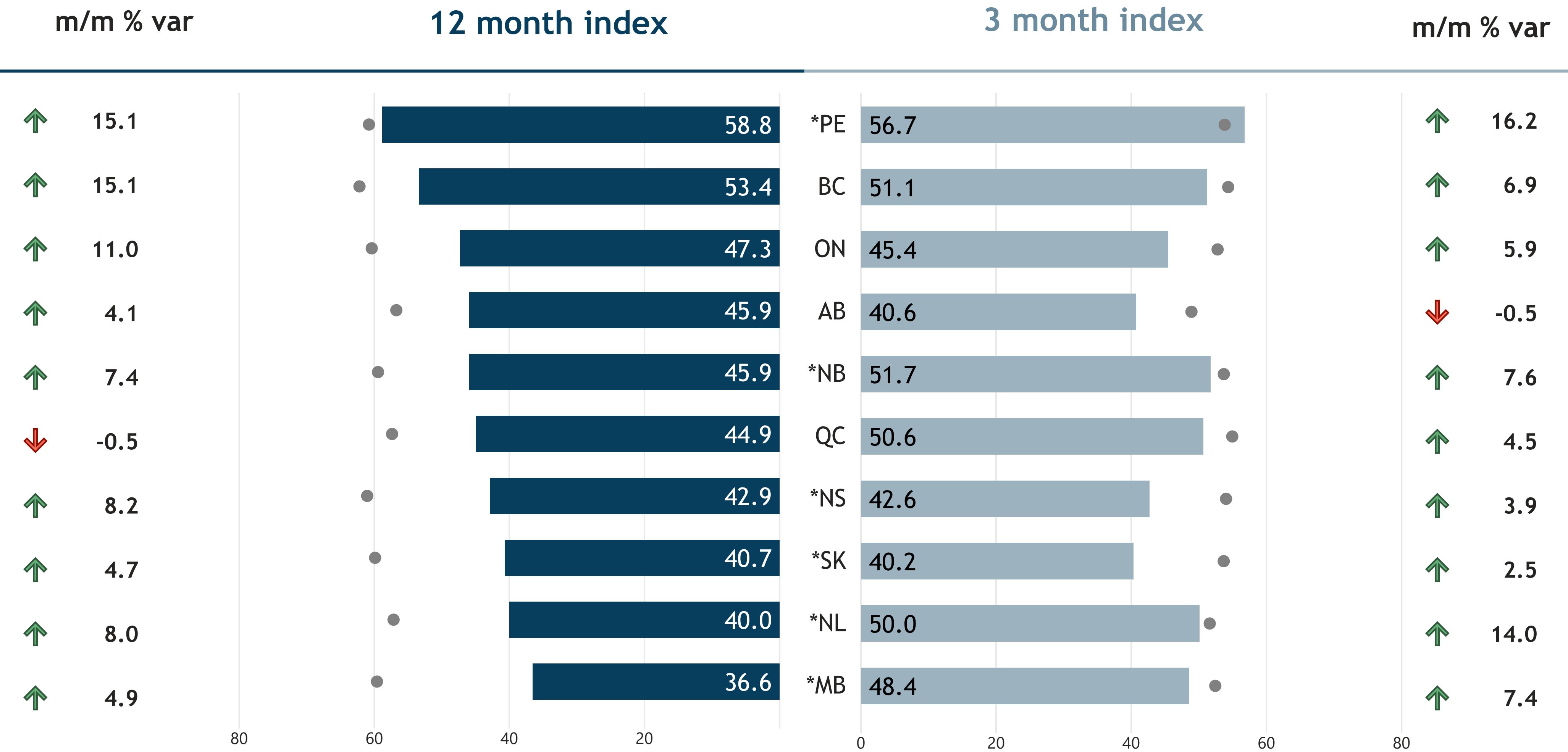
Note: Index < 50 = more businesses expecting weaker performance than stronger performance

Business Barometer®: 12-month small business confidence index for exporters and importers, Canada



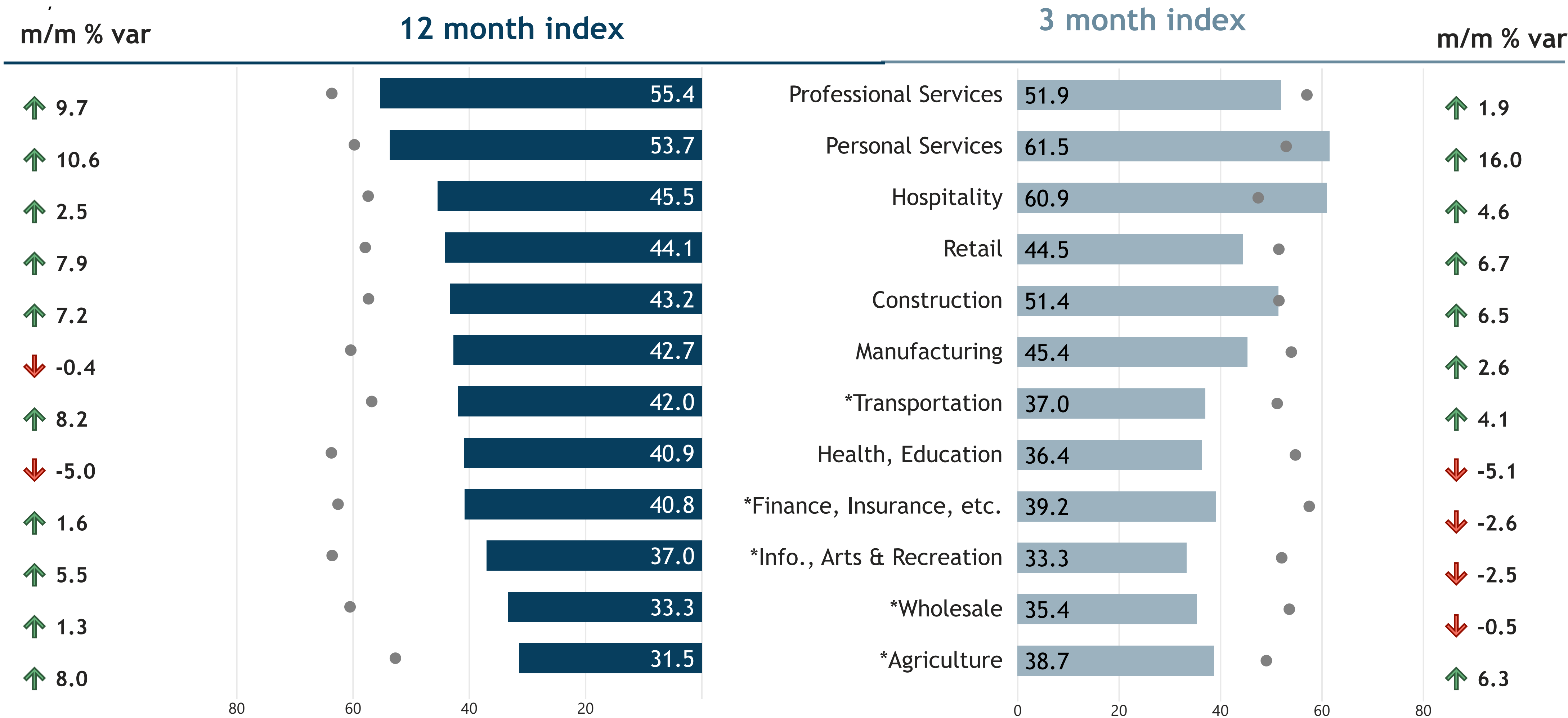
Survey questions: How do you expect your firm to be performing in 12 months compared to now?
International trade (Select one): **Buying from abroad**, **Selling abroad**, **A mix of both**, **Not active internationally**
Source: CFIB, Your business outlook survey. 412 responses received from June 3-9.
Note: Data presented as 3-month moving averages. New series started from September 2024.

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 2025. 412 responses received from June 3-9.
Note: ● Historical averages. *Data presented by 3-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?

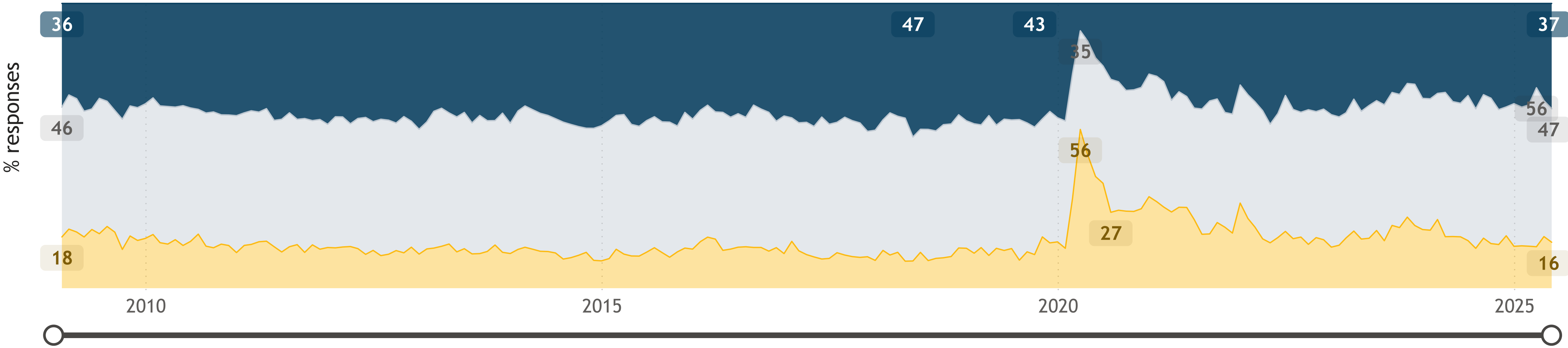
Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Source: CFIB, Your business outlook survey, February 2009 - June 2025. 412 responses received from June 3-9.

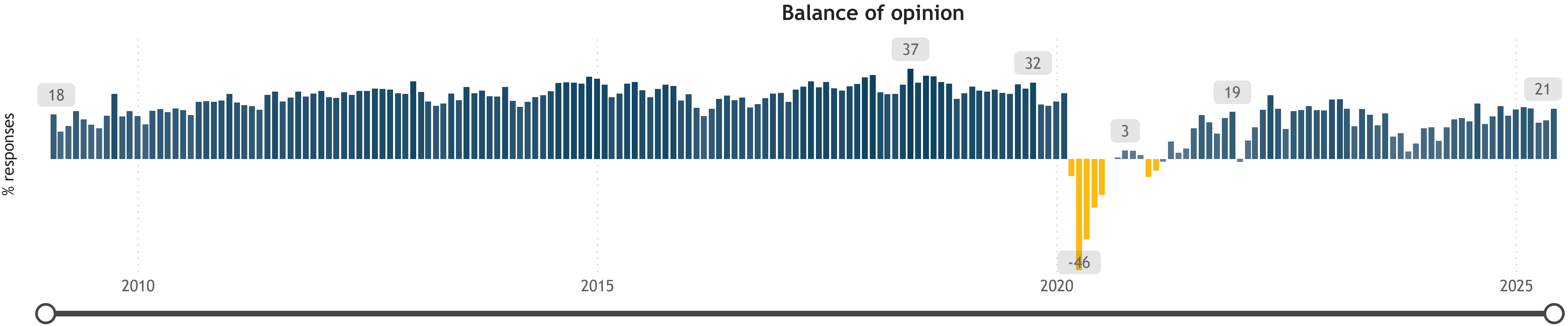
Notes: ● Historical averages *Data presented by 3-month moving average. **Natural resources is not included.

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

Business Barometer®: General state of business health



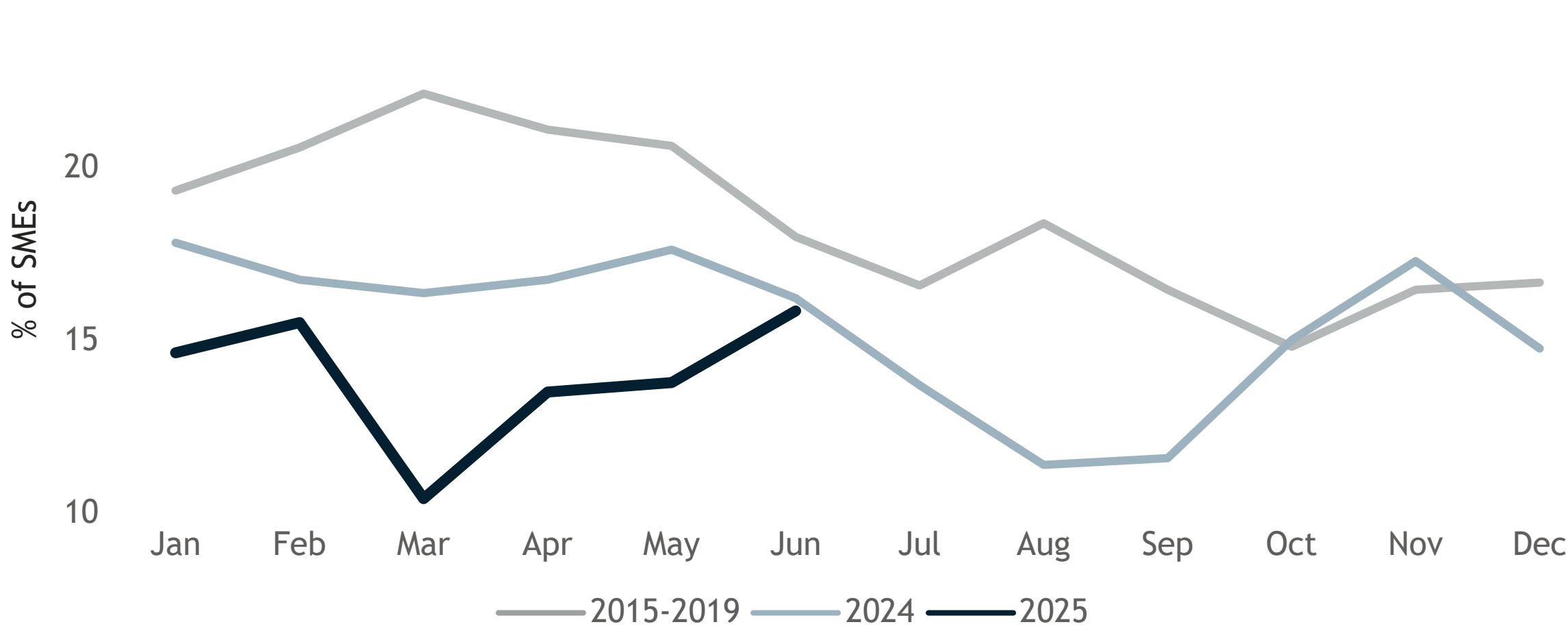
— Good — Satisfactory — Bad



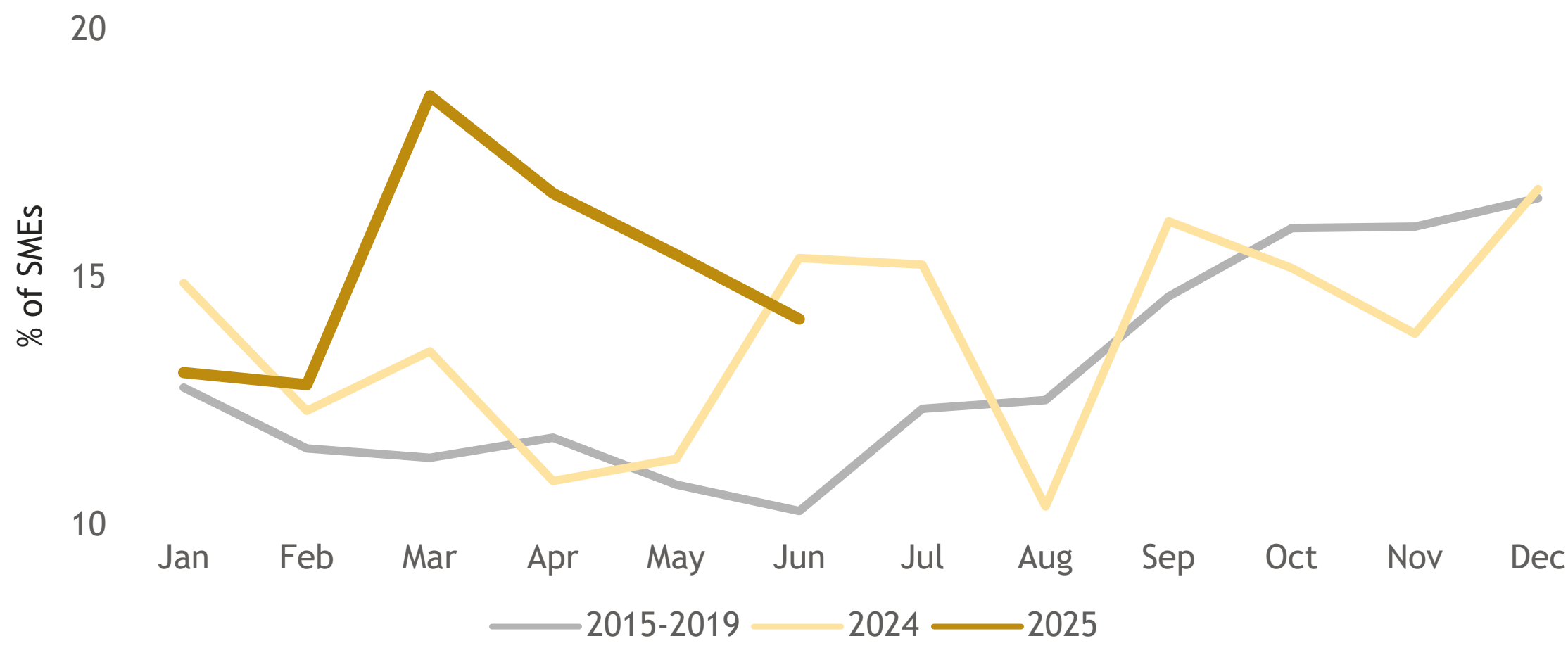
Survey question: Currently, what is the general business situation of your company?
Source: CFIB, Your business outlook survey, February 2009 - June 2025. 412 responses received from June 3-9.
Note: Values are automatically rounded, so totals may not always equal 100%. Balance of opinion = [Share of respondents answering **Good**]- [Share of respondents answering **Bad**].

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

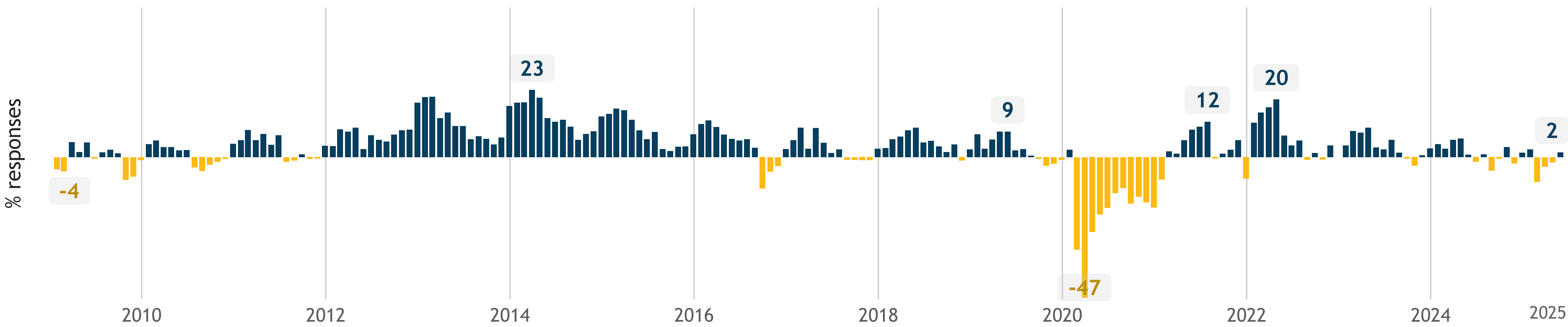
Adding staff



Reducing staff



Net staffing intentions, full time

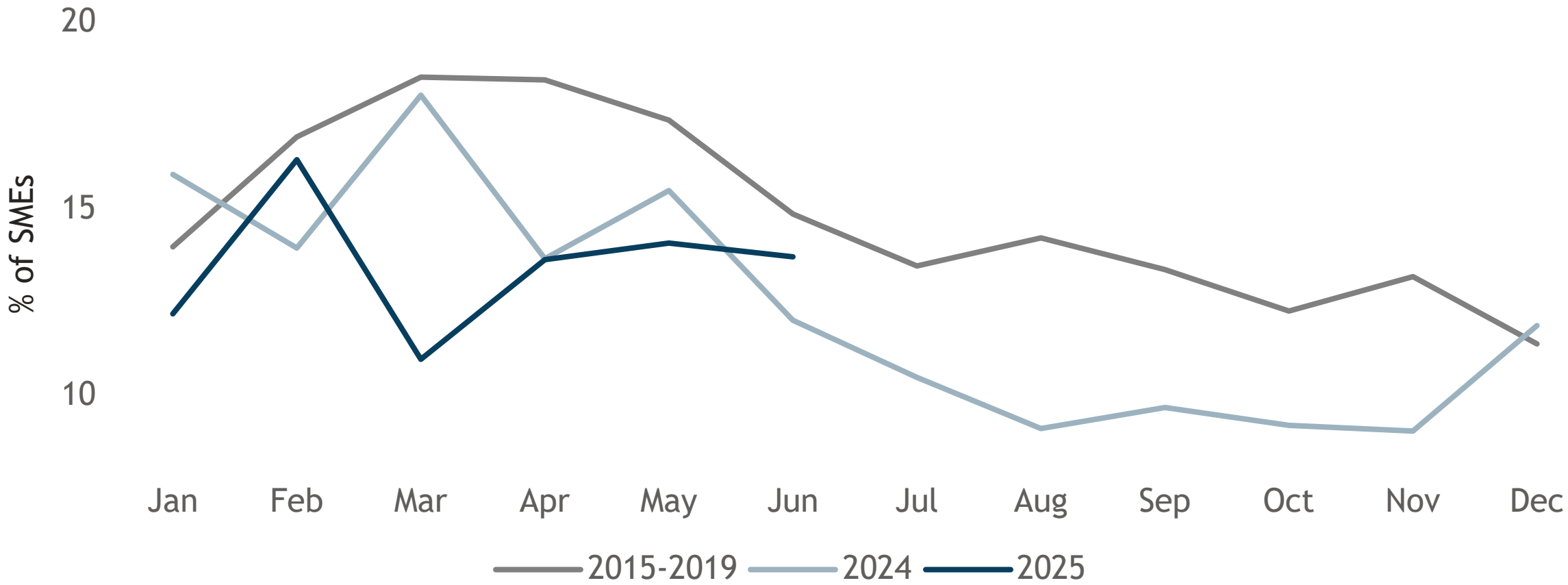


Survey question: How are your expected employment levels to change in the next 3 or 4 months? (Up, Same, Down)
Source: CFIB, Your business outlook survey, February 2009 - June 2025. 412 responses received from June 3-9.
Note: Net staffing intentions = [Share of respondents answering UP]- [Share of respondents answering Down]

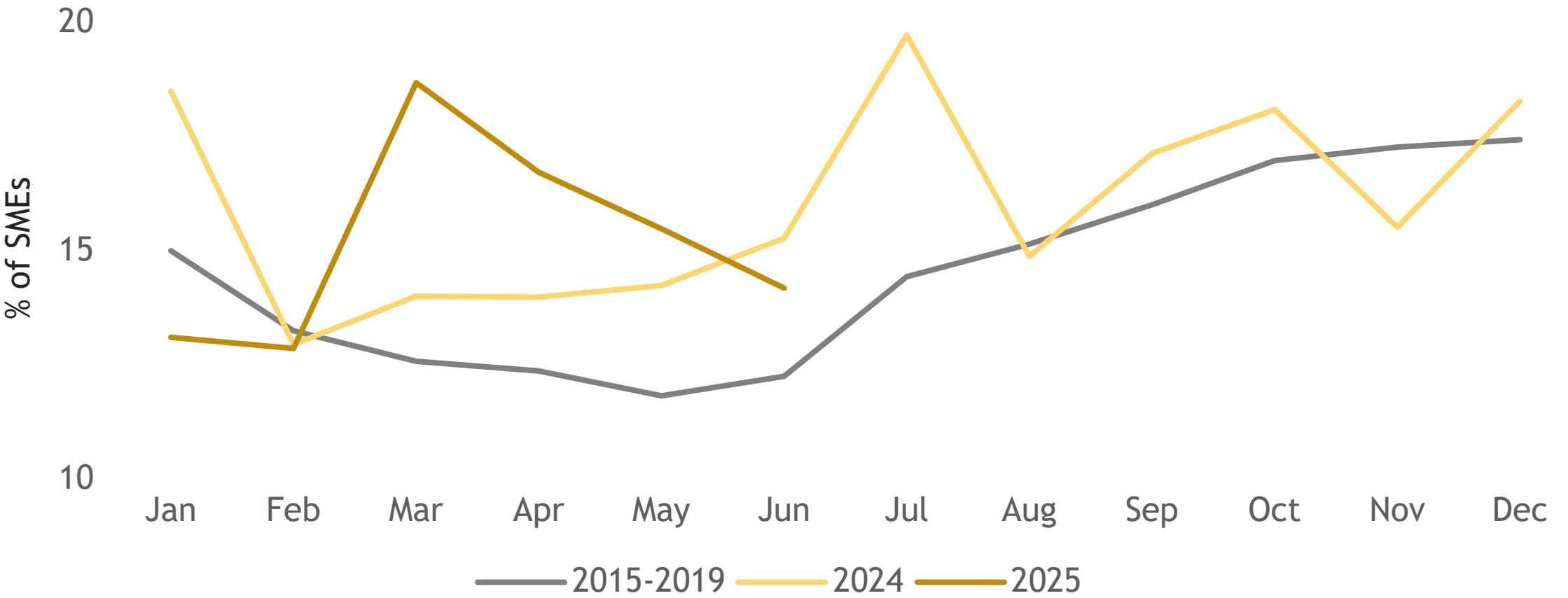


Business Barometer®: Part-time staffing plans, short term

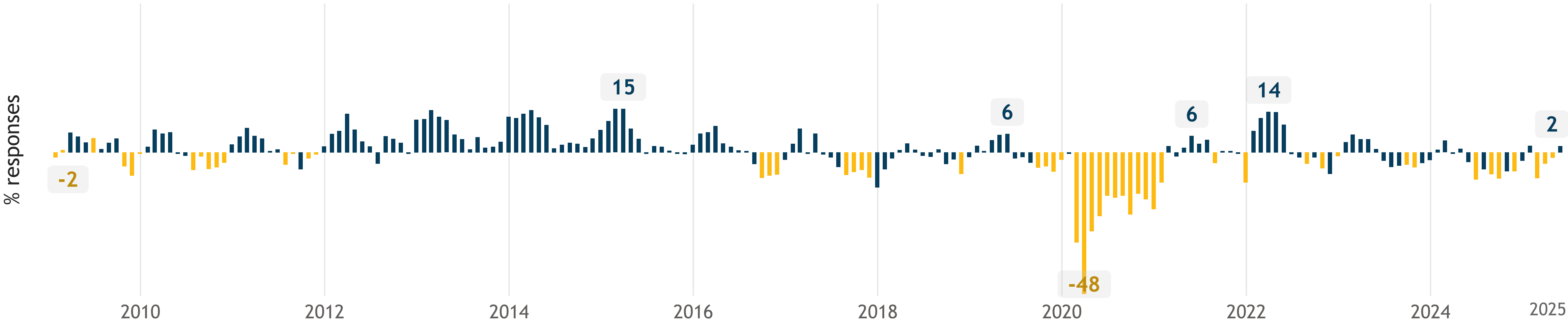
Adding staff, part time



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 2025. 412 responses received from June 3-9.

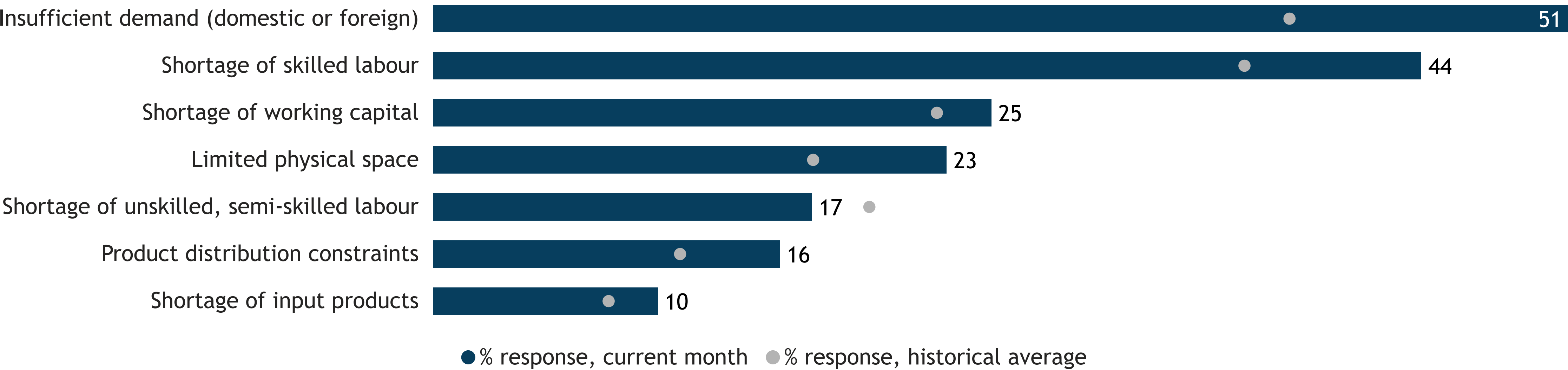
Business Barometer®: Future price and wage increase plans



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 2025. 412 responses received from June 3-9.

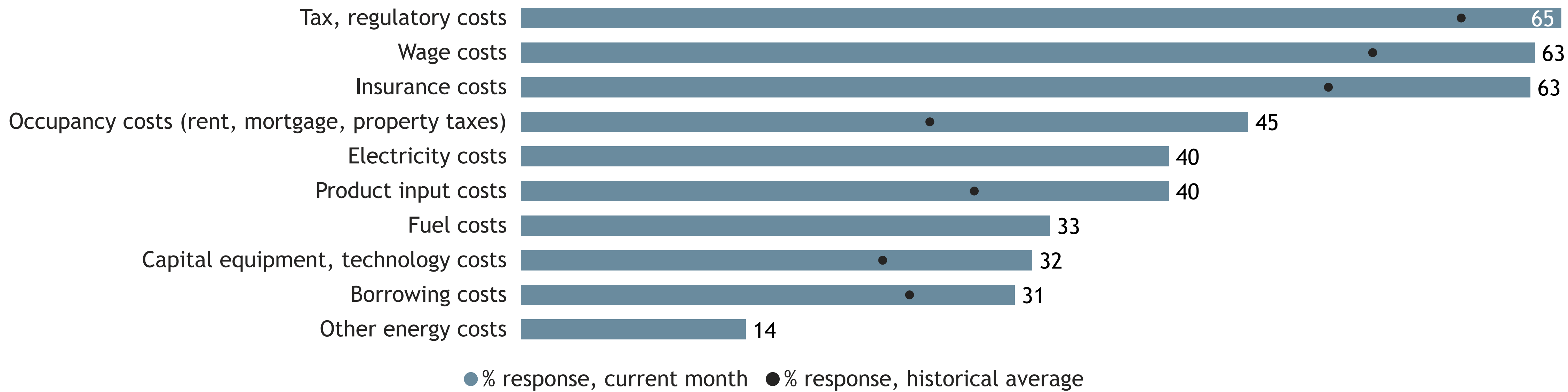


Business Barometer®: Factors limiting sales or production growth- current levels and trend



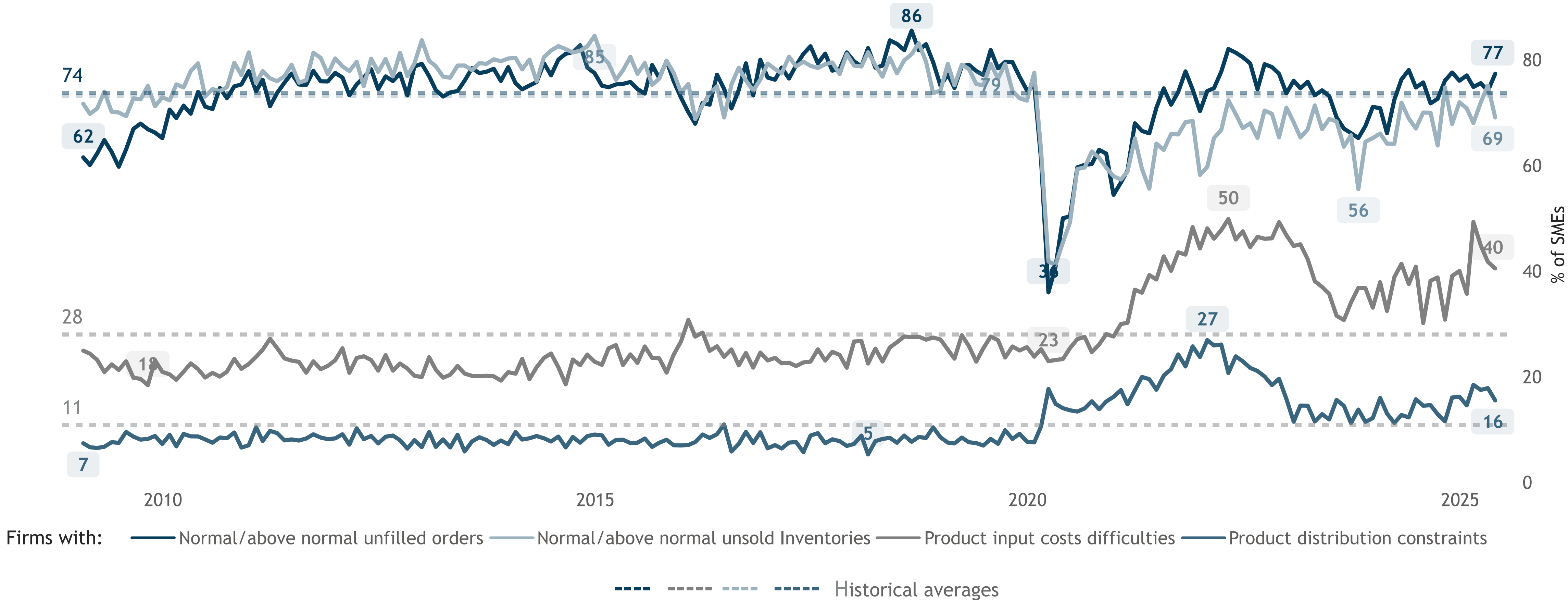
Survey question: What factors are limiting your ability to increase sales or production?
Source: CFIB, Your business outlook survey, February 2009 - June 2025. 412 responses received from June 3-9.

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 2025. 412 responses received from June 3-9.

Business Barometer®: Supply chain indicators

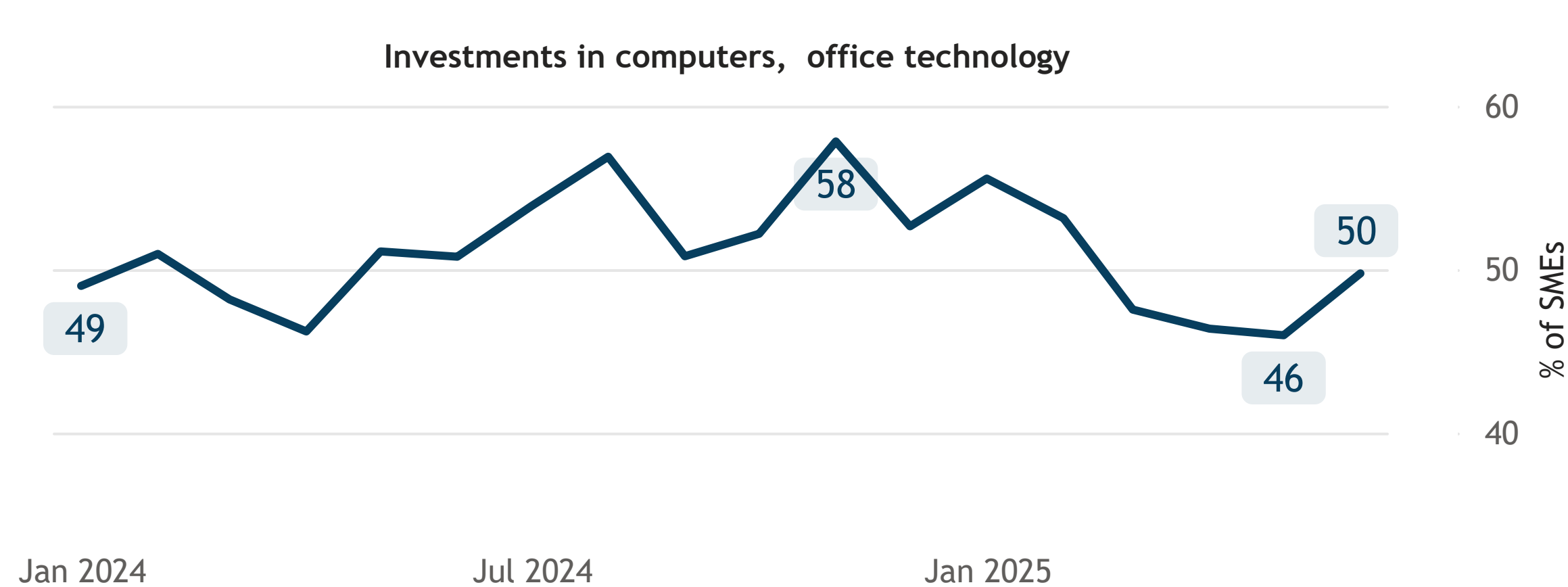
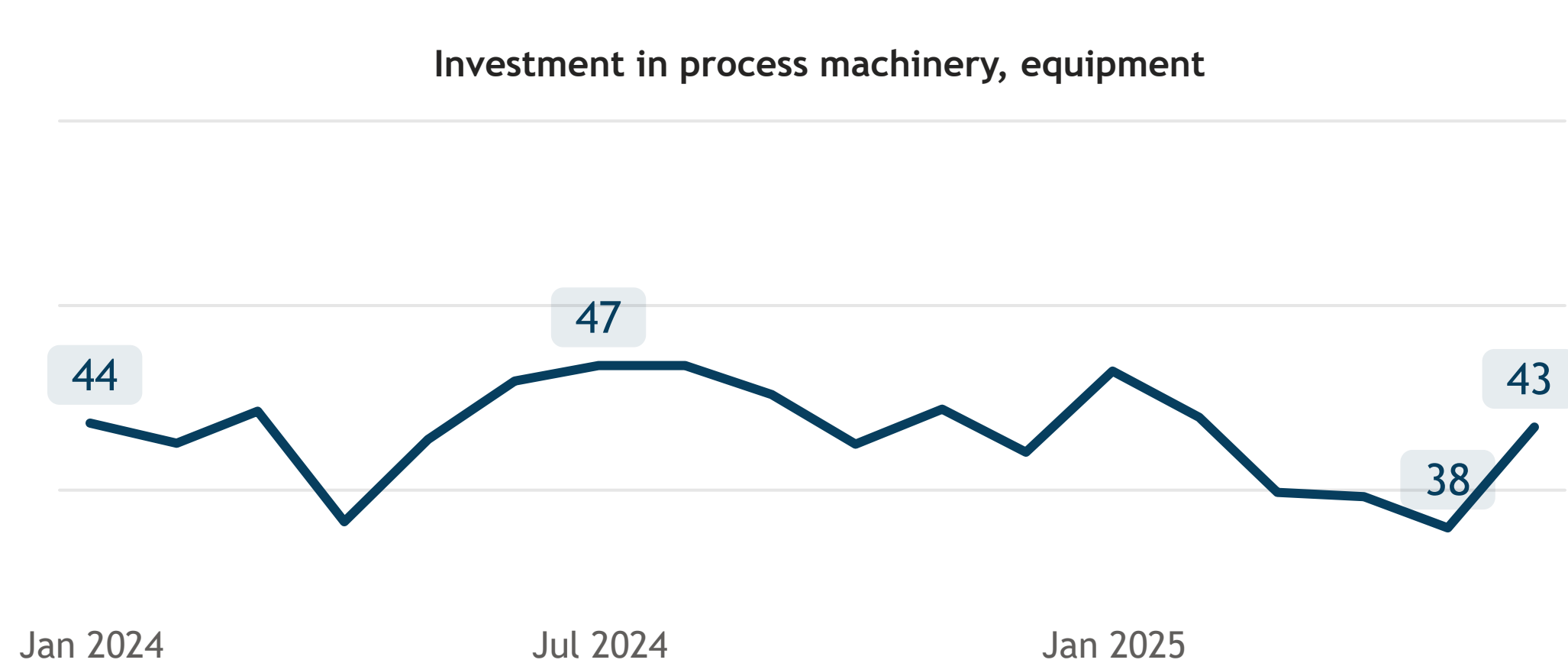
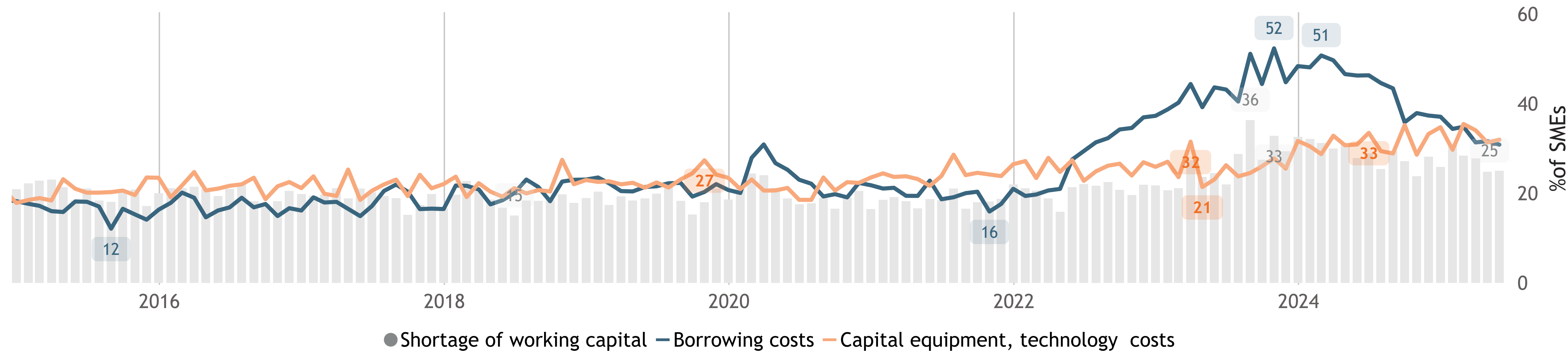


Survey questions:

- 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 - June 2025. 412 responses received from June 3-9.

Business Barometer®: Investments



Survey questions:

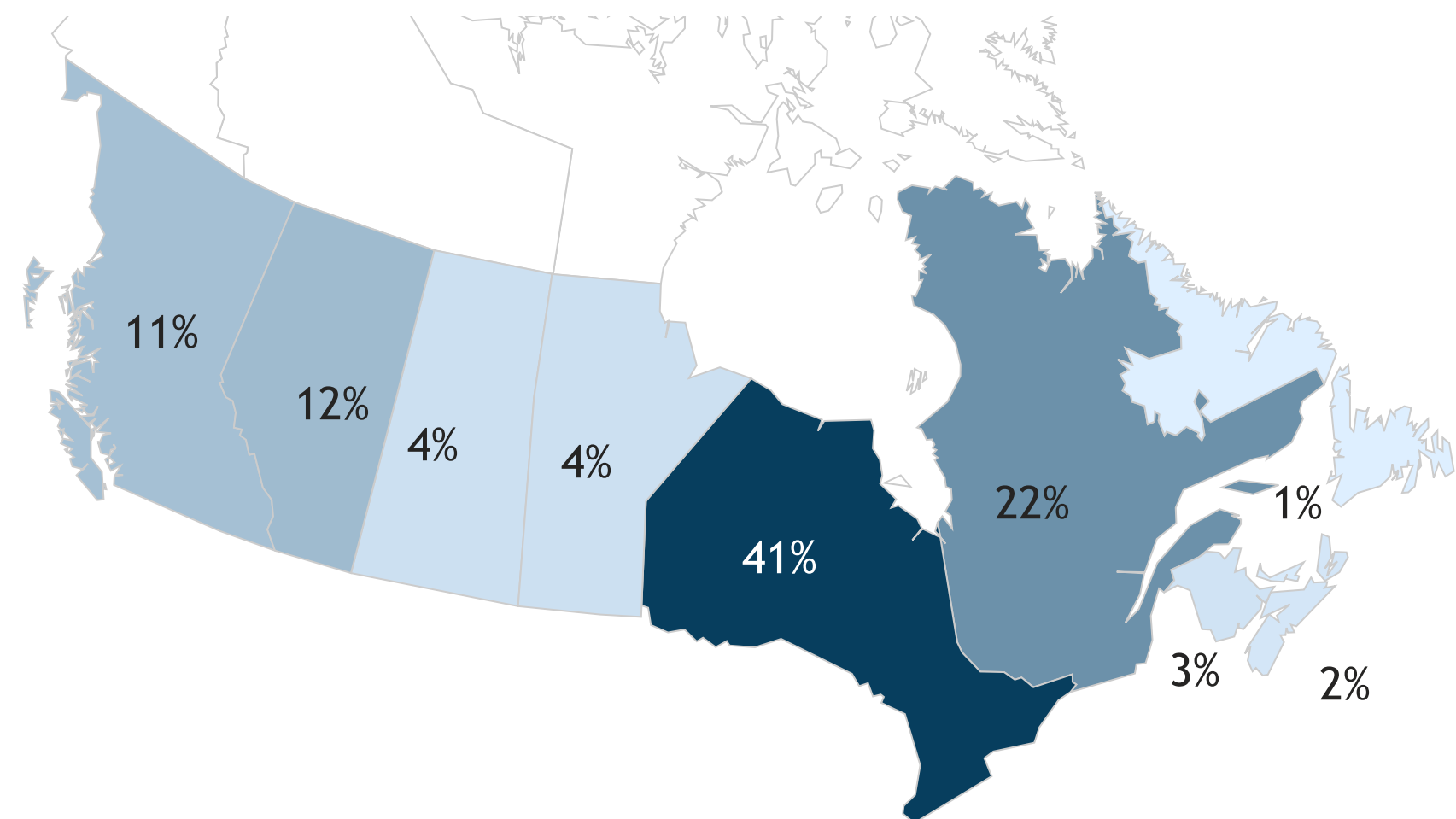
Allowing for normal seasonal influences, what are the **investments in computers, communications, office technology** and investments in process machinery, equipment? [% of Respondents selecting "Above Normal", "Normal"]

What types of input costs are currently causing difficulties for your business? [Respondents selecting "**Capital equipment, technology costs**"]

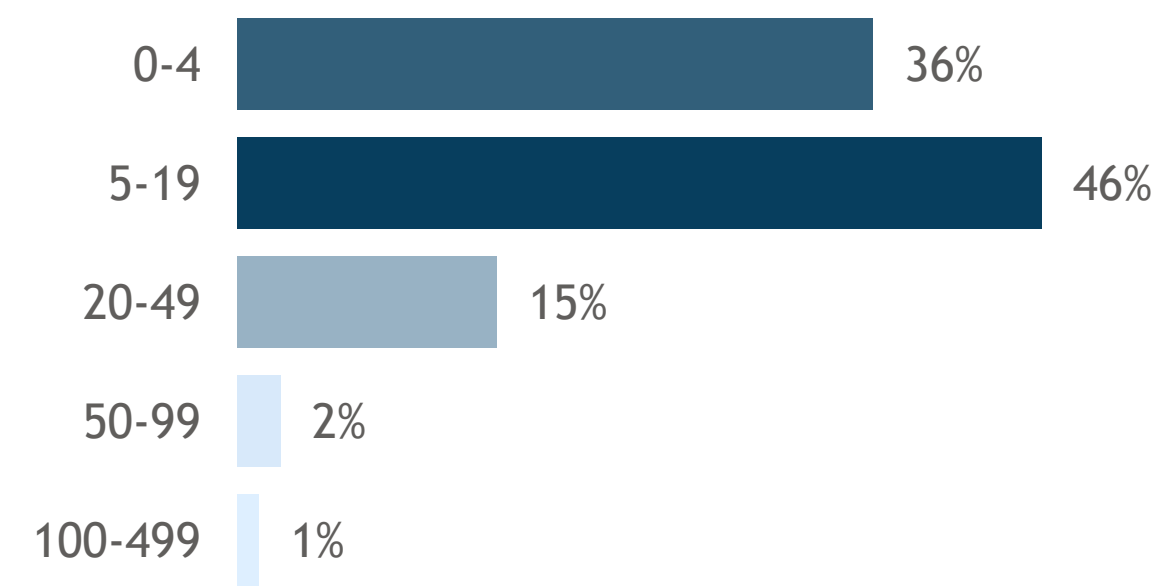
Source: CFIB, Your business outlook survey, February 2009 - June 2025. 412 responses received from June 3-9.

Business Barometer®: Sample distribution

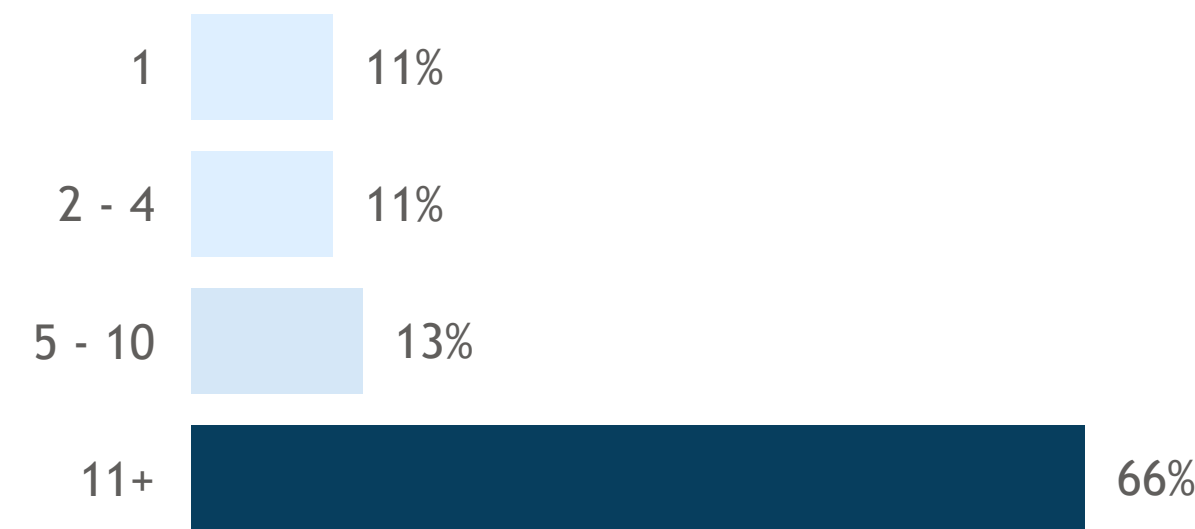
By location of the business



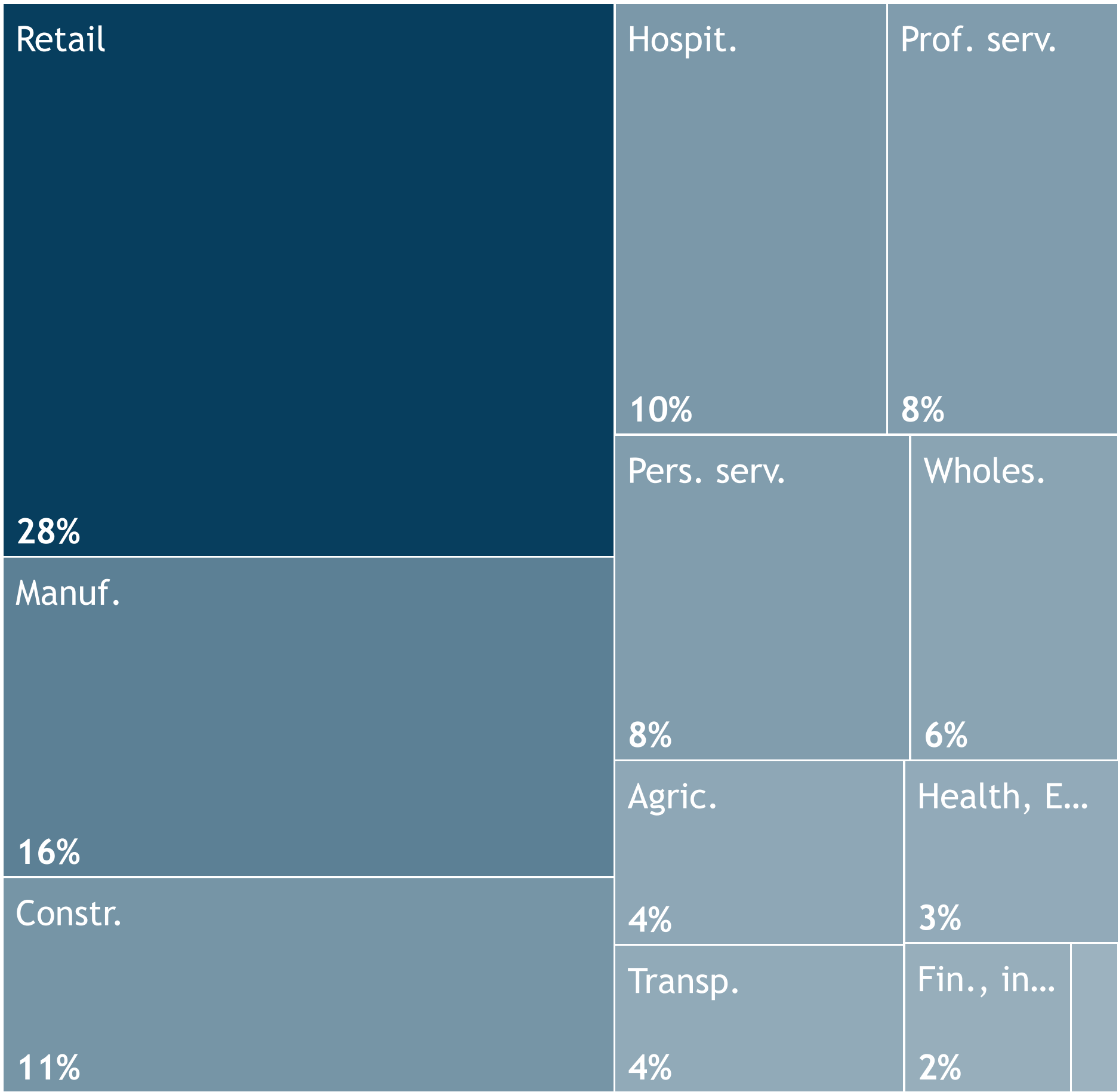
By number of employees



By years in business



By industry



Methodology

- CFIB, Your business outlook survey, February 2009 - June 2025
- Stratified random sample of CFIB members to a controlled-access web survey: 412 responses
- Responses were received from: June 3-9
- The survey is considered accurate to within +/- 4.8 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.
- 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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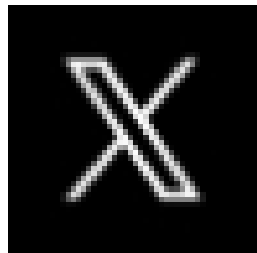


Additional information

All CFIB research



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