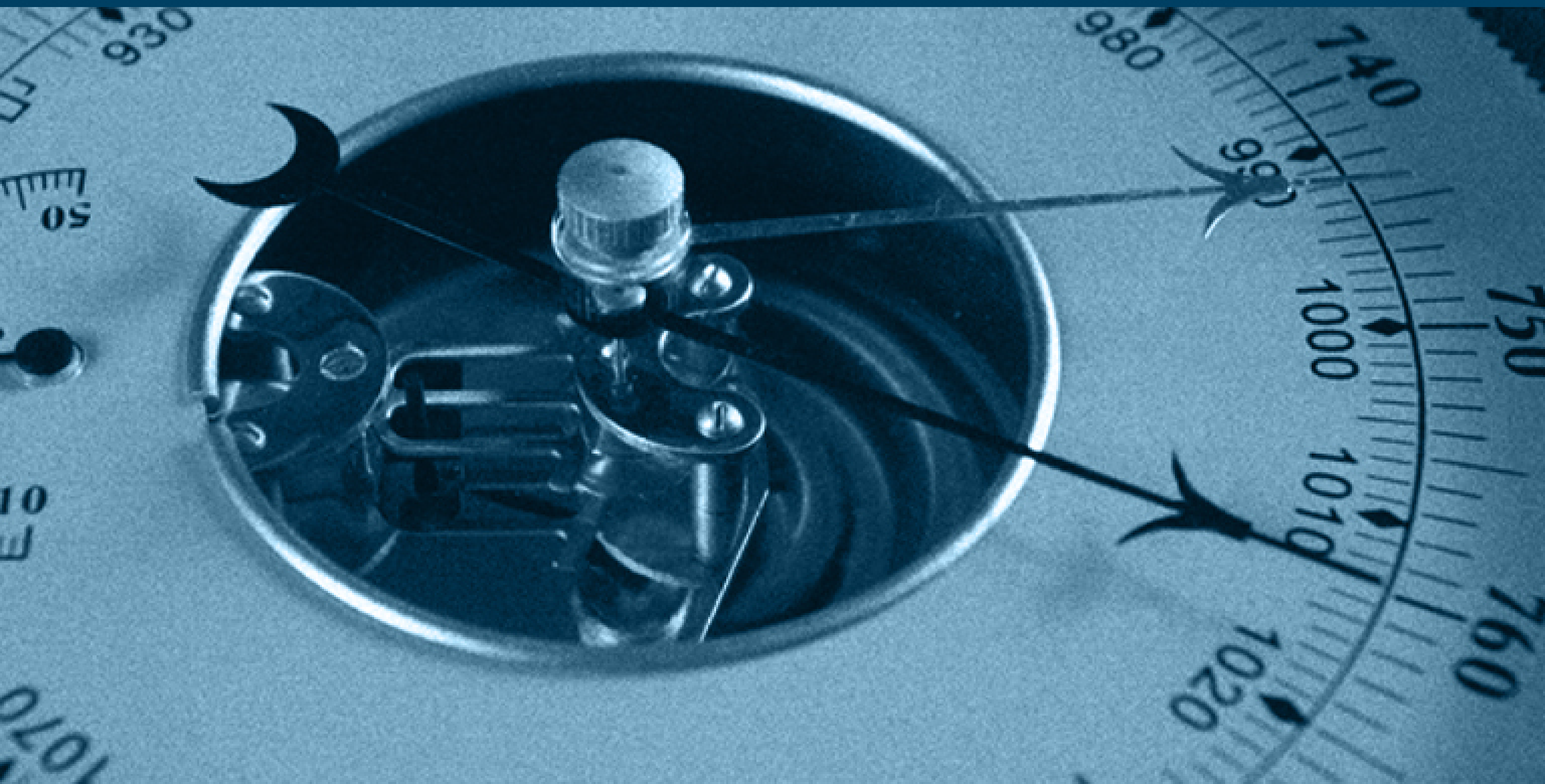


Monthly Business Barometer®

September 2025



12-month Small Business Confidence Index

50.2

Monthly change

↑ 1.9

3-month Small Business Confidence Index

44.9

Monthly change

↓ -1.8

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, crept up to 50.2—about two points higher than in August. The short-term optimism index, based on a 3-month outlook, fell by about two points to 44.9. Optimism among SMEs buying internationally remains the lowest and moving only marginally upwards. Firms not trading on international markets are faring somewhat better.

Provincial overview

Long-term confidence is weak in most provinces. Seven provinces register readings at or above 50, with New Brunswick leading the way at 58.8, followed by PEI at 55.8. Ontario, Nova Scotia and British Columbia have readings below 50 and far from their own historical averages.

Inflation indicators

Price and wage indicators remain unchanged from the previous two months. The average price increase remained at 2.7%, and the average wage increase sat 2.2%.

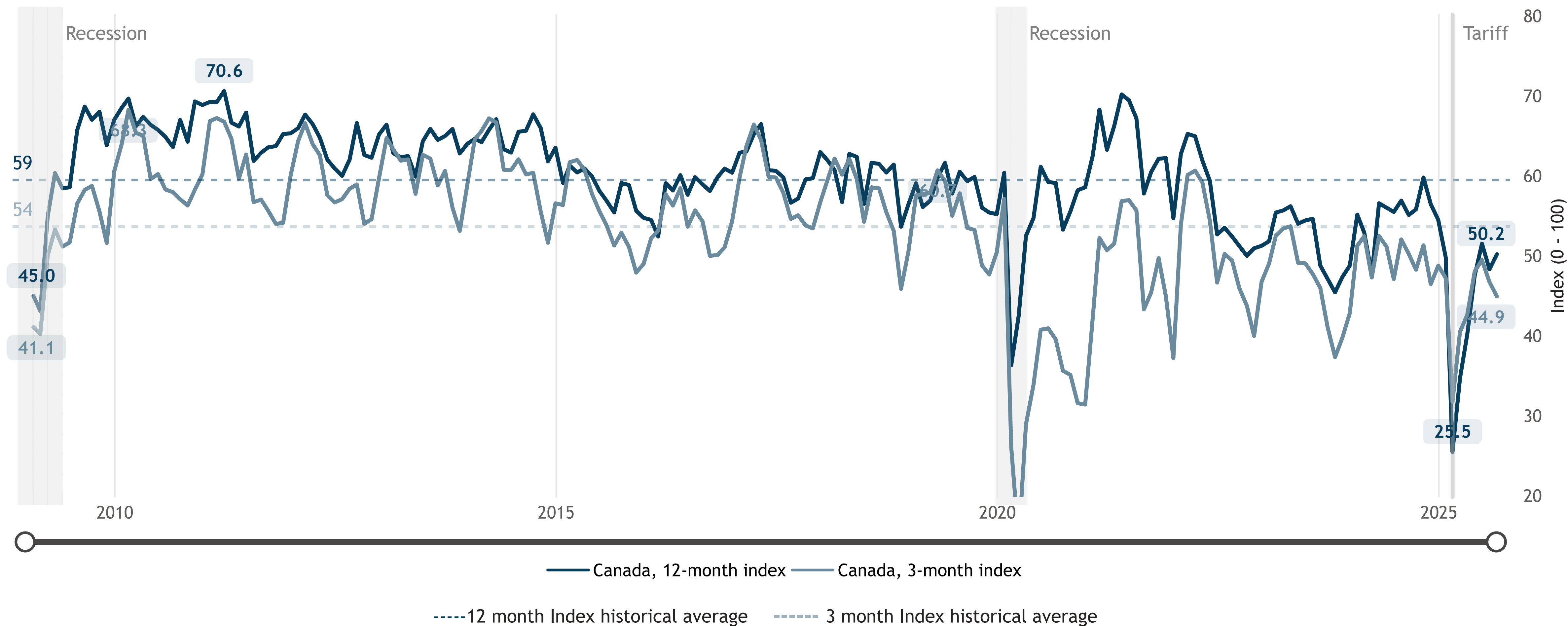
Other indicators

Full-time staffing plans show a very weak labour market. September displays net negative staffing plans, closer to the levels registered in March. Currently, 18% of employers are planning on laying off, while 12% are considering hiring full time.

Tax and regulatory costs remain top concern for 67% of small firms, followed by insurance costs (66%). More businesses reported difficulties with wage costs (66% in September versus 59% in August). The share of businesses struggling with capital equipment and technology costs has reached a record high of 36% in September.

Weak demand also persists for over half (55%) of businesses. About 20% of businesses reported distribution constraints, almost twice as high as the historical 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?

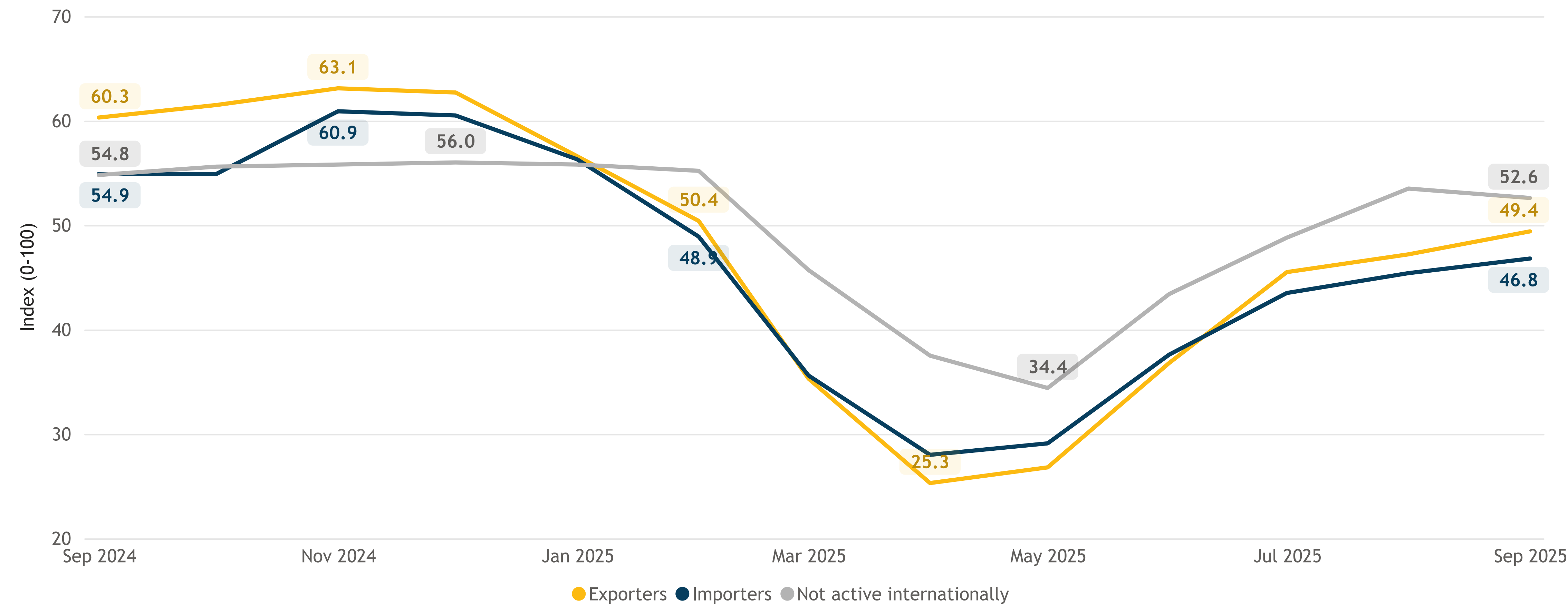
Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Sources : CFIB, Your business outlook survey, February 2009 - September 2025. 752 responses received from September 3-10.

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

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

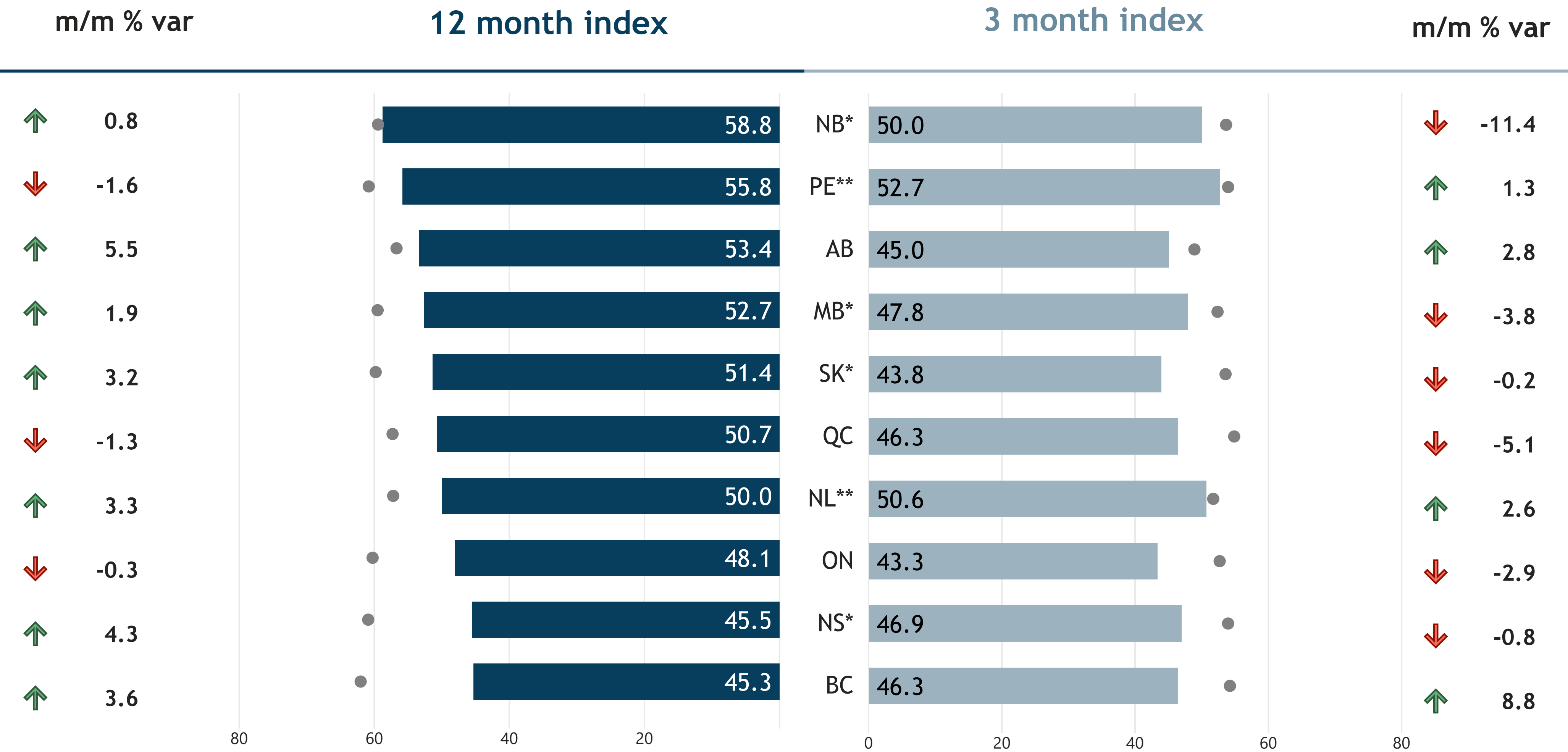
Business Barometer®: 12-month small business confidence index for exporters and importers, Canada



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. 752 responses received from September 3-10
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?

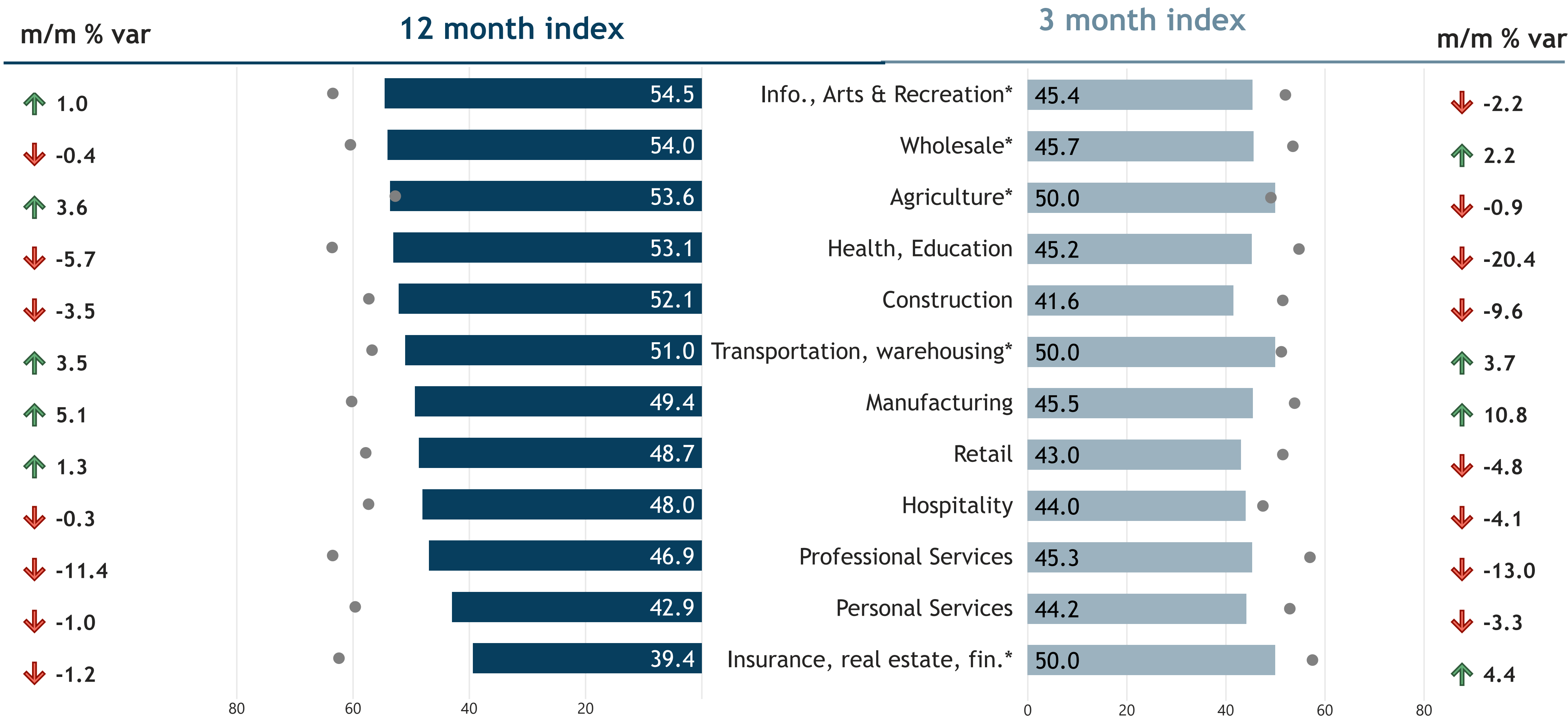
Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?

Source: CFIB, Your business outlook survey, February 2009 - September 2025. 752 responses received from September 3-10

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

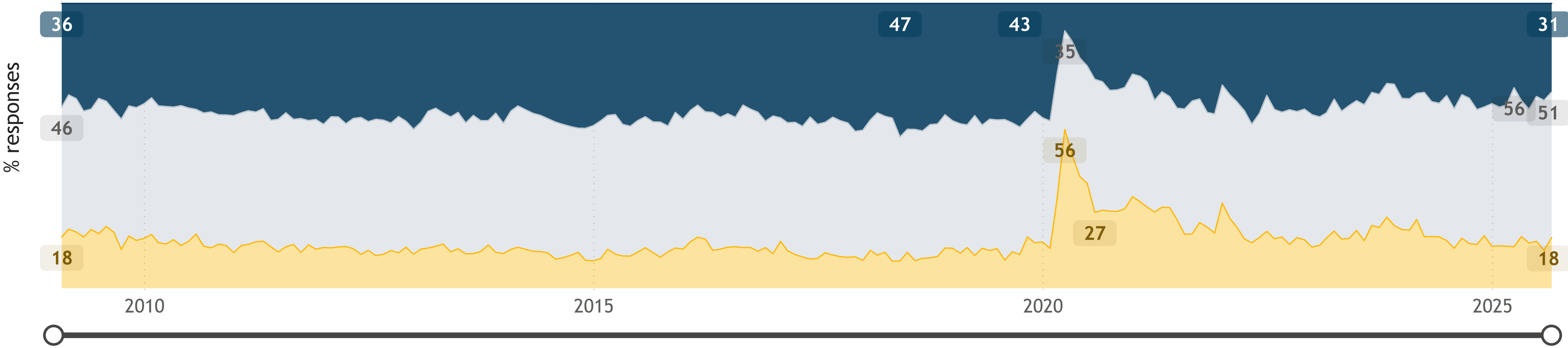
Index > 50 = more businesses expecting stronger performance than weaker performance

Business Barometer®: Small business confidence index, sectors



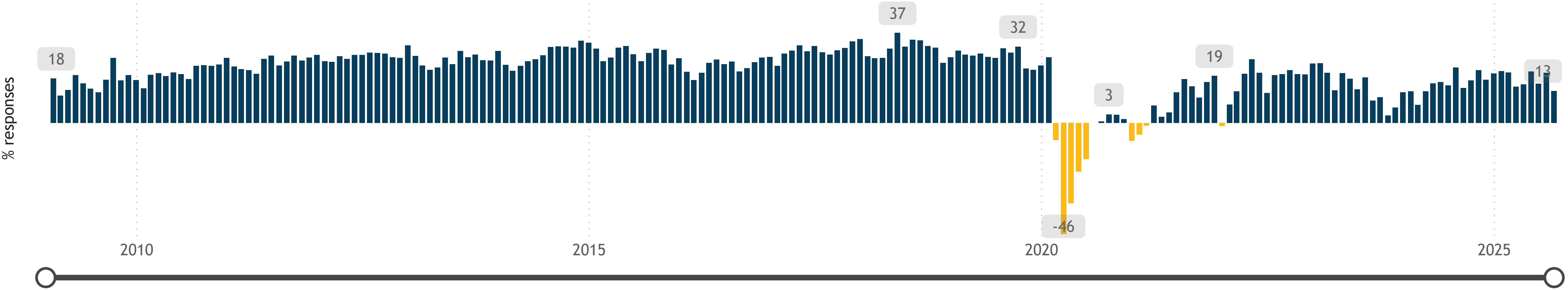
Survey question: How do you expect your firm to be performing in **12 months** compared to now?
Survey question: Allowing for normal seasonal influences, what are your business performance expectations for the next **3 or 4 months**?
Source: CFIB, Your business outlook survey, February 2009 - September 2025. 752 responses received from September 3-10
Notes: ● Historical averages *Data presented by 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



— Good — Satisfactory — Bad

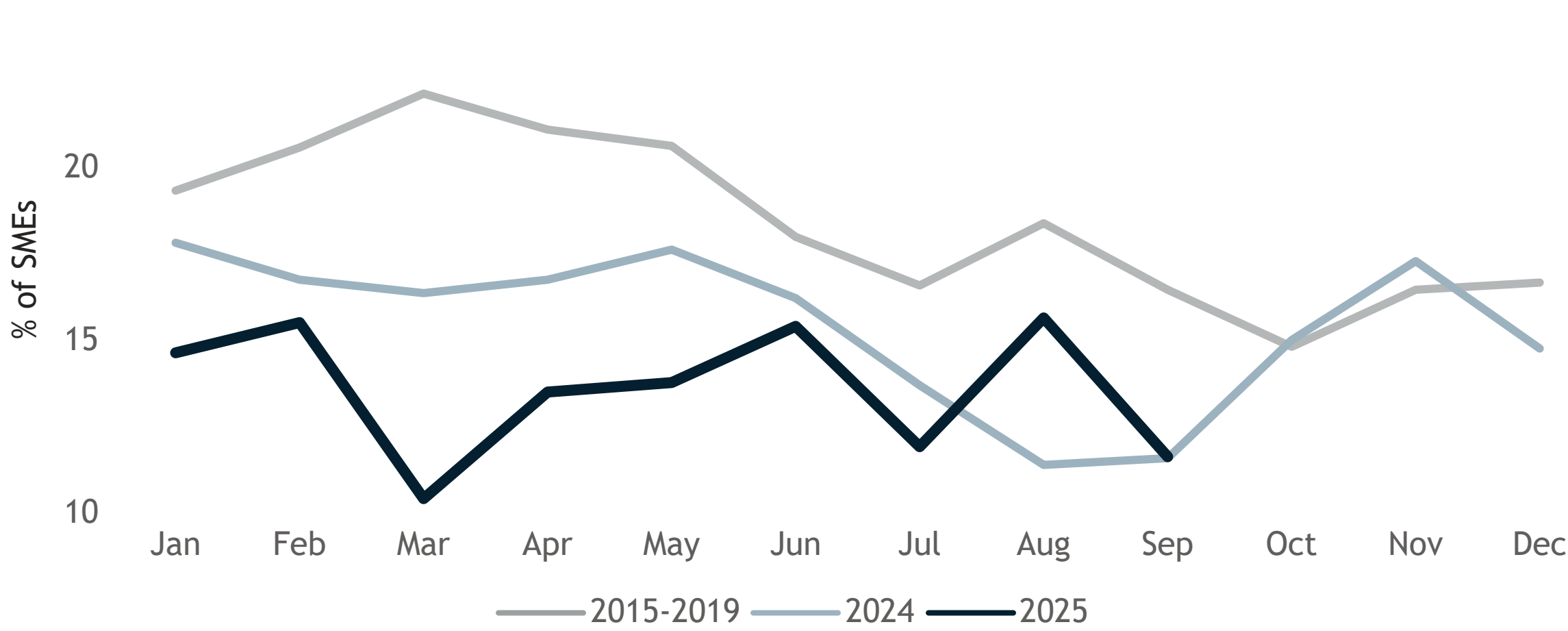
Balance of opinion



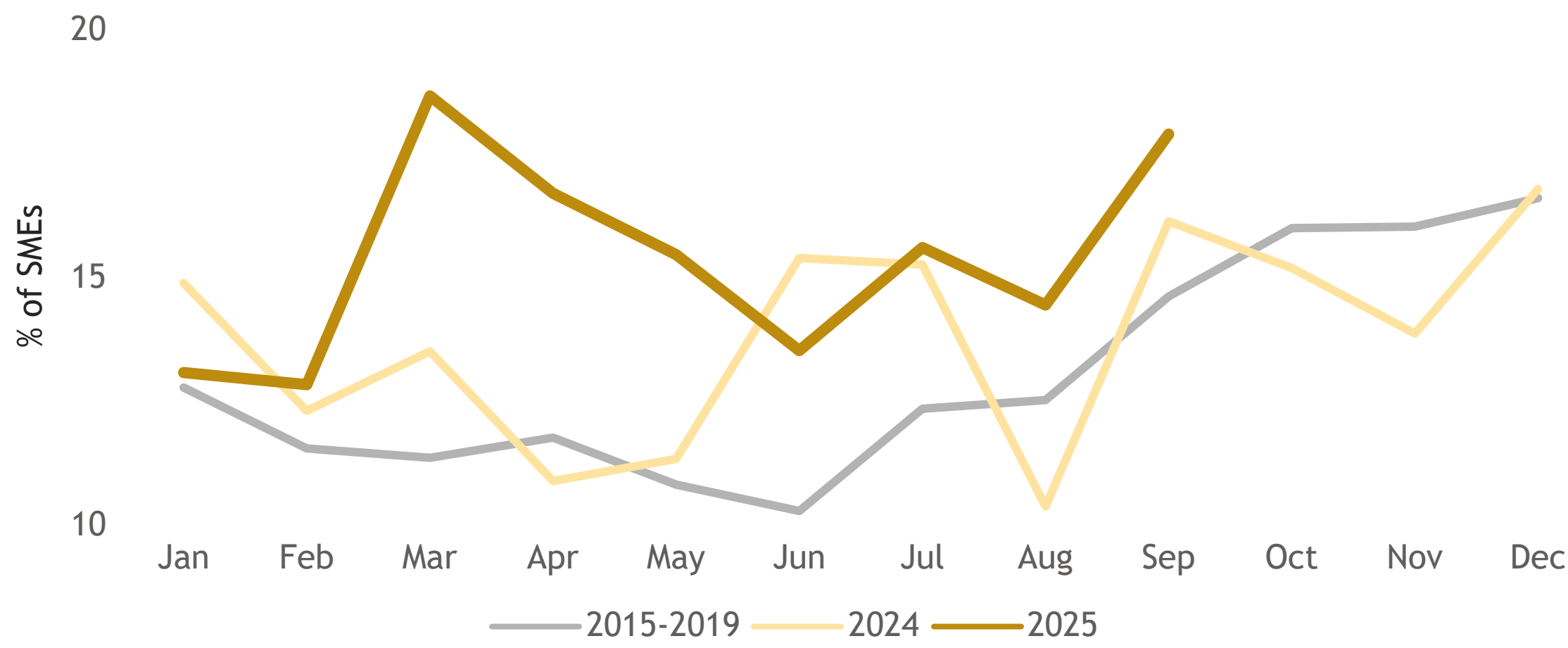
Survey question: Currently, what is the general business situation of your company?
Source: CFIB, Your business outlook survey, February 2009 - September 2025. 752 responses received from September 3-10.
Note: Values are automatically rounded, so totals may not always equal 100%. Balance of opinion = [Share of respondents answering **Good**]- [Share of respondents answering **Bad**].

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

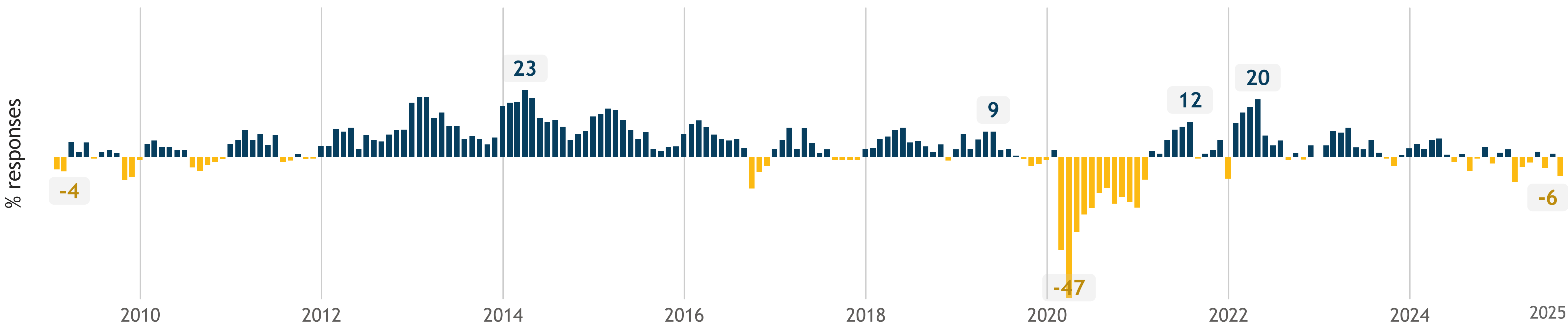
Adding staff



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 - September 2025. 752 responses received from September 3-10.
Note: Net staffing intentions = [Share of respondents answering UP]- [Share of respondents answering Down]



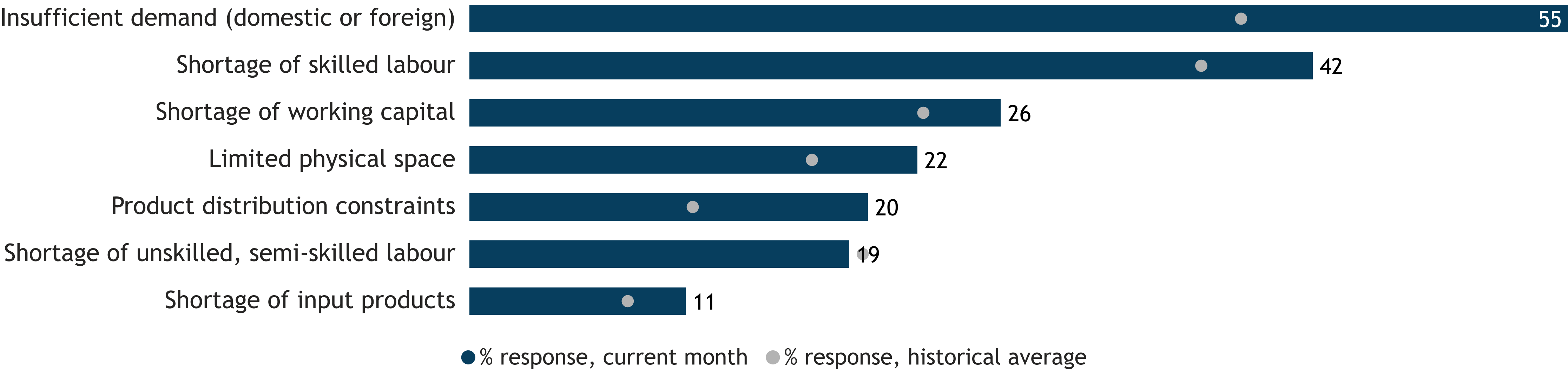
Business Barometer®: Future price and wage increase plans



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 - September 2025. 752 responses received from September 3-10.

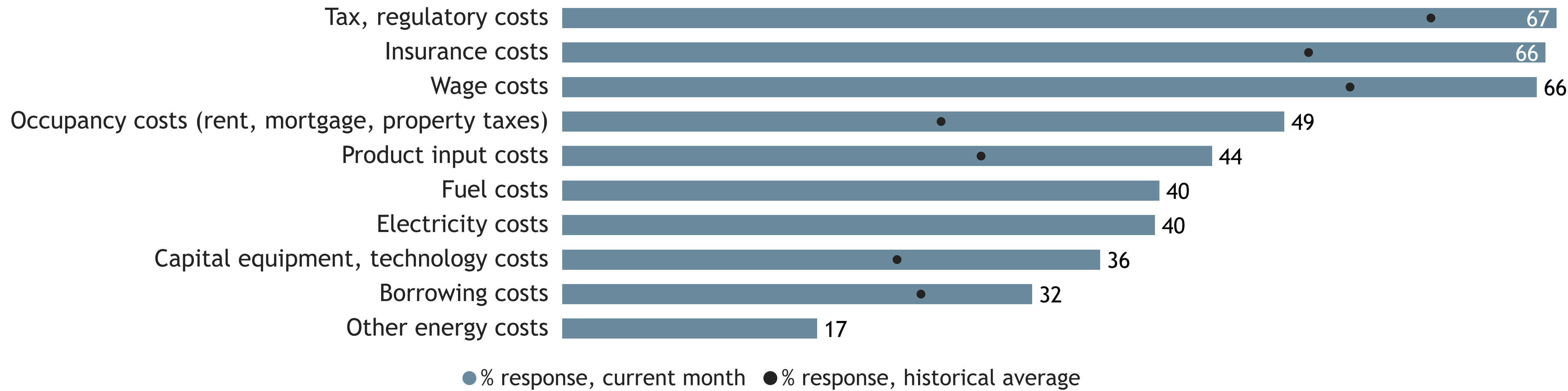


Business Barometer®: Factors limiting sales or production growth- current levels and trend



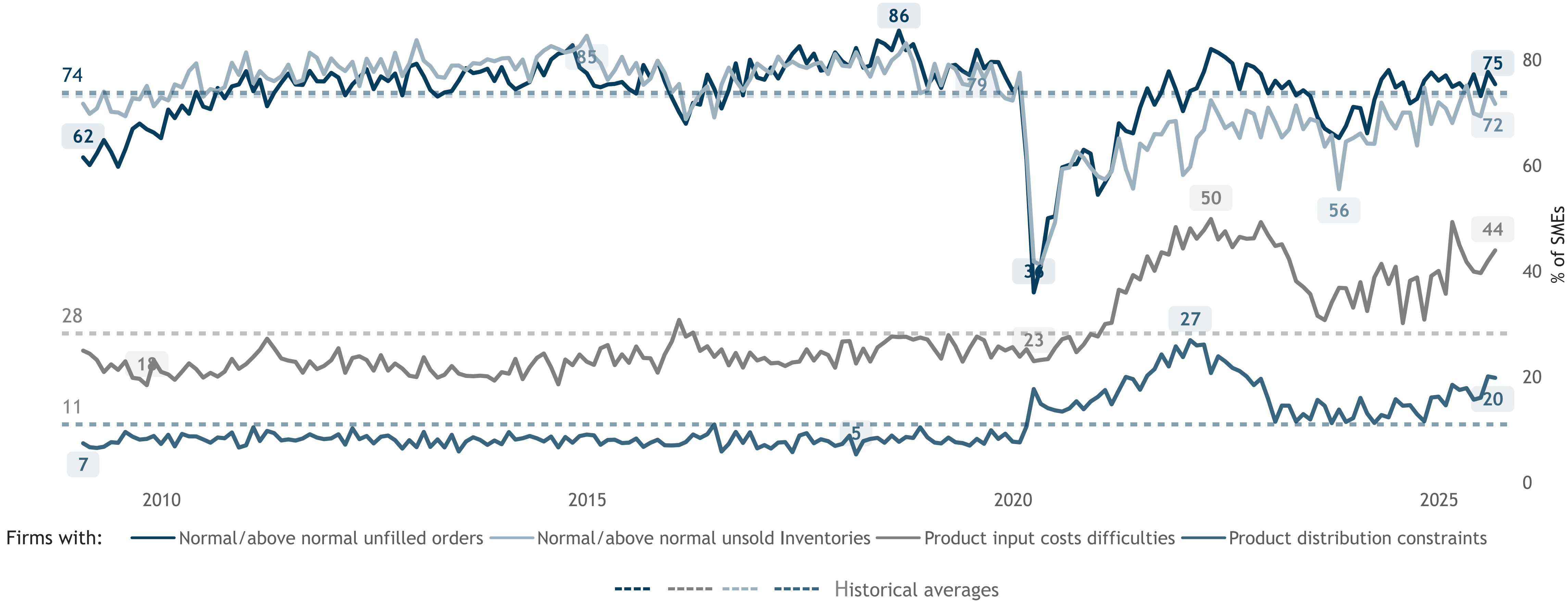
Survey question: What factors are limiting your ability to increase sales or production?
Source: CFIB, Your business outlook survey, February 2009 - September 2025. 752 responses received from September 3-10.

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 - September 2025. 752 responses received from September 3-10.

Business Barometer®: Supply chain indicators



Survey questions:

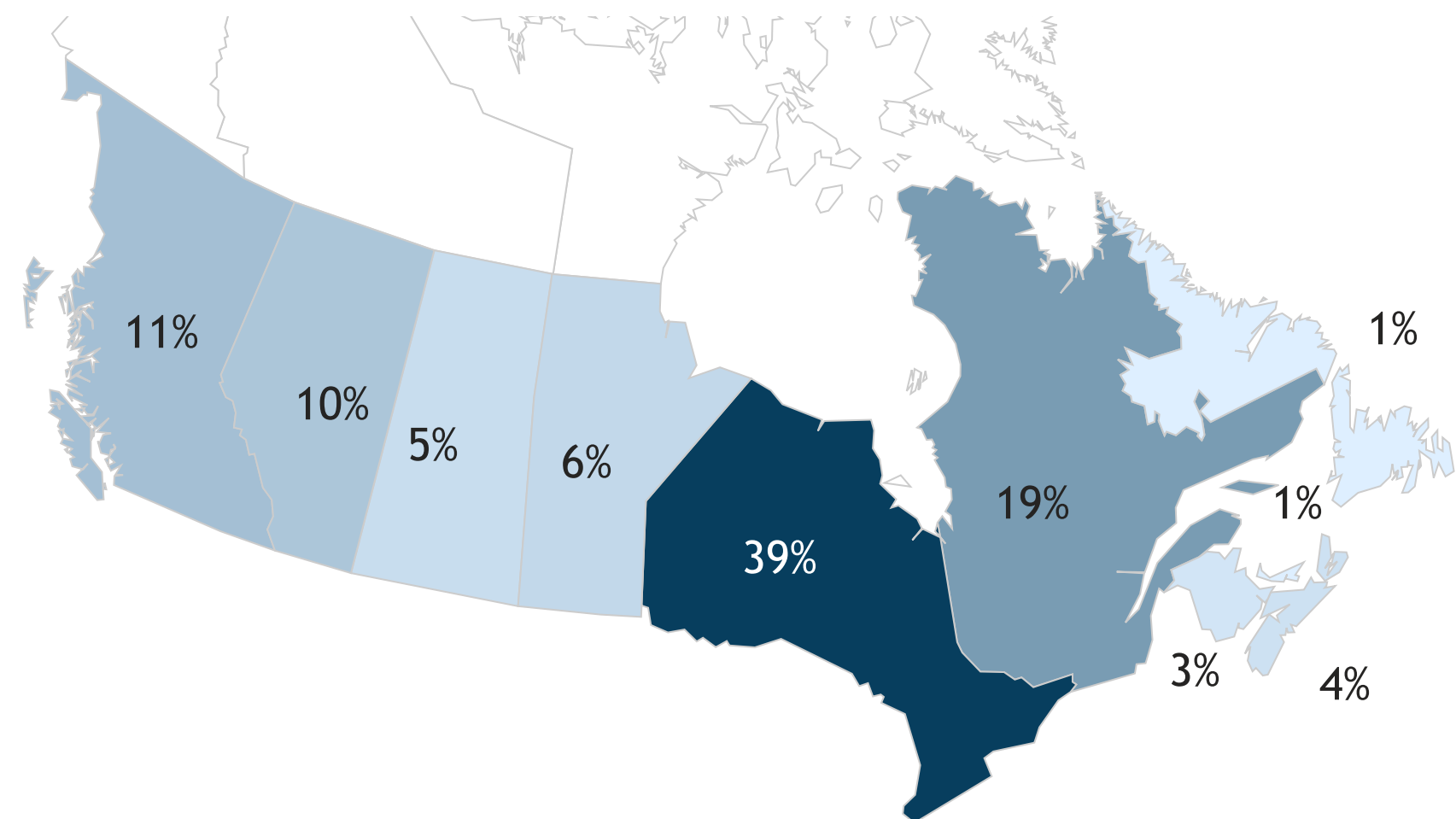
- Allowing for normal seasonal influences, what are **current unfilled orders** and **unsold inventories** compared to normal?
- What types of input costs are currently causing difficulties for your business? [Respondents selecting "Product input costs"]
- What factors are limiting your ability to increase sales or production? [Respondents selecting "Product distribution constraints"]

Source: CFIB, Your business outlook survey, February 2009 - September 2025. 752 responses received from September 3-10.

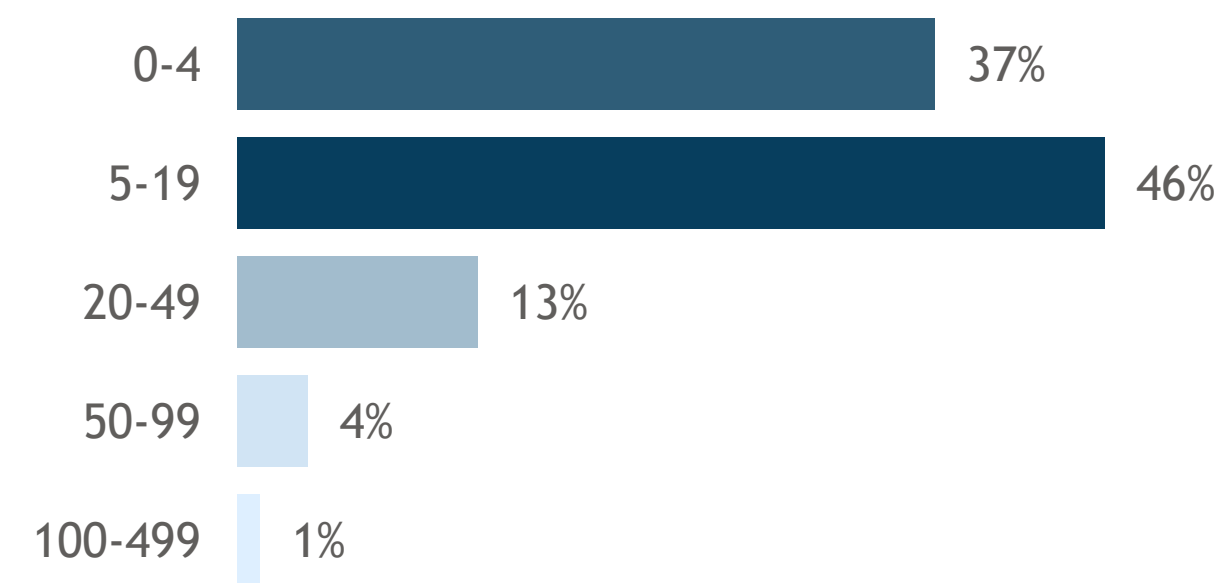


Business Barometer®: Sample distribution

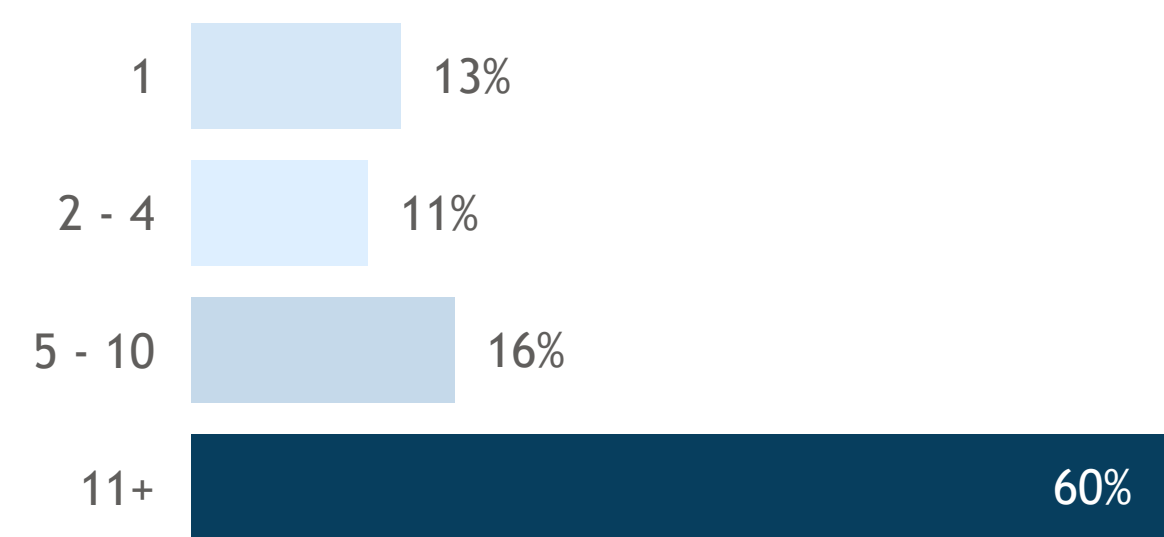
By location of the business



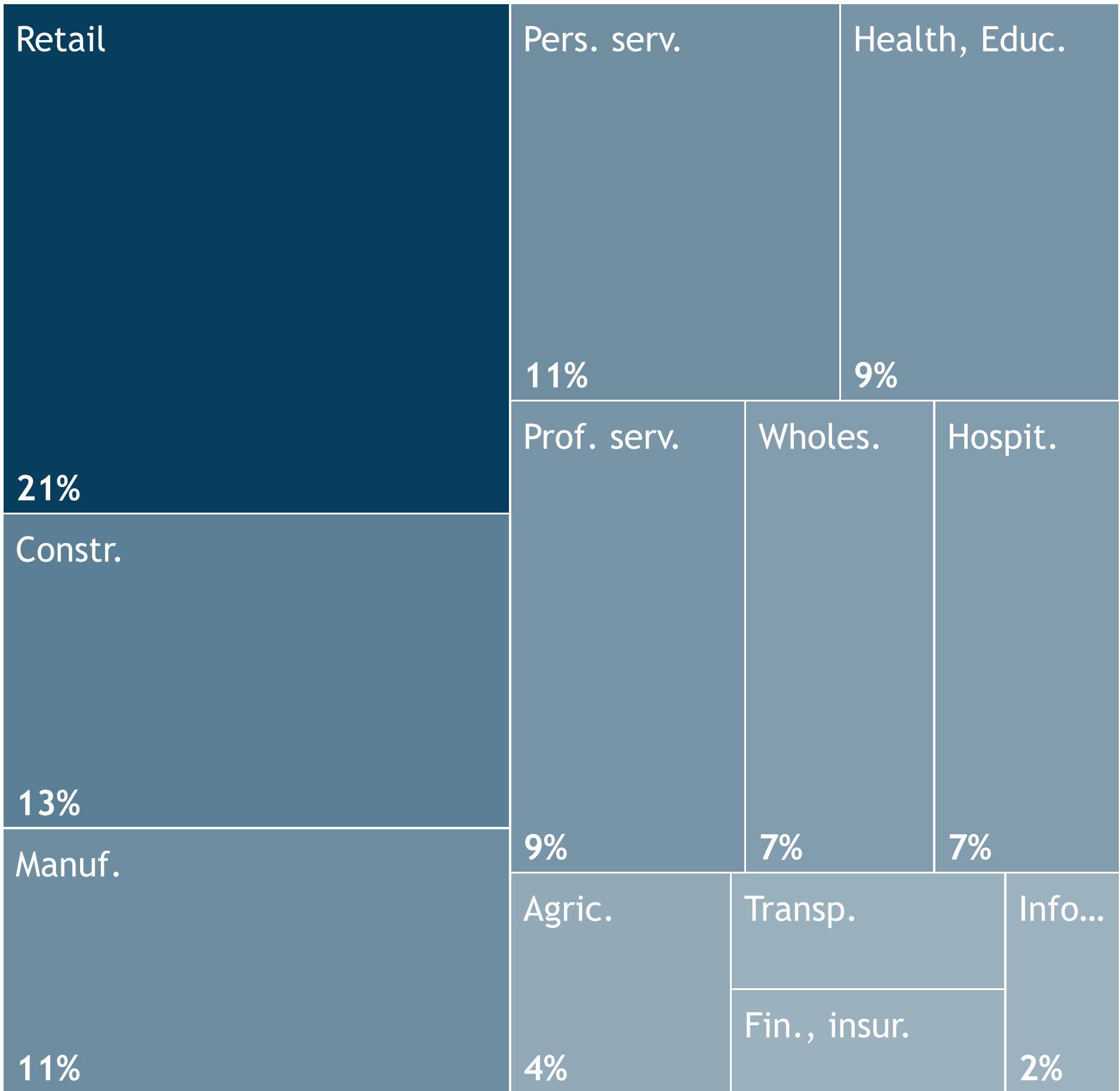
By number of employees



By years in business



By industry



Methodology

- CFIB, Your business outlook survey, February 2009 - September 2025
- Stratified random sample of CFIB members to a controlled-access web survey: 752 responses
- Responses were received from: September 3-10
- The survey is considered accurate to within +/- 3.6 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.
- 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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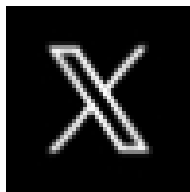


Additional information

All CFIB research



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