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Business Barometer®

April 2019 SME business outlook survey results

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Small business sentiment saw little movement in April, continuing its less than stellar performance so far in 2019. CFIB's Business Barometer® Index came in at 56.7 for the current month, up—but by still less than a point—from March's subpar 55.9 reading.

Accordingly we saw very little movement, either up or down, in perspectives by province. Business owners in Nova Scotia remain the country's most optimistic with a comparatively healthy index level of 66.7. At 63.6, sentiment in Quebec is good, but below recent norms. Owners' views in Prince Edward Island (60.7) and Ontario (59.1) did not move much and remain above the national average. At the other end of the scale Alberta businesses were the least optimistic and, despite a 2-point gain this month, their index level of 44.1 remains almost 10 points below last November's level. Sentiment in Newfoundland & Labrador (48.8), Manitoba (50.9) and Saskatchewan (50.4) is clustered closely and similarly with New Brunswick (53.5) and British Columbia (55.5) nearer the national average.

The industry picture, which can be a little more volatile, saw a little more movement this month. Among the six sectors showing more positive sentiment, owners of professional services, health care and natural resources firms showed the most improvement. Weakening sentiment was most notable in the information and agriculture sectors.

Other indicators covered in the survey continue to reflect modest performance. Thirty-nine per cent of business owners consider their firms to be in good shape, versus 11 per cent in bad shape. Similarly, 19 per cent of owners are expecting to add full-time staff in the next few months compared to the 13 per cent who think they will be cutting back—positive, but a small margin considering the time of year. The 38 percent who say they are having difficulty sourcing skilled labour is below what was typical for most of last year.

Figure 1: **Business Barometer Index and GDP**

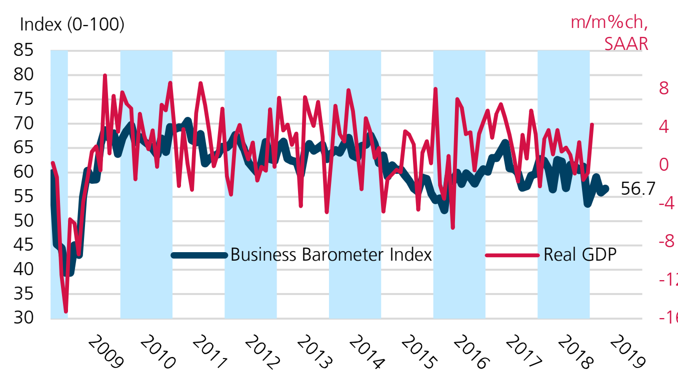


Figure 2: **Index by province***

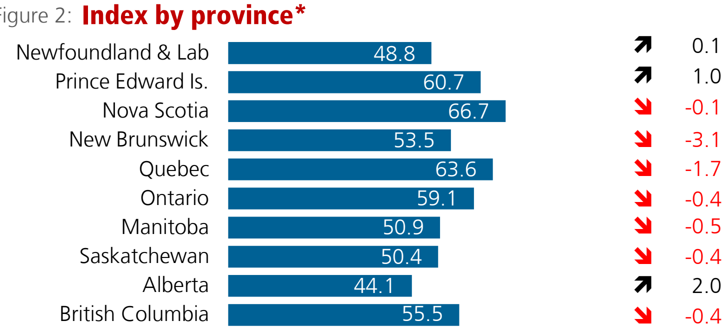
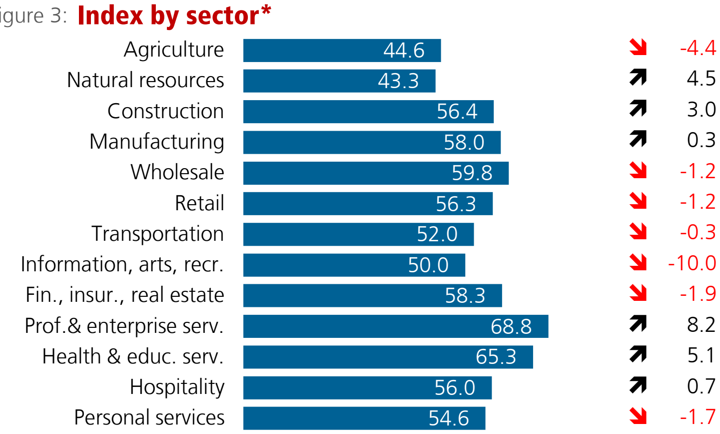


Figure 3: **Index by sector***



* Provincial and sector sub-indexes, with the exception of Ontario and Retail are calculated as 2-,3- or 4-month moving averages.

Figure 4: **Full-time staffing plans, next 3 months**

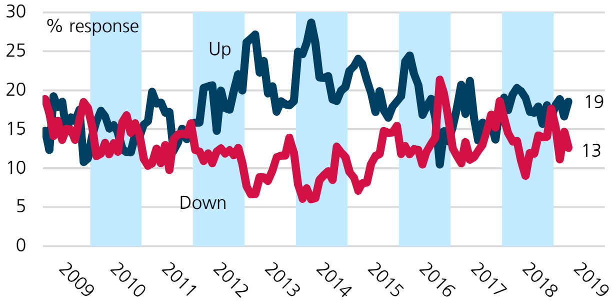


Figure 5: **General state of business health**

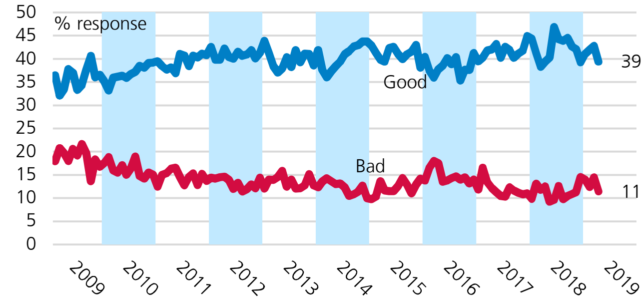


Figure 6: **Future pricing and wage plans**

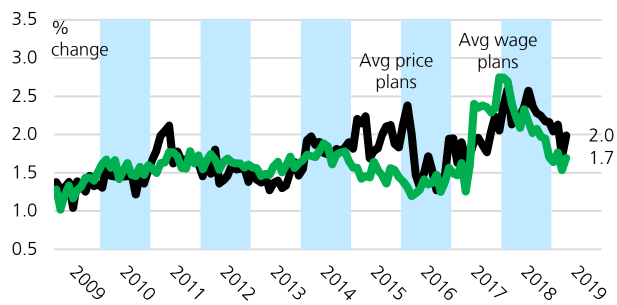


Figure 7: **Business indicators 'normal' or 'better than normal'**

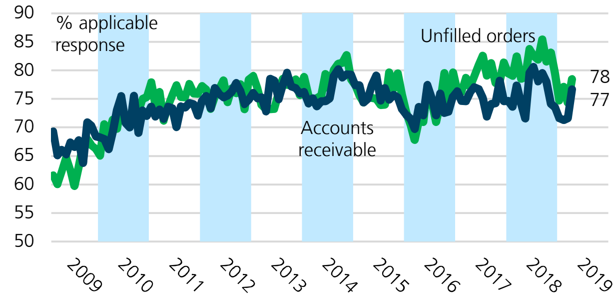


Figure 8: **Limitations on sales or production growth**

Figure 9: **3-month capital spending plans**

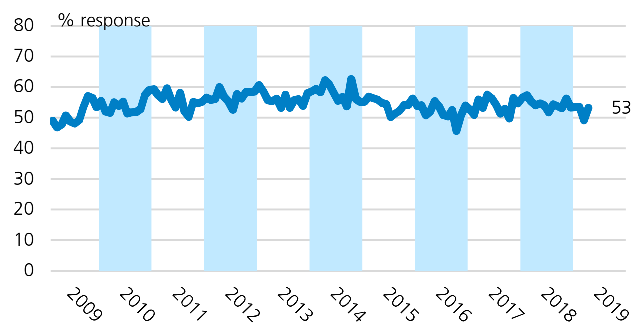


Figure 10: **Trends: limitations on growth**

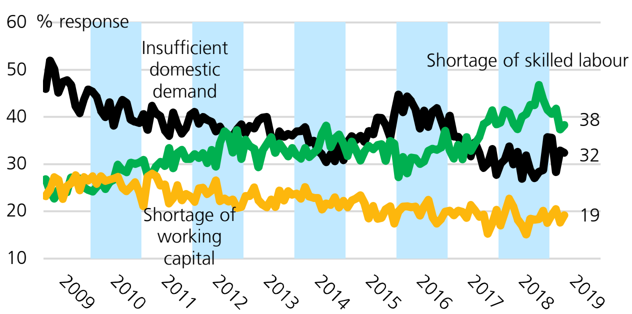
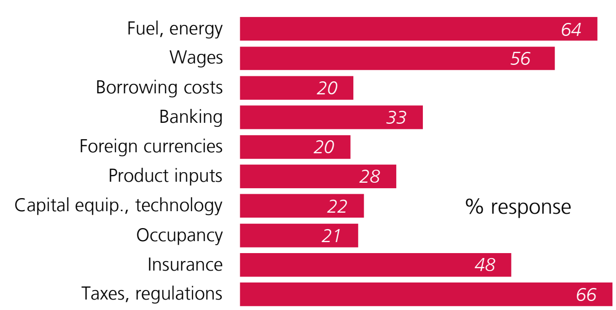


Figure 11: **Major cost constraints**



April 2019 findings are based on 757 responses, collected from a stratified random sample of CFIB members, to a controlled-access web survey. Data reflect responses received through April 15. Findings are statistically accurate to +/- 3.6 per cent 19 times in 20.

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