



Q1 2024

HALIFAX BUSINESS CONDITIONS

DATA RELEASE

**HALIFAX
CHAMBER OF
COMMERCE**

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MESSAGE FROM THE CHAMBER'S POLICY TEAM

The overall goal of the Halifax Chamber of Commerce is to create value and prosperity for our 1,900+ members and their over 94,000 employees. Through our Strategic Plan, we are providing the services businesses need, hosting events that will help them learn, and advocating for the conditions in the economy that enhance their prosperity.

Our advocacy positions, which are obtained through Chamber task force meetings, discussions with our attendees and members at round tables, and countless hours of calls each month where we connect with our membership, is also supported by detailed analysis and empirical data. This data release is intended to enhance our overall advocacy role as the voice of business in HRM by sharing some of that data with our business members, key decision makers, and other relevant stakeholders.

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BUSINESS OUTLOOK

Jan - Feb 2024

KEY FINDINGS

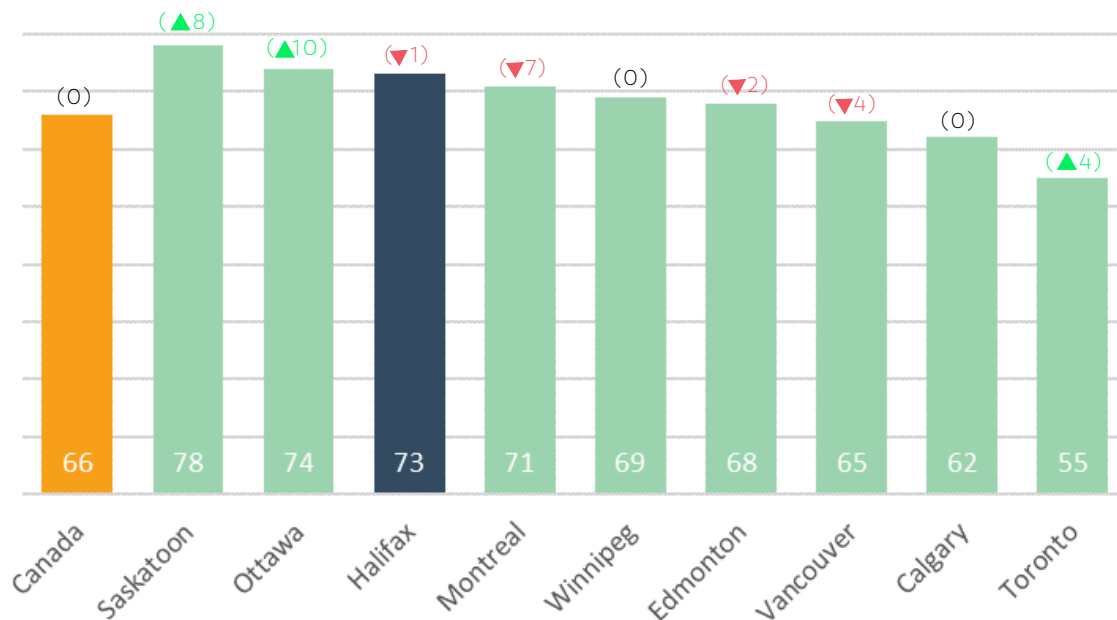
Overall business optimism throughout Canada's major CMA's remained unchanged from Q3 to Q4 of 2023. Halifax Business optimism fell slightly, while central Canada saw the most positive optimistic changes.

Cost-related obstacles have become the biggest concern for Halifax Businesses, with 7 of the top 10 business obstacles over the next three months expected to be related to costs.

Inflation related obstacles saw the biggest change from Q3 to Q4 of 2023 and remains a top concern for Halifax businesses.

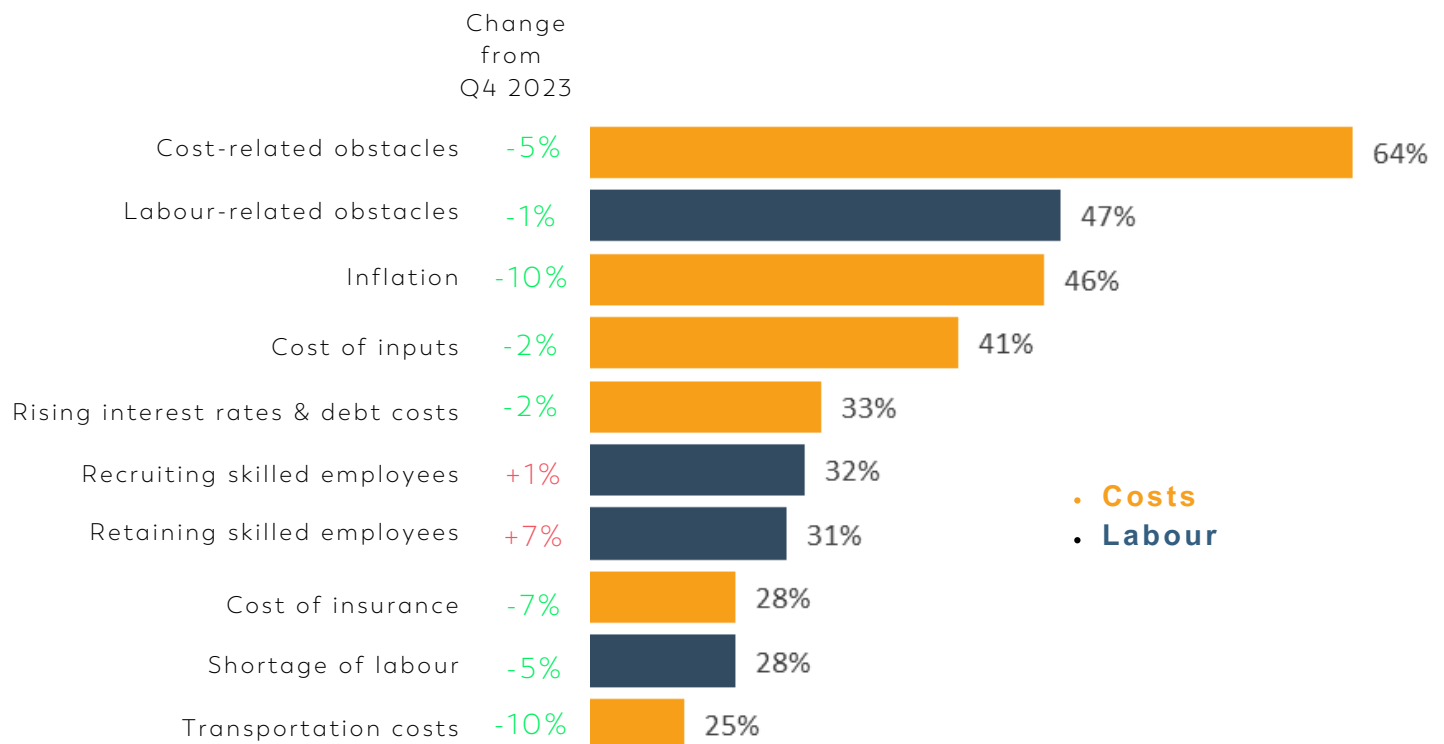
Businesses with an optimistic outlook for the next 12 months

% of respondents, by major CMA, change from previous quarter in parentheses



Top 10 Halifax business obstacles expected, next three months.

% of respondents



COST PRESSURES

Jan - Feb 2024

KEY FINDINGS

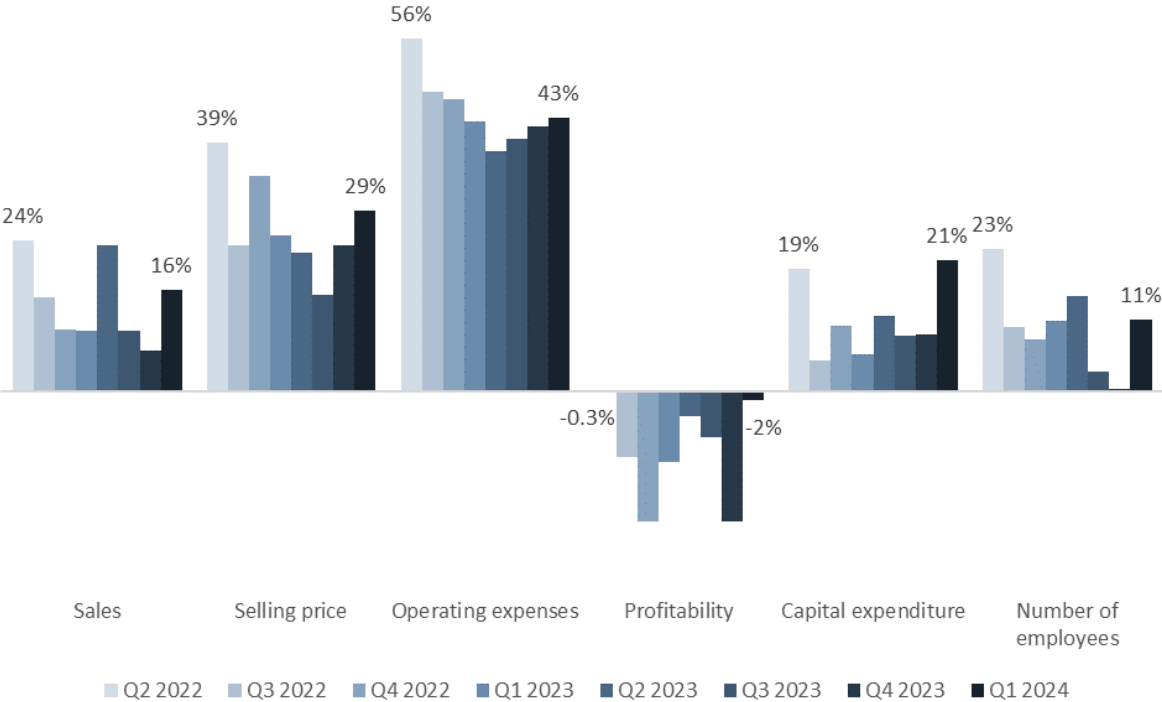
An increase in expected sales combined with higher sales prices are improving expectations of profitability. This appears to have a positive impact on capital expenditures despite higher expectations of operating expenses.

Of concern is the increase in expectations of higher selling prices, despite recent data showing inflation continuing to trend downward.

While cost-related challenges have improved since last quarter, they still remain a major challenge expected for the next three months.

Expected changes for your business, next three months

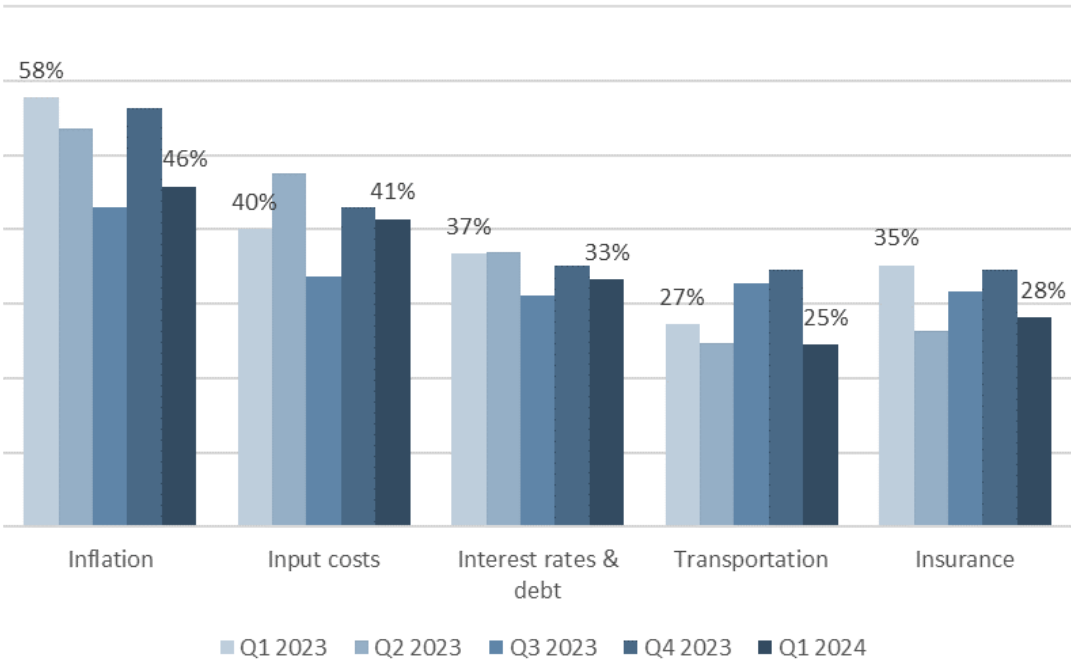
Balance of opinion*



* % of respondents that answered "increase" less % that answered "decrease" by metric

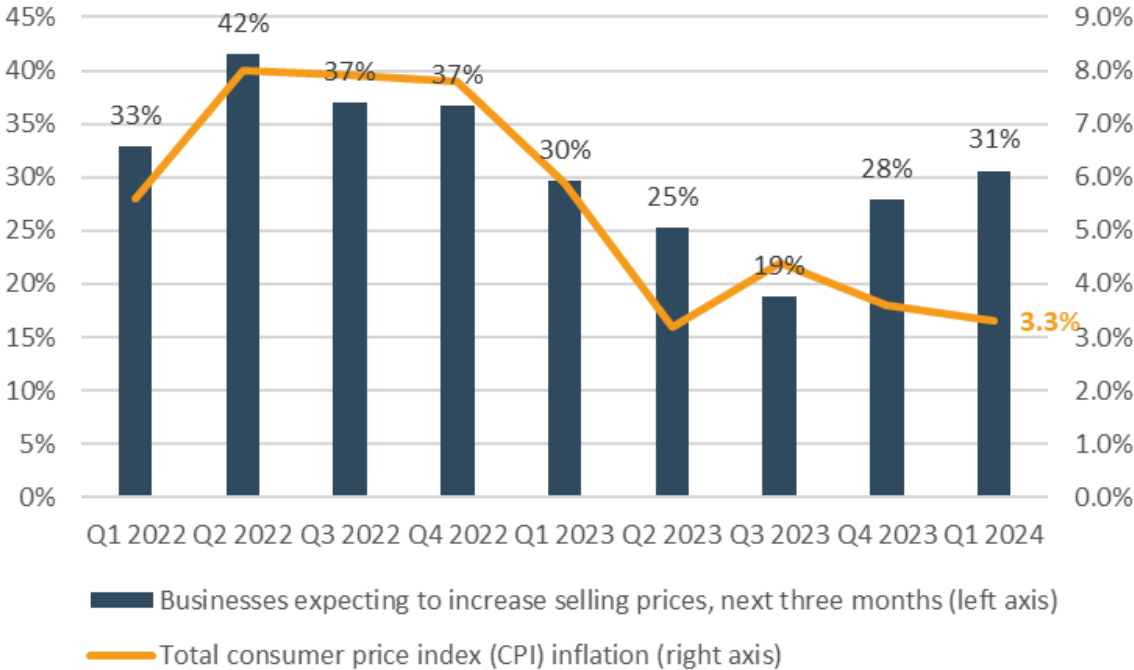
Businesses expecting cost-related obstacles, next three months

% of respondents



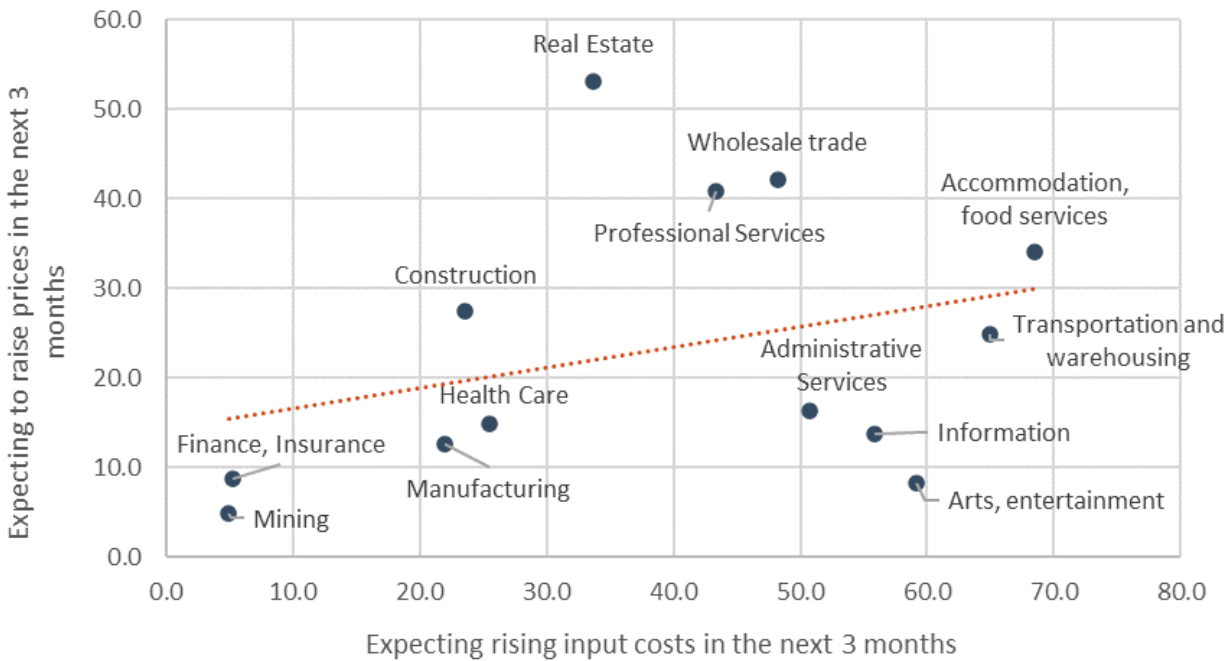
BUSINESSES EXPECTING TO RAISE THE SELLING PRICE OF THEIR GOODS AND SERVICES, NEXT THREE MONTHS AND CPI INFLATION

Left axis % of respondents; right axis Quarter-over-quarter % change



COST PRESSURES IMPACTING PRICES OF GOODS AND SERVICES OFFERED, NEXT THREE MONTHS

% of respondents by industry



LABOUR

Jan - Feb 2024

KEY FINDINGS

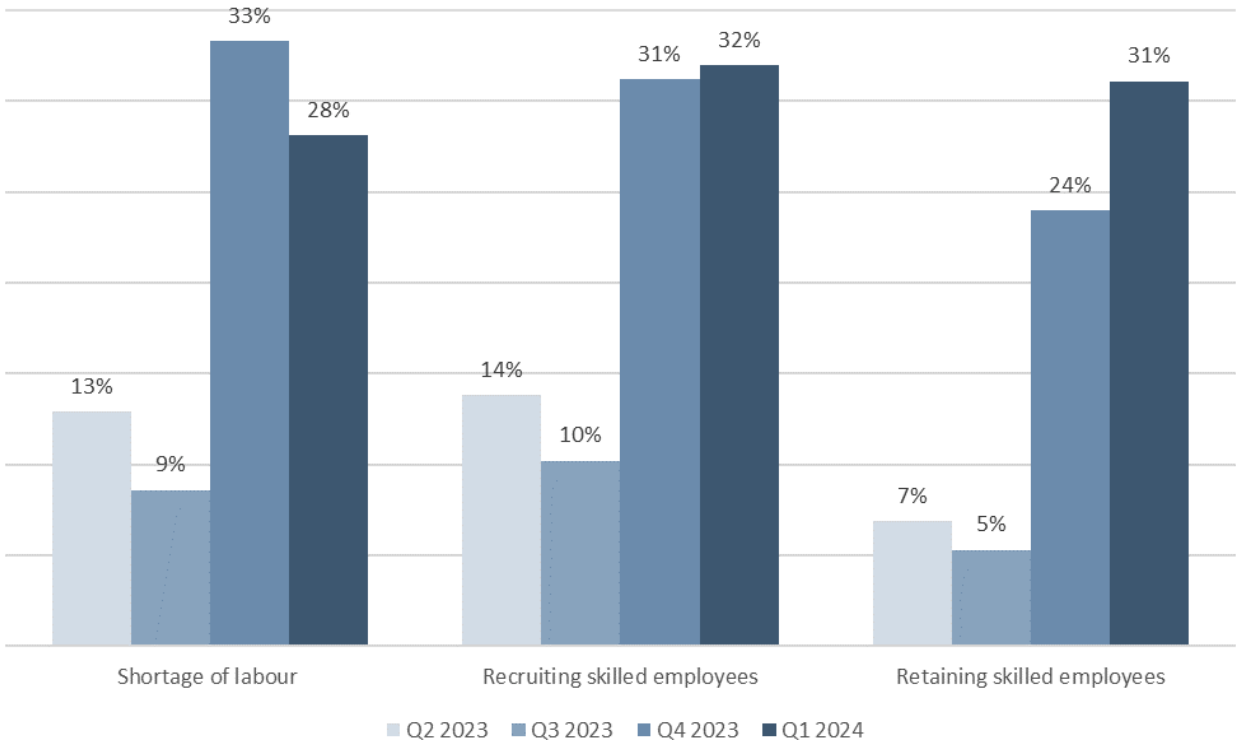
Labour-related challenges for larger firms (100+) have significantly worsened over the last quarter, increasing from 59% of businesses in Q4 2023, to 77% in Q1 2024.

The Halifax Construction sector, hospitality sector, and health care sector are facing the biggest challenges related to labour, recruitment, and retention.

Remote working arrangements have remained relatively unchanged since Q3 2023, with roughly 78% of the Halifax labour force working mostly or exclusively onsite, compare to only 15% working mostly or exclusively remotely.

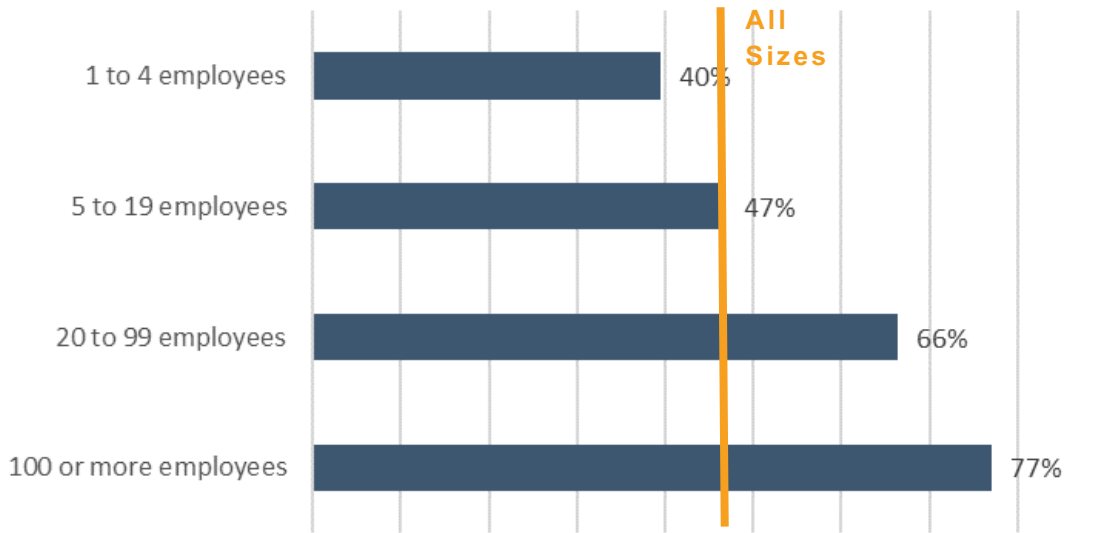
EXPECTED LABOUR RELATED OBSTACLES, NEXT THREE MONTHS.

% of respondents by industry



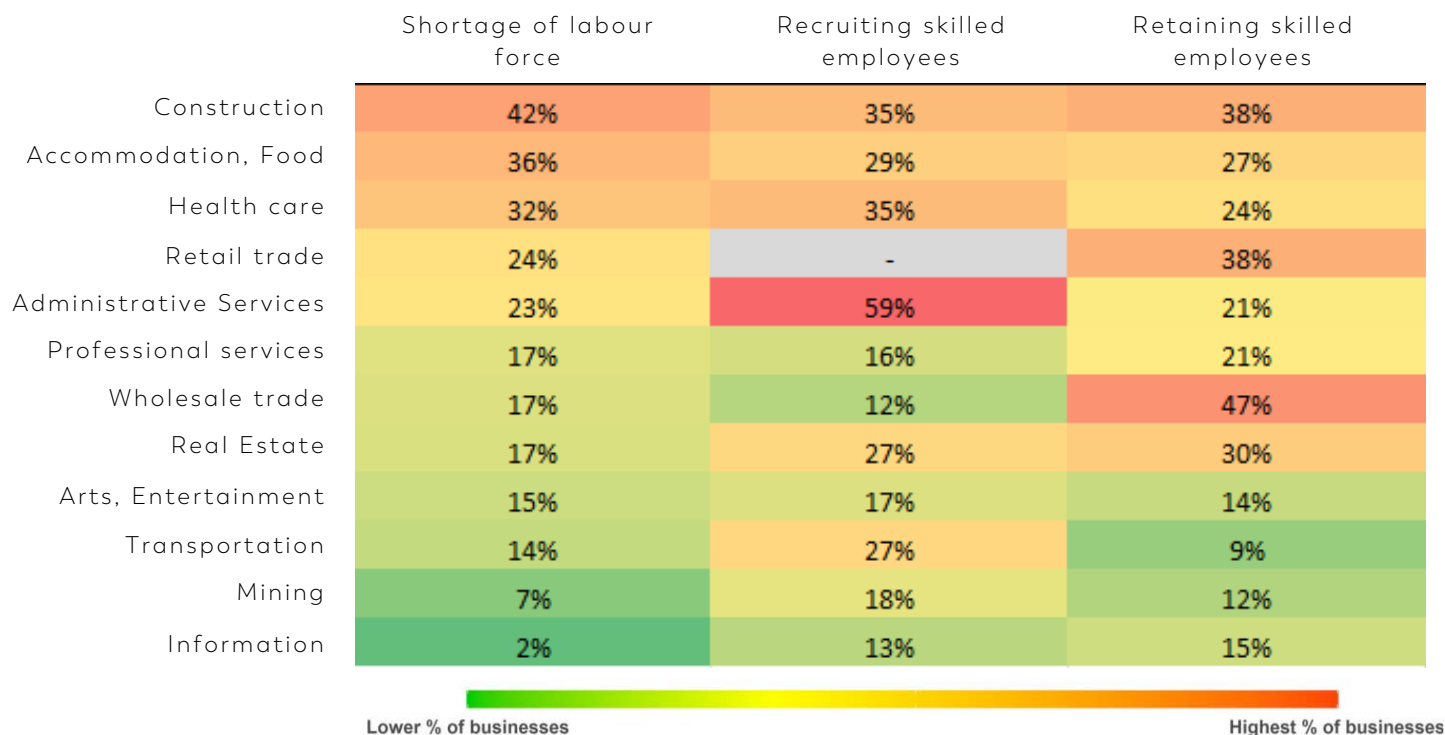
Expected labour related obstacles, next three months.

% of respondents by firm size



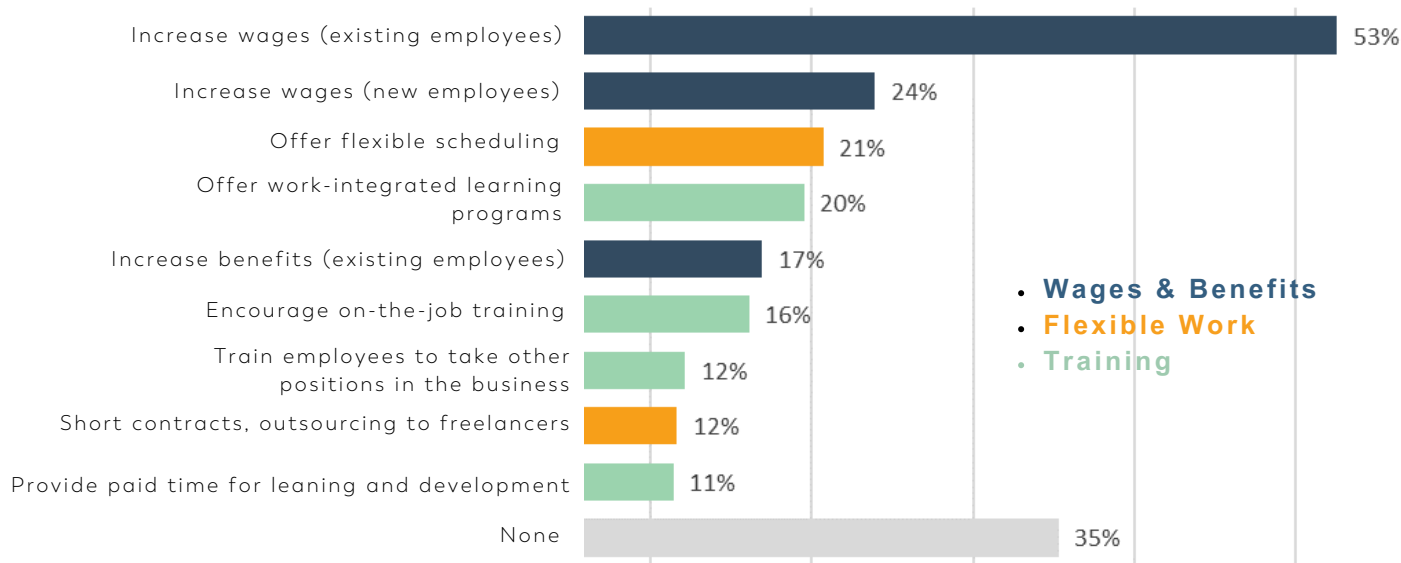
LABOUR CHALLENGES EXPECTED, NEXT THREE MONTHS

% of respondents by industry



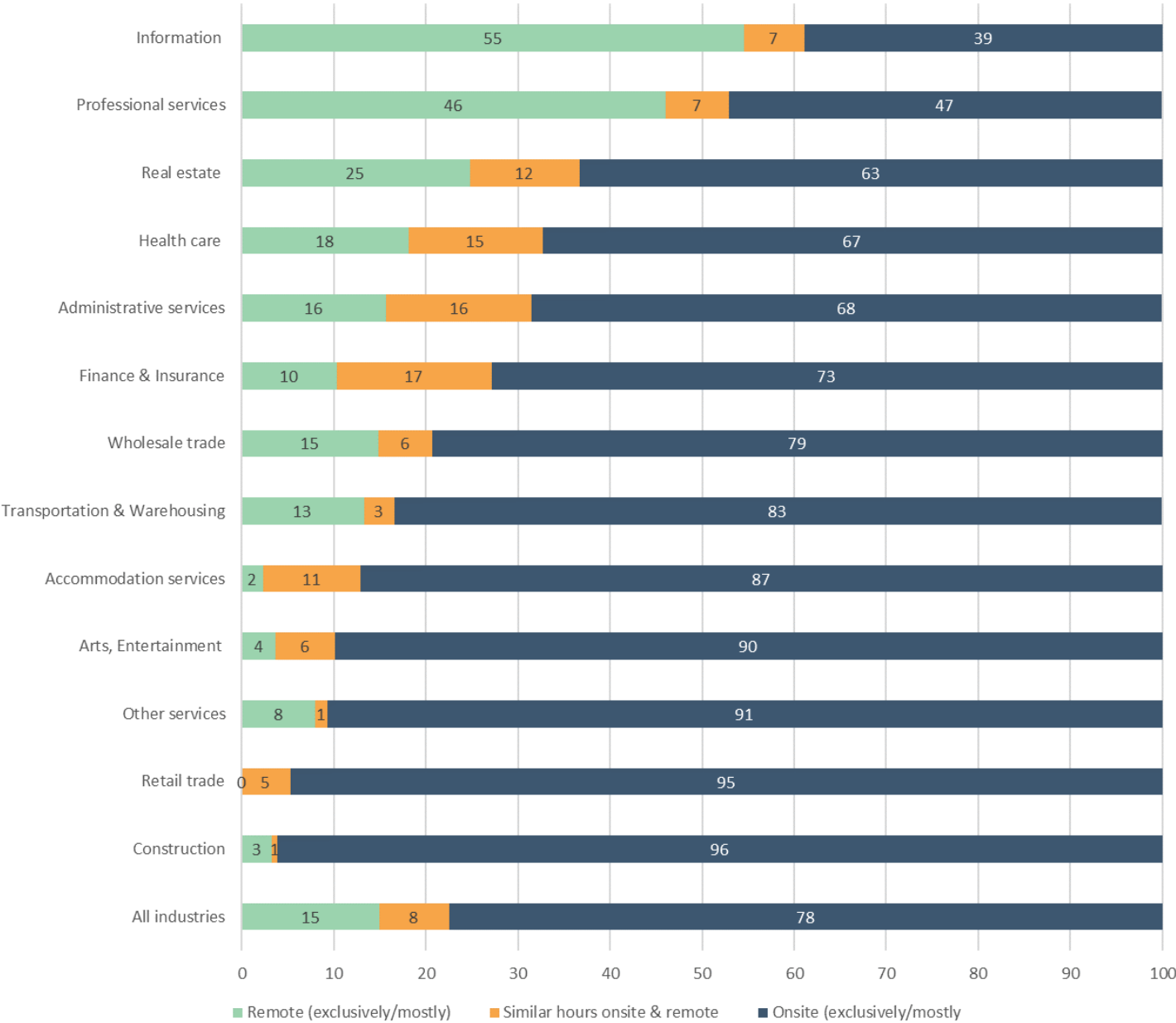
Top 10 plans to address recruitment and retention challenges over the next 12 months

% of respondents, Q2 2023



Percentage of the employees anticipated working arrangements, next three months

% of respondents by industry, Q3 2023





FINANCING

Jan - Feb 2024

KEY FINDINGS

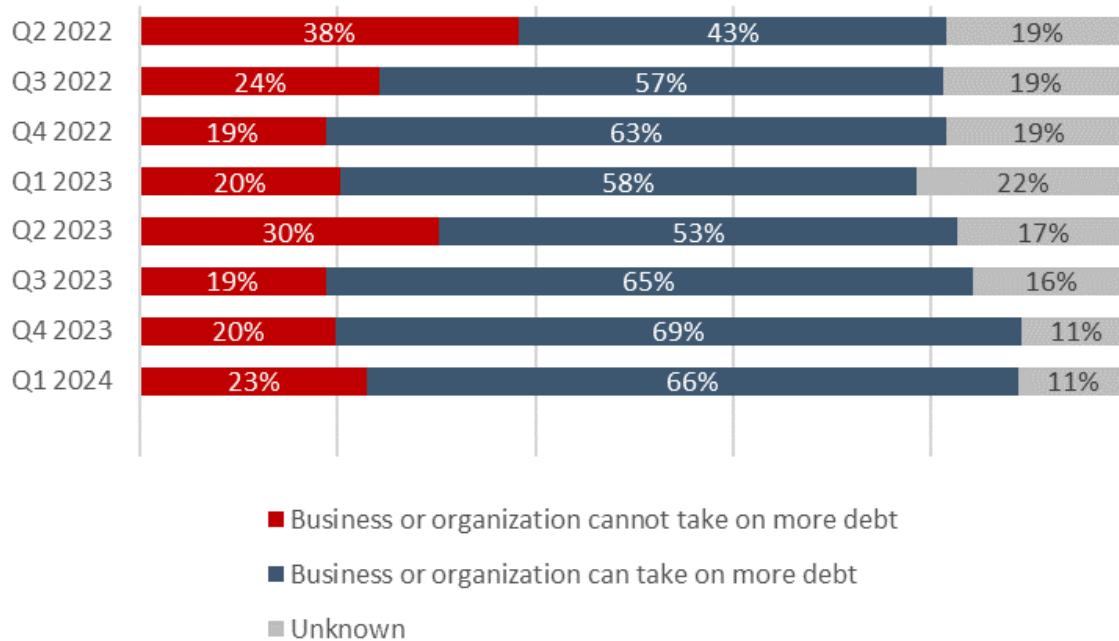
Despite worsening slightly since last quarter, Business financing options in Halifax year-over-year have improved, and continue to improve significantly since the fallout from the pandemic.

The share of businesses who indicated they can take on more debt decreased slightly (-3%) from Q3 to Q4 of 2023.

There was a significant shift in the number of large firms (100+) who indicated they can take on more debt, dropping from 85% in Q4 2023, to 47% in Q1 2024. This could be linked to the growing number of large firms who expect labour challenges to worsen.

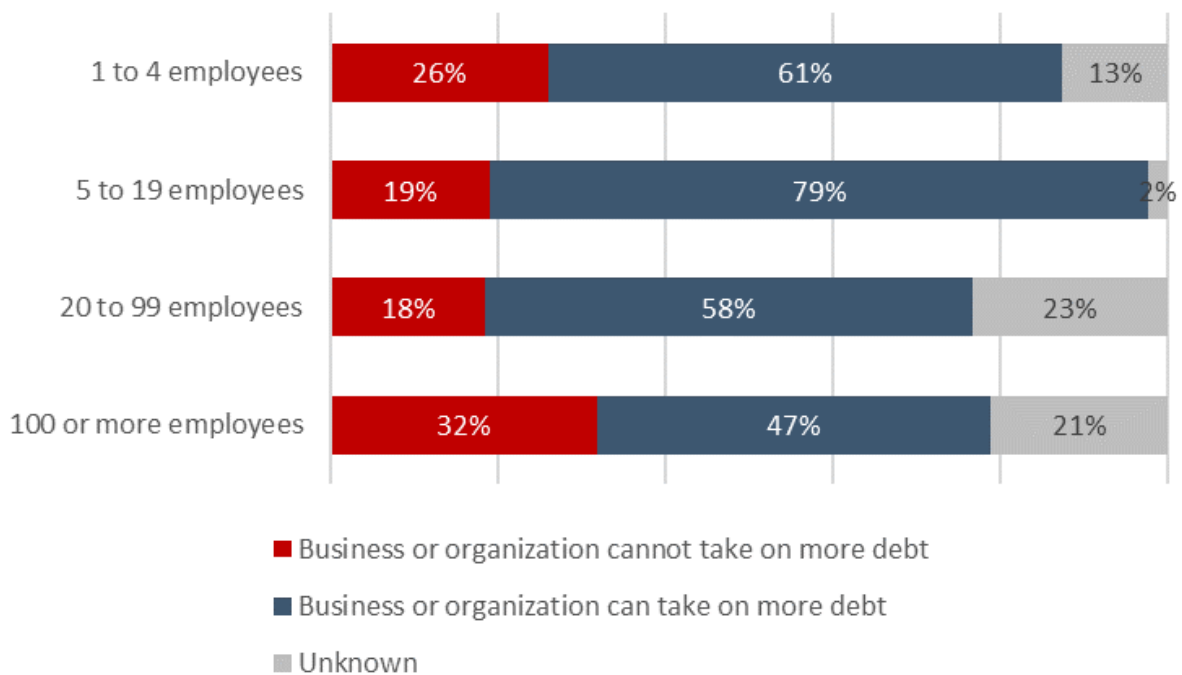
Ability for the business to take on more debt.

% of respondents by quarter of survey



Ability for the business to take on more debt.

% of respondents by firm size



SUPPLY CHAINS

Jan - Feb 2024

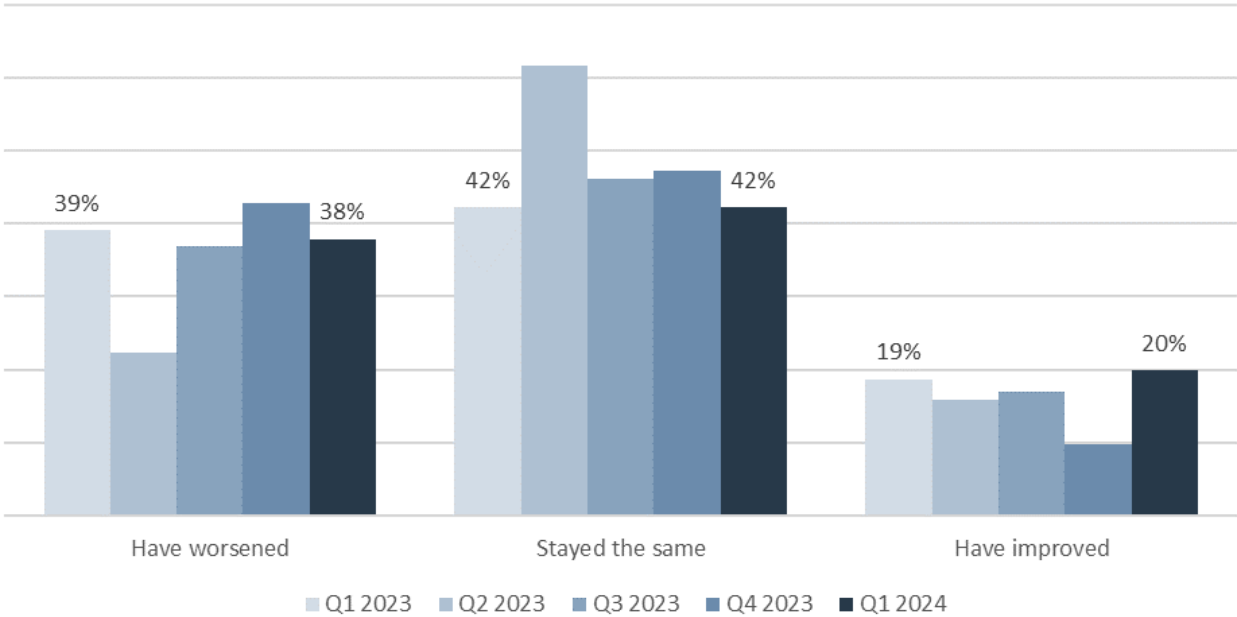
KEY FINDINGS

Despite some improved quarters and some worsening quarters, Supply Chains are at about the same level as one year ago.

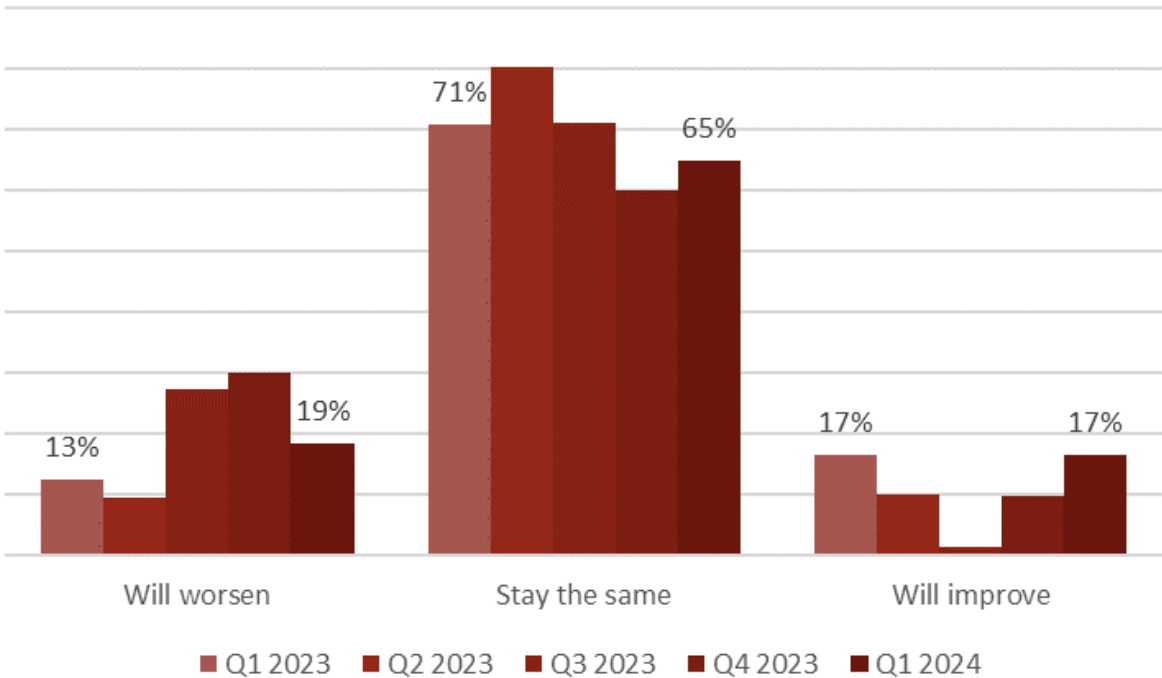
The biggest factors that contributed to worsening supply chain challenges were:

- Increased delays in deliveries of inputs, products, or supplies.
- Increased prices of inputs, products, or supplies.
- Supply shortages resulting in fewer inputs being available.

Supply-Chain obstacles experienced, last three months.
% of respondents, of those that expect supply chain obstacles



Supply-chain obstacles expected, next three months.
% of respondents, of those that expect supply chain obstacles



DIVERSITY



Jan - Feb 2024

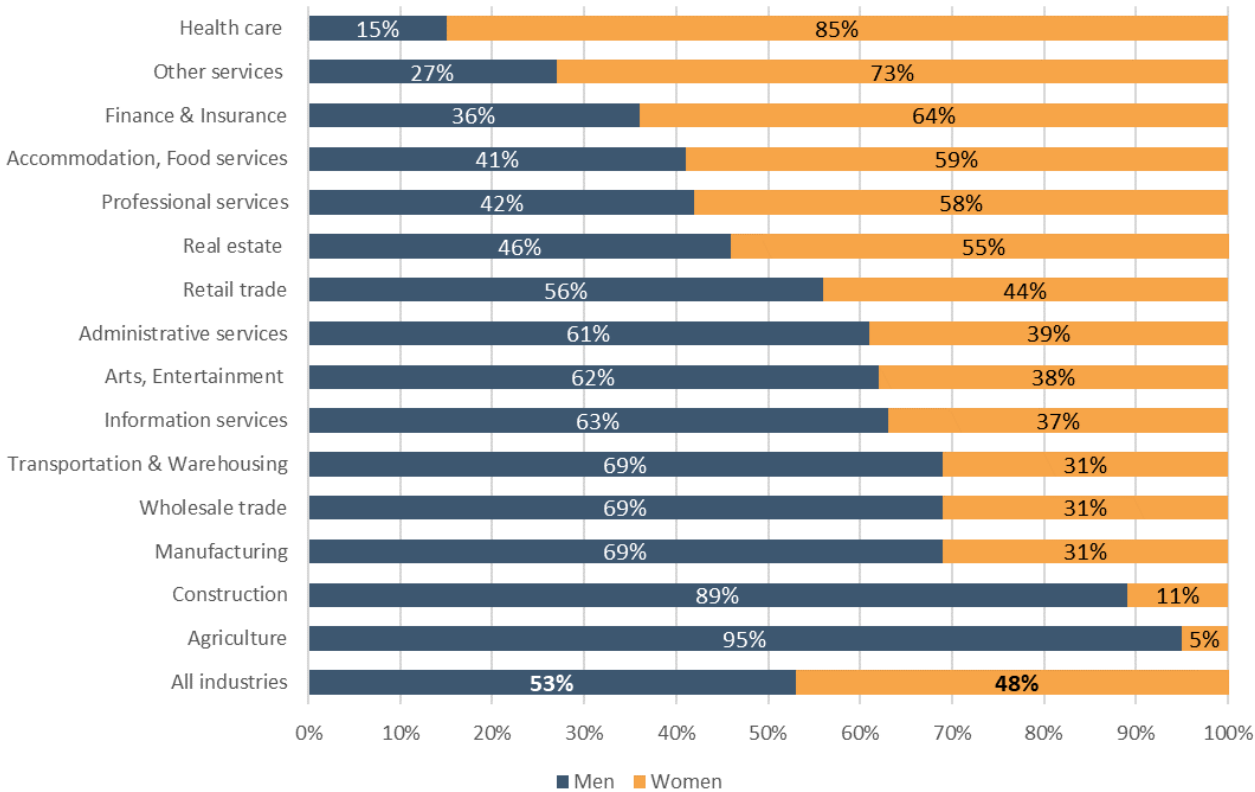
KEY FINDINGS

Across all Halifax industries, men represent roughly 53% of all the positions within the labour force, compared to women who represent 48%.

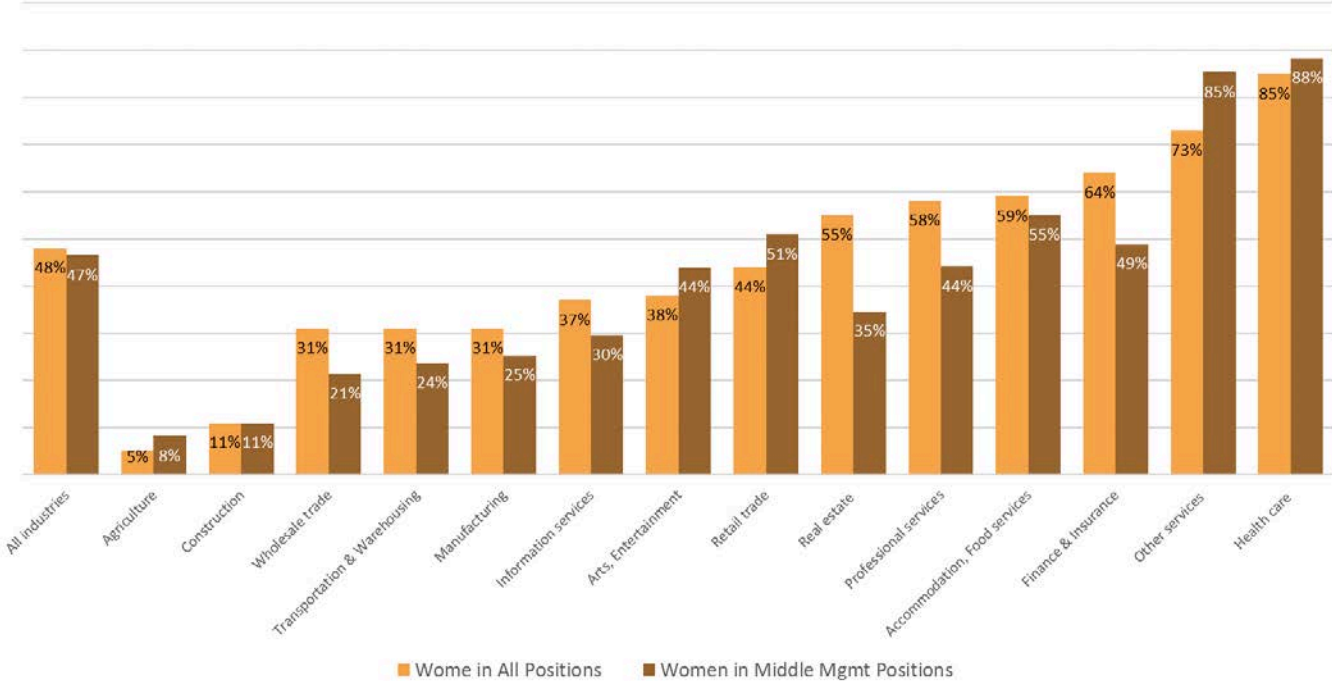
At the middle management level, women represent 47% of all middle management positions.

At the senior management level however, women represent only 38% of all positions.

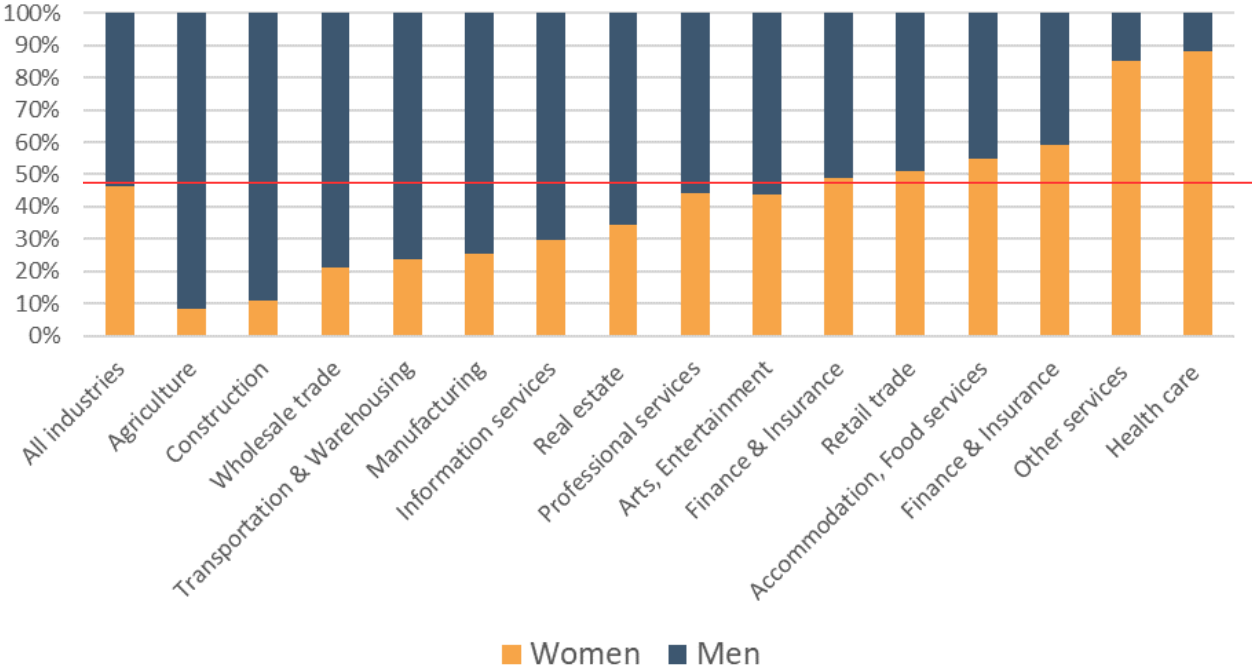
Men in All Positions vs. Women in All Positions % by Industry



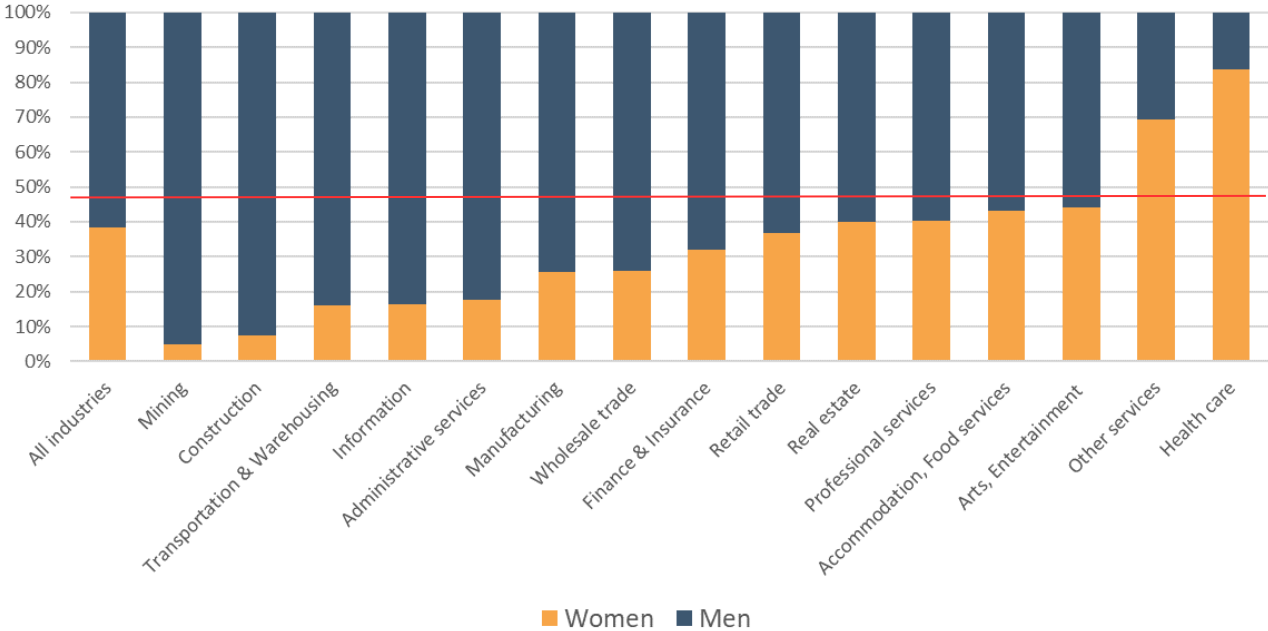
Women in Middle Management Positions vs. Women in All Positions % by industry



Women vs. Men in Middle Management Positions % by Industry



Women vs. Men in Senior Management Positions % by industry



END NOTES

Survey objectives: The Canadian Survey on Business Conditions (CSBC) was created in spring 2020 by Statistics Canada in partnership with the Canadian Chamber of Commerce to provide timely, relevant data on business conditions in Canada, as well as businesses' expectations and views on emerging issues. These surveys are used by governments, chambers of commerce, business associations and analysts to monitor evolving business conditions and devise policies to support Canadian business.

Survey period: The Q1 2024 CSBC data was collected from January 2 to February 5, 2024

Survey approach: The survey was conducted by Statistics Canada via electronic questionnaire, using a stratified random sample of business establishments with employees, classified by geography, industry sector and size.

Population totals are estimated using calibration weights. The results in this report are based on responses from 486 businesses in Halifax.

Charts may not sum to 100% due to rounding.

SPECIAL THANKS

A special thank you to the Canadian Chamber of Commerce's Business Data Lab for providing the Halifax CMA level data set.

For an overview of the national Q4 2023 business conditions, see the CCC BDL's release [here](#)