



Q3 2024

# HALIFAX BUSINESS CONDITIONS

DATA RELEASE

**HALIFAX  
CHAMBER OF  
COMMERCE**

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## MESSAGE FROM THE CHAMBER'S POLICY TEAM

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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.

*Kent Roberts*  
*Vice President of Policy*  
[kent@halifaxchamber.com](mailto:kent@halifaxchamber.com)

*Nick Cunningham*  
*Policy Analyst*  
[nicholas@halifaxchamber.com](mailto:nicholas@halifaxchamber.com)





# BUSINESS OUTLOOK

*Jul - Aug 2024*

## KEY FINDINGS

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The number of Halifax businesses with an optimistic outlook for the next 12 months increased from the previous quarter.

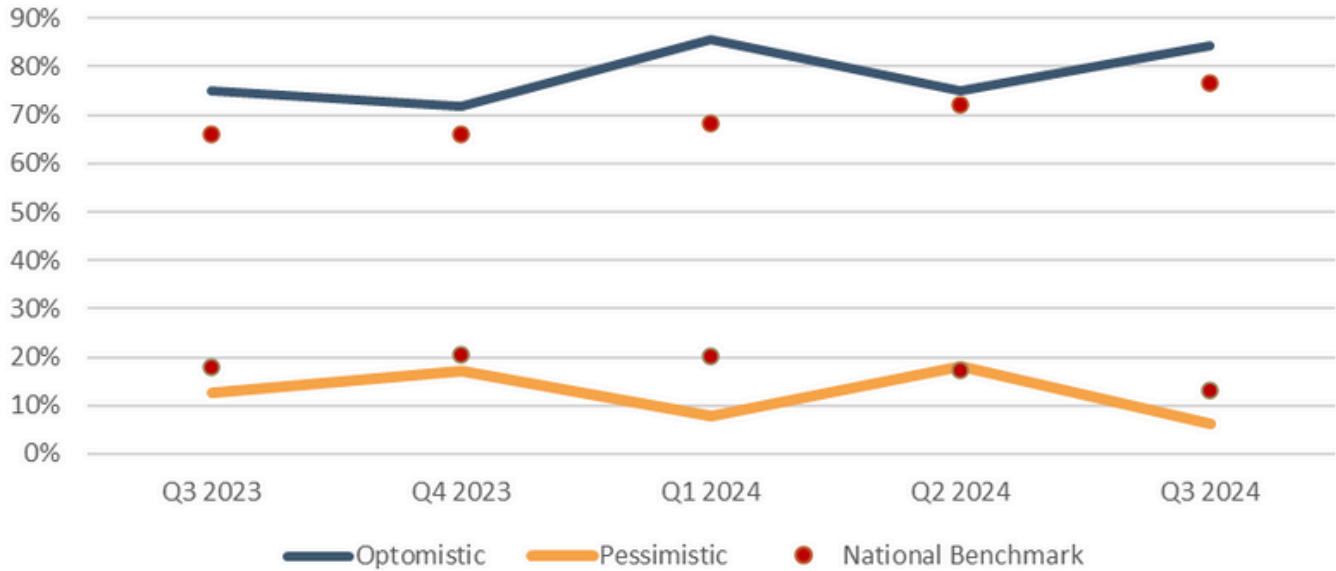
Cost-related obstacles remain the biggest concern, with 62% of Halifax businesses indicating it to be an obstacle over the next 3 months, down from 71% the previous quarter.

While cost obstacles continue to dominate the top 10 business obstacles list, Customer Demand has become a growing issue for Halifax businesses over the past three months.



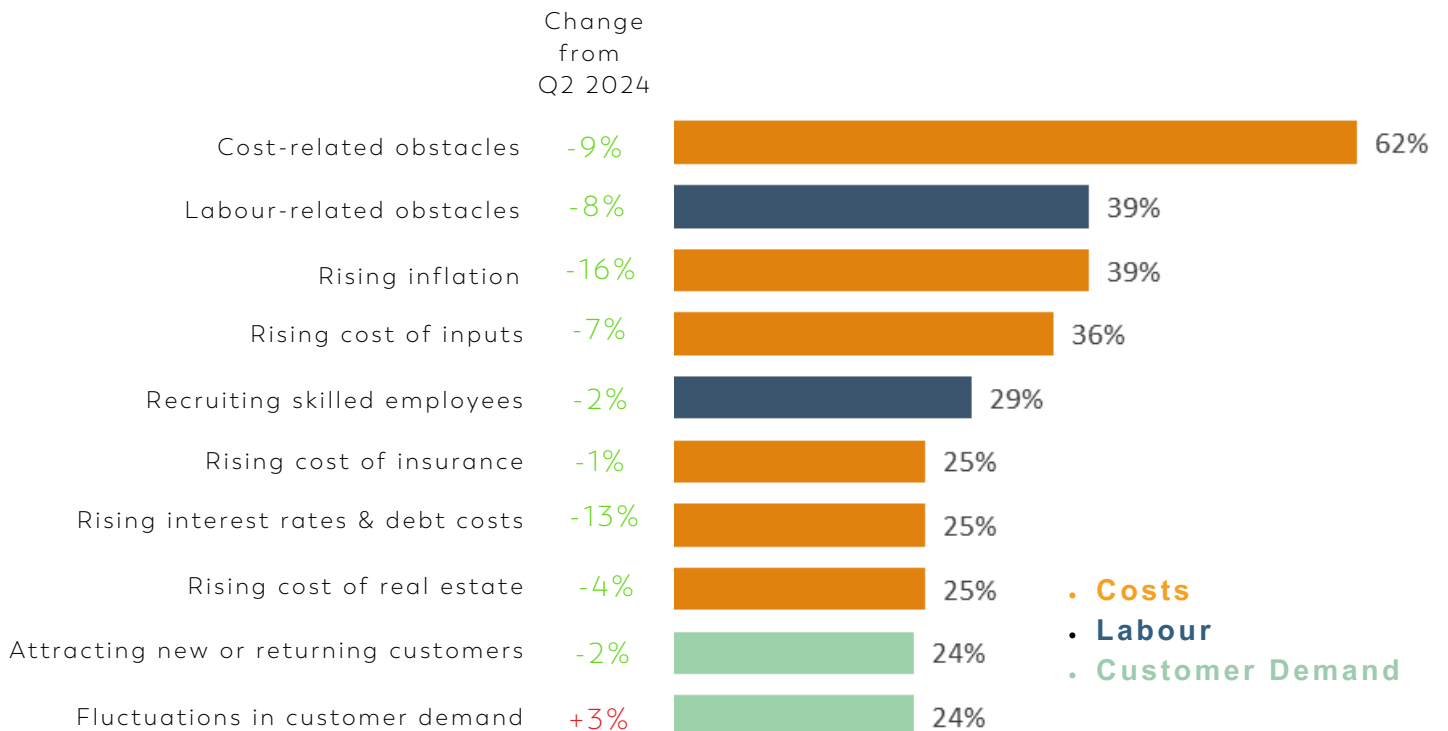
### Businesses with an optimistic outlook for the next 12 months

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



### Top 10 Halifax business obstacles expected, next three months.

% of respondents



# COST PRESSURES

*Jul - Aug 2024*

## KEY FINDINGS

Halifax Businesses reported lower cost across measured categories (Inflation, Inputs, Interest rate & debt, Transportation, and Insurance)

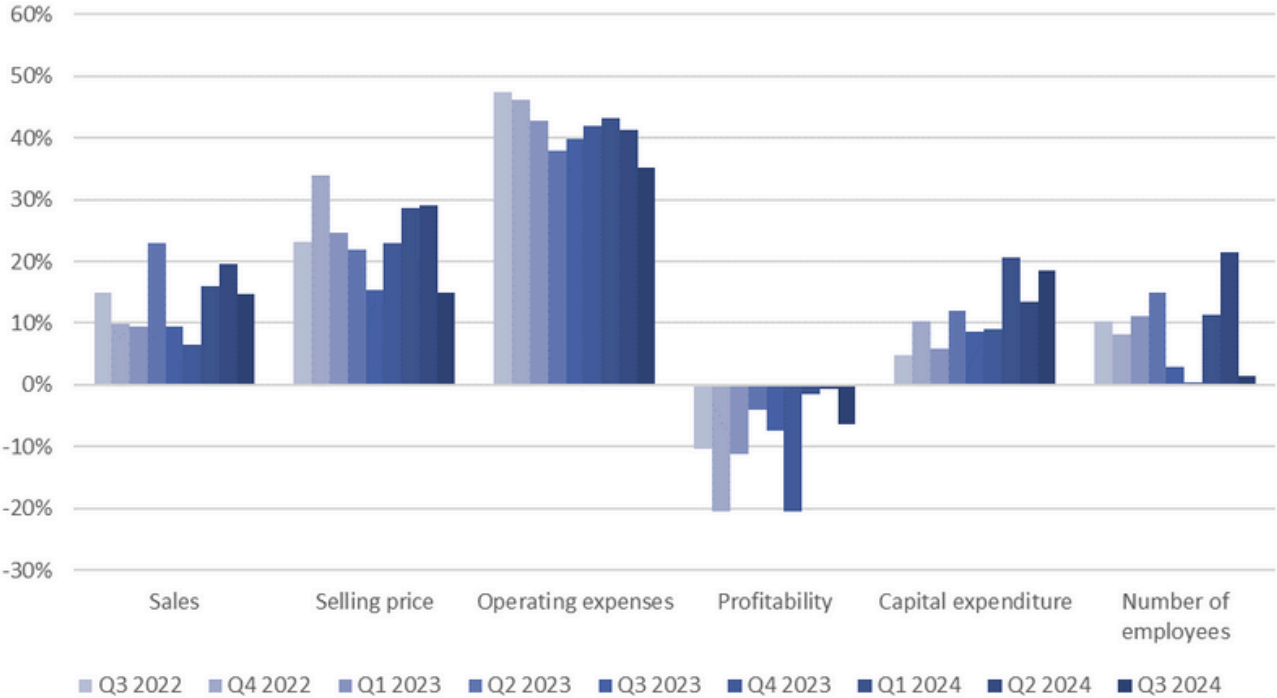
The combination of lower operating expenses and higher sales is easing inflationary pressures. This is having positive effects on businesses ability to make more capital investments.

As inflation continues to fall businesses can likely expect that the Bank of Canada will continue to lower their benchmark interest rates.



### Expected changes for your business, next three months

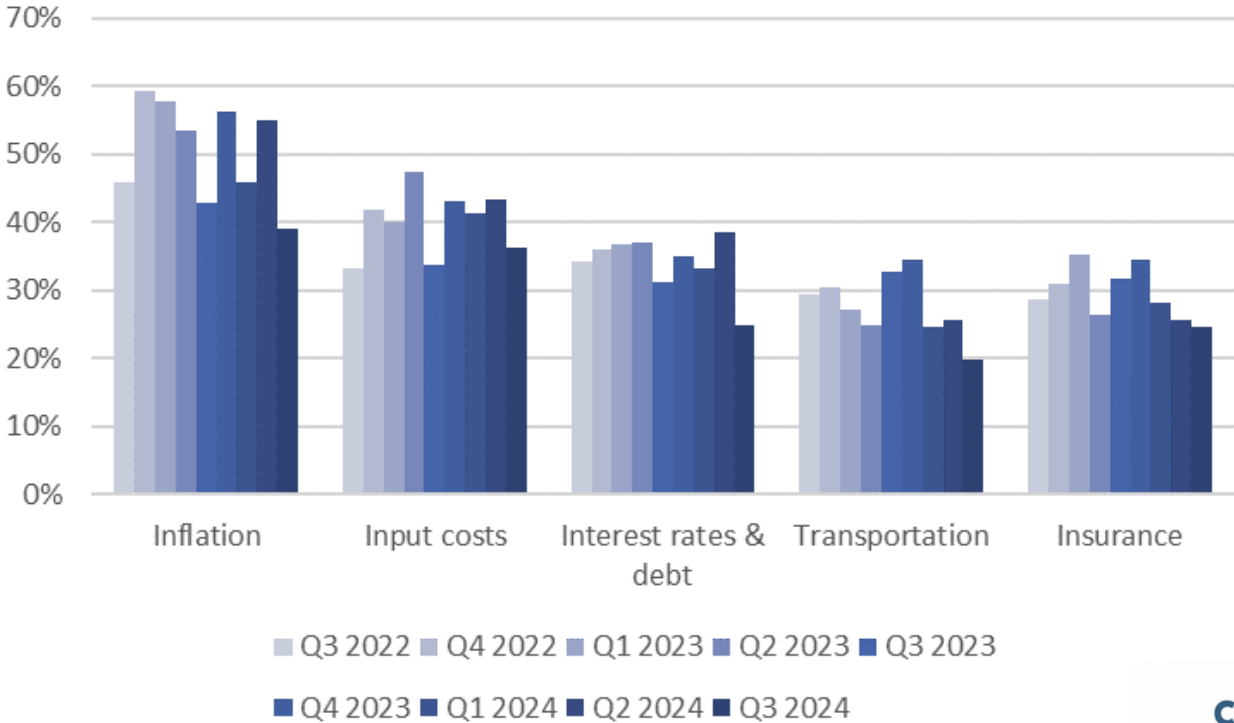
Balance of opinion\*



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

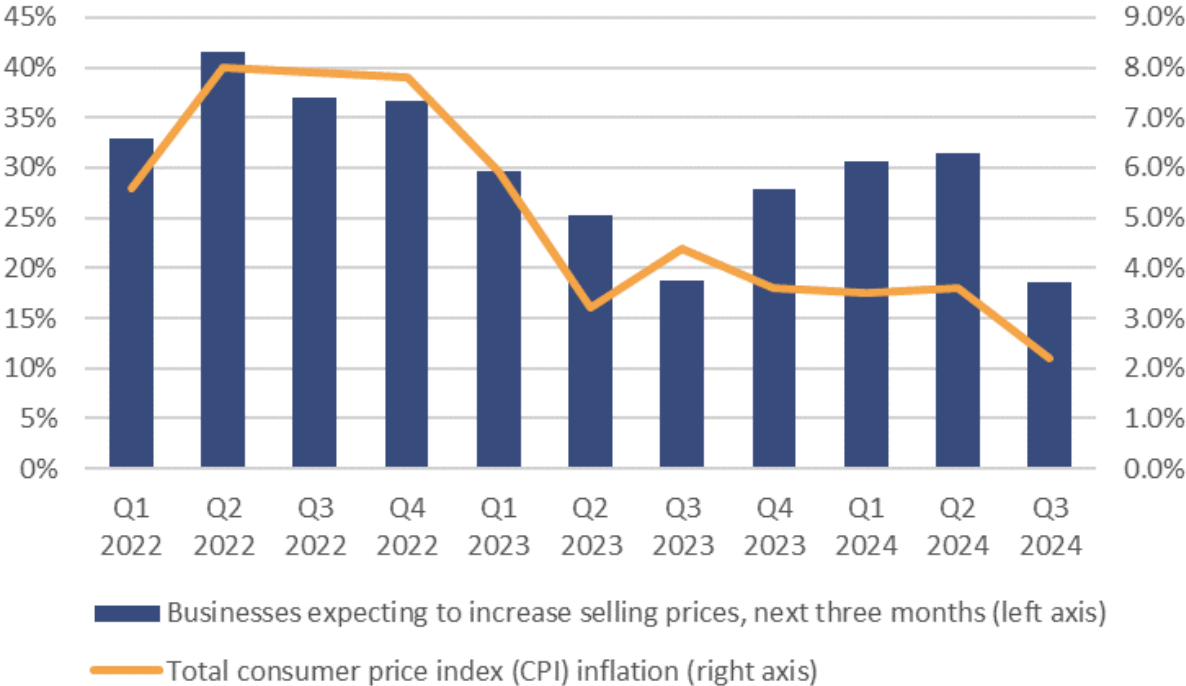
### Businesses expecting cost-related obstacles, next three months

% 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 businesses

% of respondents by business size



# LABOUR

*Jul - Aug 2024*

## KEY FINDINGS

Labour-related challenges have eased for a third straight quarter in Halifax.

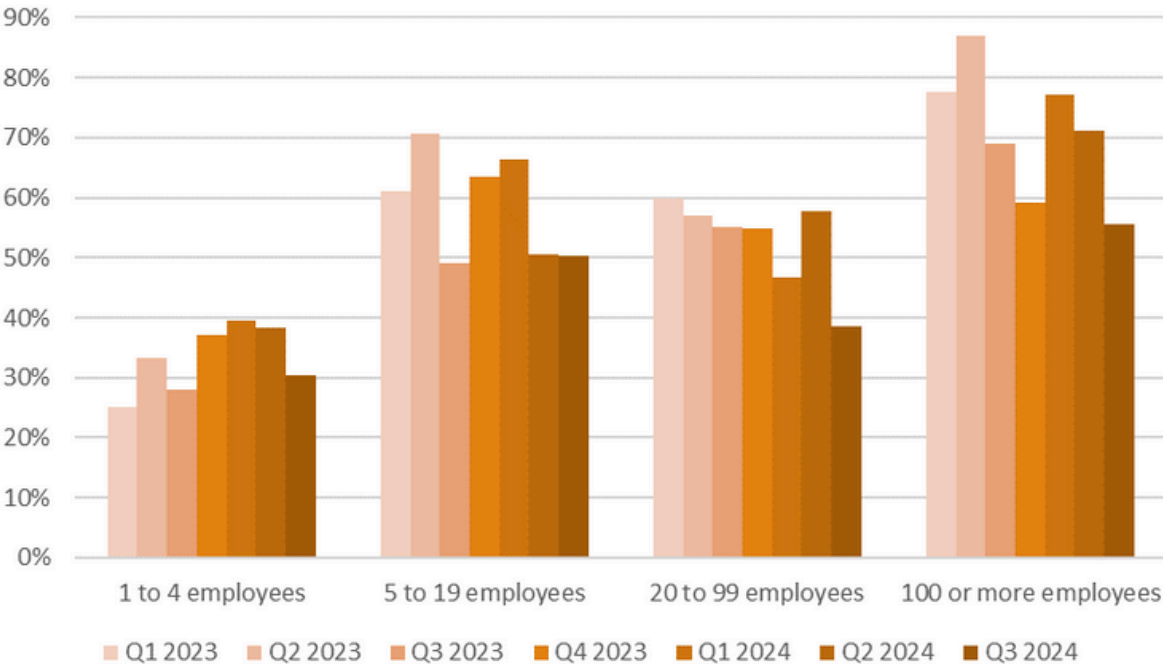
Labour-related challenges for medium sized firms (5-19 employees) are expected to remain a challenge for roughly 50% of Halifax Businesses in that category over the next three months.

Firms in Wholesale & Retail trade, along with Administrative Services, Transportation, and Healthcare are the industries in Halifax expecting to face the greatest labour-related challenges over the next quarter.

### Expected labour related obstacles, next three months. % of respondents

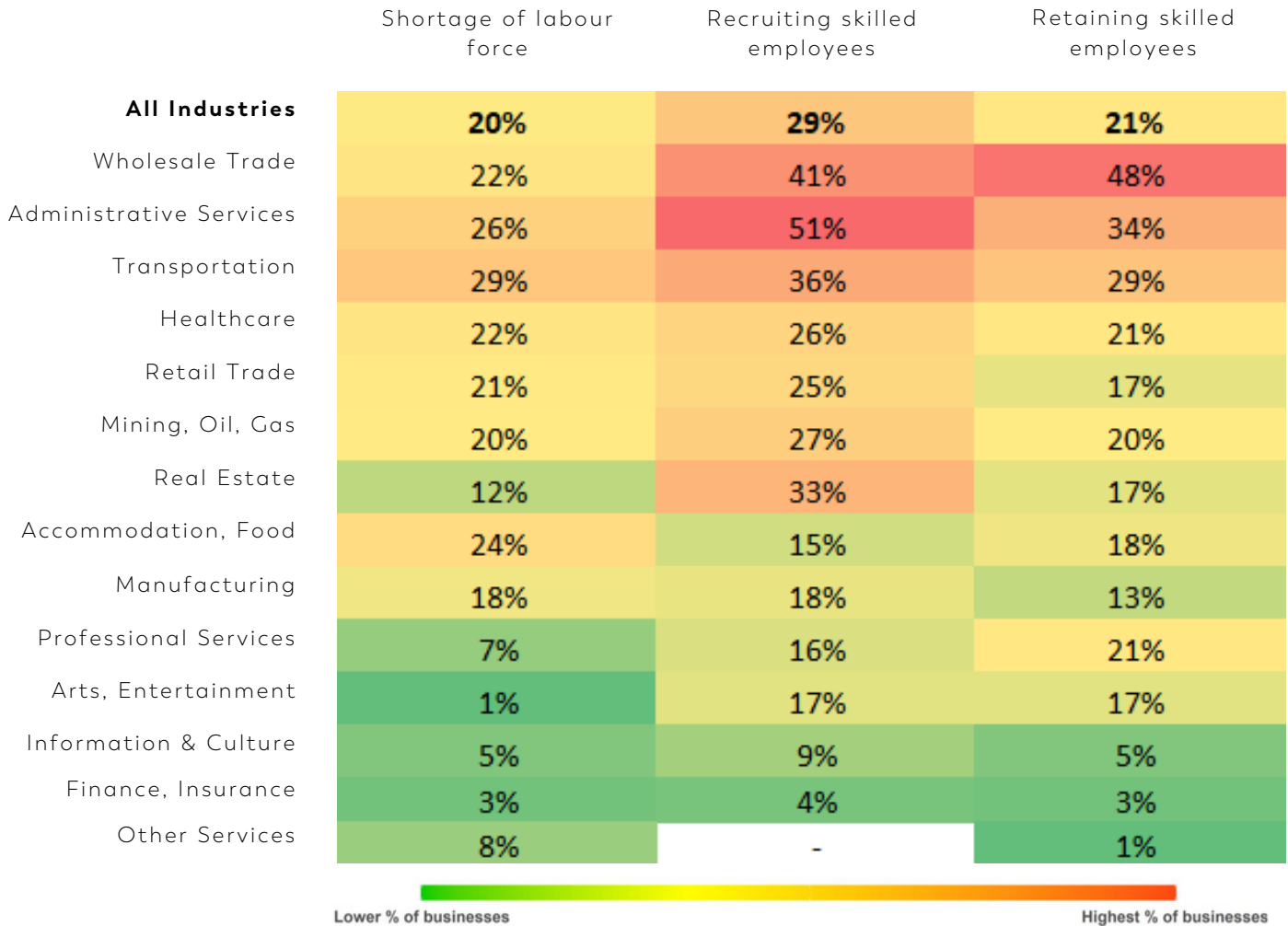


### Expected labour related obstacles, next three months. % of respondents by firm size





## Expected labour related obstacles, next three months. % of respondents by industry





# FINANCING

*Jul - Aug 2024*

## KEY FINDINGS

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Compared to two years ago, the financial health of Halifax businesses has significantly improved with 65% of businesses indicating they could take on more debt, up 8% YoY

The share of businesses who indicated they cannot take on more debt decreased slightly (-3%) from Q2 to Q3 of 2024.

Medium sized Halifax firms (5-19 employees) are facing greater financial constraints compared to other firm sizes in Halifax, with 32% indicating they are unable to take on more debt.



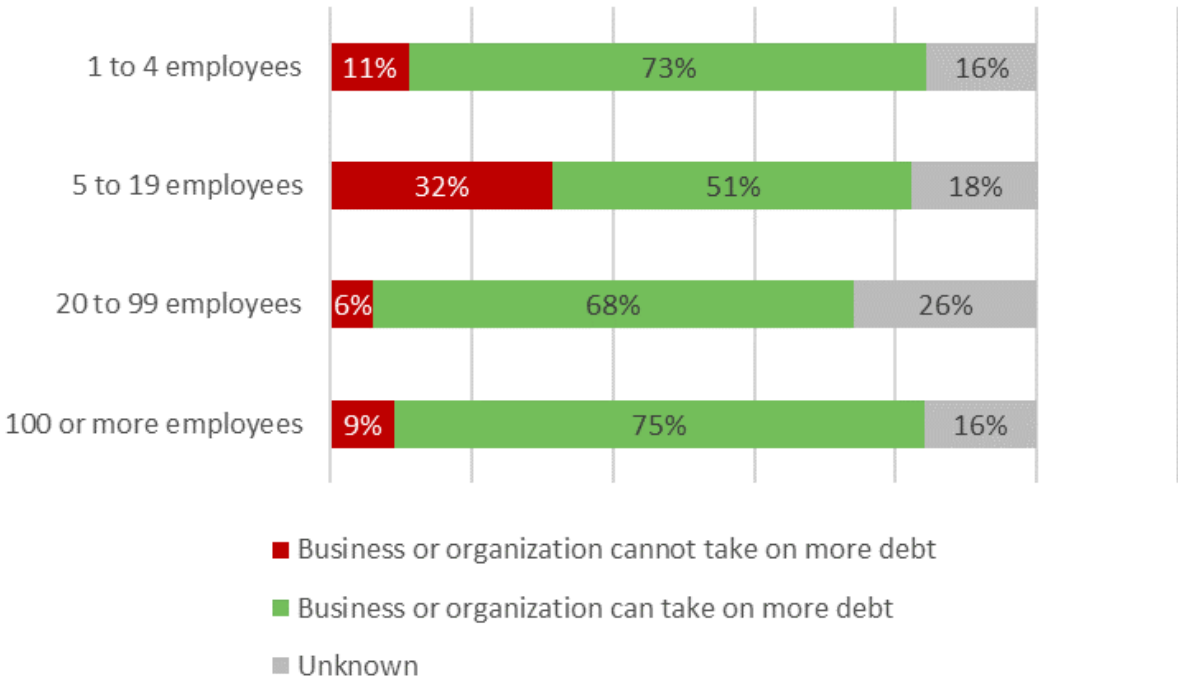
**Ability for the business to take on more debt.**

% of respondents by quarter of survey



**Ability for the business to take on more debt.**

% of respondents by firm size



# SUPPLY CHAINS

*Jul - Aug 2024*

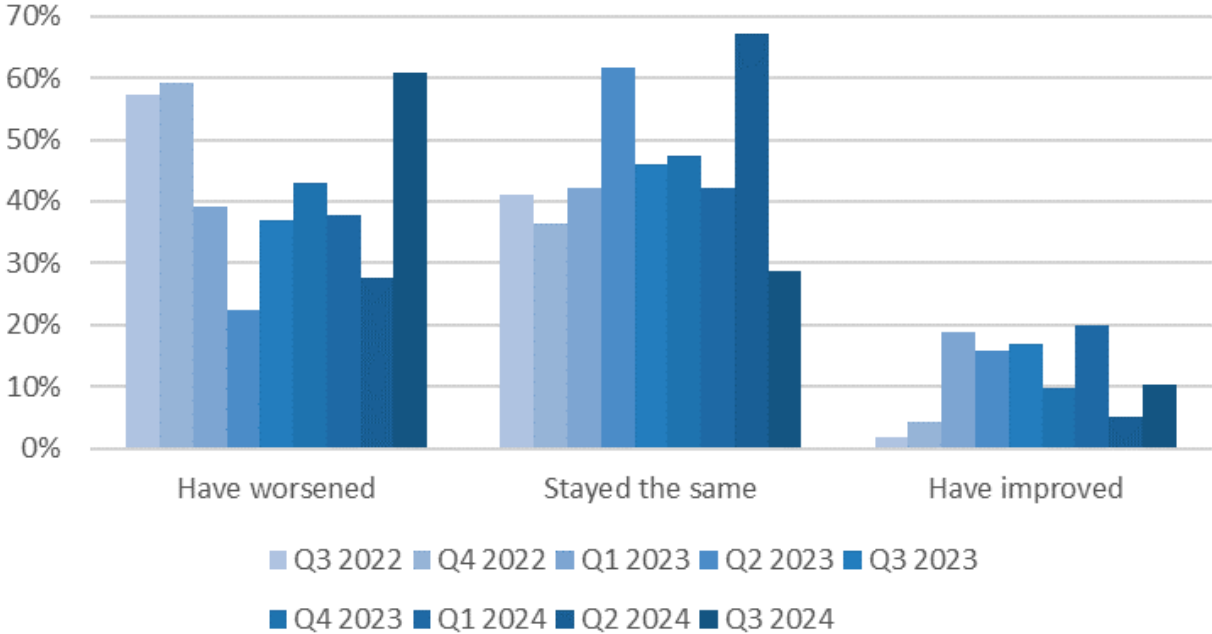
## KEY FINDINGS

There was a sharp increase in the number of Halifax businesses who have indicated that supply chains have worsened over the last three, and a sharp increase in the number of Halifax businesses who expect supply chain obstacles to worsen over the next quarter.

In August of 2024, more than 9,000 unionized workers from Canada's two main Canadian railways, CN and CPKC, went on strike. This clearly had a significant impact on supply chains across the entire country.

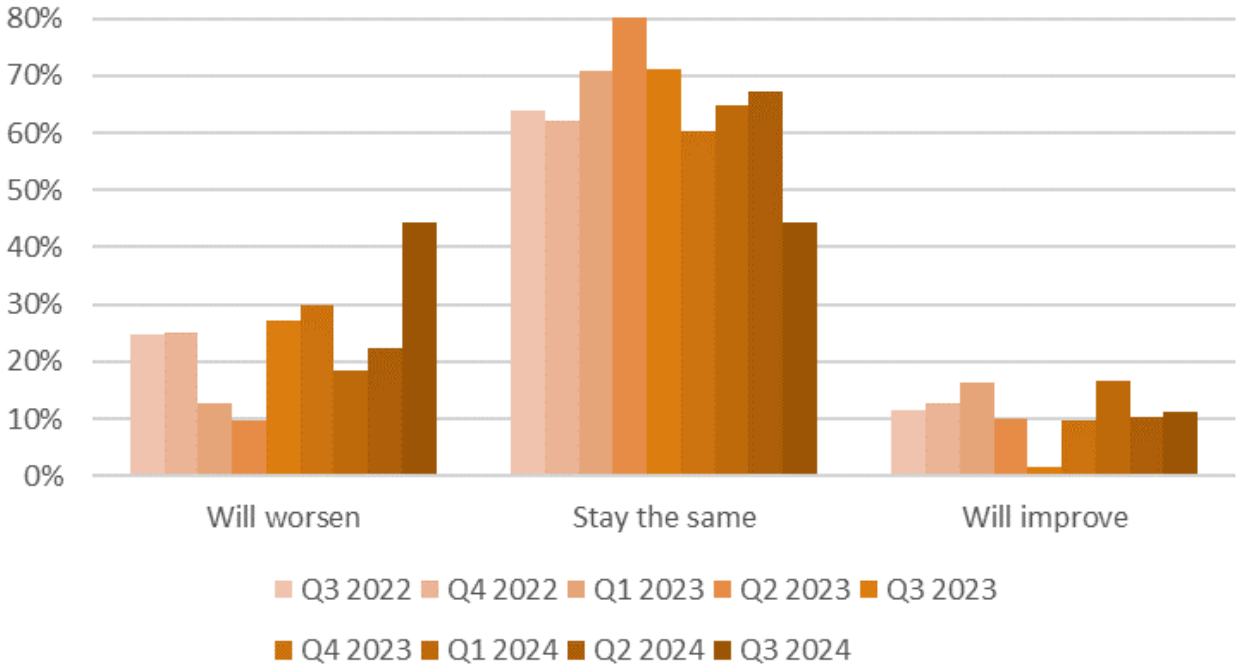
### Supply-Chain obstacles experienced, last three months.

% 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





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## END NOTES

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**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 Q3 2024 CSBC data collection period was July 2 to August 6, 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 292 businesses in Halifax.

Charts may not sum to 100% due to rounding.

## SPECIAL THANKS

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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 Q3 2024 business conditions, see the CCC BDL's release [here](#)