



CHARTERED  
PROFESSIONAL  
ACCOUNTANTS  
CANADA

COMPTABLES  
PROFESSIONNELS  
AGRÉÉS  
CANADA

# Q4 2023 CPA Canada Business Monitor

Background document  
Chartered Professional Accountants of Canada  
January 23, 2024

# Q4 2023 CPA Canada Business Monitor Backgrounder

## Data

- Data referenced in the news release is based on questions 7, 9, 13, 14, 16, 18 and 19.
- This presentation includes data from the Q4 2023 survey and comparable data for Q4 2022 – Q3 2023 where applicable.
- Demographic and firmographic data start on slide 22.

## Methodology

- The results are issued quarterly based on a survey commissioned by Chartered Professional Accountants of Canada (CPA Canada). The research draws upon business insights of professional accountants in leadership positions in privately and publicly held companies.
- For the Q4 2023 study, emailed surveys were completed by 250 of 5,653 people identified by CPA Canada as holding senior positions in industry (CFOs, CEOs, COOs and other leadership roles). Respondents work for a mix of small, medium and large companies, as determined by employee size. The response rate was 6.4 per cent, with a margin of error associated with this type of study  $\pm 6.2$  per cent, with a confidence level of 95 per cent. The survey was conducted from November 28 to December 14, 2023.
- The response rate calculation is calculated as follows:  $\text{Response Rate} = \text{Survey Completes} / (\text{Completed Surveys} + \text{Incomplete Surveys} + \text{Estimated Other Eligible Members in Sample})$ .

## About Chartered Professional Accountants of Canada

- Chartered Professional Accountants of Canada (CPA Canada) works collaboratively with the provincial, territorial and Bermudian CPA bodies, as it represents the Canadian accounting profession, both nationally and internationally. This collaboration allows the Canadian profession to champion best practices that benefit business and society, as well as prepare its members for an ever-evolving operating environment featuring unprecedented change. Representing more than 220,000 members, CPA Canada is one of the largest national accounting bodies worldwide.

[cpacanada.ca](http://cpacanada.ca)

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables (Qualifying Questions) -

SQ1a. Please tell us where you reside?

Province	%	Number
	100%	250
Ontario	42%	104
Quebec	28%	70
Alberta	10%	26
Manitoba	7%	17
British Columbia	6%	16
Saskatchewan	4%	9
Nova Scotia	1%	3
New Brunswick	1%	3
Newfoundland and Labrador	1%	2

**Note: Members working outside of Canada excluded from completing the survey.**

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

## Q4 2023 CPA Canada Business Monitor Study

### - Detailed Tables (Qualifying Questions) -

NOTE: QS1b asked respondents, “Which of the Following Best Describes Your Place of Work?”

Options were:

Private or Public Business  
Not-for-profit  
Other Professional Service Firm  
Government  
Academia  
Other  
Retired/On Leave/Not Working

Only respondents providing the answer: “For Profit Business/Industry” were able to continue to the next question, since the survey is of CPAs in executive level positions for businesses.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables (Qualifying Questions) -

### SQ1c. What is your Job Title?

Title	%	Number
	100%	250
Controller	30%	76
CFO	30%	74
President and/or CEO	14%	35
VP	14%	34
COO	3%	7
EVP	1%	3
Other Senior Executive Position	8%	21

**Note:** Members not working in one of the positions above excluded from completing the survey.

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

**Q1. Please select the rating that best describes your view for each of the following**

### Canadian Economic Optimism

Optimism response	%	Number
	100%	250
Very Optimistic	1%	2
Optimistic	15%	37
Neutral	34%	86
Pessimistic	47%	117
Very Pessimistic	3%	8

### Business Economic Optimism

Optimism response	%	Number
	100%	250
Very Optimistic	2%	6
Optimistic	42%	104
Neutral	36%	90
Pessimistic	18%	46
Very Pessimistic	2%	4

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

Q1. Please select the rating that best describes your view for each of the following – previous quarters

## Optimism About Outlook for Canadian Economy

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Total Optimistic</b>	<b>10%</b>	<b>18%</b>	<b>28%</b>	<b>19%</b>	<b>16%</b>
Very Optimistic	0%	0%	0%	0%	1%
Optimistic	10%	18%	28%	19%	15%
Neutral	35%	42%	41%	32%	34%
<b>Total Pessimistic</b>	<b>54%</b>	<b>40%</b>	<b>32%</b>	<b>48%</b>	<b>50%</b>
Pessimistic	51%	37%	29%	45%	47%
Very Pessimistic	3%	3%	3%	4%	3%

## Optimism About Outlook for Business

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Total Optimistic</b>	<b>44%</b>	<b>45%</b>	<b>56%</b>	<b>48%</b>	<b>44%</b>
Very Optimistic	3%	5%	6%	6%	2%
Optimistic	40%	39%	49%	41%	42%
Neutral	35%	33%	25%	30%	36%
<b>Total Pessimistic</b>	<b>22%</b>	<b>22%</b>	<b>20%</b>	<b>22%</b>	<b>20%</b>
Pessimistic	19%	20%	16%	20%	18%
Very Pessimistic	2%	2%	4%	2%	2%

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

Q2. Which of the following do you think is the top challenge to the growth of the Canadian economy?

Top challenge	%	Number
	100%	250
Increases in interest rates	26%	65
Rise in inflation	13%	32
Government policy/regulation	12%	31
The state of the global economy	9%	22
The state of the Canadian economy	9%	22
Competitiveness of Canada's business environment	7%	18
Lack of skilled workers	6%	16
Employee recruitment, retention and development	6%	15
The sustainability of government finances	5%	13
Supply chain issues	2%	5
Other labour shortage issues	1%	2
Unpredictability in impacts of climate change	1%	2
Other	3%	7

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.



# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

Q3. Thinking about the next 12 months, please indicate how you expect the following to change, if at all, when compared to the last 12 months for your company.

### Estimated Revenue Next 12 Months

Projection	%	Number
	100%	250
<b>Total Who Project an Increase</b>	<b>63%</b>	<b>157</b>
Increase by >10%	12%	30
Increase by 5-10%	24%	60
Increase by <5%	27%	67
Not Changed	14%	34
<b>Total Who Project a Decrease</b>	<b>22%</b>	<b>54</b>
Decrease by <5%	11%	27
Decrease by 5-10%	6%	16
Decrease by >10%	4%	11
N/A	1%	3
Don't Know	1%	2

### Estimated Profits Next 12 Months

Projection	%	Number
	100%	250
<b>Total Who Project an Increase</b>	<b>54%</b>	<b>134</b>
Increase by >10%	11%	28
Increase by 5-10%	14%	36
Increase by <5%	28%	70
Not Changed	14%	35
<b>Total Who Project a Decrease</b>	<b>31%</b>	<b>78</b>
Decrease by <5%	15%	38
Decrease by 5-10%	12%	29
Decrease by >10%	4%	11
N/A	0%	1
Don't Know	1%	2

### Estimated Employee Numbers Next 12 Months

Projection	%	Number
	100%	250
<b>Total Who Project an Increase</b>	<b>37%</b>	<b>92</b>
Increase by >10%	5%	12
Increase by 5-10%	7%	18
Increase by <5%	25%	62
Not Changed	46%	116
<b>Total Who Project a Decrease</b>	<b>16%</b>	<b>40</b>
Decrease by <5%	10%	24
Decrease by 5-10%	4%	9
Decrease by >10%	3%	7
N/A	0%	0
Don't Know	1%	2

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

## Q4 2023 CPA Canada Business Monitor Study

Q3. Thinking about the next 12 months, please indicate how you expect the following to change, if at all, when compared to the last 12 months for your company – with trending data

### Revenue

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Total Who Project an Increase</b>	<b>61%</b>	<b>61%</b>	<b>57%</b>	<b>62%</b>	<b>63%</b>
Increase by >10%	16%	14%	13%	16%	12%
Increase by 5-10%	23%	24%	24%	21%	24%
Increase by <5%	22%	23%	20%	24%	27%
Not Changed	11%	10%	13%	13%	14%
<b>Total Who Project a Decrease</b>	<b>26%</b>	<b>27%</b>	<b>27%</b>	<b>23%</b>	<b>22%</b>
Decrease by <5%	8%	9%	7%	10%	11%
Decrease by 5-10%	9%	9%	10%	6%	6%
Decrease by >10%	8%	9%	10%	8%	4%
N/A	1%	2%	2%	0%	1%
Don't Know	2%	1%	1%	1%	1%

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

Q3. Thinking about the next 12 months, please indicate how you expect the following to change, if at all, when compared to the last 12 months for your company – with trending data

## Profits

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Total Who Project an Increase</b>	<b>47%</b>	<b>51%</b>	<b>49%</b>	<b>49%</b>	<b>54%</b>
Increase by >10%	13%	13%	12%	10%	11%
Increase by 5-10%	17%	15%	18%	16%	14%
Increase by <5%	16%	23%	19%	23%	28%
Not Changed	13%	10%	15%	16%	14%
<b>Total Who Project a Decrease</b>	<b>36%</b>	<b>36%</b>	<b>34%</b>	<b>32%</b>	<b>31%</b>
Decrease by <5%	14%	13%	9%	14%	15%
Decrease by 5-10%	11%	11%	10%	9%	12%
Decrease by >10%	12%	11%	15%	9%	4%
N/A	2%	1%	1%	1%	0%
Don't Know	2%	2%	1%	1%	1%

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

## Q4 2023 CPA Canada Business Monitor Study

Q3. Thinking about the next 12 months, please indicate how you expect the following to change, if at all, when compared to the last 12 months for your company – with trending data

### Employees

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Total Who Project an Increase</b>	<b>41%</b>	<b>38%</b>	<b>42%</b>	<b>44%</b>	<b>37%</b>
Increase by >10%	7%	7%	6%	6%	5%
Increase by 5-10%	14%	12%	9%	10%	7%
Increase by <5%	21%	18%	26%	27%	25%
<b>Not Changed</b>	<b>39%</b>	<b>43%</b>	<b>41%</b>	<b>38%</b>	<b>46%</b>
<b>Total Who Project a Decrease</b>	<b>18%</b>	<b>17%</b>	<b>15%</b>	<b>17%</b>	<b>16%</b>
Decrease by <5%	10%	10%	8%	11%	10%
Decrease by 5-10%	5%	3%	4%	4%	4%
Decrease by >10%	3%	3%	3%	3%	3%
<b>N/A</b>	<b>&lt;1%</b>	<b>1%</b>	<b>1%</b>	<b>0%</b>	<b>0%</b>
<b>Don't Know</b>	<b>1%</b>	<b>2%</b>	<b>1%</b>	<b>0%</b>	<b>1%</b>

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

Q4: Which of the following best describes the number of employees your company currently has?

Number of employees	%	Number
	100%	250
We have far more employees than we need	3%	8
We have a few more employees than we need	21%	52
We have exactly the right number of employees	29%	72
We have a few less employees than we need	46%	114
We have far less employees than we need	2%	4

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

Q5: Which of the following explains why you have less employees than you need?

Reason for having fewer employees than needed	%	Number
	100%	118
Shortage of skilled workers in labour market	62%	73
Shortage of unskilled workers in labour market	17%	20
Wages and/or benefits are not competitive	18%	21
Attractiveness of the industry	15%	18
We are not currently hiring	11%	13
Work conditions	6%	7
Work location	4%	5
Other	9%	10
None of the above	2%	2

Base: Respondents who indicated they have less employees than they need at Q4.

Note: Respondents were allowed to choose more than one response, hence total will exceed 100%.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

**Q6. Which of the following best describes how you are addressing your need for more employees?**

How addressing need for additional employees	%	Number
	100%	118
We are hiring additional employees	24%	28
We are investing in ways to make our company more productive	21%	25
We are doing both	34%	40
We are doing neither	8%	9
Other	9%	10
None of the above	5%	6

Base: Respondents who indicated they have less employees than they need at Q4.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

**Q7: Is inflation currently hurting your company's business?**

If inflation is hurting business	%	Number
Total	100%	250
Yes	73%	183
No	23%	58
Don't know	4%	9

**Q8: For how long do you expect inflation to continue hurting your company's business?**

How long inflation will continue to hurt business	%	Number
Total	100%	183
A year or more	48%	88
At least nine months but less than a year	19%	34
At least six months but less than nine months	17%	31
At least three months but less than six months	8%	14
Less than three months	1%	1
Don't know	8%	15

**Q7/Q8 (combined)**

Impact of how long inflation will impact business, if it will at all	%	Number
Total	100%	250
A year or more	35%	88
At least nine months but less than a year	14%	34
At least six months but less than nine months	12%	31
At least three months but less than six months	6%	14
Less than three months	<0%	1
Don't know -- Inflation is hurting business but not sure for how much longer it will	6%	15
Don't know -- Not sure if inflation is hurting my company's business	4%	9
Not applicable -- inflation is not hurting my company's business	23%	58

Base: Q7 -- All respondents, Q8 -- Respondents who indicated inflation is hurting their company (183).

Note: Percentages may not add to 100% due to rounding.



# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

**Q9: On average how much have you or do you expect to increase employee wages to address their cost-of-living concerns (annual equivalent increase)?**

Amount of cost-of-living increase	%	Number
	100%	250
10% or more	2%	4
7% to under 10%	8%	14
5% to under 7%	17%	32
3% to under 5%	51%	94
1% to under 3%	16%	30
Less than 1%	3%	5
Don't know	1%	2
Not applicable – we have not given any Cost-of-Living Adjustments	1%	2

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

**Q10: How would you describe the impact current interest rates are having on the Canadian economy?**

Level of impact	%	Number
	100%	250
Very positive	<1%	1
Somewhat positive	4%	10
Neither positive nor negative	5%	12
Somewhat negative	57%	142
Very negative	33%	83
Don't know	1%	2

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

**Q11: How would you describe the impact current interest rates are having on your business?**

Level of impact	%	Number
	100%	250
Very positive	1%	2
Somewhat positive	5%	12
Neither positive nor negative	23%	58
Somewhat negative	49%	122
Very negative	22%	56
Don't know	0%	0

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

Q12: When would you like to see the federal budget balanced?

Time frame	%	Number
	100%	250
Within less than three years	38%	95
Three to less than five years	35%	87
Five to less than ten years	19%	47
Ten years or more	3%	7
Don't know	2%	5
N/a – I do not think that balancing the budget should be a priority	4%	9

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.



# **Demographic / firmographic questions**

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

Q13. How many individuals does your company employ globally?

Number of employees	%	Number
	100%	250
Less than 10	9%	23
10-25	10%	24
26-50	13%	32
51-100	14%	36
101-250	17%	43
251-500	10%	24
501-999	7%	18
1,000 or greater	20%	50

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

Q14. Which of the following industry sectors describes your company's primary business?

Sector	%	Number
	100%	249
Manufacturing	18%	44
Construction	15%	38
Financial Services (including Banks, Trusts, Insurance, Credit Unions, etc )	9%	22
Retail	8%	20
Real Estate/Building Management	7%	18
Wholesale	7%	18
Professional Services	6%	15
Agriculture, Forestry, Fisheries	4%	10
Business Services	3%	8

Sector	%	Number
	100%	249
Hotels and Restaurants	3%	7
Software	3%	7
Transportation, Distribution	3%	7
Oil & Gas	2%	6
Mining	2%	4
Utilities	1%	3
Education	1%	2
Hospitals/Healthcare	1%	2
Media, Communications, Publishing	1%	2
Other	6%	16

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.

# Q4 2023 CPA Canada Business Monitor Study

## - Detailed Tables -

Q15. Is your company traded on a stock exchange?

Whether traded on stock exchange	%	Number
	100%	249
Yes	14%	34
No - but we are a subsidiary of a publicly traded company	8%	19
No	79%	196

Base: All respondents.

Note: Percentages may not add to 100% due to rounding.