

HALTON REGION
**Business
Conditions**

2023



Message from Regional Chair Gary Carr



On behalf of Regional Council, I would like to thank local businesses for their participation in the 2023 Business Conditions Survey.

This annual survey provides valuable insight into the Halton business community, including the state of their operations and outlook for the upcoming year.

While cautiously optimistic about economic conditions over the next year, Halton business owners are concerned about inflation, rising wages and the cost of real estate. Many businesses are also continuing to manage the impacts of the pandemic, including supply chain disruptions.

Here are a few highlights from the 2023 Report:

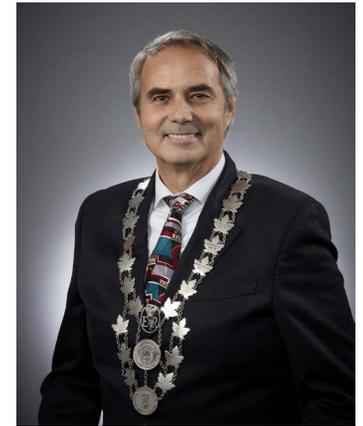
- 53 per cent of businesses are forecasting economic conditions to remain stable or improve over the next 12 months.
- Approximately 60 per cent of businesses identify inflation as a challenge.
- Nearly one third of businesses are implementing or updating policies to support employee wellness and mental health.
- Over 50 per cent of businesses identify climate change as a challenge that will increasingly impact businesses in the future.

We have a thriving local economy and our businesses are the backbone of our economic success. I encourage you to read the 2023 Halton Region Business Conditions Survey Report and learn more about Halton businesses and their perspectives on the year ahead.

To find out more about Halton, visit [halton.ca](https://www.halton.ca). You can also email me at gary.carr@halton.ca or find me on social media at @garycarrhalton.

Sincerely,

Gary Carr
Regional Chair



The Survey



In fall **2023**, we asked Halton business owners about the current business and economic conditions they face, their expectations for growth in the year ahead, and their plans for exporting, innovation, staffing and addressing climate change.

Here's what they had to say...

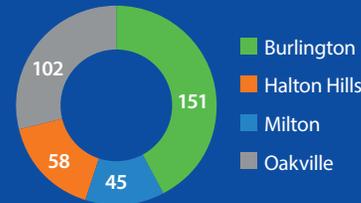
Since 2013, Halton Region, in cooperation with the Halton Local Municipalities, has administered an annual survey of business conditions for local, for-profit businesses across the region. Survey findings and additional business information and economic statistics are available on the [Halton Data Insights page](#) at [halton.ca](#). Further statistics on Halton businesses are also available through the annual [Halton Region Employment Survey](#), a comprehensive door-to-door survey of all visible places of work in Halton.

Business Profile

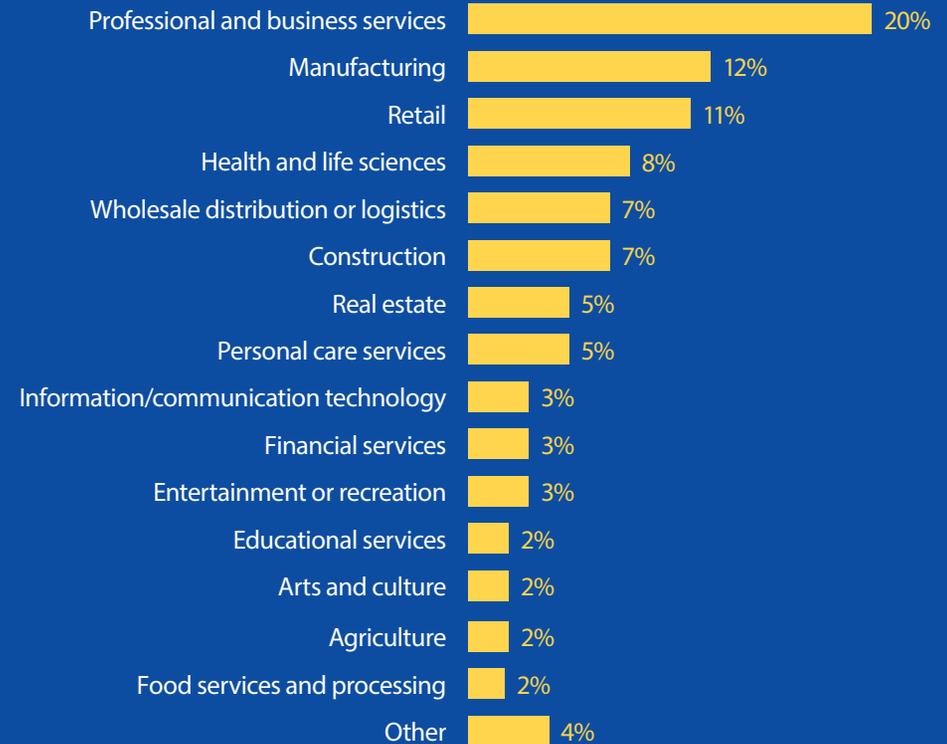
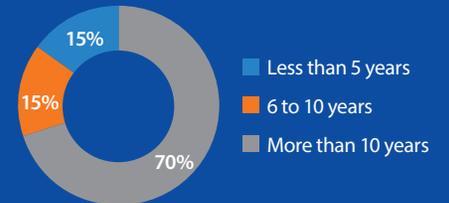


Over 300 Halton business owners responded to the 2023 Halton Region Business Conditions Survey. The municipalities of Burlington, Halton Hills, Milton and Oakville are all represented as well as most major for-profit sectors including: manufacturing, construction, professional and business services, health and life sciences, financial services, real estate, wholesale, distribution & logistics, and retail.

Business locations of survey respondents



Years operating in Halton

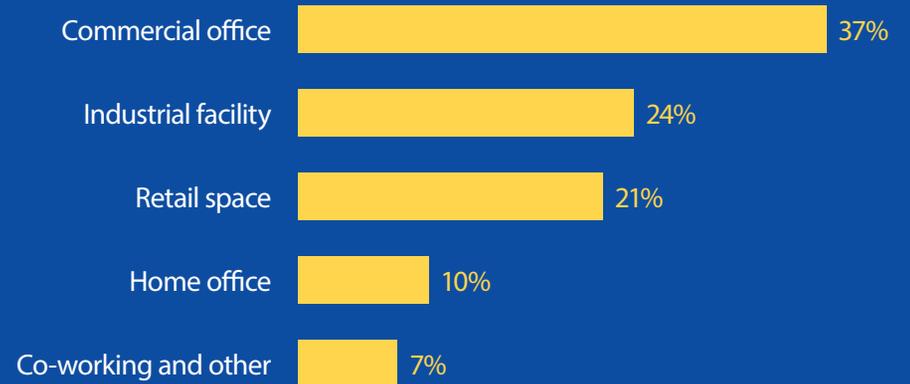


Percentages do not add to 100% due to rounding.

Business Location



Types of real estate space occupied

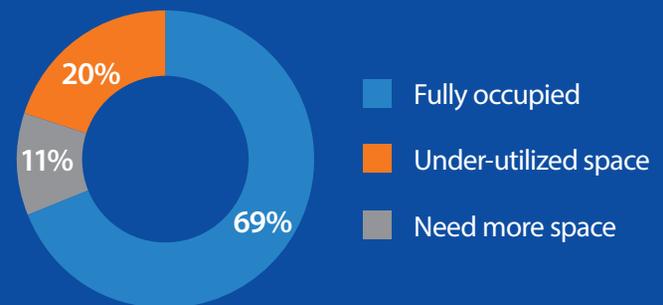


Percentages do not add to 100% due to rounding.

64% of respondents lease or sublease their business space

36% own their land and buildings

Available space occupied by business



Global Reach

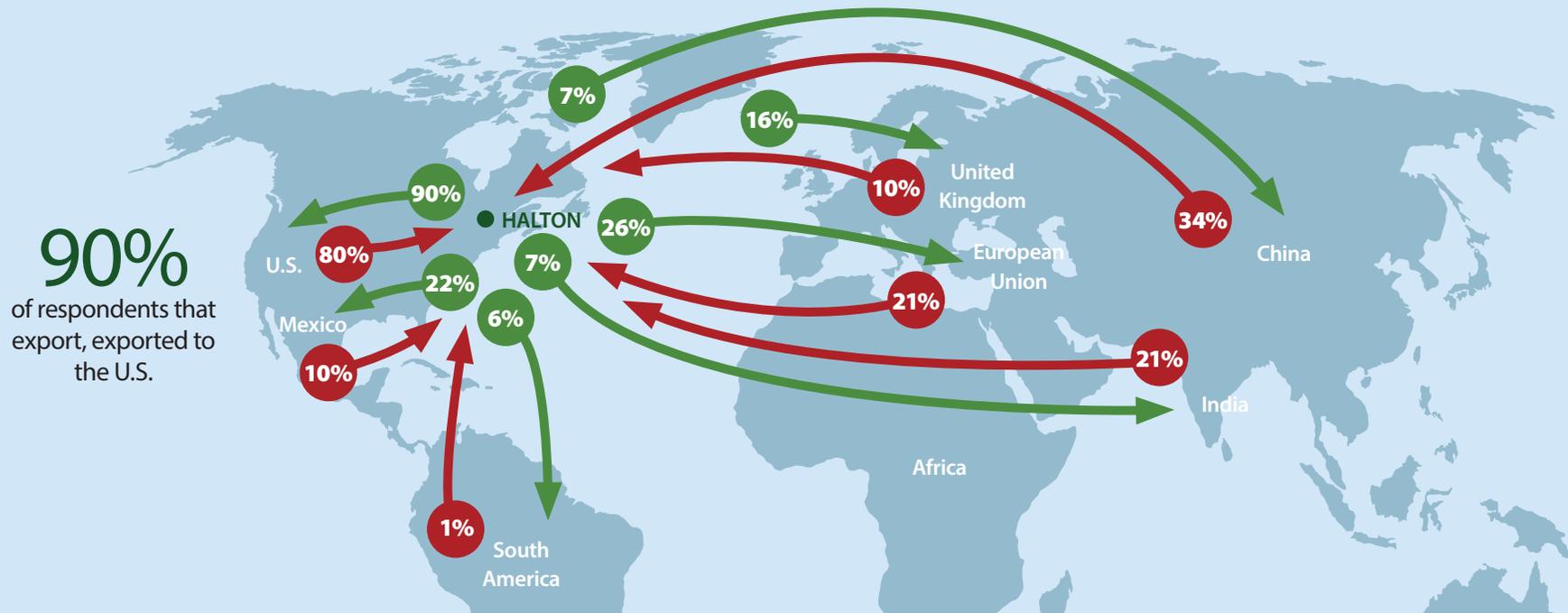
Over the past 12 months:

25%
of respondents exported products or services outside Canada

40%
of respondents imported products or components from outside of Canada

Halton exports and imports

● Identified export markets ● Identified import markets



90%
of respondents that export, exported to the U.S.

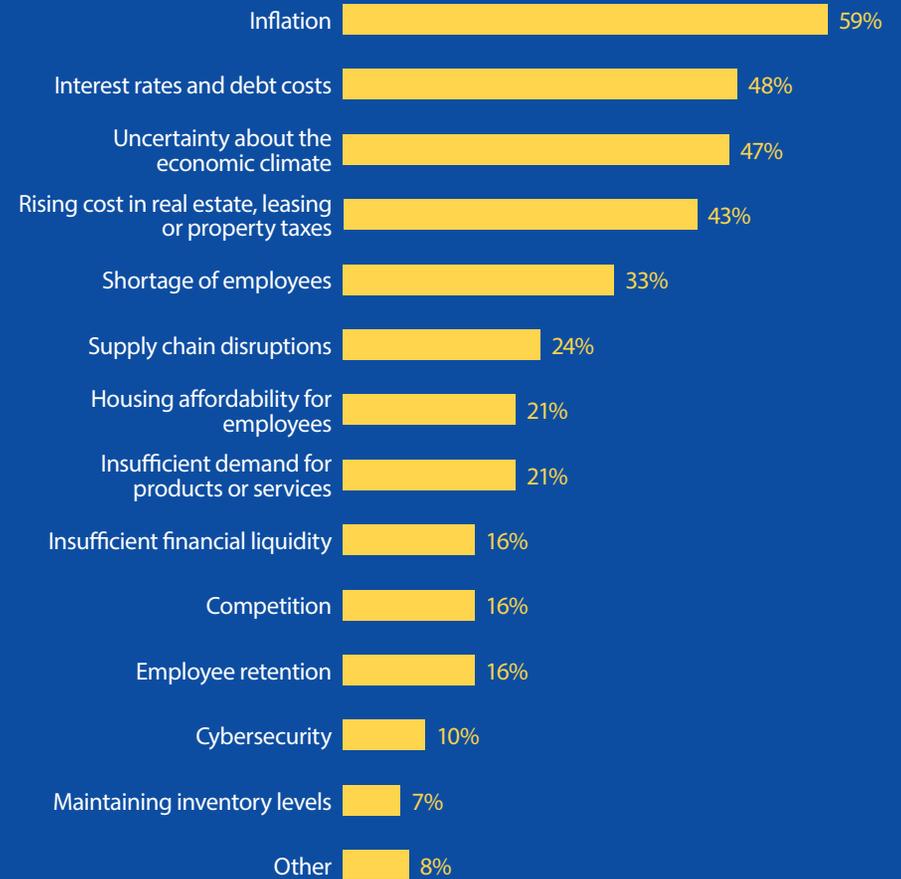
18% of respondents export to other global markets and **14%** import from other global markets.

Percentages do not add to 100% as respondents could choose multiple markets.

Business Challenges



In the current climate of economic uncertainty, affordability and inflationary pressures are top of mind for Halton business owners. **59%** of respondents said inflation was one of the challenges facing their business and **48%** of respondents are being challenged by high interest rates and debt costs.



Percentages do not add to 100% as respondents could choose multiple factors.

53% of respondents are forecasting economic conditions to remain stable or improve over the next 12 months.

Survey respondents stated that over the past 12 months:

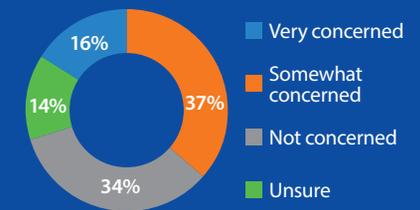
24%
saw revenue remain steady

79%
had operating expenses increase

Climate Concerns

The survey asked Halton business owners about issues relating to climate change and sustainability that may be impacting their operations. Over half of survey respondents indicated they had at least some concern that climate change will impact their business over the next 10 years.

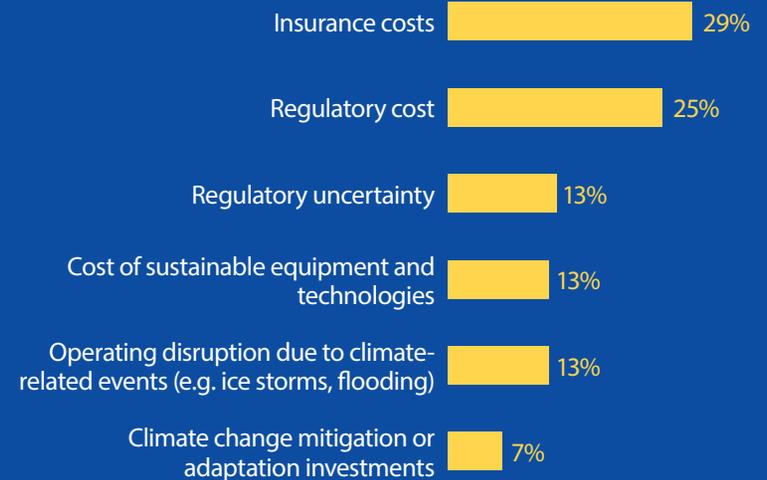
Level of concern with climate change impact over coming decade



- 16%** of respondents are currently implementing climate change mitigation or adaptation initiatives
- 1%** of respondents have stated they have set a greenhouse gas emission reduction target for their business

Survey respondents stated that insurance and regulatory costs are the main issues impacting their business.

Climate change/sustainability issues currently impacting or threatening to impact business



Percentages do not add to 100% as respondents could choose multiple factors.



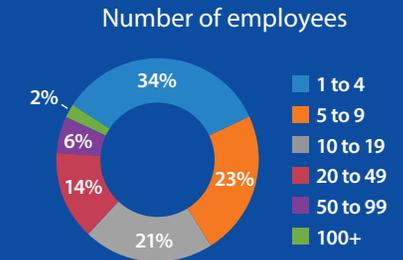
Workforce Planning



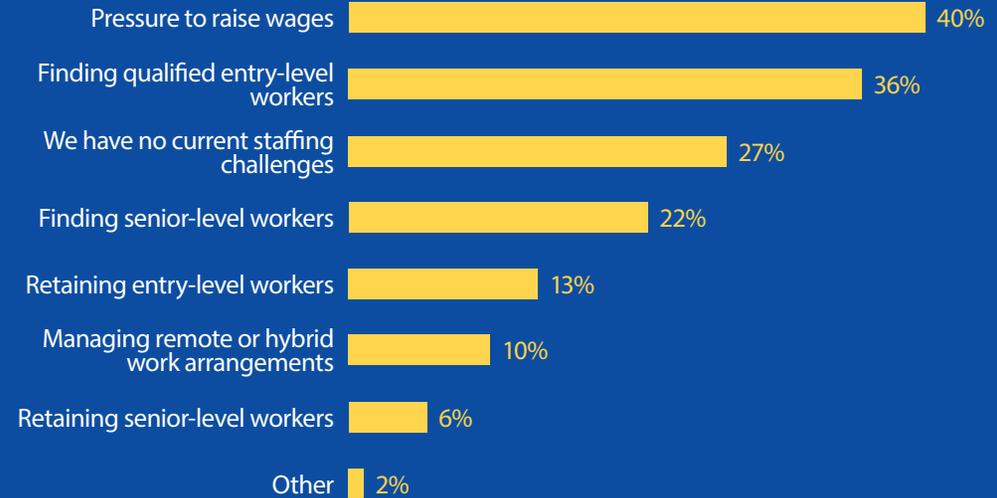
More than **50%** of all respondents have not changed their staffing levels over the past year.

2 out of **5** of respondents are feeling pressure to increase wages for their staff.

36% of respondents are finding it difficult to find entry-level staff.



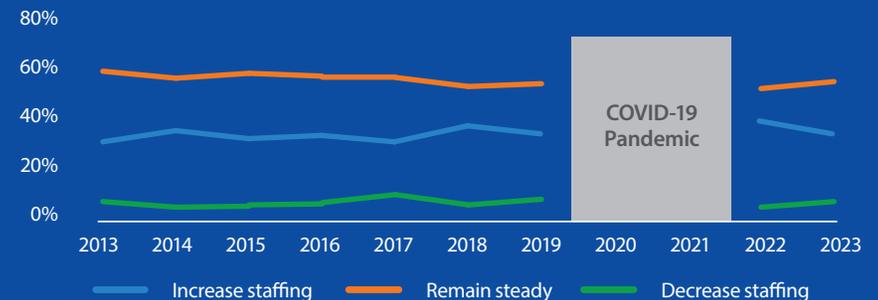
Current staffing challenges



Percentages do not add to 100% as respondents could choose multiple factors.

Looking back over the past decade of surveys, the hiring intentions of Halton business owners over the upcoming year has remained relatively stable, despite the disruption of the COVID-19 pandemic. In 2023, **93%** of respondents intend to have at least as many employees in 12 months as they do now.

Trends in hiring businesses' intentions over the past decade

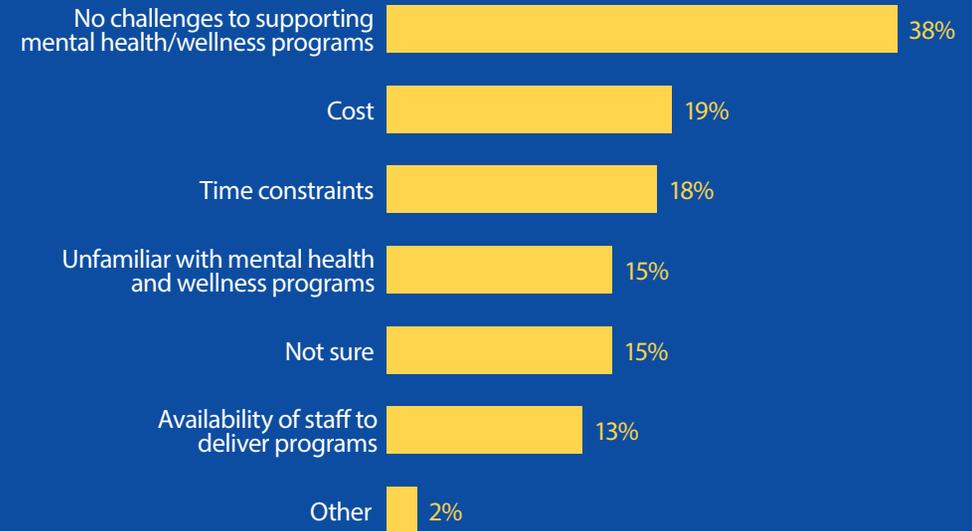


Workplace Wellness



29% of respondents have implemented or updated policies to support their employees' mental health and **15%** of respondents have implemented the National Standard for Psychological Health and Safety.

Challenges to supporting mental health and wellness over the past 12 months



Percentages do not add to 100% as respondents could choose multiple factors.

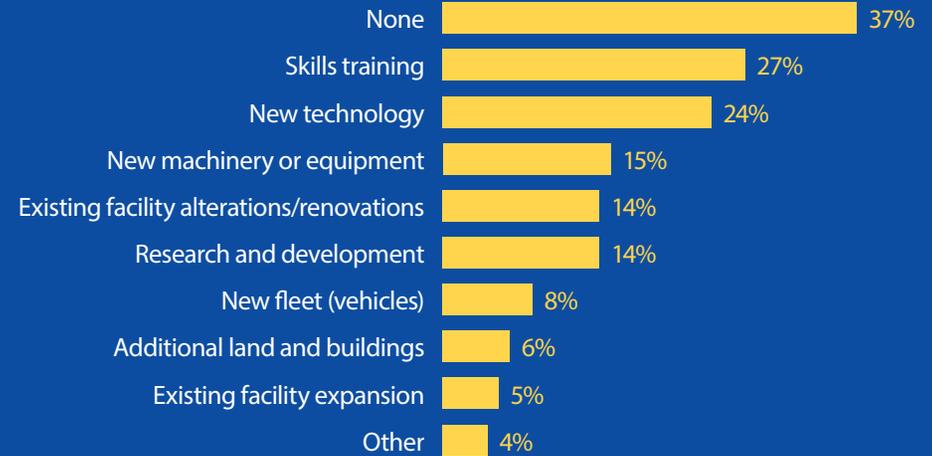
38% of respondents reported no challenges in implementing mental health and wellness programs for their employees.

Growth & Innovation



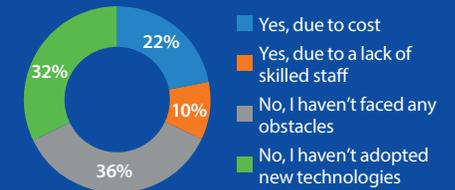
63% of respondents are expecting to make some capital expenditure or productivity investments over the next 12 months and **46%** of respondents expect their revenue to remain steady.

Capital expenditures or productivity investments over the next 12 months



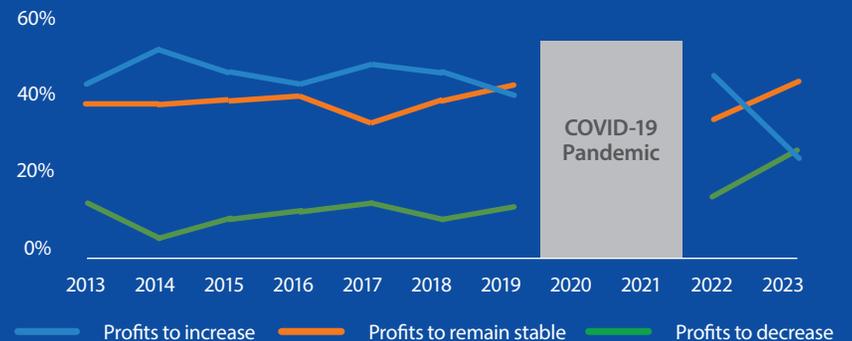
Percentages do not add to 100% as respondents could choose multiple responses.

1/3 of respondents reported facing obstacles when adopting new technologies due to cost and a deficiency in necessary skills.



Looking back over the past decade of surveys, the profit expectations of Halton business owners over the upcoming year had remained relatively stable up to the COVID-19 pandemic. In the past two years, profit expectations have declined. In 2023, only **26%** of respondents expected their profits to increase over the upcoming 12 months.

Trends in business owner profit expectations over the past decade



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Hours of Operation

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