



Edmonton Business Retention and Expansion (BRE) Study 2025

Prepared for: The City of Edmonton



Advanis is a member of the Canadian Research Insights Council (CRIC) and confirms that this research fully complies with all CRIC Standards including the CRIC Public Opinion Research Standards and Disclosure Requirements. This research is supported by The City of Edmonton Corporate Research team, which is a corporate member of CRIC. This research was sponsored by The City of Edmonton's Urban Planning and Economy department and conducted by Advanis. For information about this report, please contact research@edmonton.ca or info@advanis.net.

Executive Summary

Business outlook in Edmonton is cautiously optimistic at a time when national economic headwinds and a negative outlook are being reported by The Bank of Canada¹. As shown in Figure 1, Edmonton businesses are slightly more optimistic about future business conditions than existing ones. This increase bucks the national trend. According to Statistics Canada in Q2 2025, the proportion of businesses with a positive outlook has dropped the lowest since the first quarter of 2024². The Conference Board of Canada's Index of Business Confidence has also hit a new low since the pandemic³.

Businesses in Edmonton identify several strengths that may be contributing to the local trend, including business-to-business networking, market access, internet access and speed, supply chain and technology adoption. Additionally, of the 1,029 businesses surveyed, 15 per cent say they plan to expand, and that revenue expectations are generally positive with 47 per cent of businesses expecting revenue growth. This highlights that Edmonton-based businesses are resilient.

Approximately half of businesses surveyed are planning for a similar annual forecast, with only 16 per cent anticipating better economic projections and roughly one third of businesses expecting conditions to be worse in Edmonton in the next year. This suggests that, while the market is primed for growth, more can be done to improve business confidence. The City of Edmonton can address some of these concerns in the short-term by improving awareness of business support programs, advocating to other levels of government for favorable trade policies and promoting shop local initiatives. To support long-term economic resiliency, the City of Edmonton can use findings of this study to inform updates being made to the [Economic Action Plan](#).

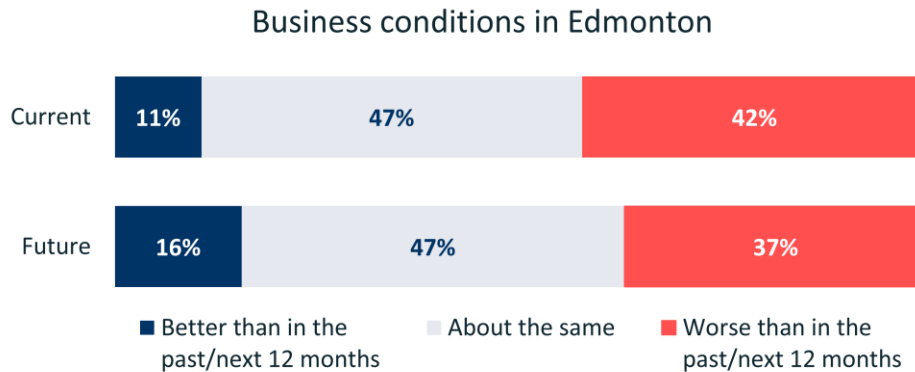


Figure 1. Current Business Conditions: Compared to 12 months ago, how would you describe business conditions in Edmonton today? [Base: Total answering; n=996]; Future Business Conditions: Thinking about the next 12 months, how do you expect business conditions in Edmonton to be? [Base: Total answering; n=938]

Despite a slightly more positive future outlook in Edmonton businesses report concerns over tariffs, with 51 per cent of businesses reporting they have adapted their operations since February 2025 and 72 per cent noting tariffs will have a negative impact on their business in the coming year. Businesses are also reporting cost pressures which can be attributed to low real estate supply in the industrial⁸ and retail markets⁹, high interest rates¹⁰, increased building material prices (specifically steel and aluminum)¹¹ and rent and property tax increases.

Background

The 2025 City of Edmonton Business Retention and Expansion (BRE) Study aims to gather feedback from the business community to help inform an update of the [Economic Action Plan](#), as well as to provide a comprehensive assessment of local business conditions.

Study Objectives

- Identify challenges and opportunities related to business growth, workforce dynamics and economic development.
- Identify gaps in business supports, labor market constraints and the impact of tariffs, with insights disaggregated by firmographics, [district](#), business size and industry sector.
- Provide actionable insights for the City and its economic development partners.

Methodology

Research Methodology

Survey participants were screened to ensure that they met the minimum participation criteria i.e., businesses were in Edmonton and in the specified districts, respondents were decision-makers from all sectors except for public administration.

The results are reflective of business sectors based on the data collected through Edmonton's Business Census in 2024.

The survey results aim to represent the voices of Edmonton businesses based on diverse identity factors as well as perceived experiences of BRE programming and activities. We acknowledge that the survey results do not and cannot include data from all intersectional factors such as workforce makeup and diversity.

Participant profile

n = 1,029 Edmonton Businesses located in the Central, Jasper Place, North Central, Scona, Southeast and West Edmonton districts, excluding public sector and home-based businesses.

Data collection

This research study was conducted via 396 telephone and 633 online web surveys.

The survey had a completion rate of 31 per cent (1,029 completed surveys / 3,315 businesses contacted)

The survey had a participation rate of 6.9 per cent (1,029 completed surveys / 16,572 businesses with valid information).

Weighting

To ensure the data was gathered from a representative group of businesses in the desired districts, Advanis monitored fieldwork by firmographics such as organization size, district, and whether businesses were in an industrial neighborhood.

Data was weighted based on Edmonton Business Census information for business size (number of employees), whether the neighbourhood was considered industrial and by district. The weighting efficiency was 86.6 per cent. Although the results are weighted, sample sizes for each question represent the number of actual respondents (i.e., unweighted n).

Detailed methodology included in the appendix.

Current State: Strengths and Challenges Edmonton Businesses are Facing

Business-to-Business (B2B) Networking, Market Access, Internet Connectivity and Technology Adoption are Clear Assets

As shown in Figure 2, B2B networking was the top contributor to business success in Edmonton in the past year, especially in sectors such as professional, scientific and technical services, wholesale trade and manufacturing.

Market access is a strong point for Edmonton's wholesale and retail trade sectors. Edmonton's retail market is expected to outperform other Canadian cities, largely due to high consumer spending⁴. In the wholesale sector, over a third of Edmonton's businesses specialize in machinery and equipment⁵. This is reflected in Alberta's May 2025 wholesale trade sales, which saw a 3.3 per cent year-over-year increase, primarily driven by machinery and equipment sales⁶.

Internet access and speed were consistently valued across sectors. (Currently, over 90 per cent of Edmonton is serviced by high speed internet⁷.)

Technology adoption is seen as a strength primarily in the professional, scientific and technical services, real estate rental and leasing, educational services and transportation sectors, signalling these sectors are accessing new technologies that are having a positive impact on their business.

Rent and Real Estate Costs, a Primary Challenge for Edmonton Businesses

Rent and real estate costs are the most pressing challenge facing businesses across nearly all sectors. Businesses also expect it to remain a challenge over the next year. This is particularly prominent in industrial areas, where there is a high concentration of manufacturing, warehousing and wholesale and distribution businesses.

In general, the findings may be a result of a low real estate supply which is creating cost pressures for industrial⁸ and retail spaces⁹. Also, the cost to finance real estate has increased as the Bank of

Canada's interest rates have increased substantially since 2022¹⁰ and American steel and aluminum tariffs and retaliatory Canadian tariffs are driving up costs for commercial construction¹¹.

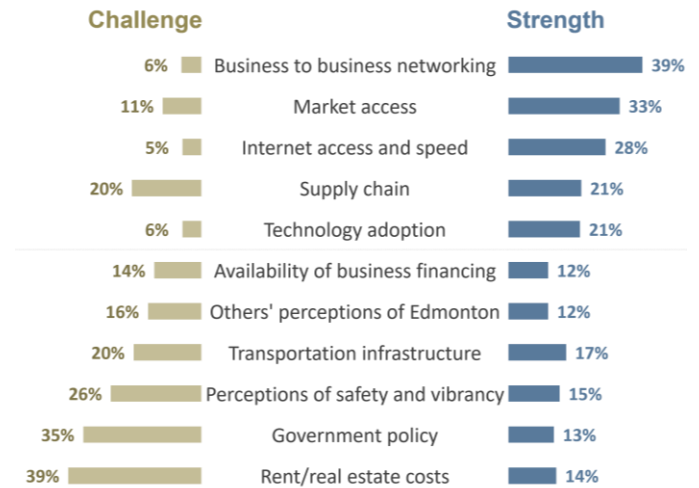


Figure 2. Strengths: Which of the following have contributed to your business success in Edmonton over the past 12 months? [Base: Total answering; n=971]; Challenges: Which of the following challenges has your business faced in Edmonton over the past 12 months? [Base: Total answering; n=984]

Perceptions of Safety, Vibrancy and Edmonton's Image are Ongoing Areas for Improvement

Perceptions of safety and vibrancy ranked as the third most common challenge for businesses, following rent and real estate costs and government policy. There is more concern among the retail trade and accommodation and food services sectors, mainly in the Central and North Central districts.

Businesses in accommodation and food services are also more likely to view this issue as both a future threat and a potential opportunity, signalling the impact improvements in the area can make on the sector.

Challenges with safety and vibrancy are not unique to Edmonton. Similar reports are coming out of all Canada's major cities, including Toronto¹², Vancouver¹³, Victoria¹⁴, Calgary¹⁵, Ottawa¹⁶ and Montreal¹⁷.

Looking to the Future: Opportunities and Threats Expected by Edmonton Businesses

Supply Chain, A Persistent Challenge with a Mixed Outlook

Supply chain issues, including both cost and availability, are currently a challenge for a fifth of Edmonton businesses surveyed, with the impact greater in manufacturing (see Figure 2), wholesale trade, accommodation and food services, as well as the retail trade sectors. Looking ahead, there are mixed outlooks across and within sectors - with many businesses identifying supply chains as either an opportunity or threat, as shown in Figure 3.

Supply chain disruptions remain a significant concern, particularly for manufacturers in the region¹⁸. Furthermore, the Canadian Chamber of Commerce in 2025 noted supply chains are becoming increasingly exposed to disruption and concentrated risk¹⁹.

Government Policy is Seen as both a Barrier and Catalyst for Change

Many businesses identify government policy as a current challenge and also see it as a future threat. Concern about future policy impacts is highest among manufacturing businesses, while the construction and health care and social assistance sectors are more likely to see policy as a potential opportunity.

Some studies have shown how federal-level decisions on taxes, trade and labour significantly influence small businesses, which often lack the resources to absorb sudden policy changes. For example, shifts in the small business deduction or payroll taxes can impact hiring and investment decisions, while evolving trade agreements bring both opportunities such as market expansion and challenges related to compliance. Regarding tariff policies, small and medium-sized enterprises accounted for 42.7 per cent of Canada's exports in 2021, highlighting the exposure smaller firms have to the changing tariff landscape²⁰.

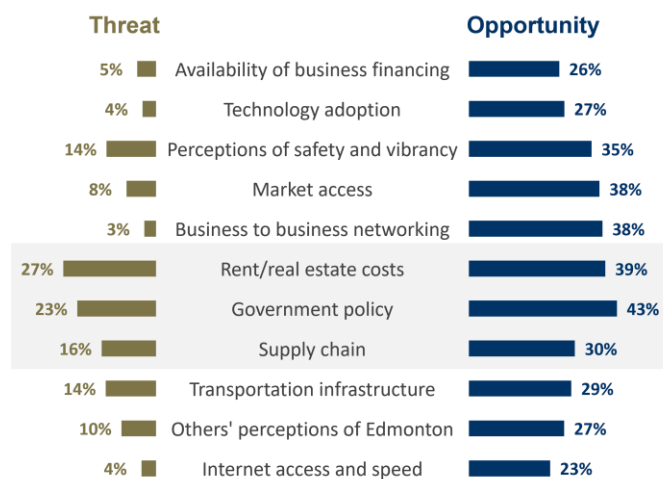


Figure 3. Opportunities: Which of the following would create opportunities for your business in Edmonton over the next 12 months? [Base: Total answering; n=982]; Threats: Which of the following do you expect will pose challenges for your business in Edmonton over the next 12 months? [Base: Total answering; n=959]

Labour, Business Support Programs and Tariffs

Labour Pressures are Felt in Specific Sectors and Districts

Canada’s labour market is grappling with persistent and severe shortages of skilled trades workers. Approximately 700,000 of Canada's four million skilled tradespeople are set to retire by 2028, without sufficient replacement, this gap threatens to stall major infrastructure and development projects²¹.

Edmonton businesses expect employment levels to remain stable over the next year. Only 11 per cent of Edmonton businesses surveyed anticipate their employment to decline; though this is more acute in the accommodation and food services sector.

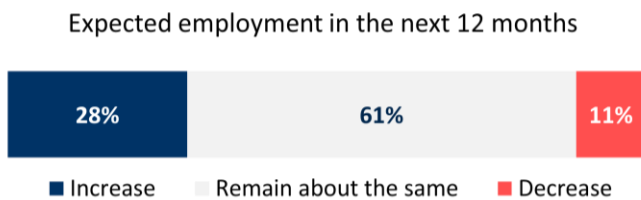


Figure 4. Looking ahead 12 months, employment at this business is expected to...
[Base: Total answering; n=1000]

Seventy-one per cent of Edmonton businesses find employee turnover manageable and 52 per cent are confident about labour cost sustainability.

Recruitment challenges vary by sector and skill type. Businesses in the construction and manufacturing sectors report the greatest difficulty in hiring for specific trade skills. In the professional, scientific and technical services sector, soft and problem-solving skills are harder to find. Accommodation and food services businesses face challenges recruiting workers with strong customer service skills.

City of Edmonton Business Support Programs Largely Unknown to Edmonton Businesses

Sixty-one per cent of businesses surveyed are unaware of any services offered by the City.

Awareness is especially low in the Southeast and Jasper Place districts, as well as in the construction, manufacturing and wholesale trade sectors.

Awareness of specific City business support services remains relatively low, with 27 per cent of businesses aware of the City’s grant programs and 23 per cent aware of one-on-one support services for permits and licensing.

Changing Macroeconomic Realities, Such as New Tariffs Imposed on Canadian goods are Forcing Local Businesses to Adjust

The BRE survey result shows that 51 per cent of businesses have adjusted their operations in response to tariffs and 72 per cent expect negative impacts in the next 12 months, especially in the Southeast district. The most highly anticipated effects are:

- 1) Price increases and
- 2) Supply chain disruptions.

The sectors most likely to expect negative impacts include construction, wholesale trade and manufacturing.

Businesses in Edmonton have greater concerns about tariffs than national results in other surveys². It is important to note the perceptions may vary as tariff announcements have been inconsistent and the BRE survey was completed prior to the United States imposing a 35 per cent tariff on Canadian goods.

To guide the City of Edmonton’s advocacy to other levels of government on the impact of tariffs, businesses identified the following key priorities:

- 1) Removing interprovincial trade barriers and
- 2) Encouraging consumers to shop local and buy Canadian.

Profile of Startup and Growing Businesses in the Expansion Stage

Twenty-nine per cent of Edmonton businesses surveyed are in a startup or growth phase and either anticipate increased sales or plan to expand within the next 12 months (referred to as expansion-stage businesses). These businesses are most concentrated in the Scona and West Edmonton districts. Most expansion-stage businesses are locally owned and operated.

Current Strengths and Challenges; Future Opportunities and Threats

Expansion-stage businesses are more likely to view business-to-business networking and market access as key strengths and opportunities. However, they are equally likely as others to identify government policy, rent and real estate costs, and perceptions of vibrancy and safety as ongoing challenges and threats.

Growth Expected in Green Sectors

Compared to other businesses, those in the expansion stage are more likely to generate revenue from green economy activities (34 per cent vs. 27 per cent), though both groups are similarly engaged in selling waste by-products (five per cent vs. seven per cent).

Global Trade

The study found roughly one quarter of businesses in the growth phase target national or international business-to-business markets, as shown in Figure 7. These businesses may benefit from supports that identify alternative trading partners in lieu of the trade relationship with the United States. Furthermore, the Edmonton Business Census found businesses who export employ twice as many employees as those who do not,⁵ suggesting this segment may lead to significant employment growth.

Expansion-stage businesses within each sector (top 10)

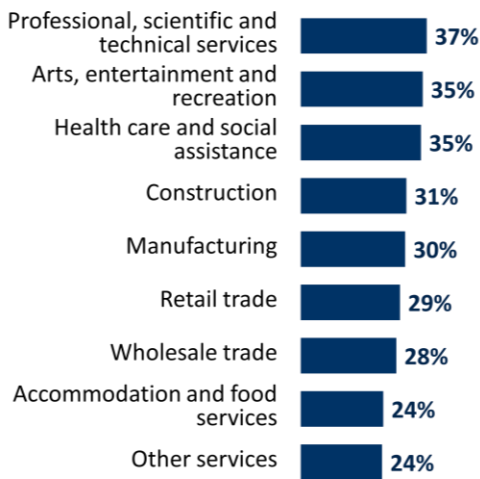


Figure 5. Expansion Segment [Base: Total answering by sector; n=31-228]

Labour market

Confidence is stronger among expansion-stage businesses: over half those surveyed expect to increase employment, and 56 per cent believe they can find qualified candidates, compared to 49 per cent among businesses not in this segment.

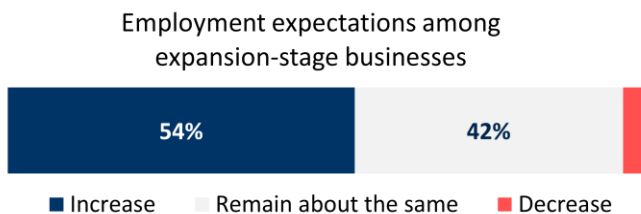


Figure 6. Looking ahead 12 months, employment at this business is expected to... [Base: Expansion segment; n=298]

Expansion-stage businesses target market



Figure 7. Which of the following target markets does your business focus on? [Base: Expansion segment; n=2]

Data Sources for Additional Context

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3. **No Summer Lift for Business Confidence.** https://www.conferenceboard.ca/insights/no-summer-lift-for-business-confidence/?utm_source=Dynamics%20365%20Customer%20Insights%20-%20Journeys&utm_medium=email&utm_term=N%2FA&utm_campaign=newsletter_eqt_2025-07-16&utm_content=newsletter_eqt_cpi%20%2B%20business%20confidence_2025-07-16#msdynmkt_trackingcontext=80f905c1-d330-4e80-a555-eac456d10300
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13. **Building Owners and Managers Associations (BOMA) British Columbia Downtown Vancouver Safety and Vibrancy Survey, 2024 - Study conducted by Leger:** <https://www.dtvancouver.ca/wp-content/uploads/2024/08/Vancouver-Safety-and-Vibrancy-Survey-BOMA-BC-June-26-2024.pdf>
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Detailed Methodology

Research sponsor	The City of Edmonton
Research/data collection supplier	Advanis
Population represented	Businesses listed in the Edmonton Business Census
Sample size	396 completes over the phone /633 completes via online web survey
Mode of data collection	CATI (telephone) & Online (web survey) recruited via telephone or email invite
Source of sample	Edmonton Business Census
Description of sample	Census (call through sample with no email contact information, interviewed those who answered / sent invite to all of those who had a valid email).
Sample design	Target of 1000 completes.
Start and end dates of data collection	May 7, 2025 to June 9, 2025 inclusive
Strategies used to gain cooperation	Mentions that individual results kept anonymous and confidential
Margin of sampling error for total sample	This study was conducted as a census of the target population. As all units were invited to participate, sampling variability is not present, and a conventional margin of error cannot be calculated.
Is data weighted?	Yes; by district, number of employees, located in an industrial neighbourhood.
Contact for more information	Sandra Olarte (solarte@advanis.net)
Survey text	Please contact info@advanis.net for details
Publishing results note:	If the results of this study are published, please ensure that this is done in compliance with the Public Opinion Research Standards and Disclosure Requirements.