Modus
RESEARCH
Sample Matters



The Business Monitor

Fall 2026

The Upcoming Federal Budget and the Productivity Mega Deduction

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Introduction

The findings presented are from the most recent Business Monitor. This edition of the Monitor features a closer examination of the impact of U.S. tariffs and views on the federal government's upcoming budget. The latter is the focus of this report.

The Business Monitor

The Business Monitor is the voice of Canadian business. The Monitor runs quarterly and is powered by the Modus Business Panel – Canada's only purpose-built and probability-based B2B research panel. There is no need to compromise data quality when using an omnibus. Sample matters.

Benefits

- Measurable accuracy of a probability sample.
- Proprietary research findings at a fraction of the cost of a custom survey.
- Expert business survey design advice for your proprietary questions.
- Extensive business demographic and profile data.
- Ongoing tracking for a range of important metrics – economic and business confidence.

Specifications

- Nationally representative sample of 500+ enterprises operating in Canada.
- Survey is conducted online and via mobile devices in French and English.
- 100% of the sample is based on random probability sampling, all respondents vetted by live in-house interviewers. No bots or survey fraudsters.



For scheduling and pricing, please reach out to:

- Adriana Lisitza
- alisitza@modusresearch.com
- Webpage

Methodology

The Business Monitor is powered by the Modus Business Panel – Canada's only purpose-built, *fully* probability-based business research panel.

The survey was conducted online using both email and SMS invitations/reminders, and completed via desktops, laptops, tablets and mobile devices.

A total of 510 responses were gathered from Canadian managers and executives. As Modus Business Panel is 100% recruited using RDD probability-based telephone sampling, it is statistically valid to calculate the margin of error – it is plus or minus 4.3% at a 95% confidence interval.

The survey was conducted from October 29 to November 4, 2026. The data have been weighted by region and enterprise size using the latest population data from Statistics Canada.



Notes on Reporting

Numbers in charts and tables may not always add up to 100 per cent due to rounding or the exclusion of non-response.

Scale aggregates are presented in parentheses on charts and tables, and are based on either a 5- or 7-point scale.

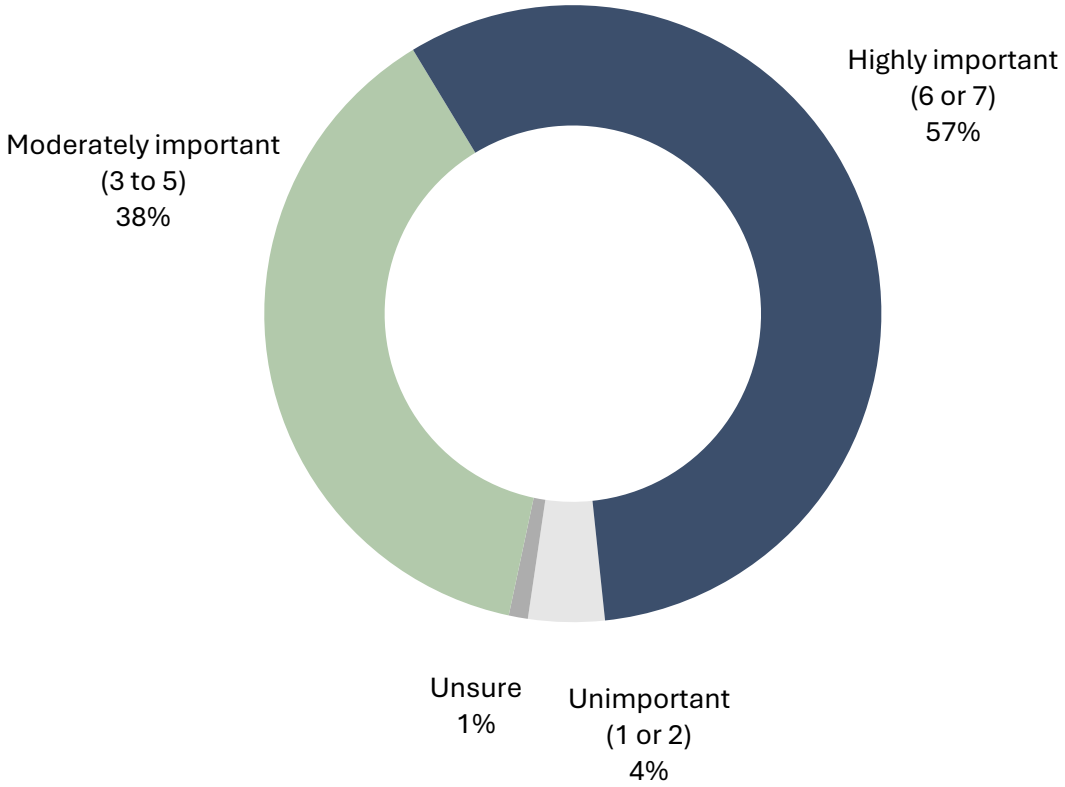
Regional breakouts are shown in some charts with small subsamples for the Prairies (n=25) and Maritimes (n=29). Any subsamples with fewer than 50 cases are marked with an asterisk.

The Upcoming Federal Budget

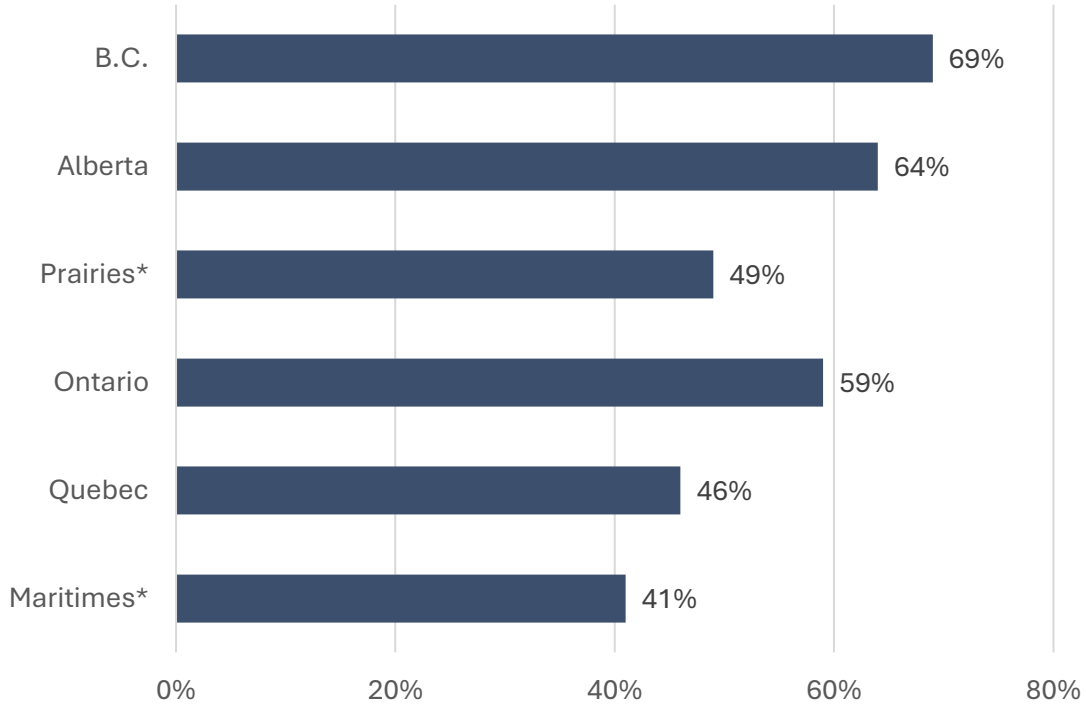
A majority of business leaders think the 2026 budget is highly important for the future of Canada's economy

The importance of this budget is viewed highest in B.C., Alberta and Ontario.

Q In your view, how important is this upcoming federal budget to the future of the Canadian economy?
Base: all enterprises, n=510



High importance by region



*caution: small subsample

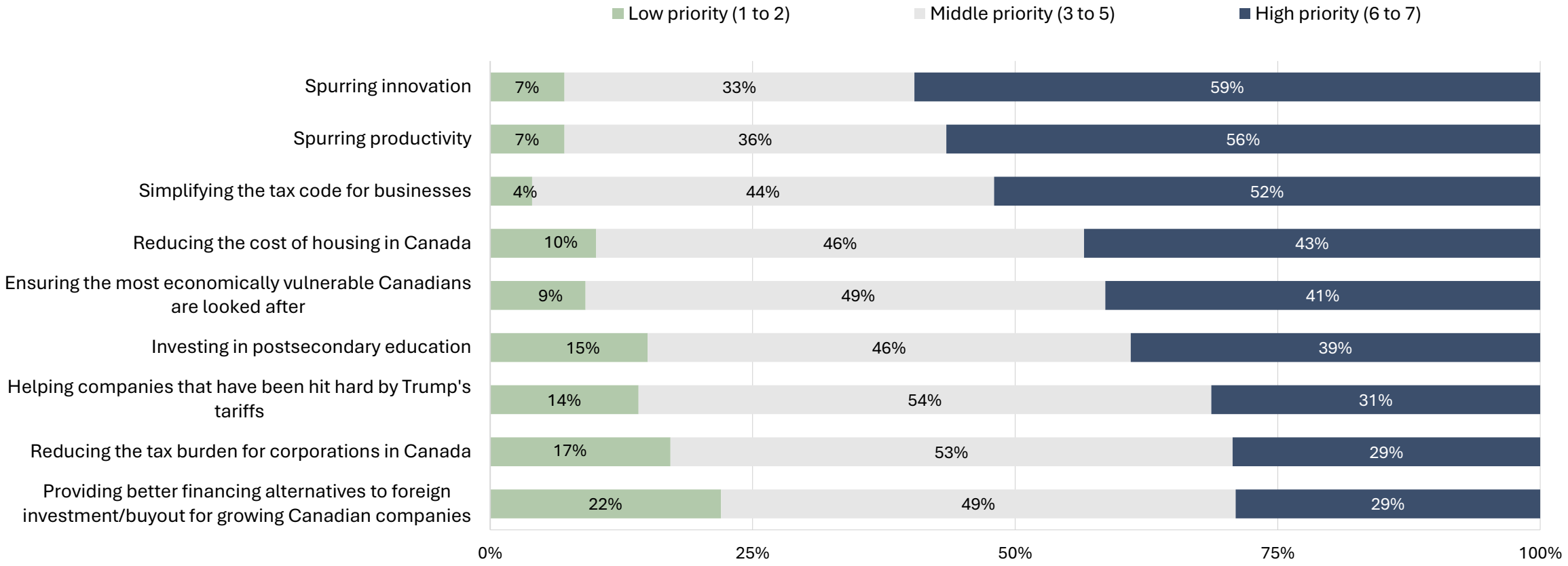
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Spurring innovation and productivity top the list of budget priorities for business leaders

Reducing the tax burden for corporations is well down the list of priorities

- In the context of the attention given to Carney's productivity mega deduction and reducing corporate tax burden, this finding is at odds with the prevailing coverage.

Q Thinking more broadly about the upcoming federal budget, what priority should the federal government place on each of the following policy choices?
Base: all enterprises, n=510

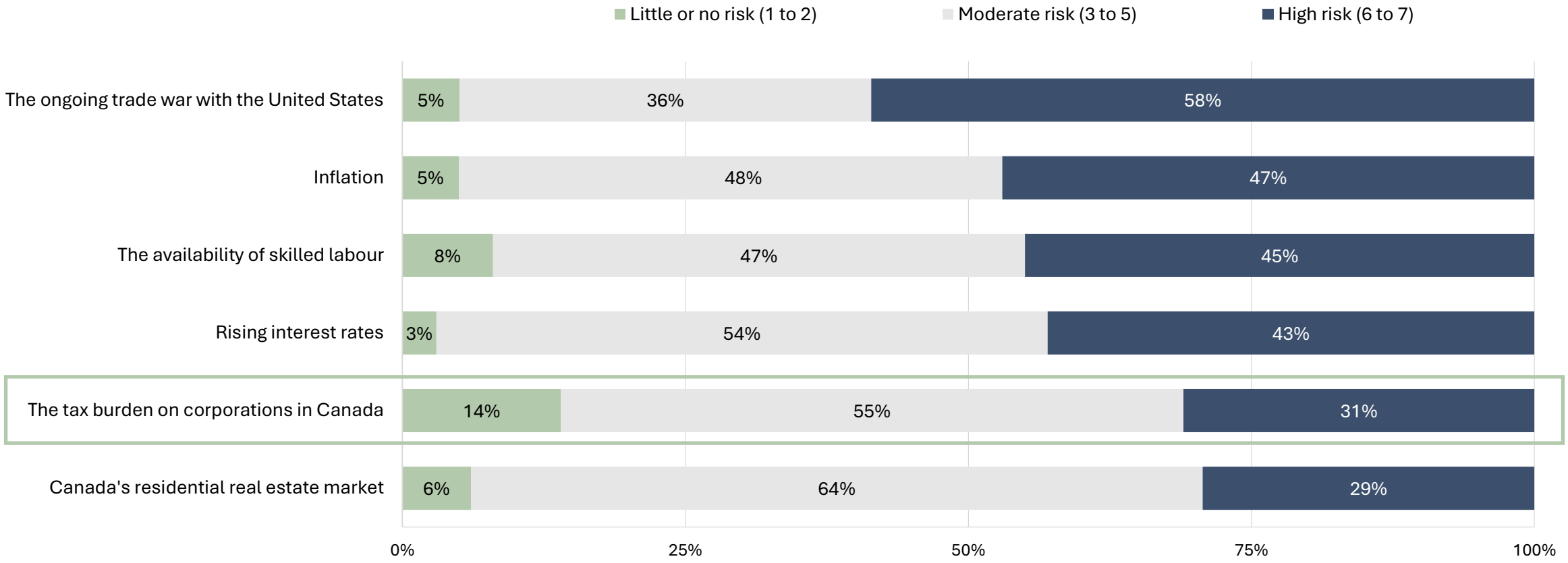


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Corporate tax burden also rates lowly as an economic risk

Outside of the trade war, inflation, the availability of skilled labour and interest rates are seen as the biggest risks to the Canadian economy.

Q How would you rate each of the following in terms of risks to the Canadian economy?
Base: all enterprises, n=510



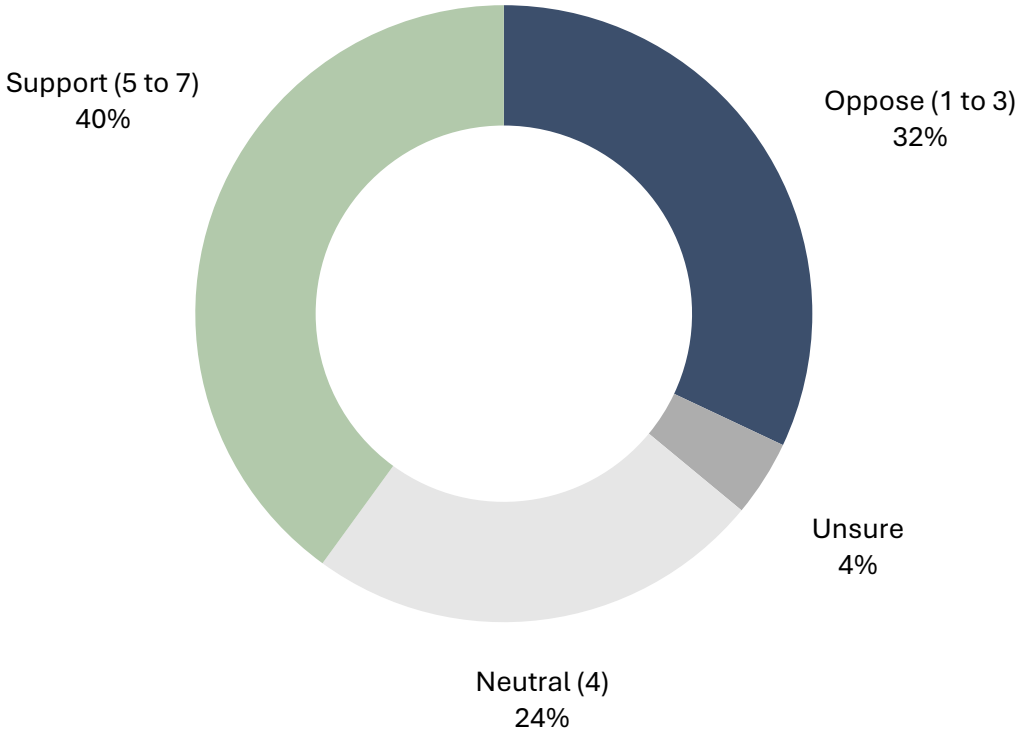
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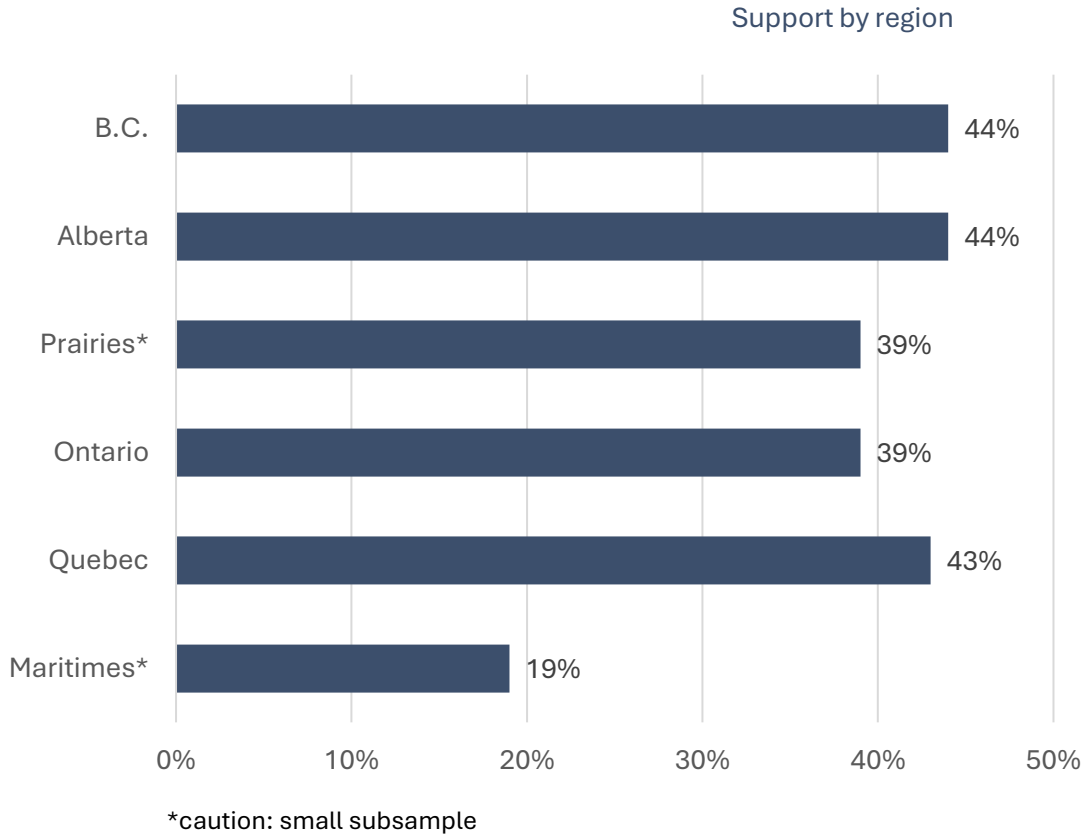
The Productivity Mega Deduction

Business leaders are fairly polarized on Carney's productivity mega deduction

This is more or less consistent regionally. In no region does the initiative receive majority support.

Q Overall, how strongly do you support or oppose the implementation of this "productivity mega deduction" in the upcoming federal budget?
Base: all enterprises, n=510





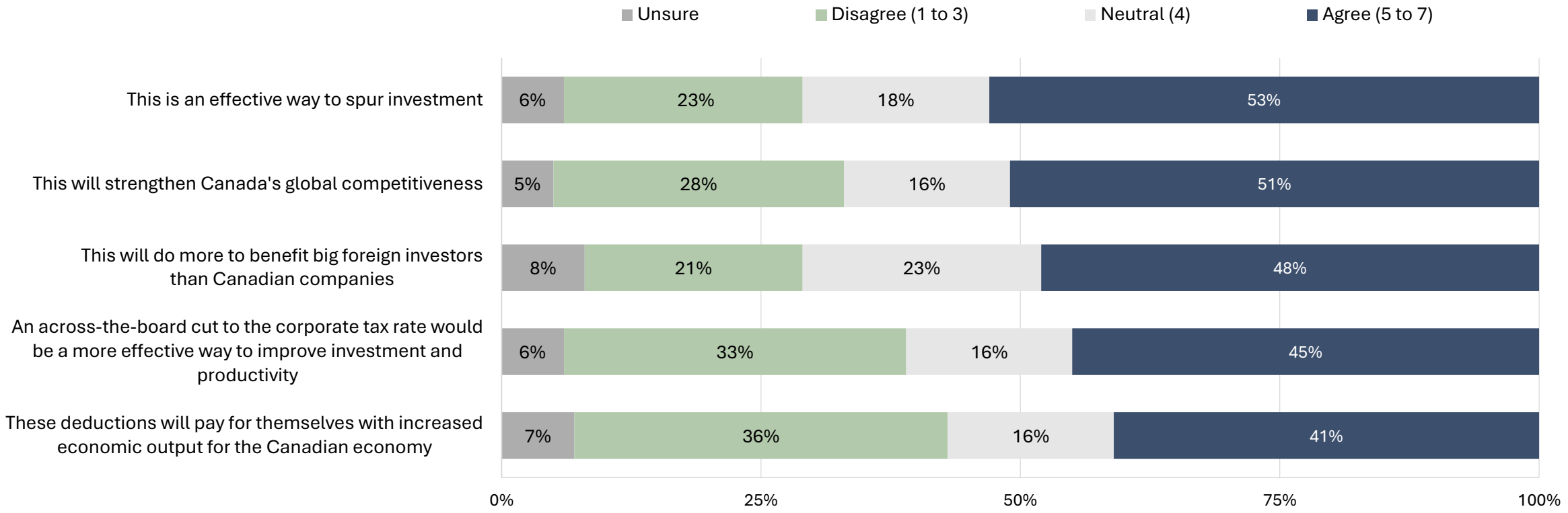
*caution: small subsample

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There are no big winners on the key selling points for the mega deduction

While the federal government suggests that the mega deduction will pay for itself ($8.5 billion cost annually vs. $22 billion in increased economic activity), business leaders are not widely convinced.

Q *At the recent Canada Investment Summit put on by the Carney government, the Prime Minister announced a new "productivity mega deduction" that will provide instant tax credits to businesses for investments in a wide range capital assets. According to the federal government, the biggest beneficiaries of these tax deductions will be concentrated in agriculture/fishing, manufacturing, transportation, forestry and utilities.*
Based on what you may have read or heard, how strongly do you agree or disagree with the following statements about the 'productivity mega deduction'?
Base: all enterprises, n=510



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Discussion

Discussion

Recent coverage of Carney's productivity mega deduction suggests that Canadian business leaders are wildly in favour and clamouring for corporate tax cuts. While spurring innovation and productivity are widely viewed as a top priority for this budget, corporate tax cuts are not.

Given the weak appetite for corporate tax cuts across Canada's business leaders, it is unsurprising to find only modest support for the productivity mega deduction. Although the deduction has been enthusiastically received among business lobby groups, these results show that the broader base of Canadian business leaders are not so impressed.



Standards and Ethics

AAPOR AMERICAN ASSOCIATION FOR PUBLIC OPINION RESEARCH

- Modus staff are members of AAPOR
- We adhere to AAPOR's stringent Code of Professional Ethics and Practices
- Globally, AAPOR is one of the only survey research organizations that maintains strict standards on probability sampling, including explicit restrictions for reporting non-probability samples.

The Modus Advantage

Modus Panels versus the Opt-ins

All the major providers of panel research in Canada rely on opt-in/non-probability recruiting. It is important to know the difference.

- Modus panels rely exclusively on telephone-based random probability recruiting that covers the entire Canadian population (aside from those without a telephone).
- There is no need to qualify your results with awkward disclaimers like: "For comparison purposes, a probability sample would have a margin of error …"
- On the basis of probability sampling, we can legitimately cite the margin of error and project the results confidently.
- People cannot join a Modus panel unless we randomly select them and verify them with a live in-house interview. Our panels contain real respondents with none of the AI bots, professional respondents or survey fraudsters that plague opt-in panels.

As the AAPOR Task Force on Non-probability Sampling has pointed out:

- *"The ….. use of opt-in panels [is] premised on a willingness to accept overwhelming coverage and selection error."*
- *"AAPOR has long maintained reporting margin of sampling error with opt-in or self-identified samples is misleading."*

Features	Modus Panels	Opt-in Panels
Random, probability-based recruiting	Yes	No
Coverage of the entire known population	Yes	No
Measurable accuracy (margin of error)	Yes	No
High response rates	Yes	No
Projectable results	Yes	No
Financial incentives	No	Yes
Exotic sampling, weighting and data cleaning	No	Yes
Survey pros and fraudsters	No	Yes
A.I. bots	No	Yes

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