



# Economic Vision

December 2025

## The economy by the numbers

Change compared to the previous month



### Consumer price index

**3.2%** ▼

Quebec (October 2025)

**1.9%** ▲

Canada (October 2025)



### Unemployment rate

**5.1%** ▼

Quebec (November 2025)

**6.5%** ▼

Canada (November 2025)



### Monthly variation of GDP at basic price

**+0.1%** ▲

Quebec (August 2025)

**-0.3%** ▼

Canada (August 2025)



### Prime rate

**2.25%** ▼

(October 2025)

## Insolvency in Quebec

Q3 2025 vs. Q2 2025



**-17.5%** ▼

Consumer insolvency in Quebec



**+6.3%** ▲

Business insolvency in Quebec

## Our expert's remarks



**Yannick Bourassa-Milot**

**Recovery and Reorganization**



While the number of **consumer insolvency** files dropped in Q3 2025, the year-to-date results remain above those of 2024, which reflects ongoing financial pressure driven by cost increases and high debt in particular.

On the **business** side, a slight rise in the number of files was seen between Q2 and Q3, despite a cumulative total for 2025 which is approximately 27% lower compared to 2024. This volume is around 28% higher than pre-pandemic levels (Q3 2019), which reflects the persistent nature of economic and financial pressure on businesses.

Organizations are operating in a challenging world which is characterized by stagnation and where uncertainty and trade tension are determining factors.

However, certain encouraging signs in the form of targeted financial assistance programs and strategic investment by the federal government point to an outlook of economic vitality. In order to remain competitive, businesses must look beyond this reality and focus on strategic levers such as talent retention, AI integration and tax optimization. In this context, anticipating risk and seizing opportunities have become a key element to transform uncertainty into a lasting benefit.

## What should you monitor at this time?

**Federal budget:** Economic uncertainty intensified by trade tensions with the U.S. led to a historically large deficit. Ottawa is counting on massive investments in defence and infrastructure to revive growth, despite the ongoing budgetary constraints.

**2025 Federal Budget:**  
Find out more about the key measures in our bulletin.

**Government assistance measures:** In light of the current economic context, Quebec and Canada are continuing their efforts to support businesses. Among the new measures announced, the federal government recently unveiled targeted initiatives for the steel and lumber sectors which include an additional \$500 million for the Business Development Bank of Canada's Softwood Lumber Guarantee Program.

**Assistance programs for businesses:**  
Discover all the available resources.

**Construction:** During 2025, the construction industry reached its highest level of 216 million hours worked (+3% compared to 2024 and +22% compared to 2019) which was driven by growth in the industrial, residential, institutional and commercial subsectors. Among other things, housing starts jumped by 31% compared to 2024. A slight decline is anticipated for 2026, but the outlook remains positive and supported by major projects, residential demand and investment in energy and critical minerals.

**National defence:** The November 2025 federal budget announced an investment of \$81.8B over five years to modernize the national defence sector and open opportunities in aerospace, cybersecurity and naval construction. As Canada's second-largest economic player, Quebec will reap significant benefits.

**Sources:** Statistics Canada, Institut de la statistique du Québec, Office of the Superintendent of Bankruptcy, Bank of Canada, Business Development Bank of Canada, Commission de la construction du Québec, Canada Mortgage and Housing Corporation.

## Cybersecurity

**Cybersecurity has become a major challenge for businesses. Cybercriminals exploit vulnerabilities to commit fraud and paralyze operations in addition to attacking manufacturing and critical infrastructure.**

Artificial intelligence has increased the frequency and complexity of cyberattacks and accelerated the creation of adaptive malware that is capable of circumventing defence systems. The statistics below demonstrate the scope of this threat.

The global cost of cybercrime is expected to **increase by 70% over the next 5 years.**

**85% of Canadian businesses** experienced a successful cyberattack during the past year.

**2/3 of Canadian businesses** are at risk of a ransomware attack.

The number of ransomware attacks targeting industrial organizations has **increased by 87%.**

In light of this reality, businesses of all sizes must strengthen their cybersecurity posture by adopting proactive strategies and ensuring 24/7 monitoring of their IT environments.

### Could you recognize the warning signs of a cyberattack?

**A frozen screen is not always part of a cyberattack. The signs could become evident well before the ransomware is deployed.**

**Some of the most frequent warning signs are:**

- a sudden slowdown of servers and networks;
- files that are inexplicably inaccessible or modified;
- unusual logins at unlikely hours;
- refused passwords and unexpected password reset requests;
- repeated security alerts and targeted ransomware emails.

**These warning signs are often ignored, but they might alert you to a slowly evolving cyberattack that could paralyze your system.**



To find out more about the warning signs of a cyberattack, read our article on the topic.



**Guillaume Caron**  
Cybersecurity



Sources:  
Statista, Made in CA, Dragos.

## Managing environmental, social and governance (ESG) criteria

When reality redefines the rules: organizations must now replace discussion with a structured strategy based on reliable data and solid governance or risk losing their competitiveness and increasing their risks.

Several studies show that Quebec SMEs do not have formal ESG strategies.

ESG criteria have become an **undeniable component of the tendering process**, driven by regulatory requirements and societal expectations.

Financial institutions now require an increasing amount of **audited and comparable ESG data** to secure financing.

The **modernization of the Competition Act (Bill C-59)** made greenwashing a **major legal risk**.

Investors now place more value on the **quality of sustainable reporting** than on the quantity of commitments.

According to the World Economic Forum, **supply chain risks** are now among the **five biggest threats**.

Businesses whose **Board of Directors has climate expertise** are **two to three times more likely** to achieve their objectives.

**88%** of studies show that rigorous management of material issues increases productivity and decreases volatility.

When ESG is a requirement:  
What you need to know.



Laëtitia Fièvre  
Management Consulting



Sources:

Institut du Québec, Government of Canada, Harvard Business School, World Economic Forum, World Bank, Oxford University, MSCI.

## On an international level: revealing figures from Grant Thornton's International Business Report (IBR)

### The international outlook for Canadian businesses

- 56% intend to expand activities in international markets.
- 54% anticipate an increase in export volume.
- 50% plan to increase the number of countries they serve.
- 38% intend to expand their network of overseas suppliers and subcontractors.
- 37% anticipate an increase in the number of employees dedicated to international markets.

These trends, which **increased by 7% on average during Q3 2025 compared to the previous quarter**, show an increased willingness to boost internationalization and diversify supply chains.

Both Canadian and Quebec businesses are looking to expand their global presence, mobilize additional resources for overseas markets and strengthen their international partnerships. This direction is the result of a strategy focused on competitiveness and resilience in an evolving economic context.

Browse Grant Thornton's press releases to find out more about national and global trends.

Learn more

# Strategic levers for boosting your competitiveness!



**Clara Demers**  
Management Consulting

Anticipate and address the talent shortage by focusing on innovative attraction and retention strategies while integrating a psychosocial risks prevention process as a productivity driver. Understanding and respecting the requirements introduced under Law 27 will protect your organization against major risks.



**Pierre Fortin**  
Management Consulting

Be rigorous in translating your strategic objectives into concrete action plans and foster a culture of innovation. Prepare your business processes for AI integration to take advantage of subsidies and optimize your investments with tax credits in mind.



**Marie-Josée Proulx**  
Taxation

The TCEB AI tax credit is a strategic tool for financing your AI projects. Take a value creation approach to your initiatives. Stay up to date on the latest changes and map your business needs to maximize eligibility.



**Pascal Grob**  
Taxation

Assess your project productivity and structure your pre-commercial phases to benefit from tax assistance such as the CRIC. Take advantage of comprehensive support services and explore all available incentives adapted to the size of your teams.



## Our economist's conclusion

In a context with little stability, organizations must combine vigilance and ambition.

This involves not only monitoring economic and commercial risks, but also seizing opportunities through government initiatives and technological changes. Focusing on innovation, enhancing talent management and optimizing financial strategies have become essential in order to transform this period of stagnation into a vector for sustainable growth.

### Jean-Philippe Brosseau

Partner – Economic Studies  
Management Consulting



Take action now and prepare for a future of improved performance. Check out our webinar about productivity and innovation.



For more content, visit our website.

[rcgt.com](https://rcgt.com)