Your Business and COVID-19 Survey - Part Three

Preliminary Results as of March 30, 2020
Methodology

• Online survey started March 27.

• So far, it has received 9,678 responses from small business across Canada.

• For comparison purposes, a probability sample with the same number of respondents would have a margin of error of +/-1.0%, 19 times out of 20.

• Note on the next pages: The percentage of responses in charts may not always add up to 100%, due to rounding.
As of today, is your business still open?

- Yes, fully open: 21%
- Yes, partially open due to COVID-19: 46%
- No, fully closed due to COVID-19: 31%
- No, fully (or partially) closed due to reasons not related to COVID-19: 2%

Since Survey No. 2

Down 15 percentage points

77% of businesses are partially or entirely closed due to COVID-19


Note: The percentage of responses may not always add up to 100%, due to rounding.
You indicated your business is currently fully closed due to COVID-19. What are your business intentions once the COVID-19 emergency is over?

<table>
<thead>
<tr>
<th>Business Intention</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>We are confident our business will reopen</td>
<td>60%</td>
</tr>
<tr>
<td>We are unsure whether our business will reopen</td>
<td>32%</td>
</tr>
<tr>
<td>We will permanently close</td>
<td>0.5%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>8%</td>
</tr>
</tbody>
</table>


Notes:
- The percentage of responses may not always add up to 100%, due to rounding
- Only respondents who answered that their business is currently fully closed due to COVID-19.
How has COVID-19 affected your business sales?

- Sales have increased: 4%
- Sales have not been affected, and I don’t expect they will be: 3%
- Sales have not been affected, but I expect they will be soon: 13%
- Sales have decreased moderately: 21%
- Sales have decreased significantly: 57%
- Don’t know/Unsure: 3%


Note: The percentage of responses may not always add up to 100%, due to rounding.
How have your gross sales revenues changed since the start of the COVID-19 outbreak (i.e. early January 2020)?

- 7% Declined up to 10%
- 16% Declined 11% to 25%
- 22% Declined 26% to 50%
- 23% Declined 51% to 75%
- 22% Declined 76% to 99%
- 4% Declined 100% (we are not making any sales)
- 5% Don’t know/Unsure

Of those experiencing a decline greater than 50%:
• 23% experiencing a decline of 51% to 75%;
• 22% experience a decline of 76% to 99%;
• 4% are no longer making any sales.


Note: The percentage of responses may not always add up to 100%, due to rounding.

Note: Only respondents who indicated they had experienced a decrease in revenues.
How is COVID-19 affecting employment in your business?

- Laid off some, but not all staff: 38%
- Laid off all staff: 12%
- Will lay off, some or all staff in the next 7 days: 14%
- Reduced hours for employees: 28%

50% of businesses have laid off staff


Note: The percentage of responses may not always add up to 100%, due to rounding.
CFIB is trying to track the costs of COVID-19 for the Canadian business community. Are you in a position to tell us how much COVID-19 disruptions have cost your business to date (extra costs, lost sales, production slowed or halted, plans cancelled, etc.)?

<table>
<thead>
<tr>
<th>By Province</th>
<th>YK</th>
<th>NB</th>
<th>NS</th>
<th>NWT</th>
<th>MB</th>
<th>QC</th>
<th>SK</th>
<th>NAT</th>
<th>ON</th>
<th>BC</th>
<th>NL</th>
<th>AB</th>
<th>PEI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondents</td>
<td>7</td>
<td>208</td>
<td>222</td>
<td>7</td>
<td>199</td>
<td>1,124</td>
<td>182</td>
<td>5,611</td>
<td>2,367</td>
<td>643</td>
<td>81</td>
<td>537</td>
<td>34</td>
</tr>
<tr>
<td>Mean</td>
<td>$57,857</td>
<td>$61,314</td>
<td>$95,735</td>
<td>$102,143</td>
<td>$131,416</td>
<td>$154,553</td>
<td>$155,755</td>
<td>$160,314</td>
<td>$162,788</td>
<td>$176,767</td>
<td>$181,285</td>
<td>$214,367</td>
<td>$217,676</td>
</tr>
</tbody>
</table>

If COVID-19 continues to pose a serious challenge, how long can your business survive in the current context without additional support from government?

- Less than two weeks: 6%
- More than two weeks, but less than a month: 19%
- Between one and three months: 42%
- Between four and six months: 14%
- Between seven and twelve months: 5%
- More than a year: 5%
- Don’t know/Unsure: 9%

25% of businesses say they can survive less than a month under the current conditions.

Is your business in a position to pay its rent/mortgage for April?

Nearly a quarter cannot pay their April rent or mortgage

- Yes: 61%
- No: 23%
- Don’t know: 7%
- Not applicable (our business owns a mortgage-free building/land, etc.): 10%


Note: The percentage of responses may not always add up to 100%, due to rounding.
Please indicate your level of agreement with the following statements regarding your business.

**Provincial governments should take more action to protect commercial renters from being evicted**
- Strongly agree: 43%
- Somewhat agree: 28%
- Don’t know: 10%
- Somewhat disagree: 10%
- Strongly disagree: 6%
- Not applicable: 2%

**My landlord is being reasonable**
- Strongly agree: 17%
- Somewhat agree: 14%
- Somewhat disagree: 18%
- Strongly disagree: 38%
- Don’t know: 5%
- Not applicable: 8%

*Source: CFIB, Your Business and COVID-19 – Survey Number Three, March 2020, preliminary results, “Provincial governments should take more action to protect commercial renters from being evicted” n = 7,481; “My landlord is being reasonable” n = 9,060.*

*Note: The percentage of responses may not always add up to 100%, due to rounding.*
Should governments give emergency money to businesses that have been significantly affected by COVID-19 (forced closure, significant revenue losses) to help cover their rent, mortgage or other fixed costs?

- Yes: 86%
- No: 3%
- Don’t know: 11%


Note: The percentage of responses may not always add up to 100%, due to rounding.
What are you most worried about with respect to COVID-19?

The larger economic repercussions on the provincial, national and/or global economy 82%
The health impacts 63%
Staff layoffs 59%
Not having access to any/enough income support as a self-employed worker 50%
Having to close my business permanently 42%
Meeting tax and remittance obligations 40%
Not being able to pay our business rent or mortgage in April 27%
Other (Specify) 10%
No concerns at this moment 0%
Don’t know/Unsure 0%


42% are worried they will have to close permanently

Biggest business-related worries include: laying off staff, not having access to enough income, and having to close the business permanently.
Please indicate your level of agreement with the following statements regarding your business.

1. I am finding the current COVID-19 situation extremely stressful
   - Strongly agree: 62%
   - Somewhat agree: 32%
   - Don’t know: 5%
   - Strongly disagree: 1%

2. I am worried about laying off my staff as they may face lengthy delays before receiving payments (through Employment Insurance, the Canada Emergency Response Benefit, etc.)
   - Strongly agree: 50%
   - Somewhat agree: 25%
   - Don’t know: 3%
   - Somewhat disagree: 14%
   - Strongly disagree: 6%

3. I am having an easy time dealing with my bank
   - Strongly agree: 11%
   - Somewhat agree: 26%
   - Don’t know: 22%
   - Somewhat disagree: 16%
   - Strongly disagree: 12%

4. My business can take on more debt to face the current crisis
   - Strongly agree: 10%
   - Somewhat agree: 25%
   - Don’t know: 5%
   - Somewhat disagree: 4%
   - Strongly disagree: 17%

Source: CFIB, Your Business and COVID-19 – Survey Number Three, March 2020, preliminary results, n = 9,211.

Note: The percentage of responses may not always add up to 100%, due to rounding.
Please indicate your level of agreement with the following statements regarding your business.

Tax deferrals are not enough, governments need to shift to tax holidays
46% strongly agree, 25% somewhat agree, 14% don't know

There is not much my customers can do for my business at this point in time
41% strongly agree, 29% somewhat agree, 3% somewhat disagree, 15% don't know

I need more help from governments to cover my rent and other fixed costs
31% strongly agree, 24% somewhat agree, 12% somewhat disagree, 11% don't know

Dealing with government paperwork related to this crisis has been reasonably easy (ROE, finding information and forms I need, etc.)
5% strongly agree, 29% somewhat agree, 18% somewhat disagree, 10% don't know

I don’t need governments to do anything else to help my business through this situation
3% strongly agree, 10% somewhat agree, 13% somewhat disagree, 3% don’t know, 20% don’t know, 51% strongly disagree


Note: The percentage of responses may not always add up to 100%, due to rounding.
Please indicate your level of agreement with the following statements regarding your business.

**68% agree the increase in the wage subsidy is helpful to their business**

The new increase in the federal wage subsidy from 10 per cent to 75 per cent and backdated to March 15 will be helpful to my business

The new GST/HST remittance deferral to June 30 (for certain remittances, including some due in March, April and/or May) will be helpful to my business

The new Canada Emergency Business Account will be helpful to my business

The new Small and Medium-sized Enterprise Loan and Guarantee program will be helpful to my business


Note: The percentage of responses may not always add up to 100%, due to rounding.