



Reporting on the State of Small Business

Key Survey Results from CFIB's Monthly Omnibus Survey: April 2022 Your Voice Survey

CFIB

CANADIAN FEDERATION
OF INDEPENDENT BUSINESS

In business for your business.

This report includes the following data:

- ✓ An update on the current situation as experienced first-hand by Canada's small business owners
- ✓ Highlights based on data from CFIB's monthly omnibus survey*

Survey data featured:

+ April *Your Voice* survey - final results

- Active dates: April 8-22, 2022 (online survey)
- Sample: Results are based on responses from 2,886 business owners in Canada.
 - For comparison purposes, a probability sample with the same number of respondents would have a margin of error of +/-1.8%, 19 times out of 20.



Key Takeaways



State of small business

- Small businesses are still feeling the impacts of the pandemic, with only 2 in 5 making normal sales (40%), just over a third reporting no pandemic related debt (35%) and less than 1 in 5 indicating they are recovered from pandemic-related stress (18%)
- Less than 3 in 10 businesses describe themselves as fully recovered from the impacts of COVID-19



Recovery of Downtown Cores

- A quarter of businesses report that their revenues are impacted by a slow return to the office by downtown workers
- 3 in 5 of these businesses say government and big business have a role to play in getting their workers to return to those areas



Business Challenges

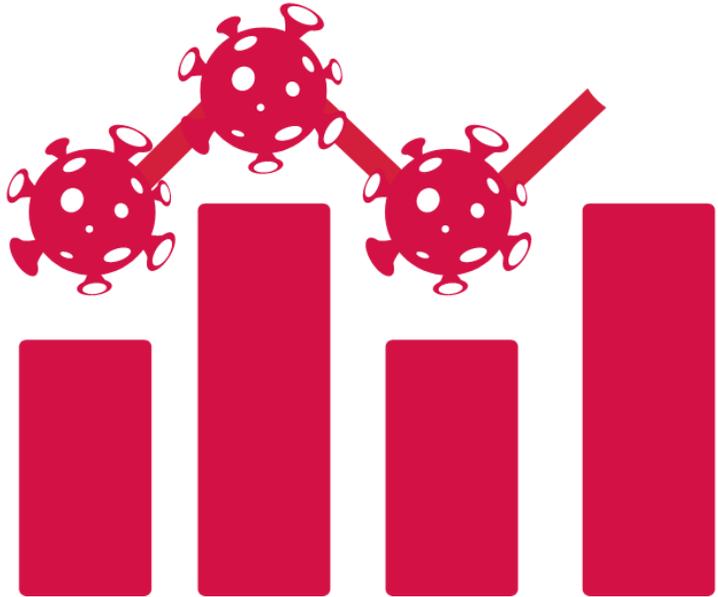
- Overwhelmingly, small businesses are having great difficulty keeping up with general costs, such as gas and inputs (90%), and with government costs, such as taxes and fees (82%)
- A strong majority are also finding it difficult finding staff (80%), getting the products they need (79%), and making a profit (76%)



2022 Federal Budget

- The majority of business owners (72%) did not find the measures announced in the 2022 federal budget to be helpful (not helpful at all - 32%; or not very helpful - 40%)

State of Small Business

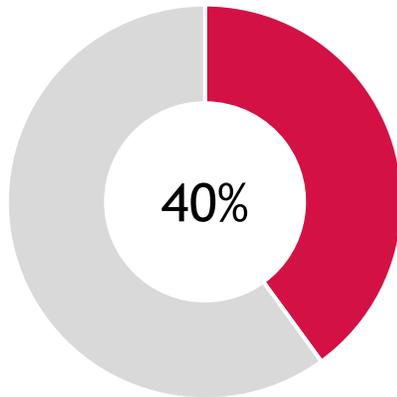


State of Small Business

Small businesses are still feeling the impacts of the pandemic, with only 2 in 5 making normal sales (40%), just over a third reporting no pandemic related debt (35%) and less than 1 in 5 indicating they are recovered from pandemic-related stress (18%).



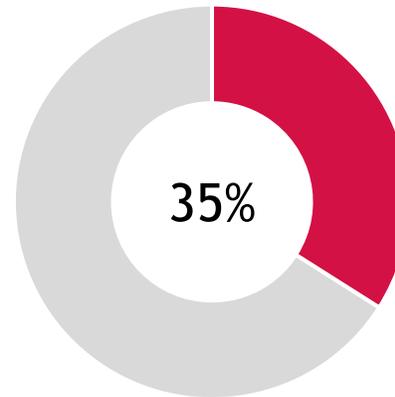
Normal sales



- About the usual (32%)
- Better than usual (8%)



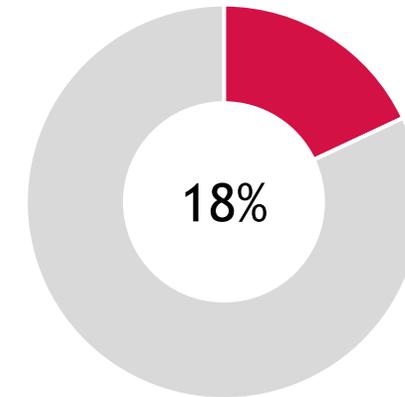
No pandemic debt



- Repaid all of it (11%)
- Not applicable - never took on pandemic-debt (24%)



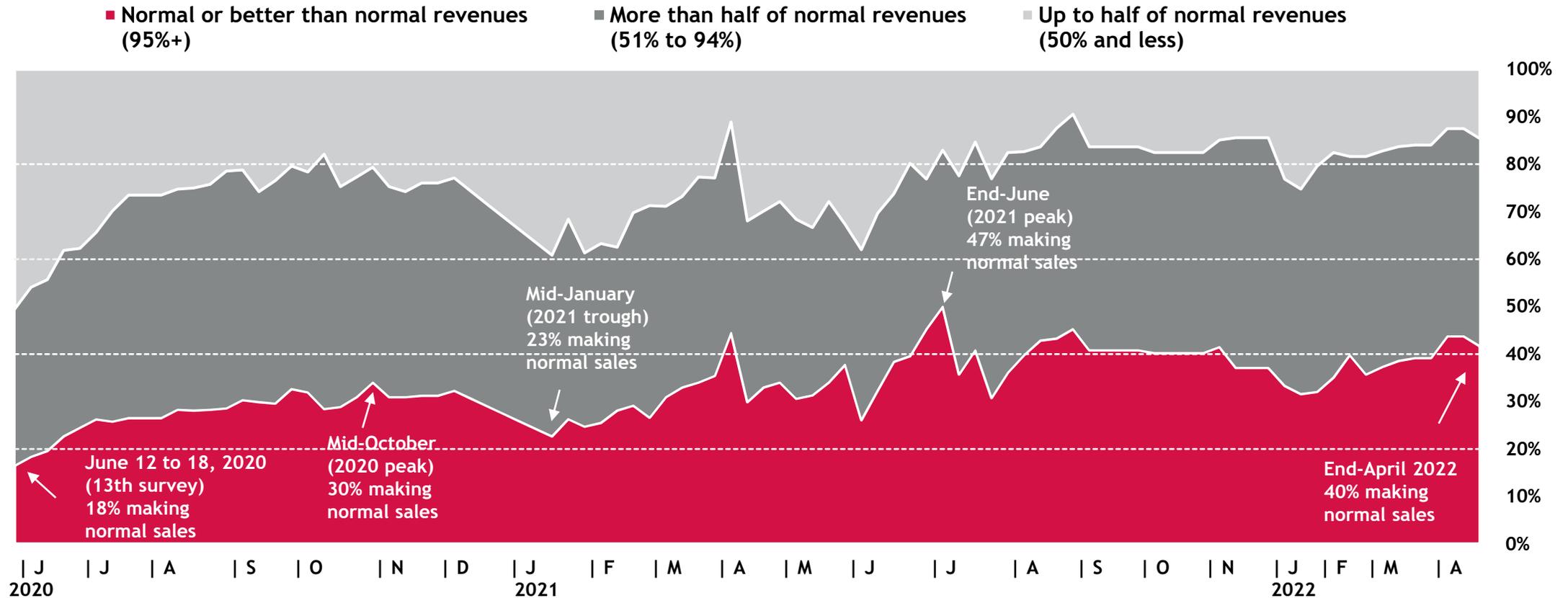
Recovered from pandemic stress



- Completely recovered (10%)
- Not applicable - never had pandemic-stress (8%)

Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n (sales) = 2,778, n (debt) = 2,774 and n (stress) = 2,777.

About 2 in 5 Canadian small businesses are making normal revenues as of April 2022 (% response)

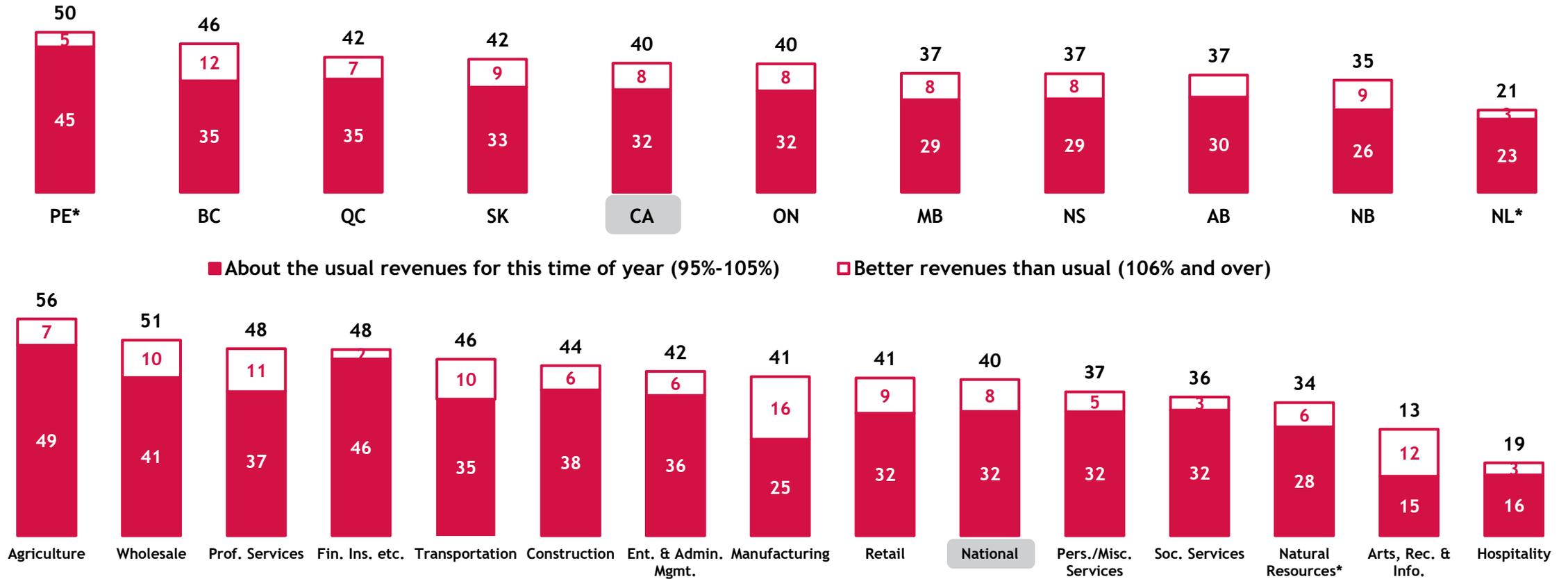


➔ 40% of Canadian business are making normal sales, up 5 percentage points from February 2022.

Source: CFIB, COVID-19 and Your Voice surveys - June 2020 to April 2022.

Normal or better revenues, April 2022

(By province and sector, % response)

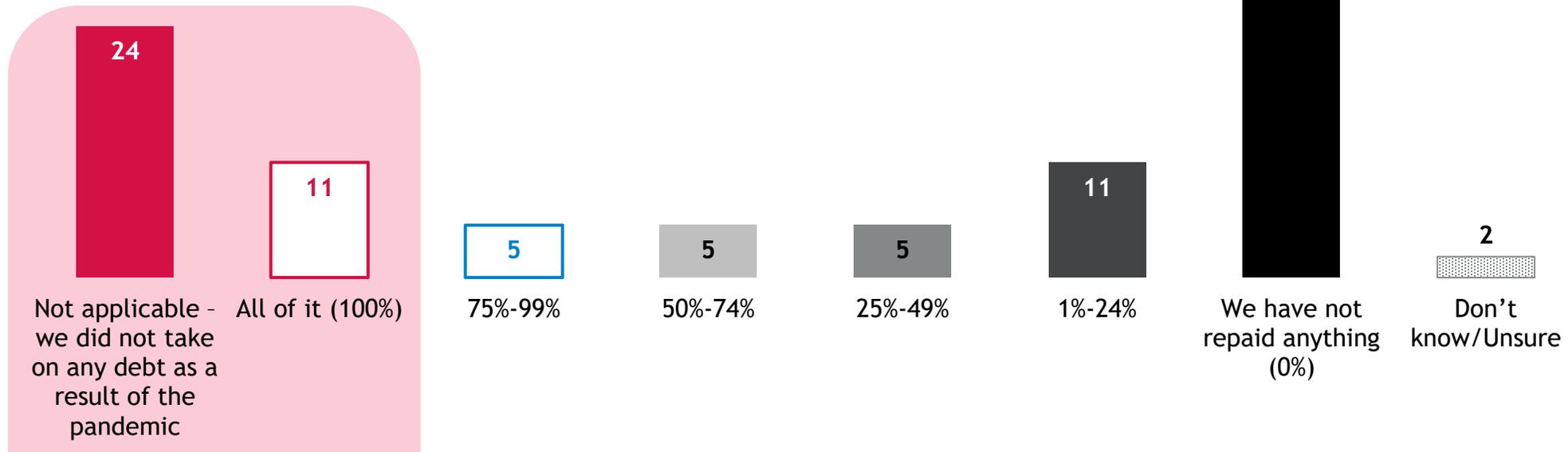


Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,778.
 Question: How much of your usual revenues for this time of year is your business currently making?
 Notes: 1) *Small sample size (<40).
 2) Totals may not add up due to rounding.

Only a third of businesses have no pandemic debt

Of business owners holding pandemic debt, 2 in 5 (38%) have not repaid anything and half (49%) have repaid less than a quarter.

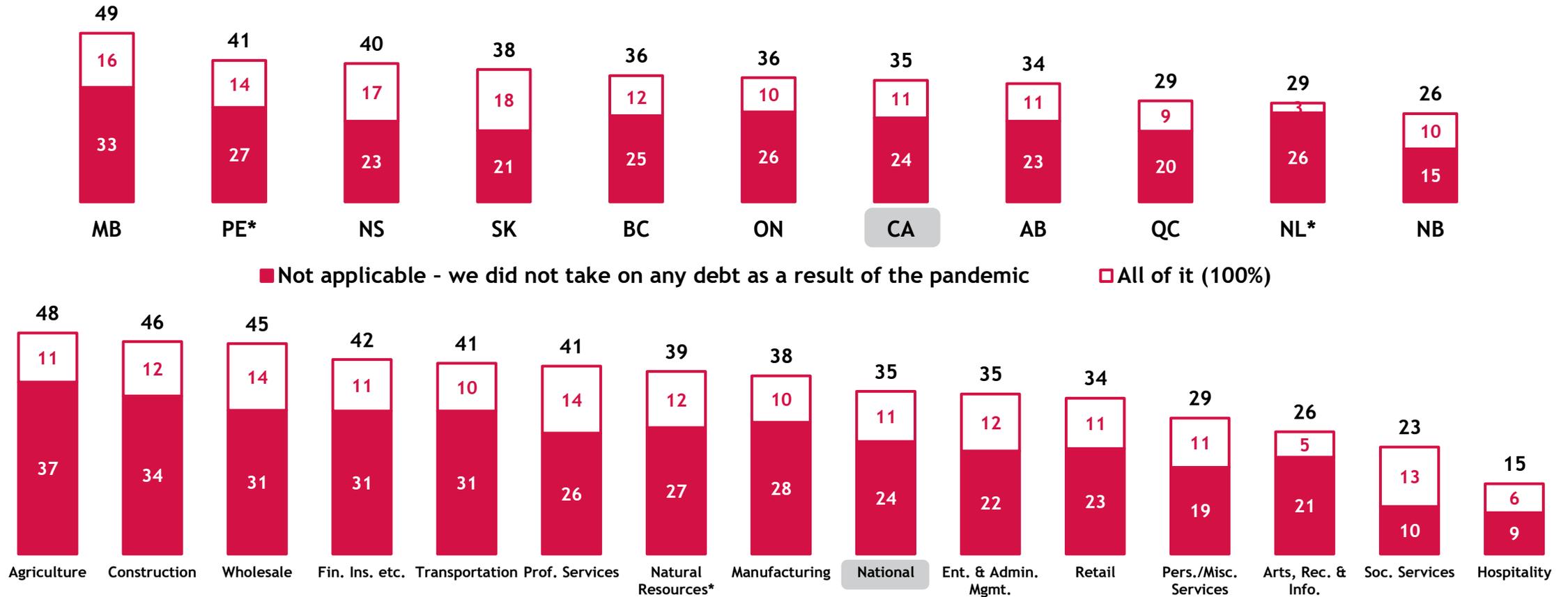
Businesses with no pandemic debt



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,774.
Question: How much of your pandemic-related debt has your business been able to repay?
Note: Total may not add to 100% due to rounding.

Businesses with no pandemic debt, April 2022

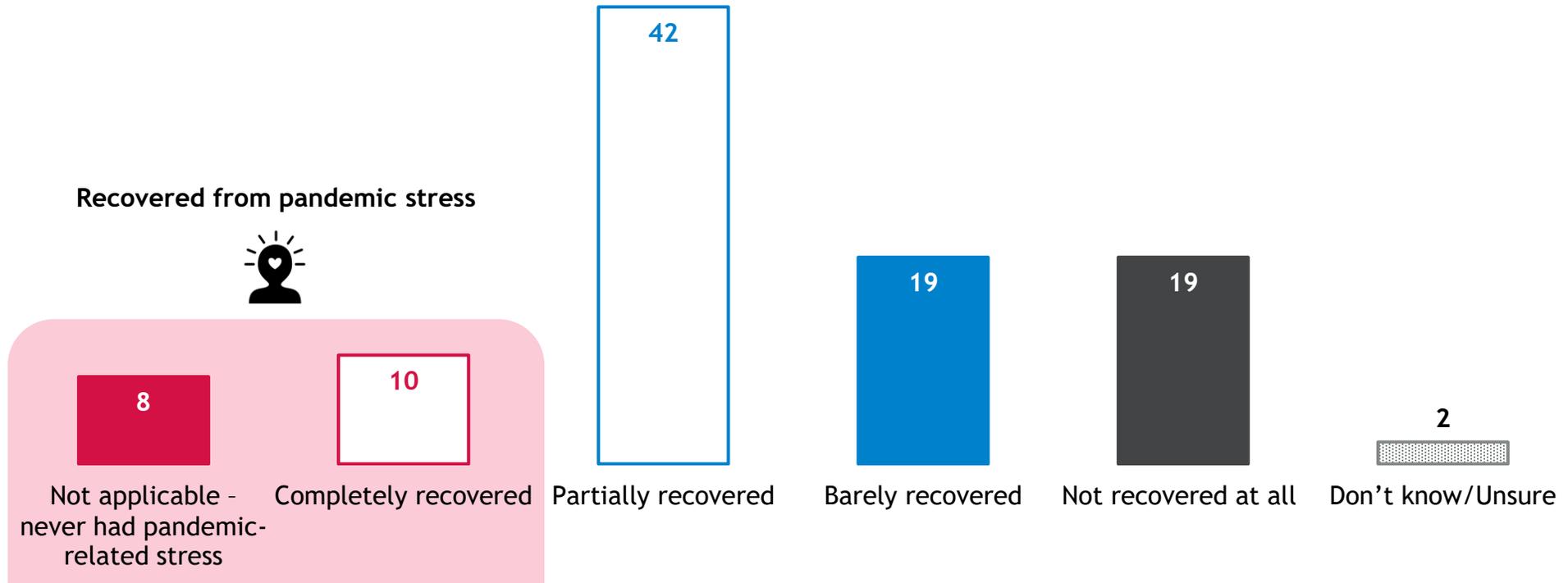
(By province and sector, % response)



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,774.
 Question: How much of your pandemic-related debt has your business been able to repay?
 Notes: 1) *Small sample size (<40).
 2) Totals may not add up due to rounding.

Less than 1 in 5 business owners have recovered from pandemic stress (% response)

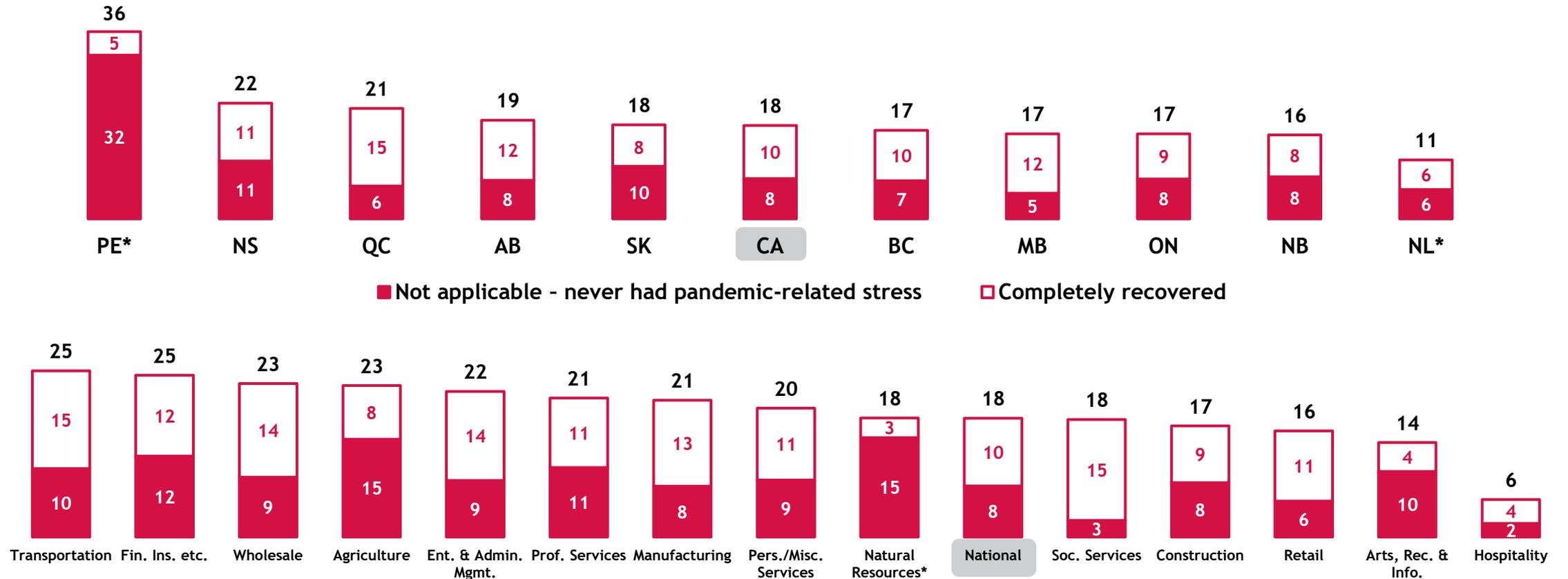
Also, 1 in 5 business owners (19%) have not recovered at all from their pandemic-related stress.



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,777.
Question: To what degree have you recovered from your pandemic-related stress as a business owner?

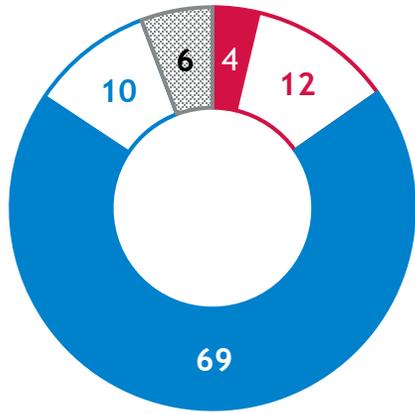
Recovered from pandemic stress, April 2022

(by province and sector, % response)



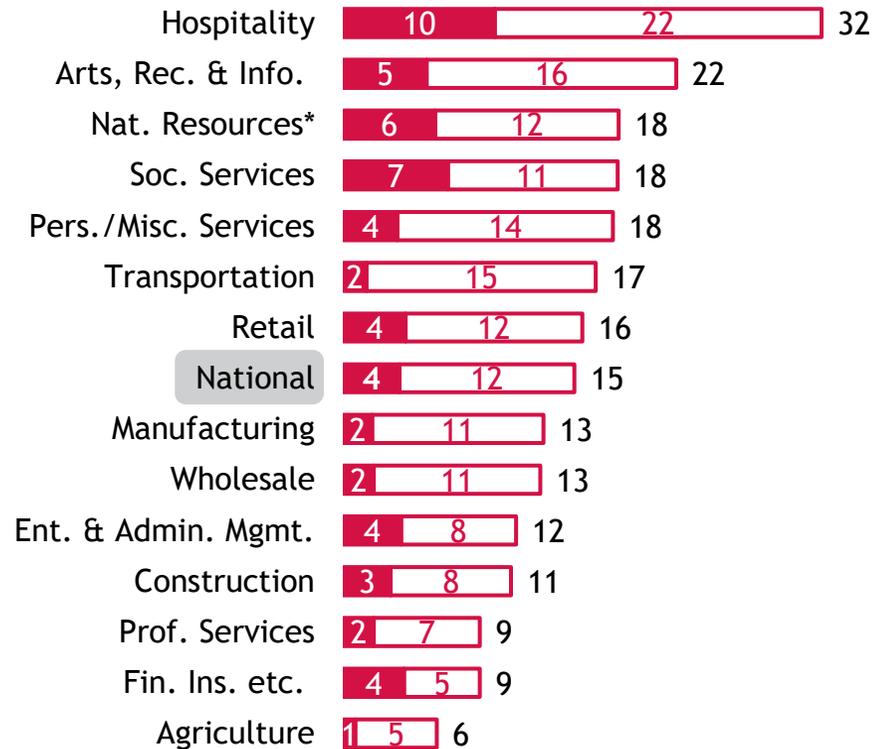
Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,777.
 Question: To what degree have you recovered from your pandemic-related stress as a business owner?
 Notes: 1) *Small sample size (<40).
 2) Totals may not add up due to rounding.

16% of businesses are currently considering bankruptcy or winding down as a result of COVID-19 (% response)



- Strongly agree
- Somewhat agree
- Strongly disagree
- Somewhat disagree
- Don't know/Unsure

The share of businesses considering bankruptcy varies considerably by sector, with the highest shares reported by hospitality (32%) and arts, rec. & info. businesses (22%)



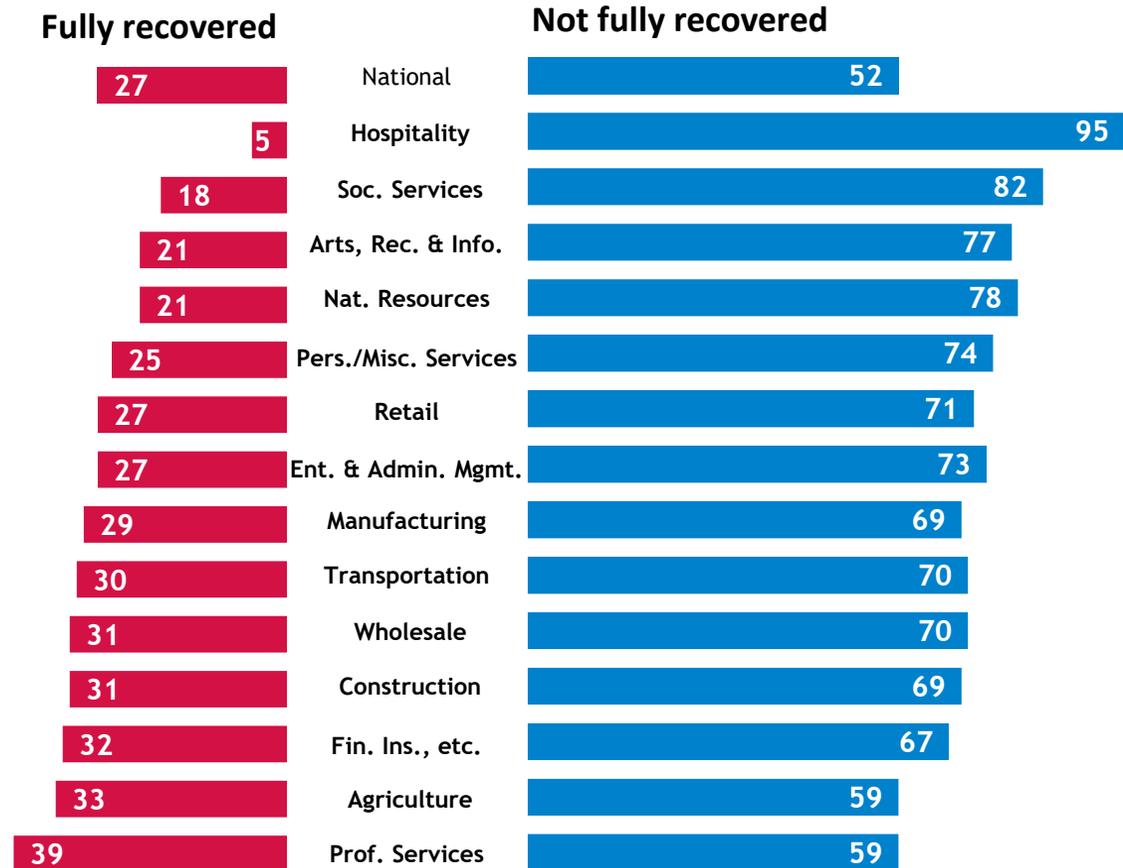
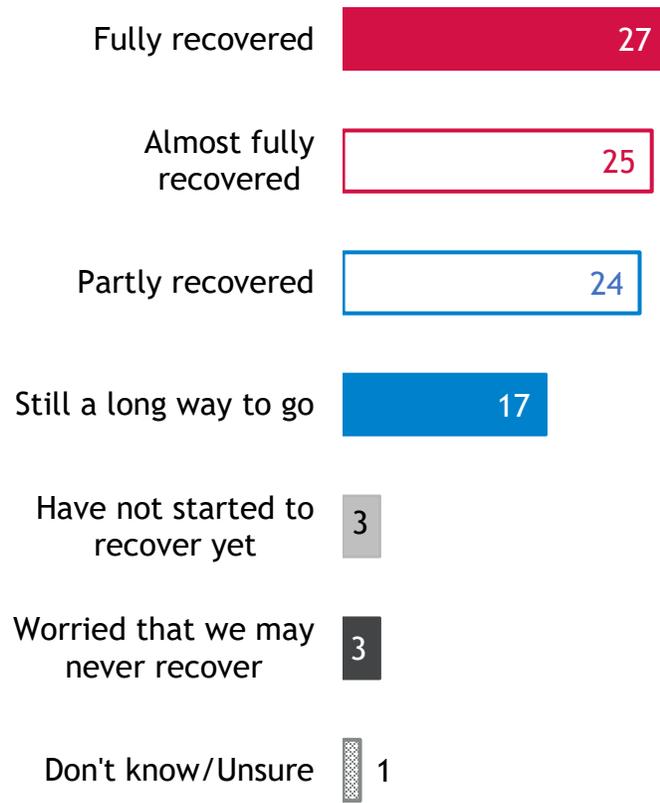
Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,759.

Question: Please indicate the extent to which you agree or disagree with the statement: "We are actively considering bankruptcy/winding down our business as a result of COVID-19".

Notes: 1) *Small sample size (<40).

2) Total may not add up to 100 due to rounding.

Less than 3 in 10 businesses describe themselves as fully recovered from the impacts of COVID-19 (% response)



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,822.

Question: In terms of recovery, how would you describe the state of your business?

Notes: 1) *Small sample size (<40).

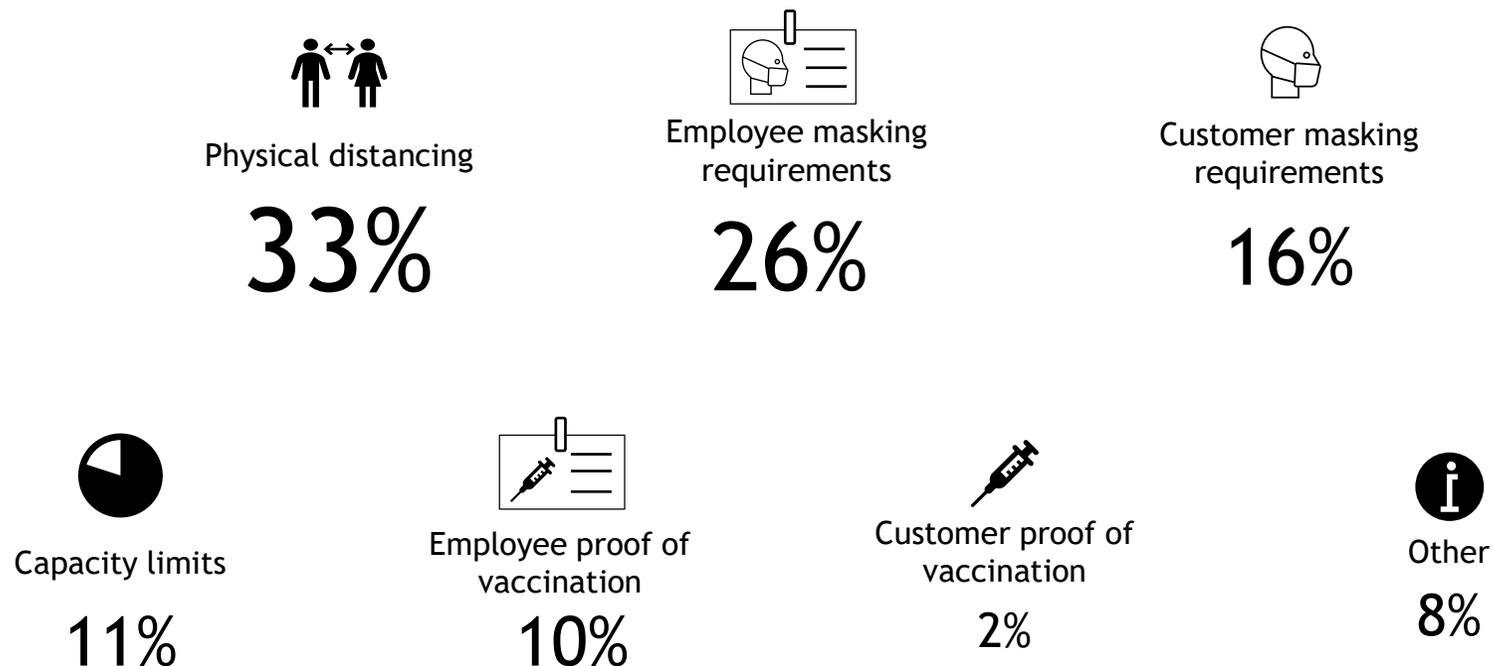
2) Total may not add up to 100 due to rounding.

3) "Not fully recovered" includes almost fully recovered, partly recovered, still a long way to go, have not started to recover yet and worried that we may never recover.

About half of the businesses will not continue with pandemic-related restrictions



Of businesses continuing to use restrictions, physical distancing takes up the highest share (33%), followed by employee masking requirements (26%) and customer masking requirements (16%)



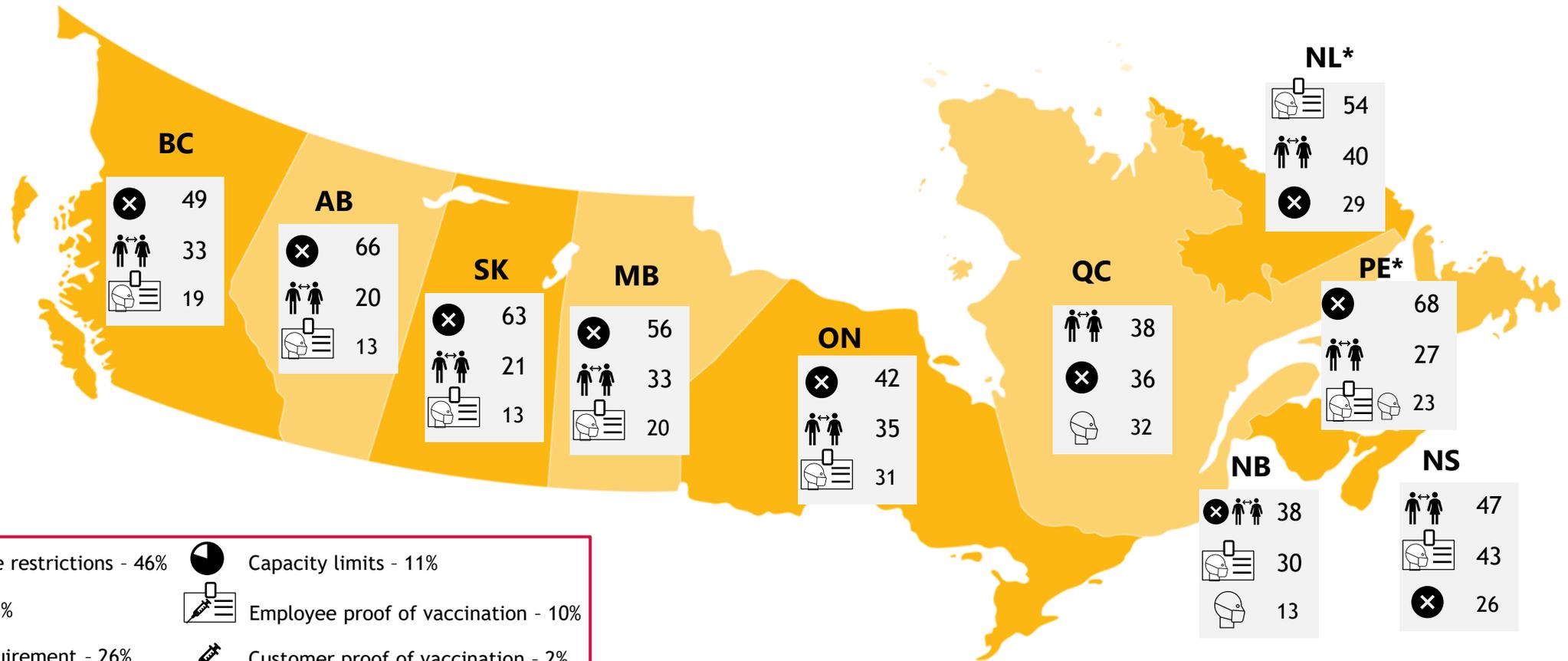
Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,886.

Question: As government restrictions are being lifted, which of the following pandemic-related restrictions will your business continue to use?

Note: Respondents were allowed to select more than one answer choices. Percentage will not add to 100%.

Business intentions regarding pandemic-related restrictions

(Top 3 by province, % response)



CANADA

	Will not continue to use restrictions - 46%		Capacity limits - 11%
	Physical distancing - 33%		Employee proof of vaccination - 10%
	Employee masking requirement - 26%		Customer proof of vaccination - 2%
	Customer masking requirement - 16%		Other - 8%

Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,790.
 Question: As government restrictions are being lifted, which of the following pandemic-related restrictions will your business continue to use?
 Note: *Small sample size (<40).

Business intentions regarding pandemic-related restrictions (Top 3 by sector)

National	Agriculture	Nat. Resources*	Construction	Manufacturing	Wholesale	Retail	Transportation	Arts, Rec. & Info.	Fin. Ins. etc.	Prof. Services	Ent. & Admin. Mgmt.	Soc. Services	Hospitality	Pers./Misc. Services
46%	59%	67%	57%	49%	44%	45%	44%	42%	59%	49%	44%	61%	47%	47%
33%	29%	24%	31%	33%	39%	32%	35%	34%	30%	38%	35%	46%	31%	31%
26%	13%	26%	22%	22%	31%	28%	25%	26%	20%	32%	24%	30%	21%	21%

CANADA

Will not continue to use restrictions - 46%	Capacity limits - 11%
Physical distancing - 33%	Employee proof of vaccination - 10%
Employee masking requirement - 26%	Customer proof of vaccination - 2%
Customer masking requirement - 16%	Other - 8%

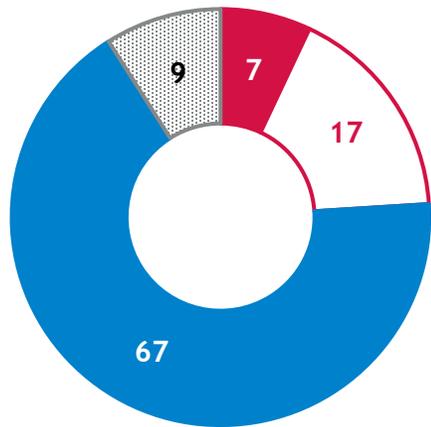
Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,790.
Question: As government restrictions are being lifted, which of the following pandemic-related restrictions will your business continue to use?
Note: *Small sample size (<40).

Recovery of Downtown Cores

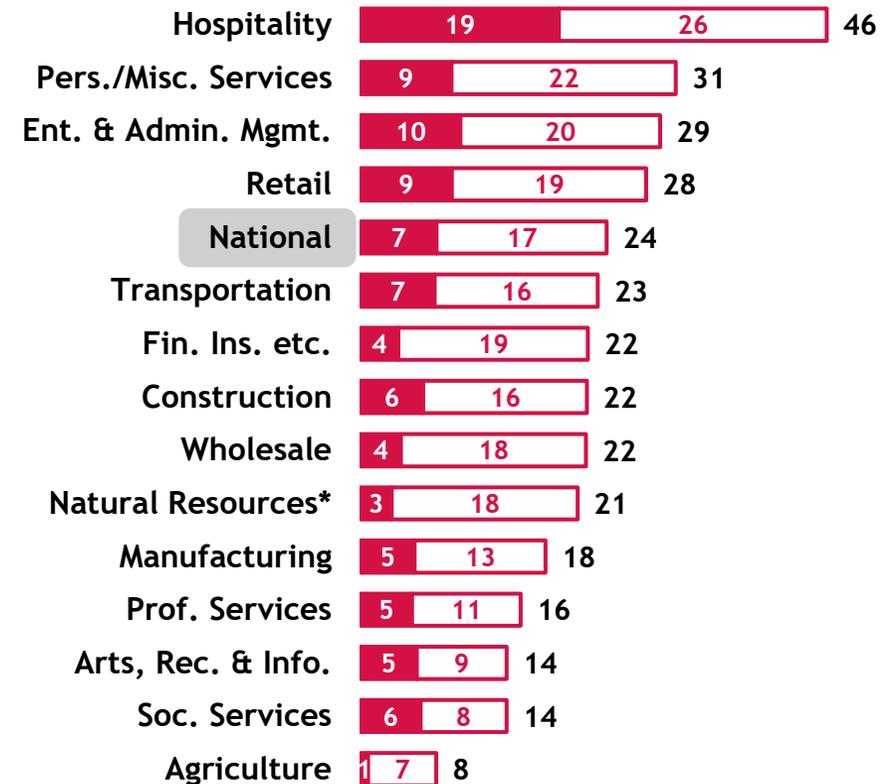
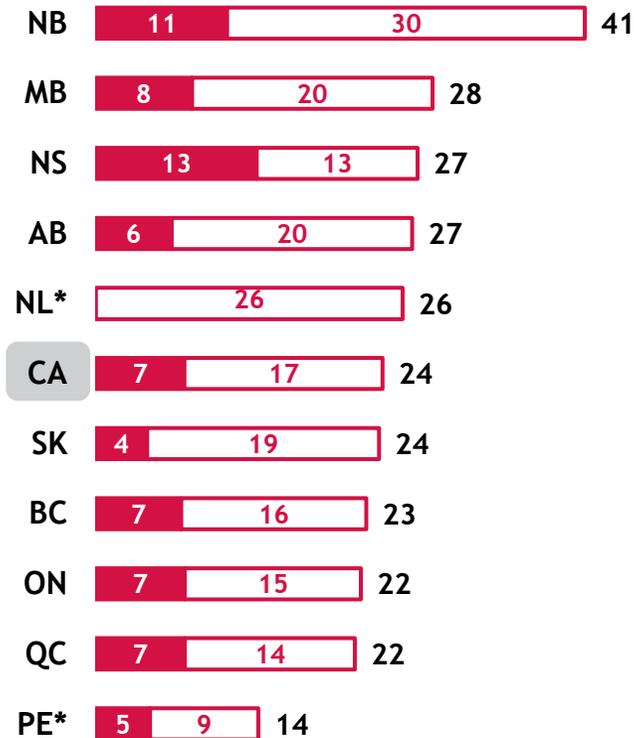


About 1 in 4 businesses report that their revenues are impacted by a slow return to the office by downtown workers

(By province and sector, % response)



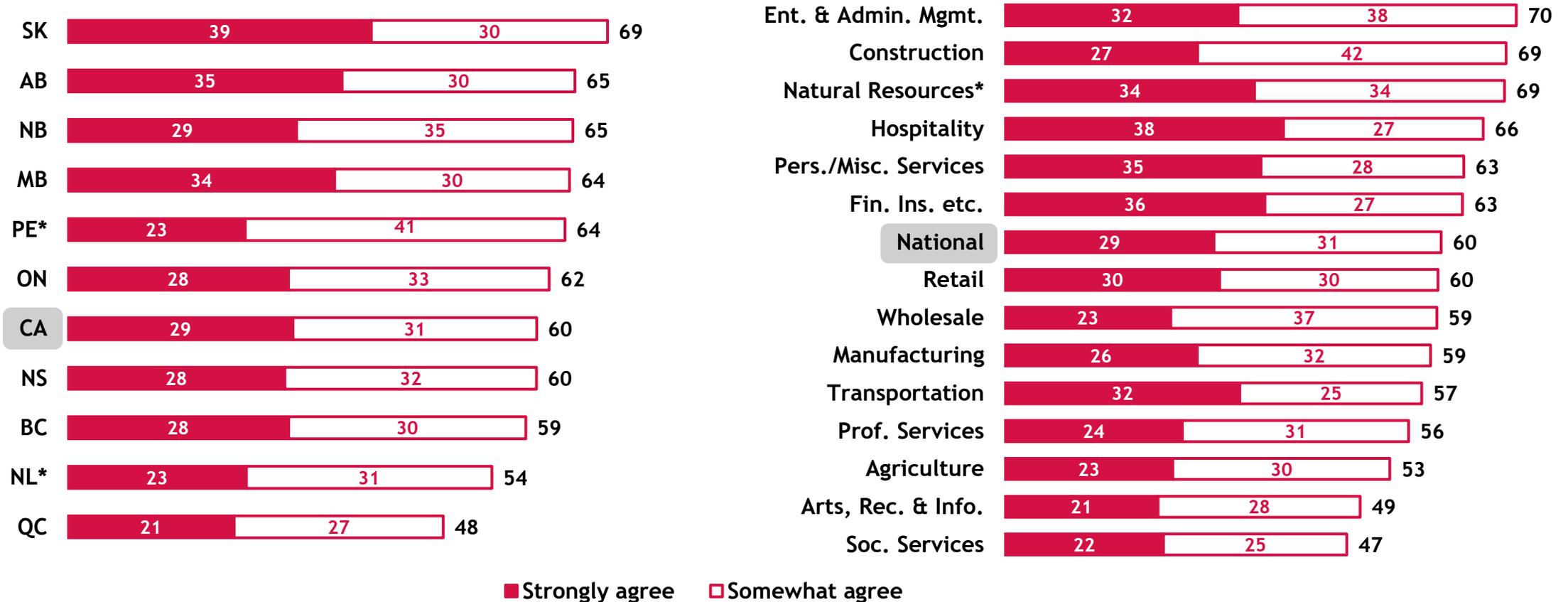
- Yes - significantly
- Yes - somewhat
- No
- ▨ Don't know/Unsure



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,800.
 Question: Are your business's revenues currently impacted by a slow return to the office by downtown workers?
 Notes: 1) *Small sample size (<40).
 2) Totals may not add up due to rounding.

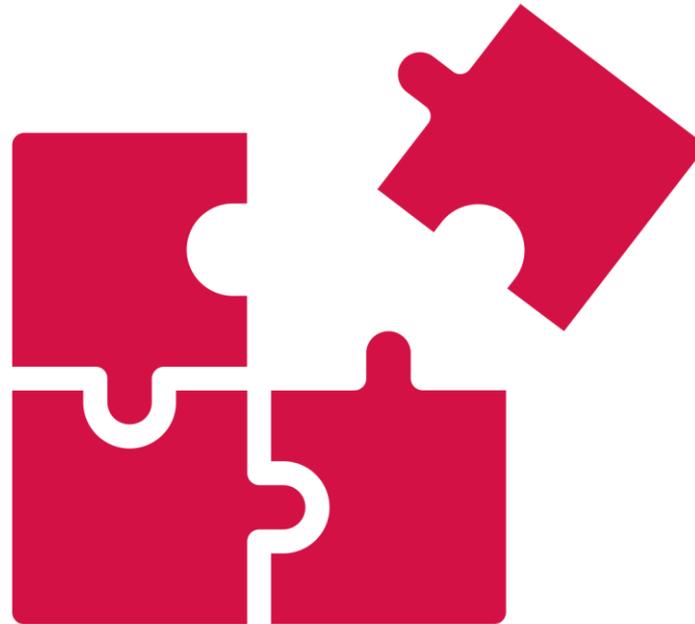
3 in 5 businesses agree that governments and big businesses should increase their efforts to get their workers back to downtown cores

(By province and sector, % response)



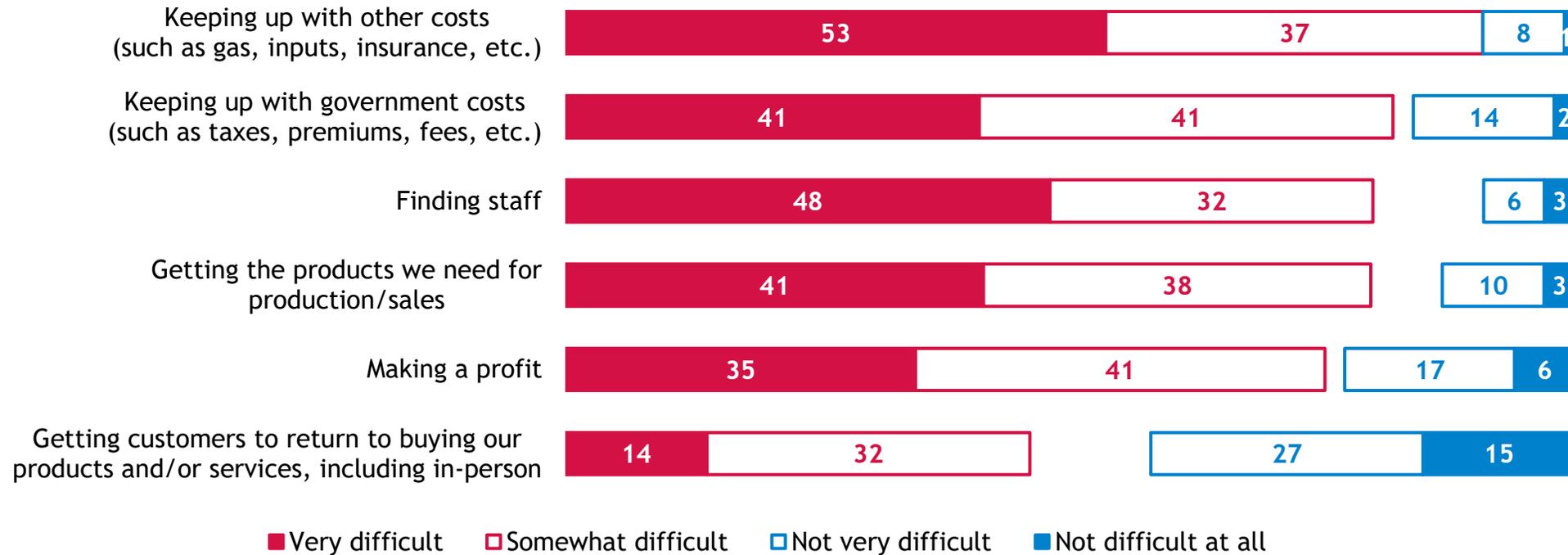
Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,787.
 Question: Please indicate the extent to which you agree or disagree that governments and big businesses should increase their efforts to get their workers back to downtown cores.
 Notes: 1) *Small sample size (<40).
 2) Totals may not add up due to rounding.

Business Challenges



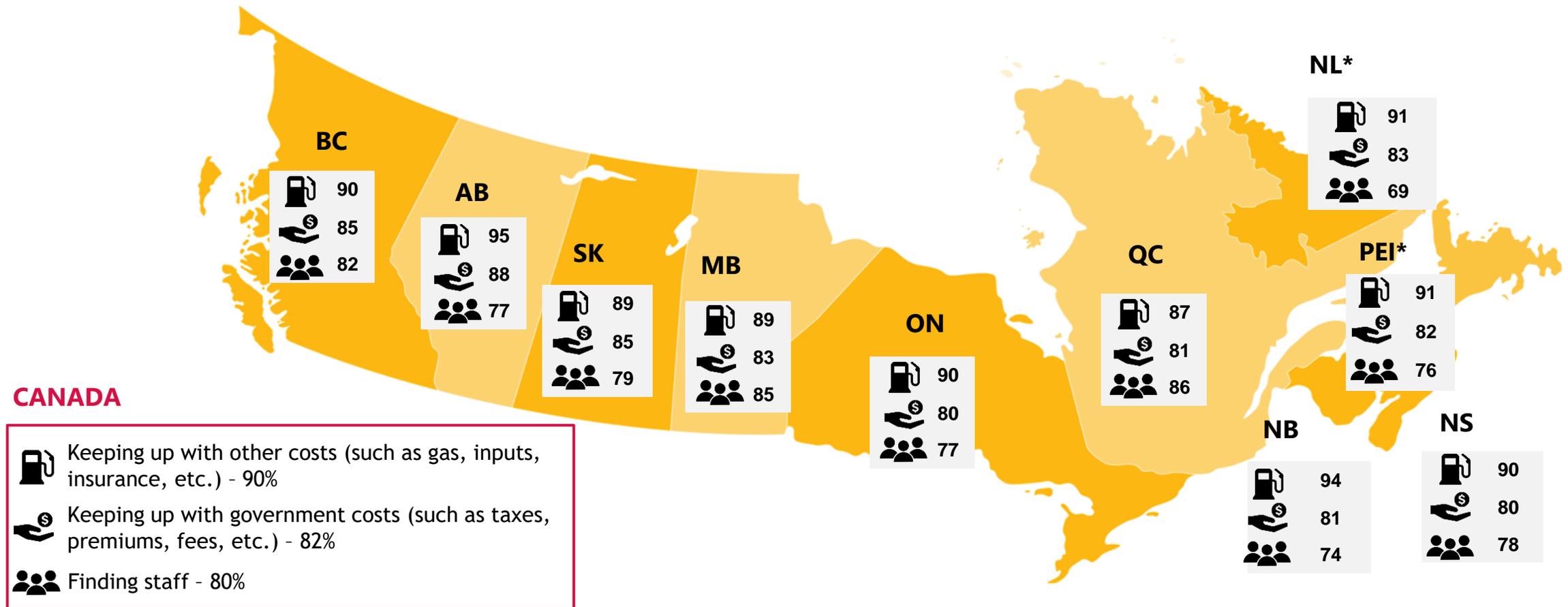
Top business difficulties currently facing small entrepreneurs

Small businesses are having the greatest of difficulties keeping up with general costs, such as gas and inputs (90%), and with government costs, such as taxes and fees (82%). A majority are also finding it difficult finding staff, getting the products they need, and making a profit.



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = between 2,673 and 2,791 per option.
 Question: Currently, how difficult are the following for your business?
 Note: Not shown in the middle of the bars: shares of respondents indicating “Don’t know/Unsure” and “Not applicable”.

Top 3 business difficulties by province (% response)



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = between 2,673 and 2,791 per option.
 Question: Currently, how difficult are the following for your business?
 Note: *Small sample (<40).

Top 3 business difficulties by sector

	National	Agriculture	Nat. Resources	Construction	Manufacturing	Wholesale	Retail	Transportation	Arts, Rec. & Info.	Fin. Ins. etc.	Prof. Services	Ent. & Admin. Mgmt.	Soc. Services	Hospitality	Pers./Misc. Services
	90%	94%	94%	93%	92%	89%	89%	94%	87%	85%	79%	92%	87%	94%	93%
	82%	88%	85%	86%	84%	77%	80%	91%	67%	84%	71%	88%	76%	89%	91%
	80%	69%	90%	90%	83%	78%	72%	86%	79%	68%	80%	90%	79%	88%	81%

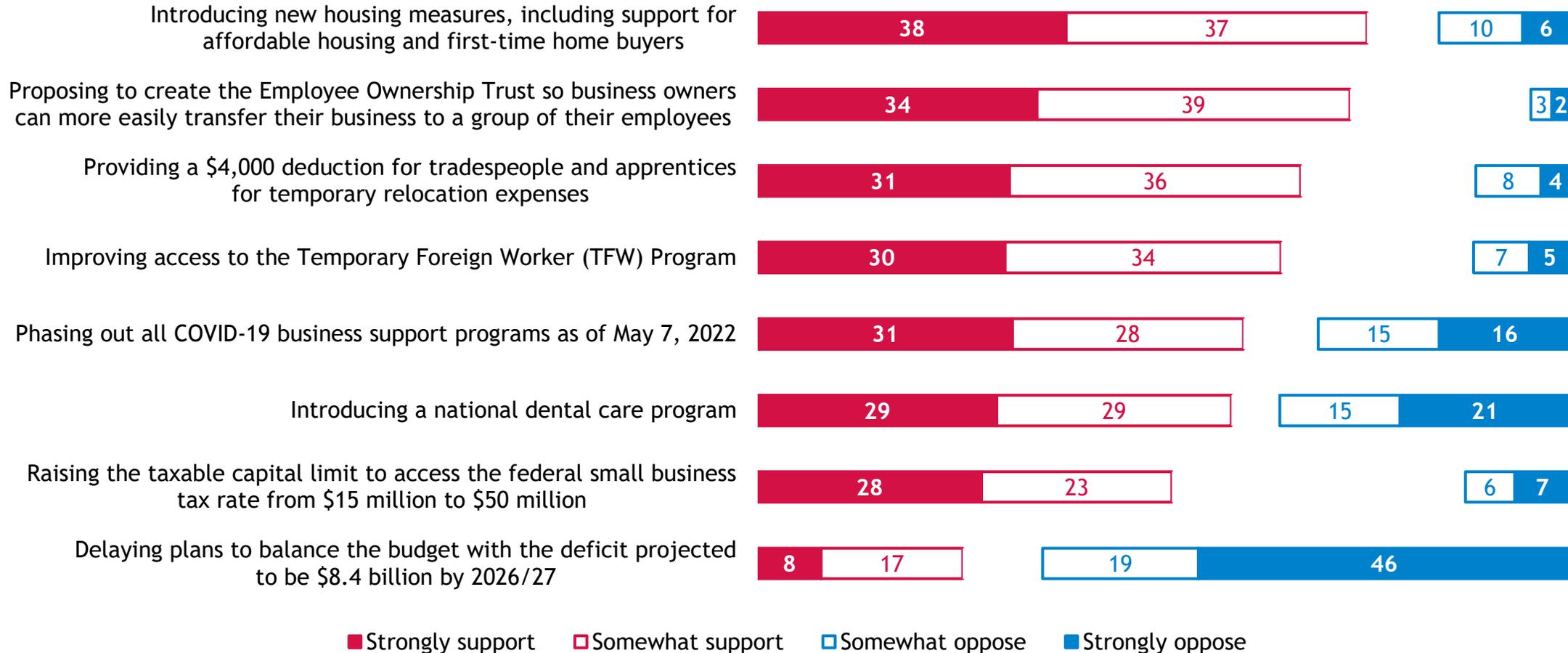
-  Keeping up with other costs (such as gas, inputs, insurance, etc.)
-  Keeping up with government costs (such as taxes, premiums, fees, etc.)
-  Finding staff

Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = between 2,673 and 2,791 per option.
 Question: Currently, how difficult are the following for your business?
 Note: *Small sample (<40).

2022 Federal Budget

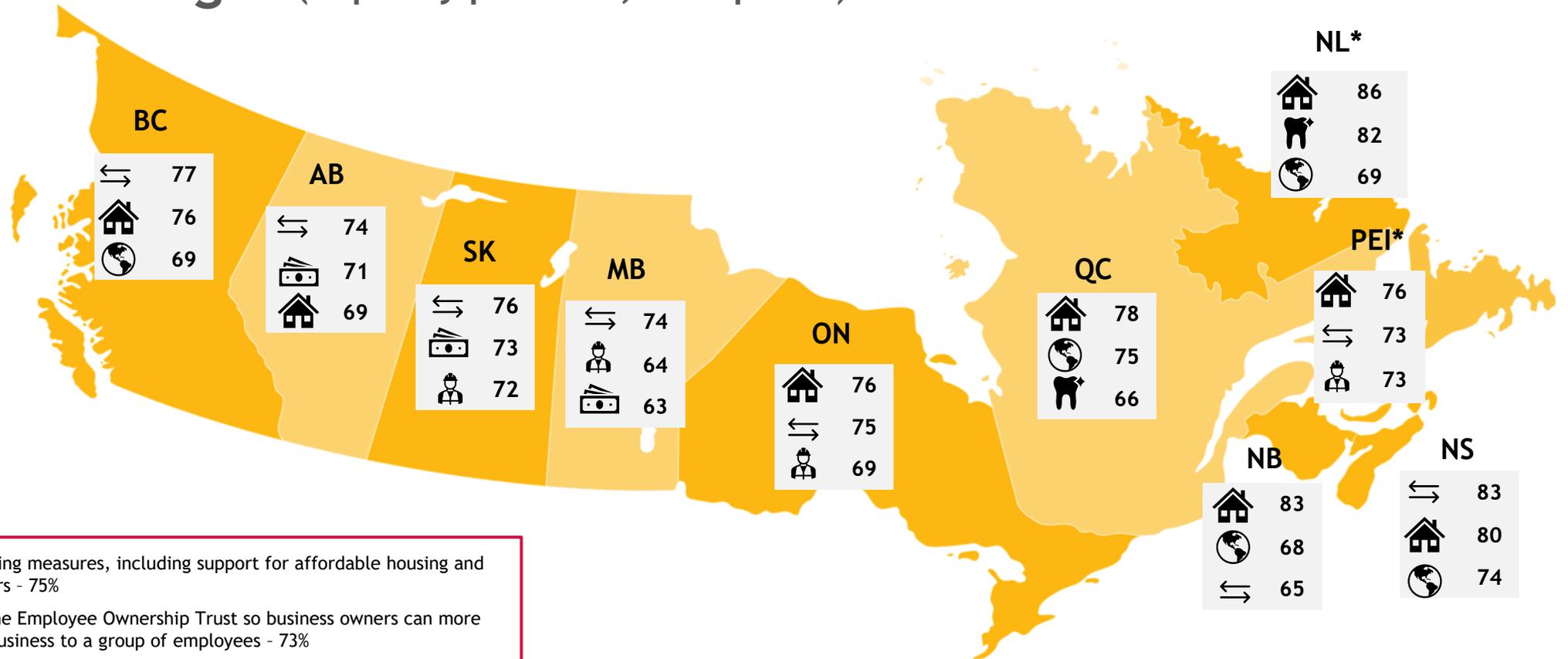


Level of support for different initiatives announced in the 2022 federal budget



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = between 2,811 and 2,848 per option.
 Question: Please indicate your level of support for each of the following elements that may impact your business that were announced in the 2022 federal budget.
 Note: Not shown in the middle of the bars: shares of respondents indicating "Don't know/Unsure" and "Not applicable".

Level of support for different initiatives announced in the 2022 federal budget (Top 3 by province, % response)



CANADA

- Introducing new housing measures, including support for affordable housing and first-time home buyers - 75%
- Proposing to create the Employee Ownership Trust so business owners can more easily transfer their business to a group of employees - 73%
- Providing a \$4,000 deduction for tradespeople and apprentices for temporary relocation expenses - 67%
- Improving access to the Temporary Foreign Workers (TFW) program - 64%
- Phasing out all COVID-19 business support programs as of May 7, 2022 - 60%
- Introducing a national dental care program - 58%

Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = between 2,822 and 2,835 per option.

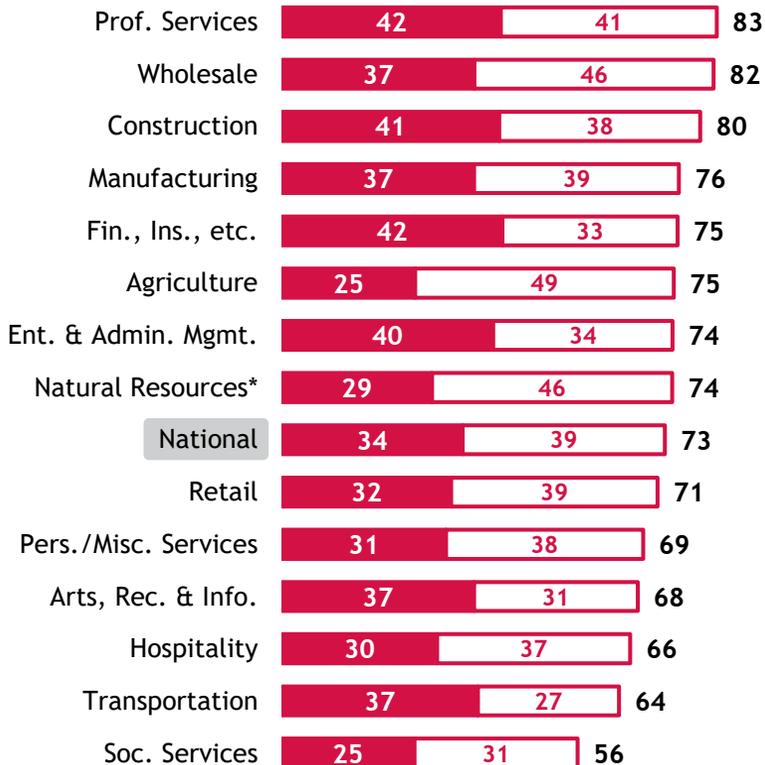
Question: Please indicate your level of support for each of the following elements that may impact your business that were announced in the 2022 federal budget.

Note: *Small sample size (<40).

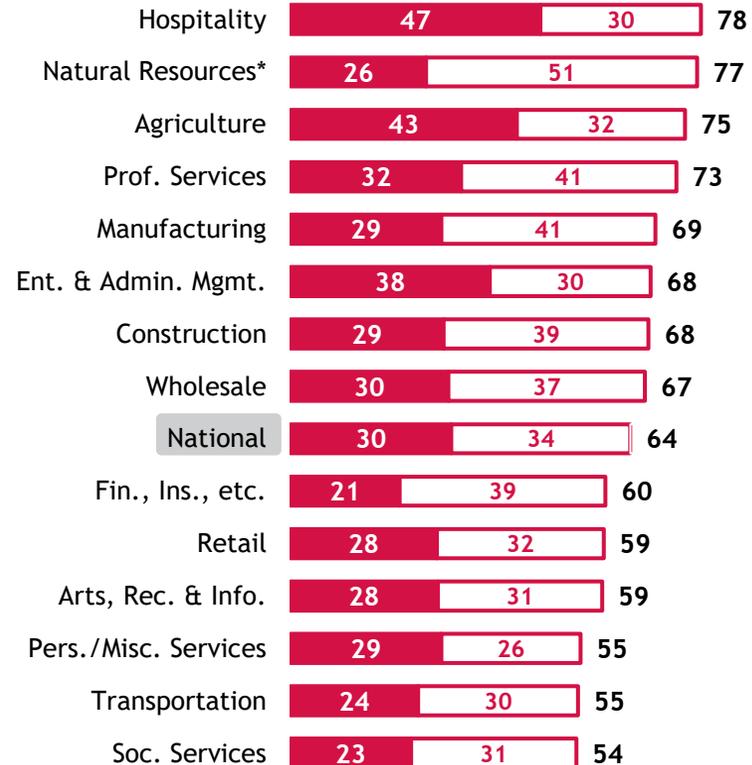
Level of support for different initiatives announced in the 2022 budget

(By sector, % response)

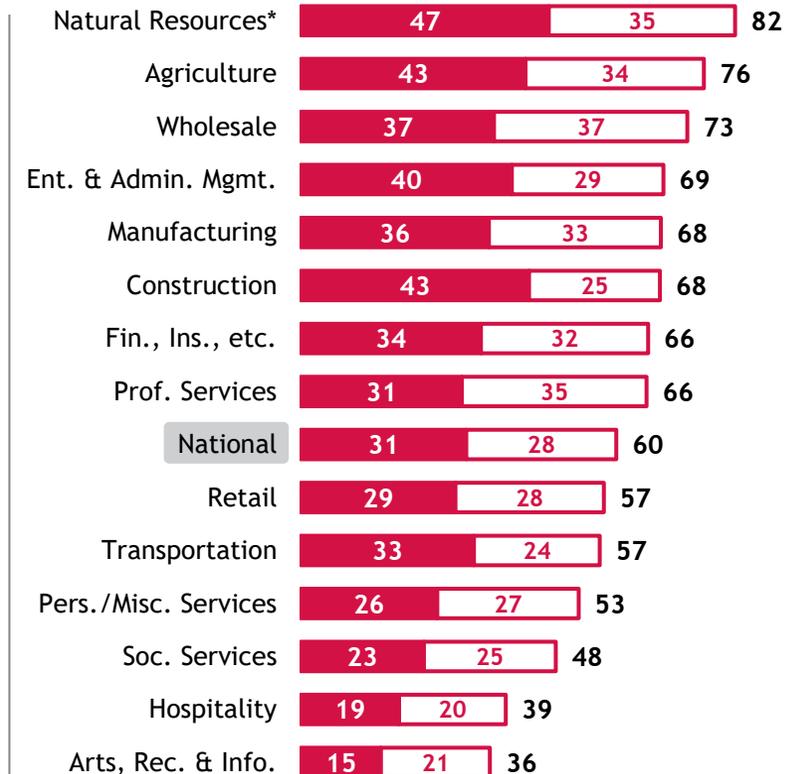
Proposing to create the Employee Ownership Trust so business owners can more easily transfer their business to a group of employees



Improving access to the Temporary Foreign Workers (TFW) program



Phasing out all COVID-19 business support programs as of May 7, 2022



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = between 2,822 and 2,831 per option.

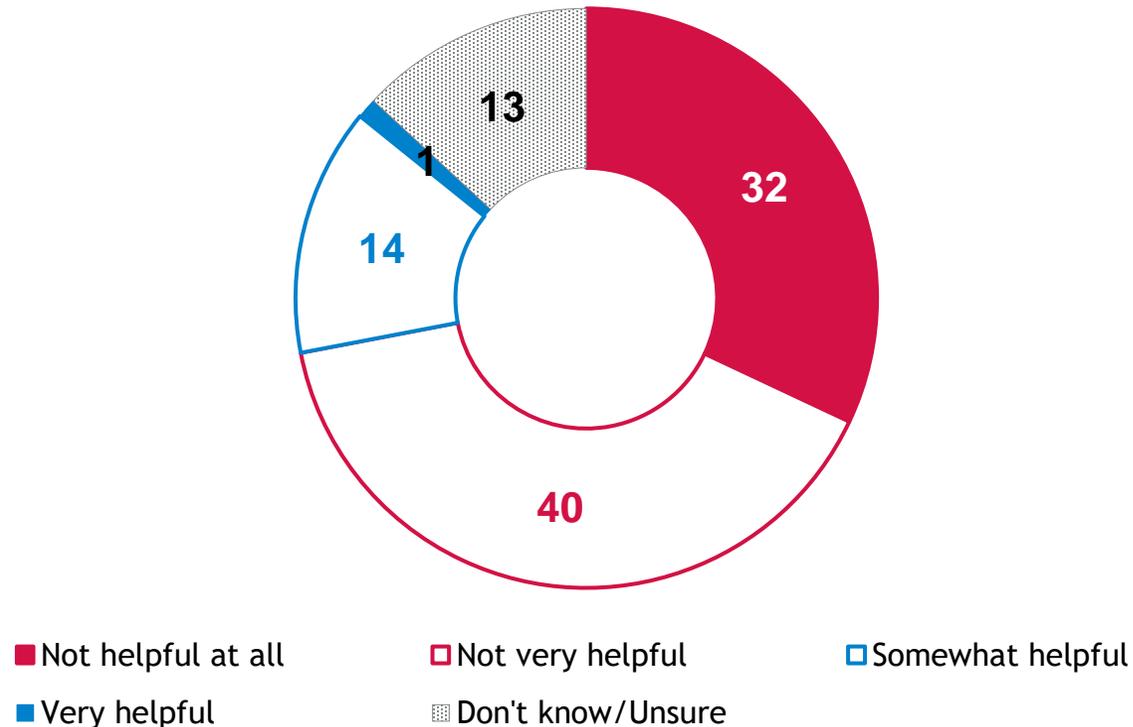
Question: Please indicate your level of support for each of the following elements that may impact your business that were announced in the 2022 federal budget.

Notes: 1) *Small sample size (<40).

2) Totals may not add up due to rounding.

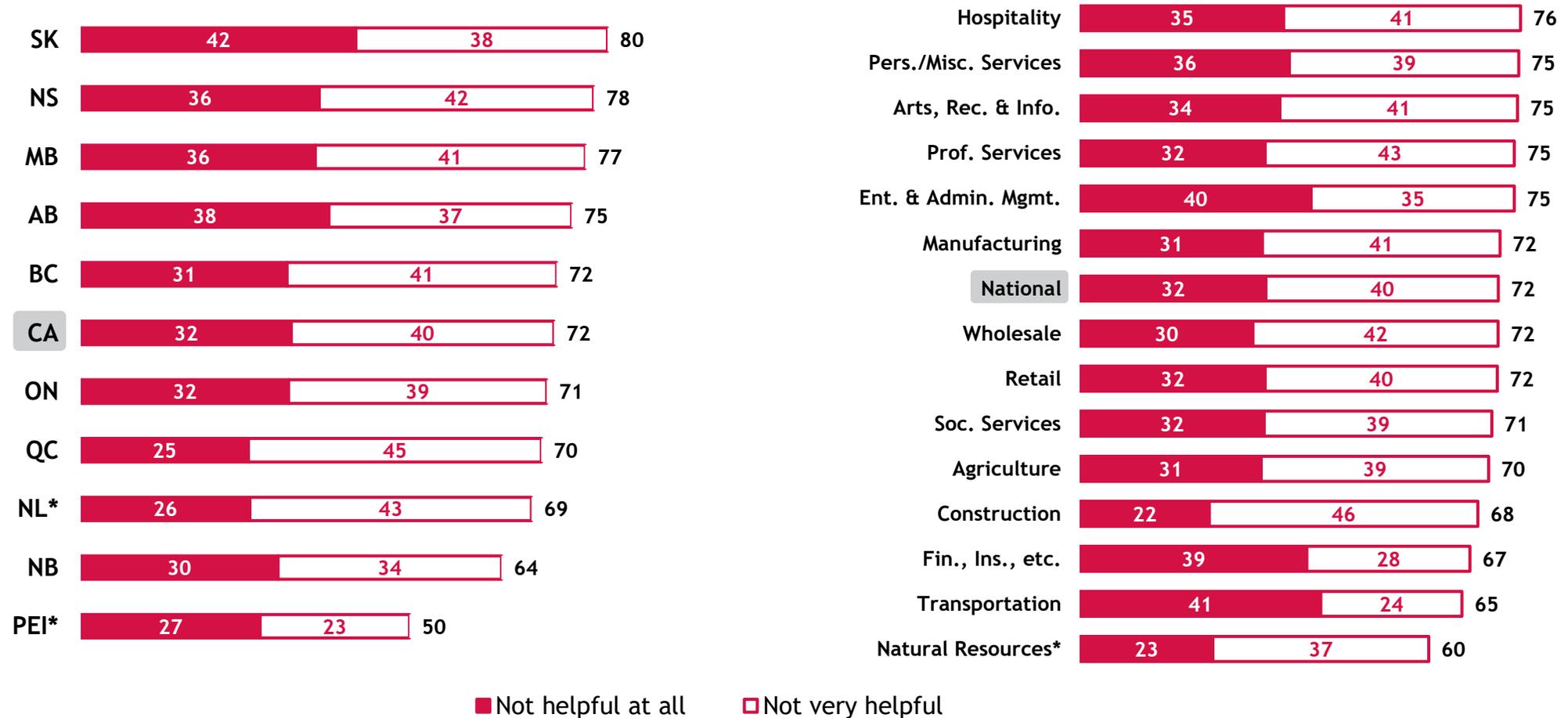
Helpfulness of the measures announced in the 2022 federal budget according to small businesses (% response)

The majority of business owners, **72%**, did not find the measures announced in the 2022 federal budget to be helpful (not helpful at all - **32%**; or not very helpful - **40%**).



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,862.
Question: How helpful will the measures announced in the 2022 federal budget be to your business?

Helpfulness of the measures announced in the 2022 federal budget according to small businesses (By province and sector, % response)



Source: CFIB, Your Voice - April 2022 survey, April 8-22, 2022, final results, n = 2,862.
 Question: How helpful will the measures announced in the 2022 federal budget be to your business?
 Notes: 1) *Small sample size (<40).
 2) Totals may not add up due to rounding.

CFIB Research & Economics Resources

Questions or data requests

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Additional information

Monthly Business Barometer
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Small business recovery dashboard
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