



# Small Business Debt and CEBA

Fall Update

# Summary

## Methodology

This report analyzes data from two controlled-access online CFIB surveys:

1. CEBA Repayment Changes Survey, Sep 21-28, 2023. Sample size: 6,748 CFIB members, Canadian independent business owners, representing all sectors and regions. Margin of error for a comparable probability sample: +/-1.2% (19 times out of 20).

2. Your Voice – September 2023 Survey, Sep 7-21, 2023. Sample size: 2786 CFIB members, Canadian independent business owners, representing all sectors and regions. Margin of error for a comparable probability sample: +/-1.9% (19 times out of 20).

Note: Percentages may not total 100 due to rounding.

## Highlights

### **Status of CEBA Loan**

- 9 in 10 businesses accessed the CEBA loan.
- Among CEBA borrowers, 7 in 10 have not started repaying their loan yet.

### **Repaying CEBA Loan**

- Businesses that have fully repaid loan: The majority relied on existing deposits, with a smaller segment employed cost-saving measures and expense cuts. Only a few sought loan refinancing through financial institutions.

### **Business Owners' Reactions to the Federal Government's CEBA Repayment Schedule Changes**

- The majority of business owners did not find the federal government's changes to the CEBA repayment schedule helpful.

### **Business Owner's Ability to Repay CEBA**

- One third will borrow to cover CEBA loan to access forgivable portion; more than half will pursue refinancing their loan through a financial institution.

### **Business Owner Sentiments on Key Statements**

- Of business owners with outstanding CEBA debt: Over half will reconsider their viability if they lose the forgivable portion of the CEBA loan; 9 in 10 require an extension of the forgivable deadline; about 2 in 3 expect challenges in meeting the forgivable deadline.

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# Status of CEBA Loan

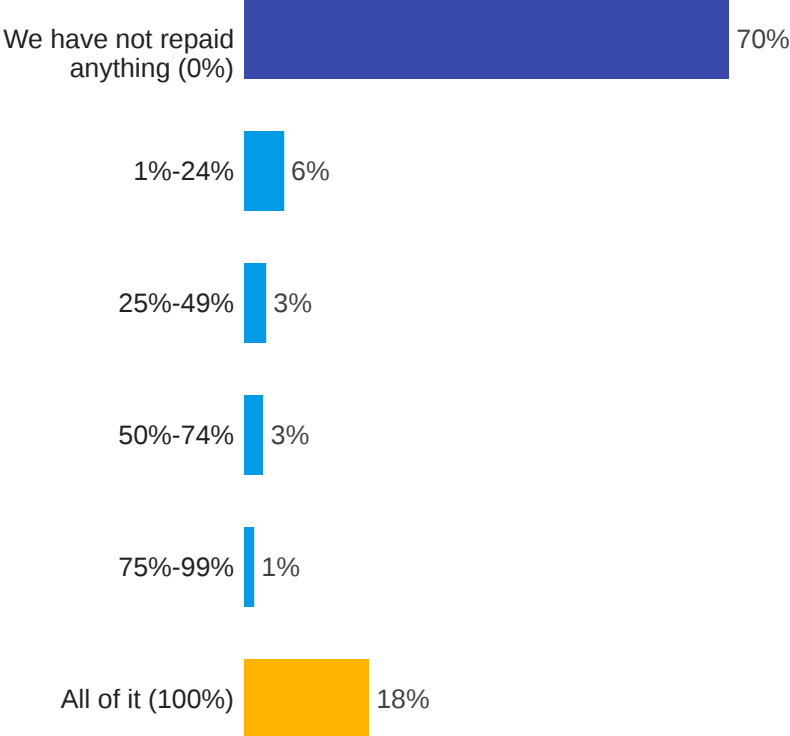
# CEBA borrowers: Only 18% fully repaid, majority carry outstanding balances, and 7 in 10 yet to begin repayment.

**9 in 10**  
Businesses **accessed**  
CEBA loans

Source: CFIB, Back in Business? Spring Update on Small Business Debt and CEBA, June 2023.

## CEBA Borrowers' Loan Repayment Status

2092 Responses



**83% of businesses have outstanding balance on their CEBA loan.**

Source: CFIB, Your voice – September 7-21, 2023.  
Question: What proportion of your business's CEBA loan have you been able to repay so far?  
Note: Only CEBA borrowers are displayed.

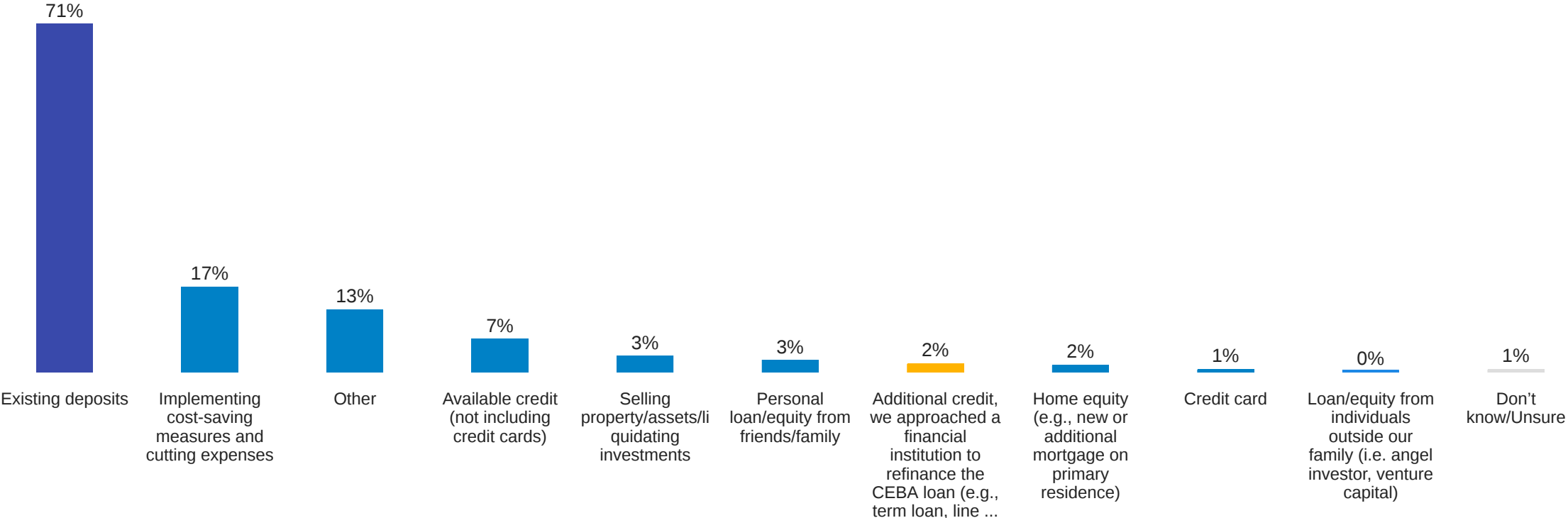


# Repaying CEBA Loan

**Businesses that have fully repaid loan: The majority relied on **existing deposits**, with a smaller segment **using cost-saving measures and expense cuts**. Only a few sought **loan refinancing** through financial institutions.**

Strategies used by business owners that fully repaid CEBA loan

517 Responses



Source: CFIB, CEBA Repayment Changes Survey – September 21-28, 2023.  
 Question: How did your business fully repay the CEBA loan?

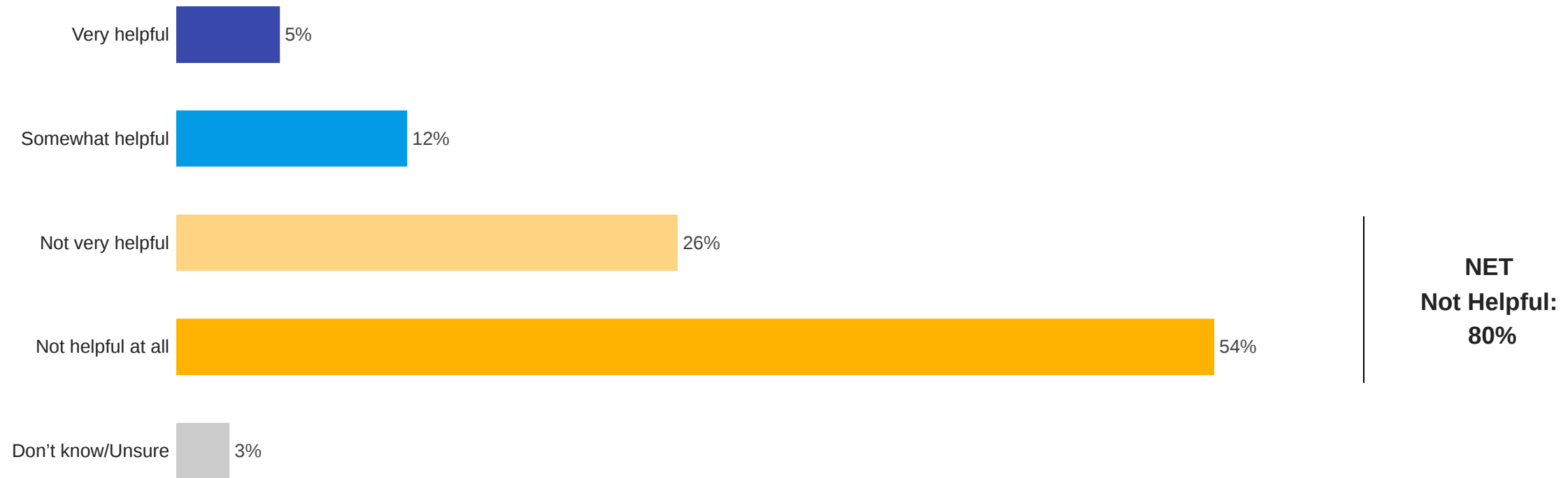


# Business Owners' Reactions to the Federal Government's CEBA Repayment Schedule Changes

# The federal government's changes to the CEBA repayment were not considered helpful for the majority of businesses

Business owners evaluation of the federal government's CEBA repayment schedule changes

5513 Responses



Source: CFIB, CEBA Repayment Changes Survey – September 21-28, 2023.

Question: How helpful are the federal government's changes to the CEBA repayment schedule to your business?

Note: Only respondents with an outstanding CEBA balance answered this question.

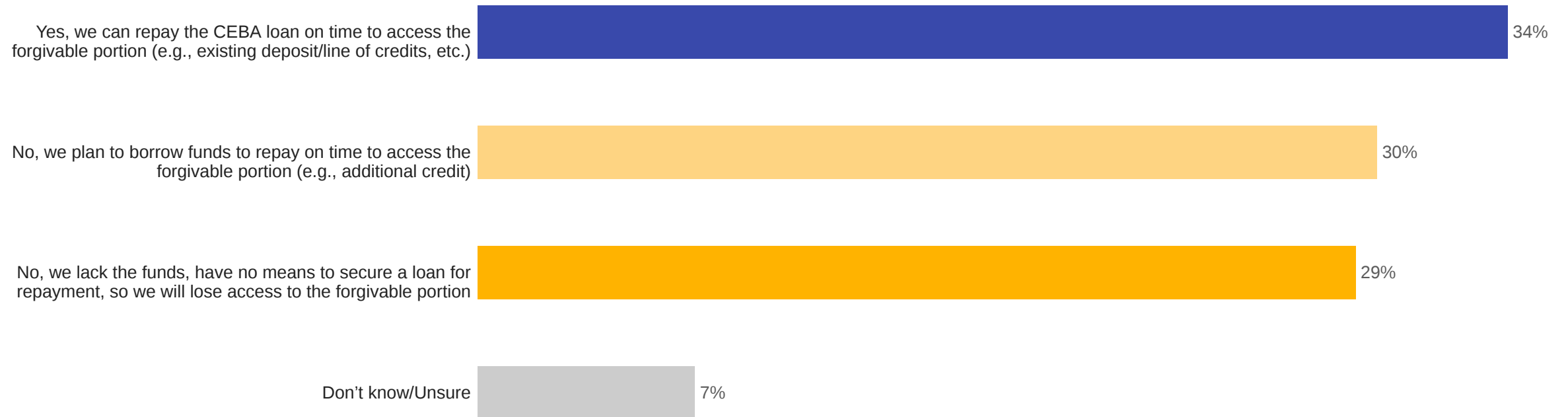


# Business Owners' Ability to Repay CEBA

# Accessing CEBA loan forgiveness: One-third can repay CEBA loan on time. Another third will borrow to cover it and access forgiveness. The final third unable to secure a loan for repayment.

CEBA loan repayment status: meeting the January 18, 2024 deadline to access forgivable portion

5485 Responses



Source: CFIB, Special Survey – CEBA Repayment Changes – September 21-28, 2023.

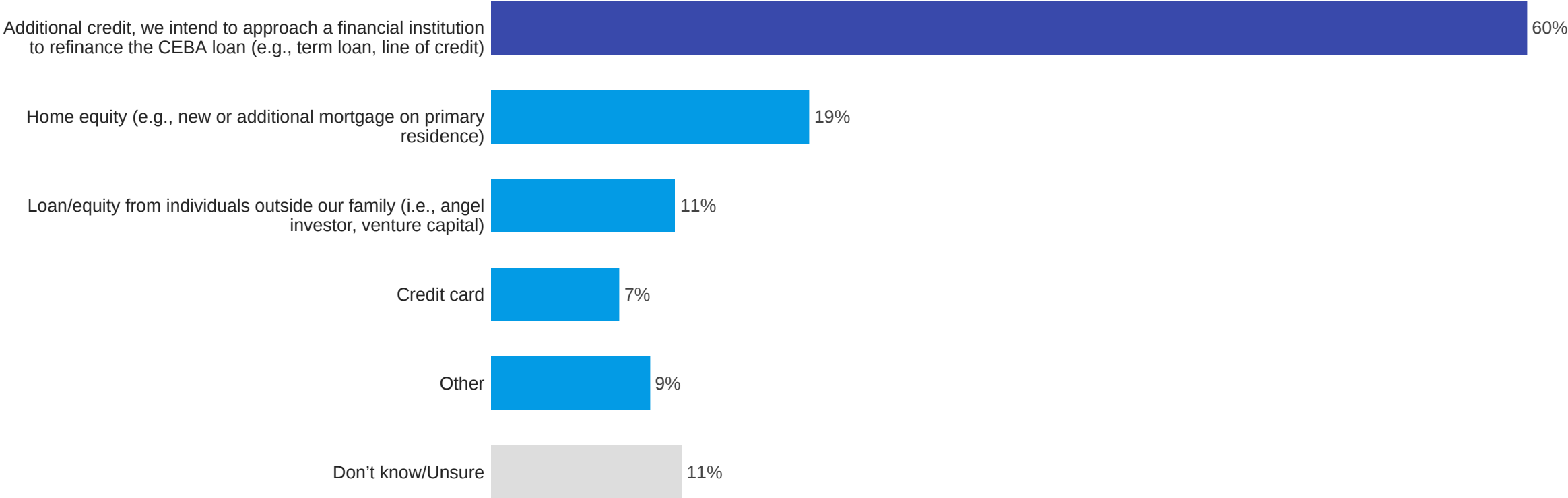
Question: Does your business have the funds necessary to repay the CEBA loan by January 18, 2024, to access the forgivable portion?

Note: Only respondents with an outstanding CEBA balance answered this question.

# Among businesses planning to borrow to cover their CEBA debt, more than half will pursue financial institution refinancing, and 1 in 5 will use home equity

## Strategy for Borrowing Funds to Repay CEBA Loan for Forgiveness Access

1624 Responses



Source: CFIB, Special Survey – CEBA Repayment Changes – September 21-28, 2023.

Question: How do you intend to borrow the funds needed to repay your CEBA loan in time to access the forgivable portion?

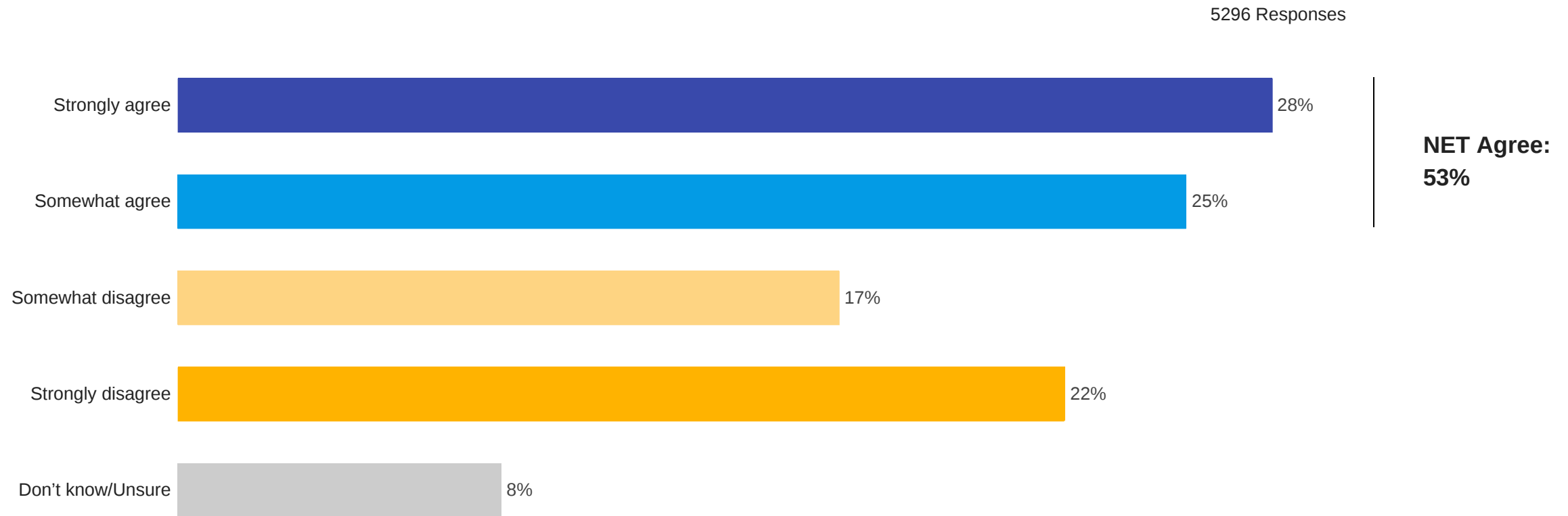
Note: Only respondents with an outstanding CEBA balance answered this question.



# Business Owner Sentiments on Key Statements

# Over half of small businesses will reconsider their viability if they lose the forgivable portion of the CEBA loan

Statement: "If we lose the forgivable portion of our CEBA loan, we question whether we can remain in business"



Source: CFIB, Special Survey – CEBA Repayment Changes – September 21-28, 2023.

Question: Please indicate the extent to which you agree or disagree with the following statements regarding CEBA loan repayment: If we lose the forgivable portion of our CEBA loan, we question whether we can remain in business.

Note: Only respondents with an outstanding CEBA balance answered this question.

# 9 in 10 businesses require an extension of the forgivable deadline until the end of 2024

Statement: "Extending the deadline for the forgivable portion until the end of 2024 would greatly benefit our business (this extension would help manage the repayment of up to \$40,000 by December 31, 2024, while protecting the forgivable portion)"

5313 Responses



Source: CFIB, Special Survey – CEBA Repayment Changes – September 21-28, 2023.

Question: Please indicate the extent to which you agree or disagree with the following statements regarding CEBA loan repayment: Extending the deadline for the forgivable portion until the end of 2024 would greatly benefit our business (this extension would help manage the repayment of up to \$40,000 by December 31, 2024, while protecting the forgivable portion).

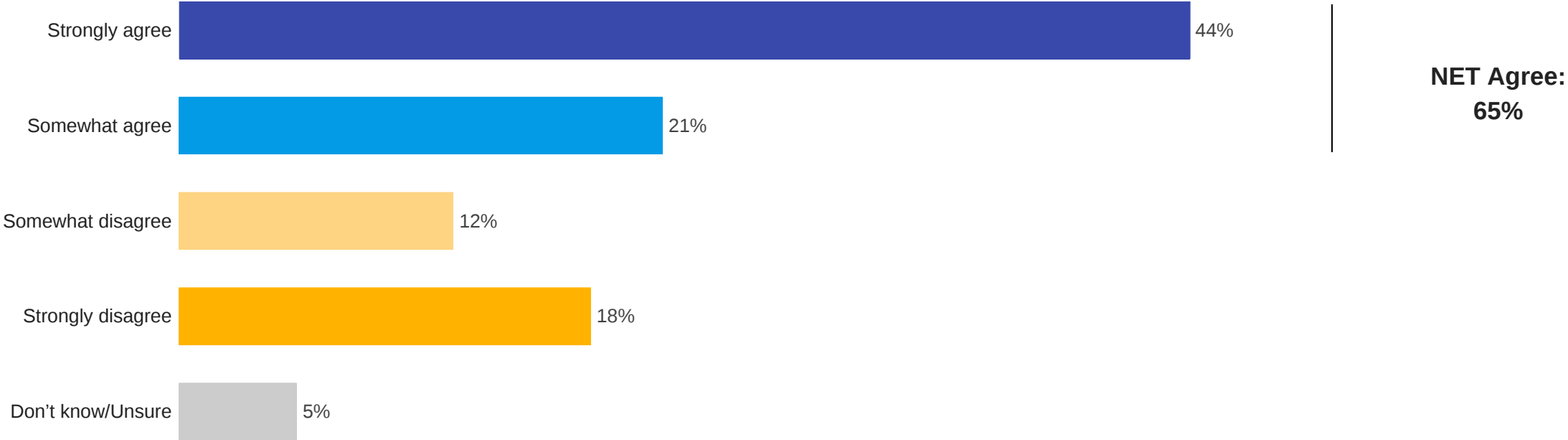
Note: Only respondents with an outstanding CEBA balance answered this question.



# The majority of business owners (65%) expect difficulties in meeting the CEBA forgivable deadline (January 18, 2024)

Statement: "We anticipate challenges in repaying the CEBA loan on time, potentially resulting in the loss of the forgivable portion"

5259 Responses



Source: CFIB, Special Survey – CEBA Repayment Changes – September 21-28, 2023.

Question: Please indicate the extent to which you agree or disagree with the following statements regarding CEBA loan repayment: We anticipate challenges in repaying the CEBA loan on time, potentially resulting in the loss of the forgivable portion.

Note: Only respondents with an outstanding CEBA balance answered this question.



# Questions or data requests

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# Additional information

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