



Your Voice

Survey Results

December 2024

**Top Concerns and Priorities of
Canada's Small Businesses**



Methodology

Your Voice December 2024

Survey Type: An omnibus, controlled-access online CFIB survey.

Survey period: December 5 - 29, 2024.

Sample: Based on responses from 1,898 CFIB members who are owners of Canadian independent businesses, from all sectors and regions of the country. For comparison purposes, a probability samples with the same number of respondents would have a margin of error of +/-2.2%, 19 times out of 20.

Purpose and Context: The CFIB *Your Voice* omnibus survey is conducted bi-monthly, focusing on issues that matter most to small business owners across Canada. For over five decades, CFIB has harnessed the collective voice of its members to produce data-driven policy strategies that reflect the needs of small businesses. Our in-house survey capacity is a powerful tool designed to empower business owners to share insights on topics from government support to regulatory burdens.

Impact: The survey's insights are gathered directly from CFIB members, ensuring an authentic representation of small business priorities. These responses help shape CFIB's advocacy efforts, driving policies that are aligned with the evolving needs of the small business community.

Survey insights

CFIB's December *Your Voice* survey results paint a vivid picture of the challenges and realities faced by small businesses across the country. Here are the key insights:

Falling short of expectations - a challenging year for small business

Over half of businesses fell short of their revenue, profit, and sales goals last year, underscoring the difficulties they are encountering in meeting financial expectations amid broader economic pressures.

The shadow of tariffs

A looming 25% U.S. tariff on Canadian goods, coupled with potential retaliatory measures, poses a significant threat to small businesses. With 82% of respondents expecting an impact, the ripple effects are clear: 69% foresee rising operating costs, and 65% anticipate raising prices to cope. The potential burden highlights the need for strategies to address these trade pressures.

Pandemic-related debt still weighs heavy

The weight of the pandemic still lingers for nearly 30% of SMEs who still carry an average pandemic-related debt of \$65,000. The hospitality and social service sectors, already among the hardest hit, continue to face significant repayment challenges. These numbers reflect a slow recovery for businesses still grappling with the aftermath of the pandemic.

Credit card fees reduction - relief is starting to show

Small businesses are beginning to see the benefits of credit card fee reductions. Since October 2024, 7% of businesses eligible for reductions have noticed savings, and an additional 33% anticipate savings. Among those who experienced savings, 85% report these reductions are helpful to their operations.

The findings underscore the pressing need for targeted government support to address financial challenges, trade uncertainties, and sector-specific struggles, ensuring SMEs can navigate a path to recovery and growth.



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SMEs performance over the past year

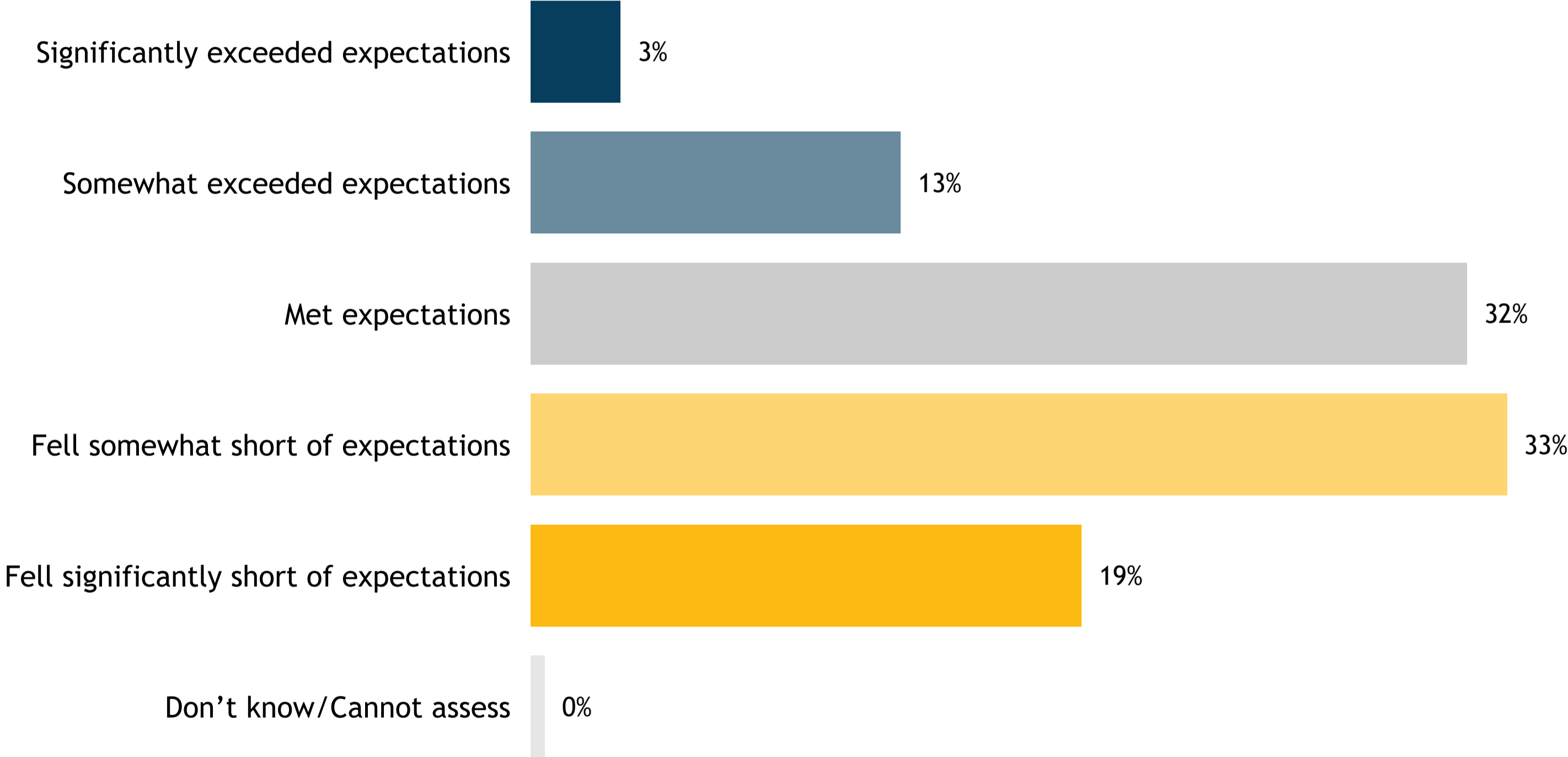
“I do not have confidence for 2025 we are already down by 15% this last year and things are still not that great. Increased costs that we have no control over are eating away at our profits, causing decreased hours of business and possible decrease in employees which would be the first in 25 plus years. For what ever reason everything is blamed on businesses yet we are the only ones paying over and over again. For the first time in many years we are not excited about being in business.”

Retail, BC



Over half of small businesses fell short of their expectations for revenue, profits, or sales last year.

Business owners' performance over the past 12 months compared to expectations



1,898 Responses

Question: Over the past 12 months, how would you describe your business's performance (e.g., revenue, profits, sales) compared to your expectations? (Select one)

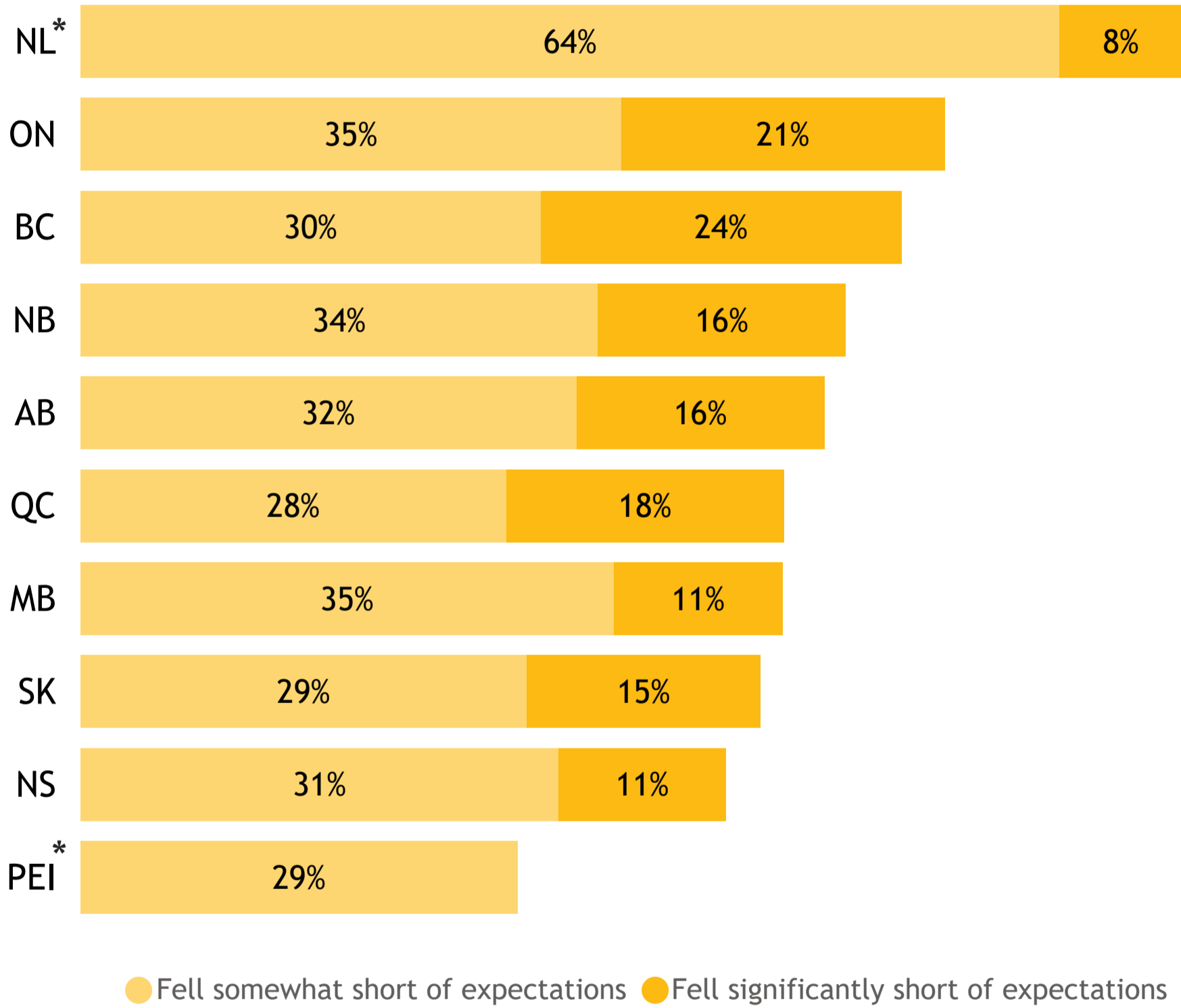
Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.

Note: *Small sample size (<40).

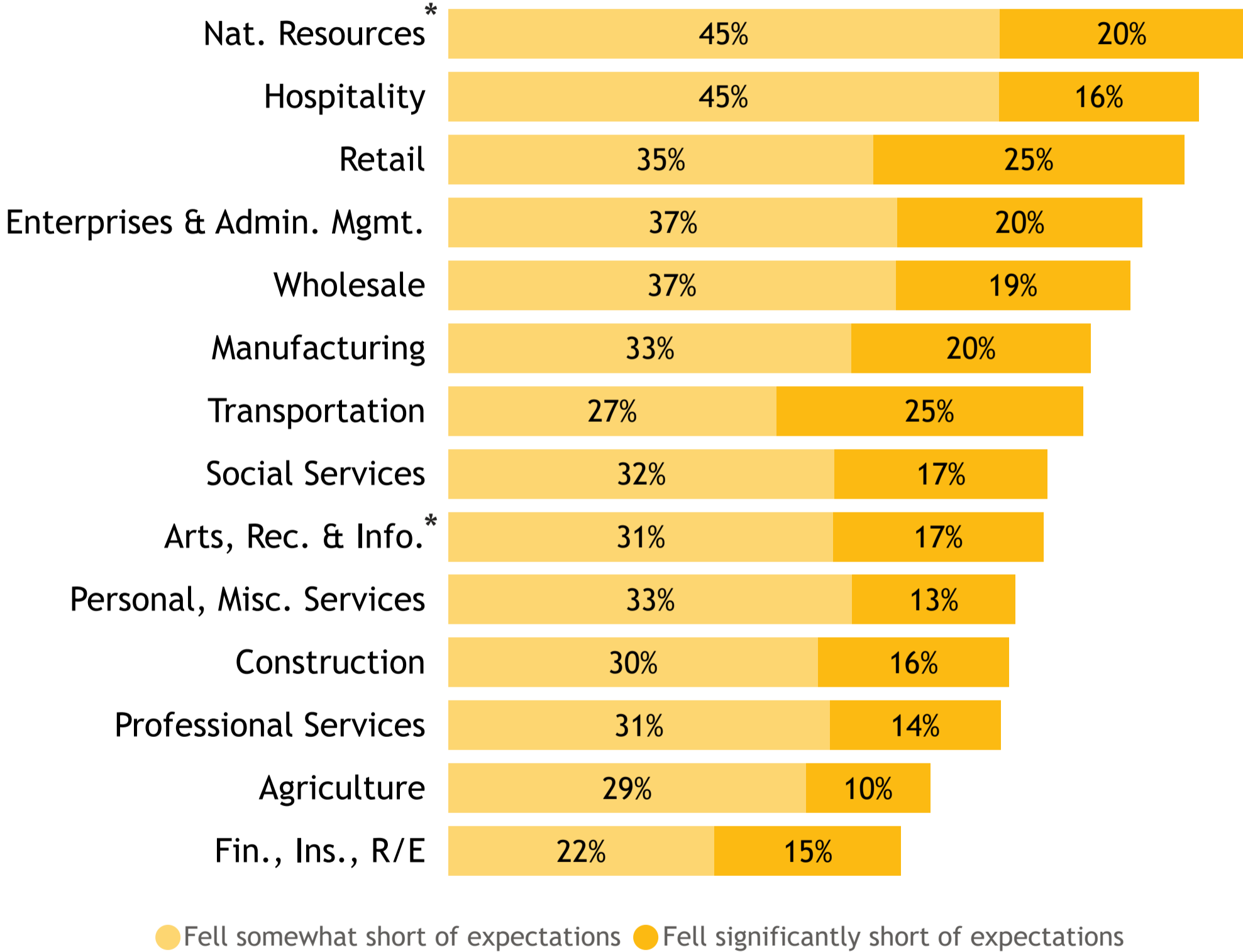


Regionally, the gap between business performance and expectations is greatest in Ontario and British Columbia. By sector, hospitality and retail show the largest gap.

Provincial-level insights



Sector-Level insights



1,898 Responses

Question: Over the past 12 months, how would you describe your business's performance (e.g., revenue, profits, sales) compared to your expectations? (Select one)

Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.

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Canada-U.S. - Impact of potential tariffs

“A great deal of our business consumable items come from the US either directly or indirectly so this tariff has the potential to be devastating to our business.”

Entreprise and administrative management, AB

”

Over half of small businesses are directly involved in either importing from or exporting to the U.S., and this does not include thousands more that rely on suppliers or customers that are trading with the U.S.

Small business involvement in U.S. trade



1,887 Responses

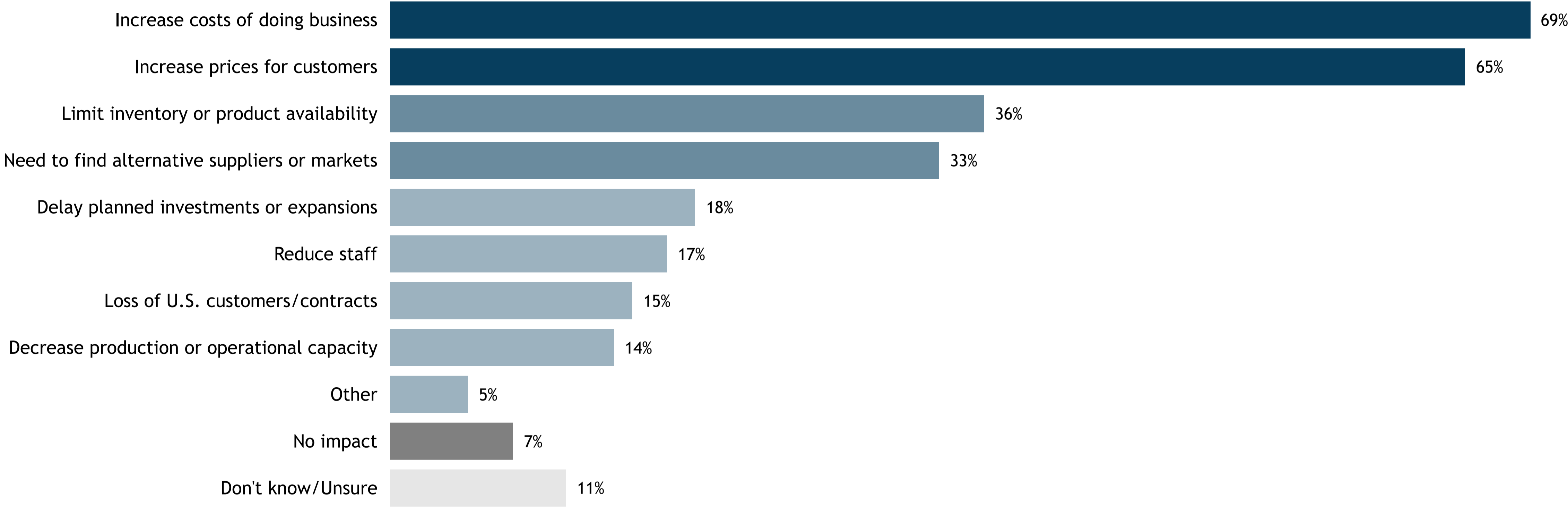
Question: Does your business import or export goods to/from the U.S.? (Select one)

Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.



A 25% tariff on Canadian products, coupled with potential retaliatory tariffs, would impact a strong majority (82%) of businesses. Additionally, two-thirds (65%) of small businesses would raise prices to offset tariffs, while 69% say tariffs would increase their costs.

Impact of 25% U.S. tariffs on Canadian products and retaliatory measures



1,871 Responses

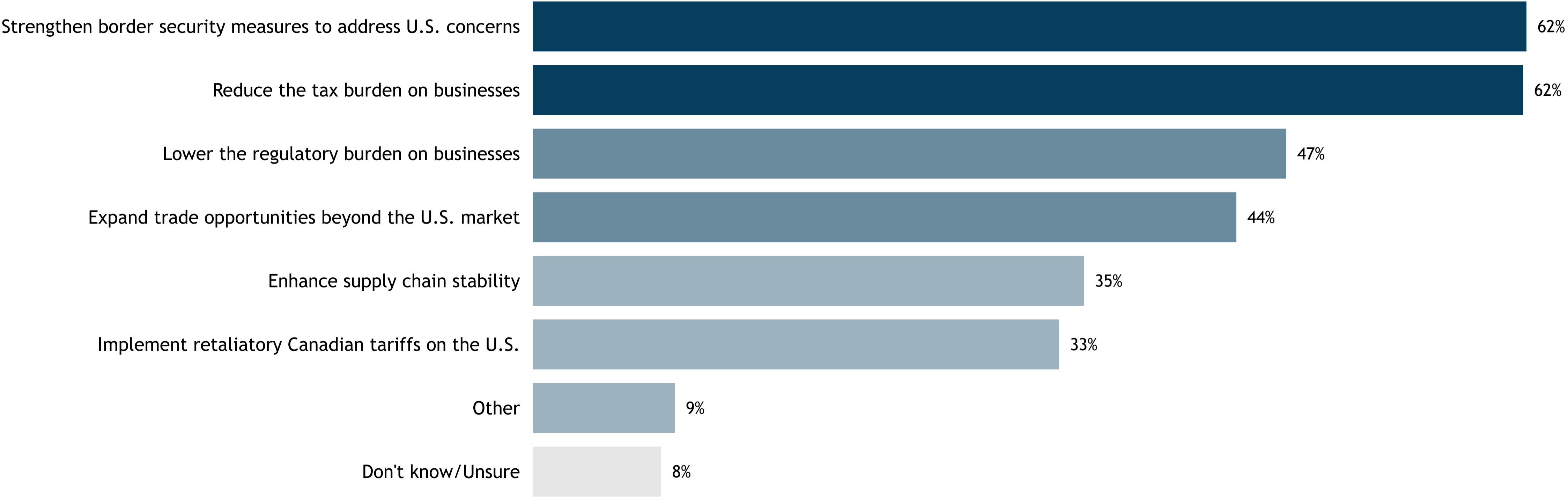
Question: How would a 25% U.S. tariff on Canadian products, followed by potential Canadian retaliatory tariffs, impact your business? (Select all that apply)

Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.



To address the impact of a potential tariff on Canadian goods, a strong majority of business owners (62%) agree that Canadian governments must reduce the tax burden, with an equal percentage supporting the strengthening of border security measures to address U.S. concerns.

Key government actions to mitigate potential impacts of U.S. tariffs



1,849 Responses

Question: What actions should Canada’s governments take to address the impact of a potential U.S. tariff on Canadian goods? (Select all that apply)

Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.



Pandemic-related debt

“Heading into 2025 with debt scares me. I was hoping 2024 would allow us to catch up on the debt however I was just treading water. If 2025 does not put us a head, I will seriously consider closing our business.

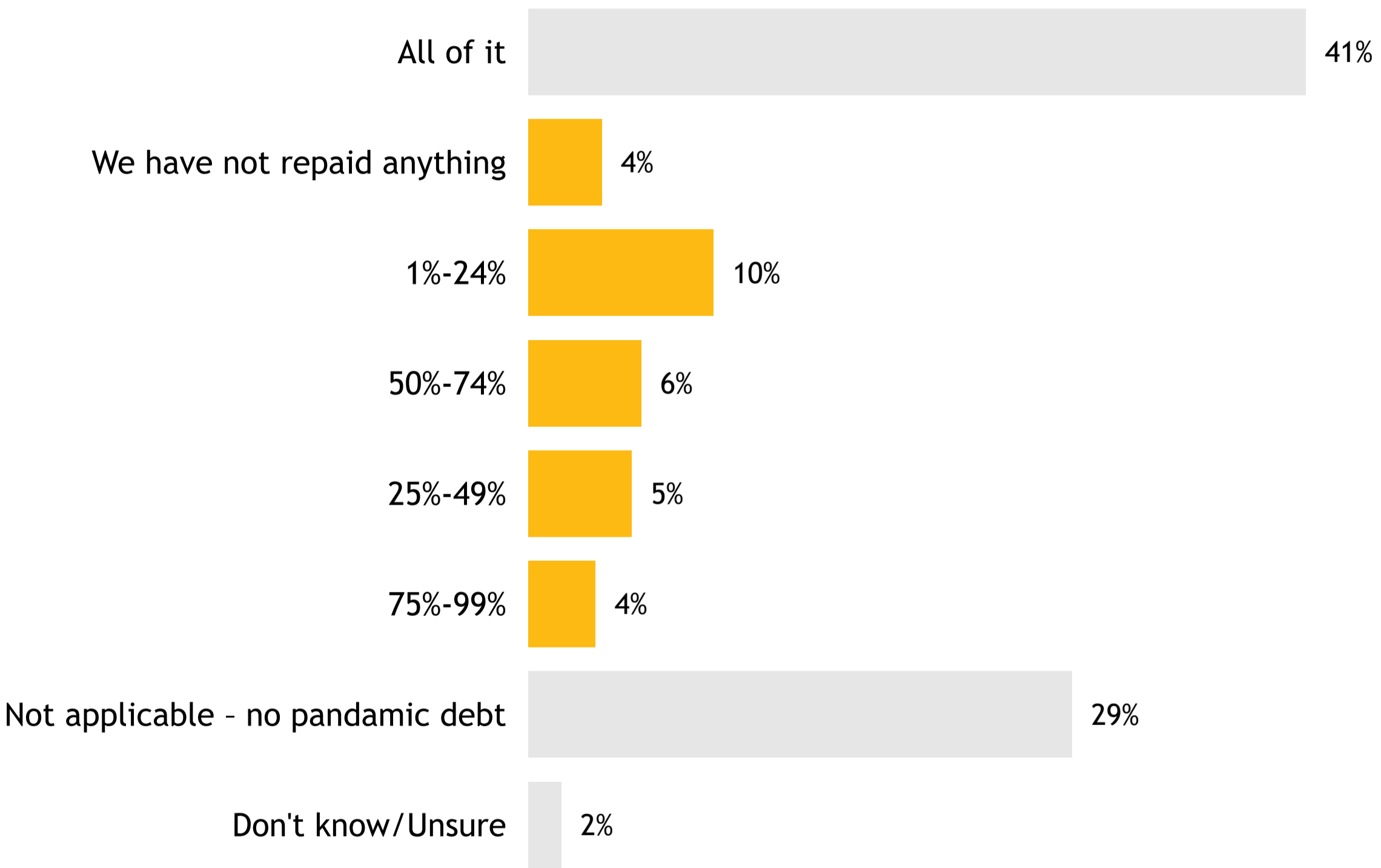
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Personal, Misc. Services, ON

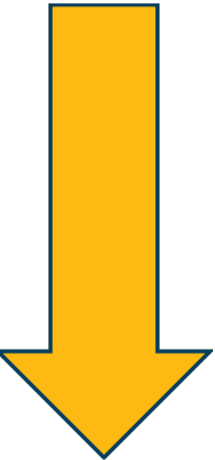
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Nearly a third of small businesses still carry pandemic-related debt, with some having yet to make repayments.

Proportion of pandemic-related debt repaid by Canadian businesses



3 in 10 business owners' are holding pandemic-related debt, with an average debt of **\$65,000**.



Half of businesses holding pandemic-related debt, are holding a CEBA loan averaging **\$33,750**.

1,834 Responses

Question: How much of your pandemic-related debt has your business been able to repay? When responding consider all forms of debt taken on, including provincial and/or federal government loans (such as CEBA or HASCAP), credit cards, lines of credit, loans from family and friends, unpaid taxes/rent/bills, etc. (Select one)

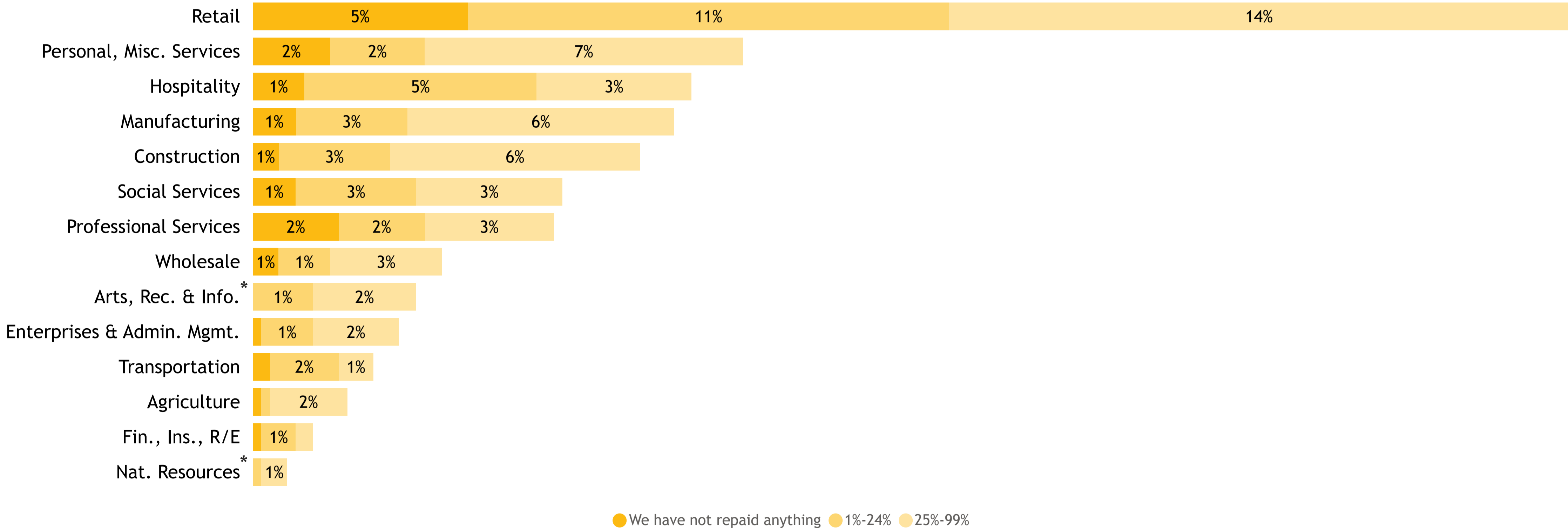
Question: Considering only your CEBA loan, are you in a position to tell us roughly how much your business still owes? (Please enter an approximate amount)

Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.



Retail businesses are the most financially burdened by pandemic-related debt, with personal and miscellaneous services and hospitality also struggling to repay.

Repayment progress among Canadian businesses still owing pandemic-related debt, by sector



1,834 Responses

Question: How much of your pandemic-related debt has your business been able to repay? When responding consider all forms of debt taken on, including provincial and/or federal government loans (such as CEBA or HASCAP), credit cards, lines of credit, loans from family and friends, unpaid taxes/rent/bills, etc. (Select one)

Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.

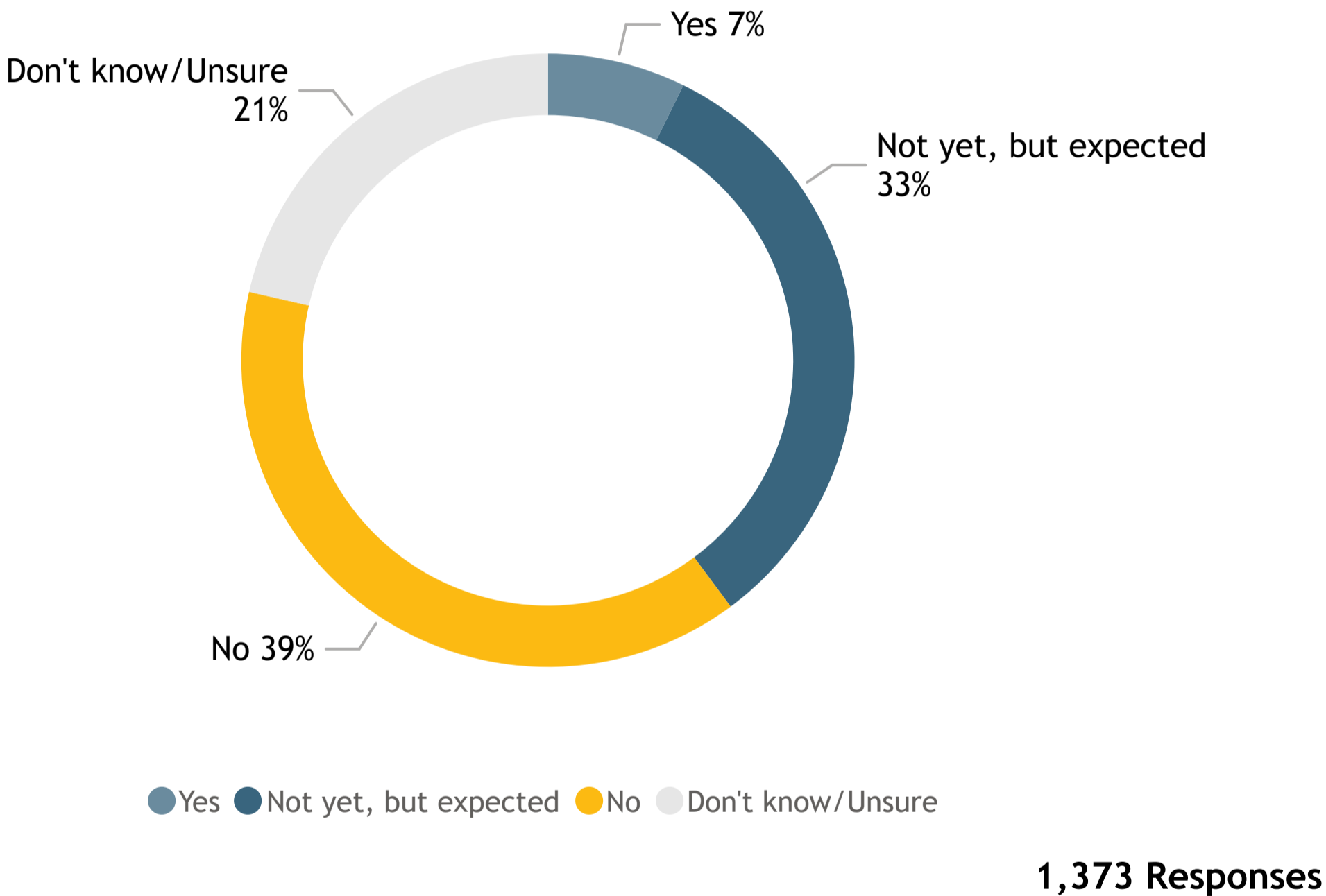
Note: *Small sample size (<40).



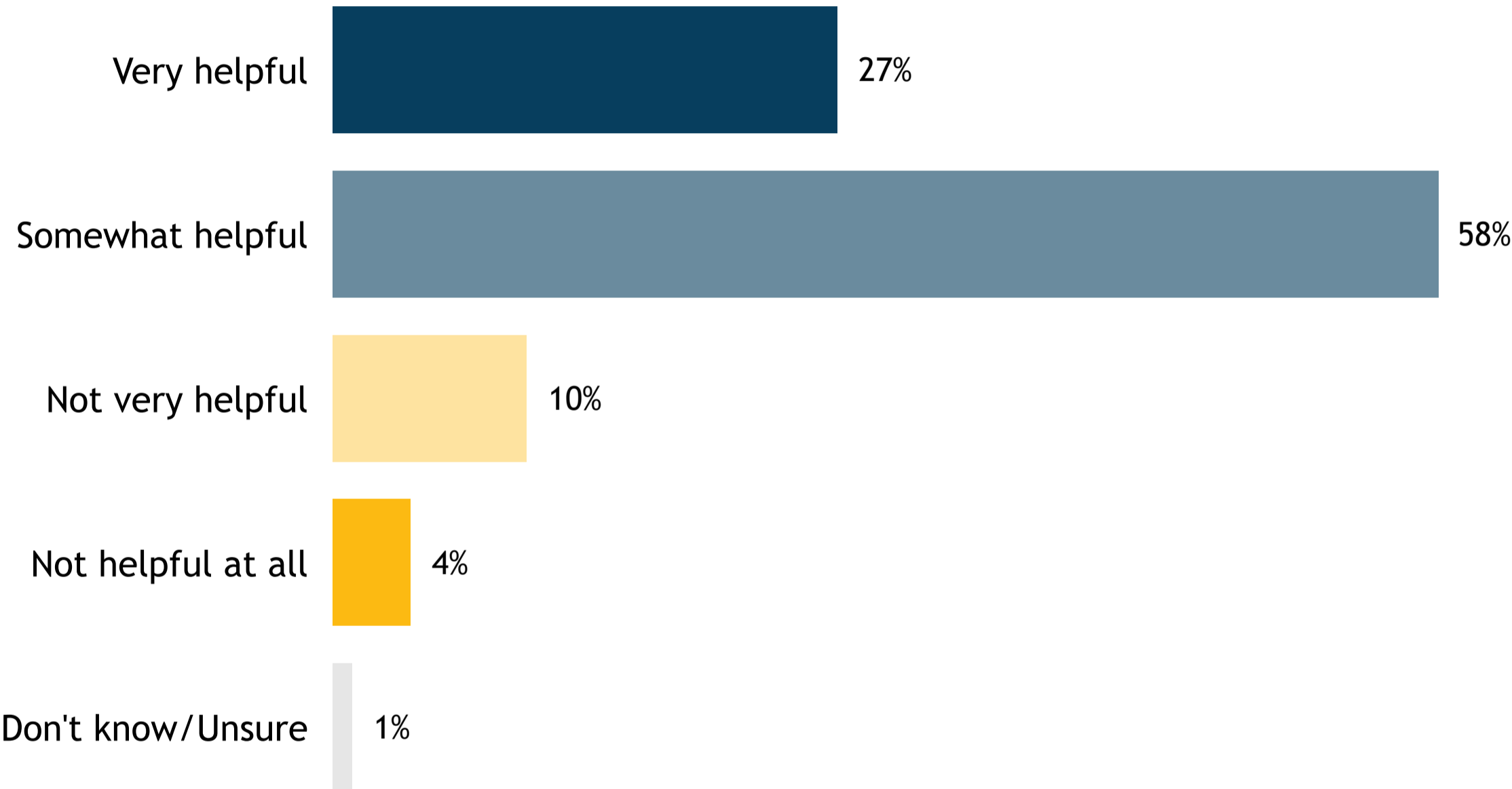
Credit card fees reduction

Businesses are beginning to benefit from reduced credit card fees*, with 33% expecting savings and 7% already reporting reductions. The reduction is having a positive impact for those who have experienced it.

Share of eligible* businesses noticing savings from credit card fee reductions



Perspectives on the helpfulness of credit card fee reductions among businesses experiencing or expecting savings



*As of October 19, small businesses processing under \$300,000 in Visa sales or \$175,000 in Mastercard sales will see a 27% reduction in credit card costs, with a 0.95% in-store interchange rate and a 0.1% cut in ecommerce fees.

Question: Have you noticed savings on your credit card processing fees since the rate reduction was implemented? (Select one)

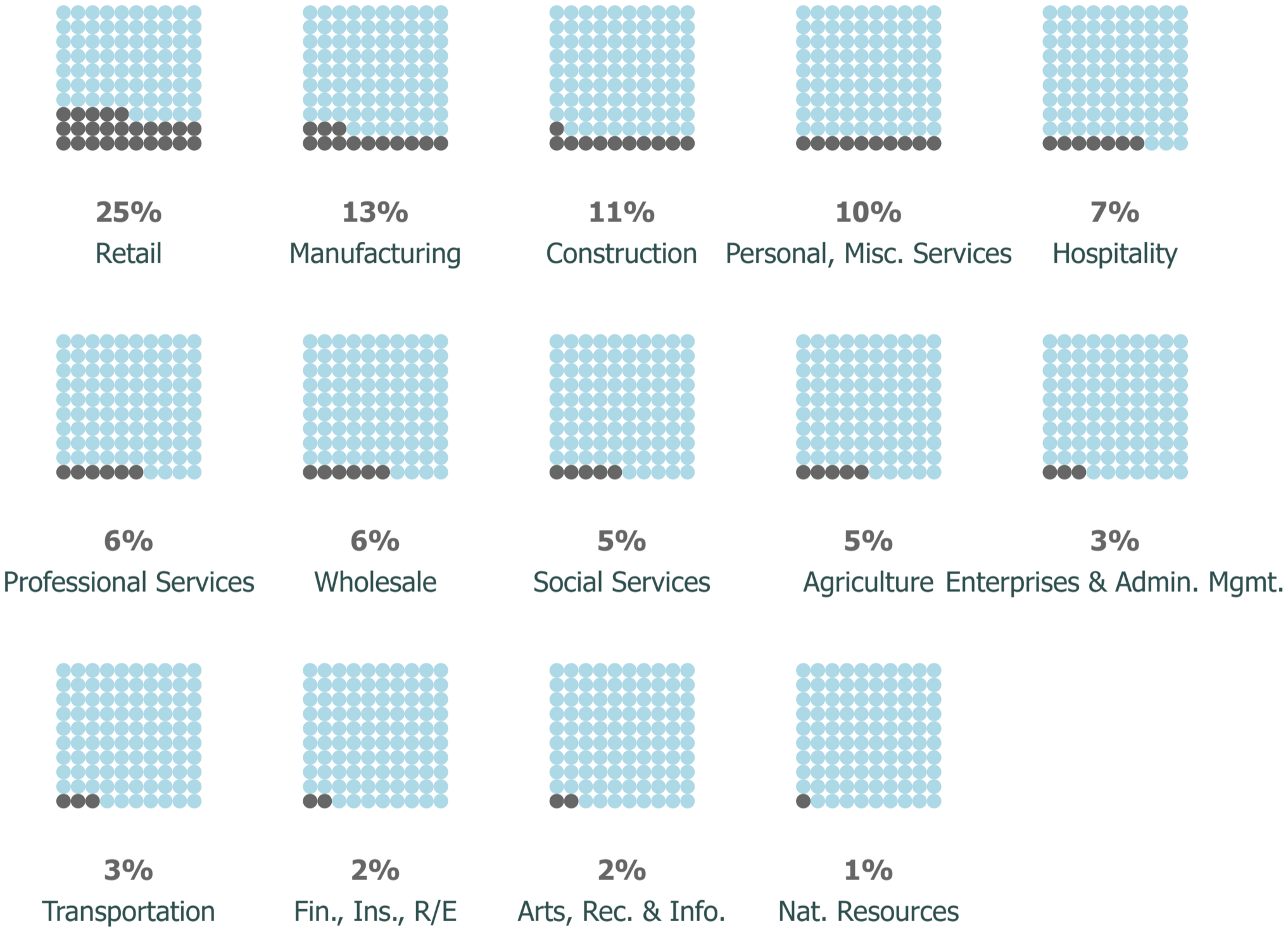
Question: How helpful have these savings on credit card processing fees been for your business? (Select one)

Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.

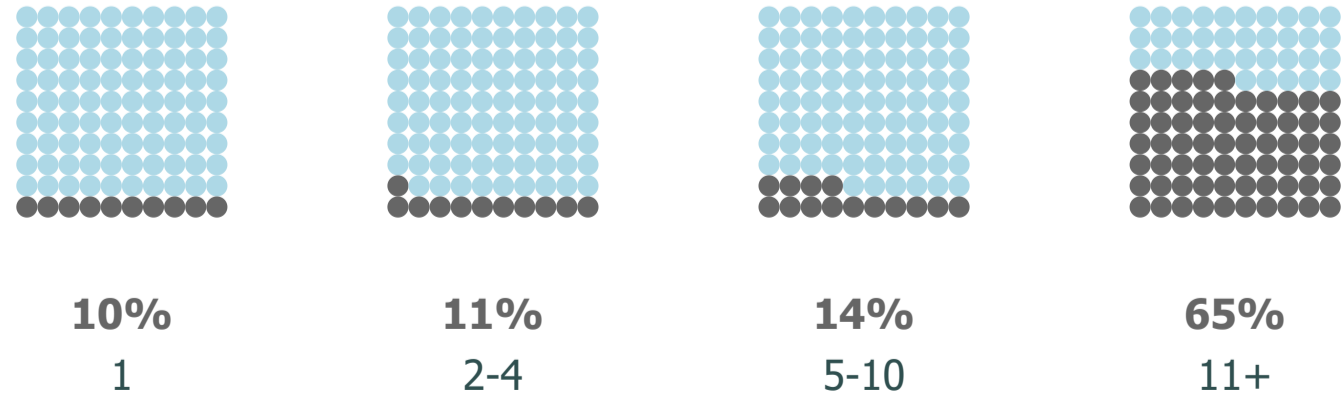


Appendix: Sample distribution

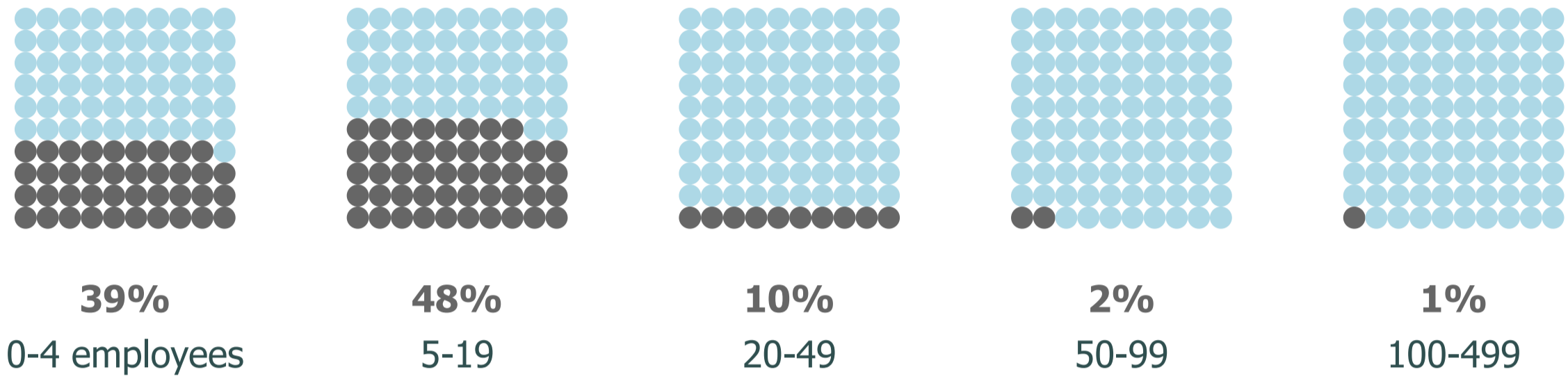
By sector



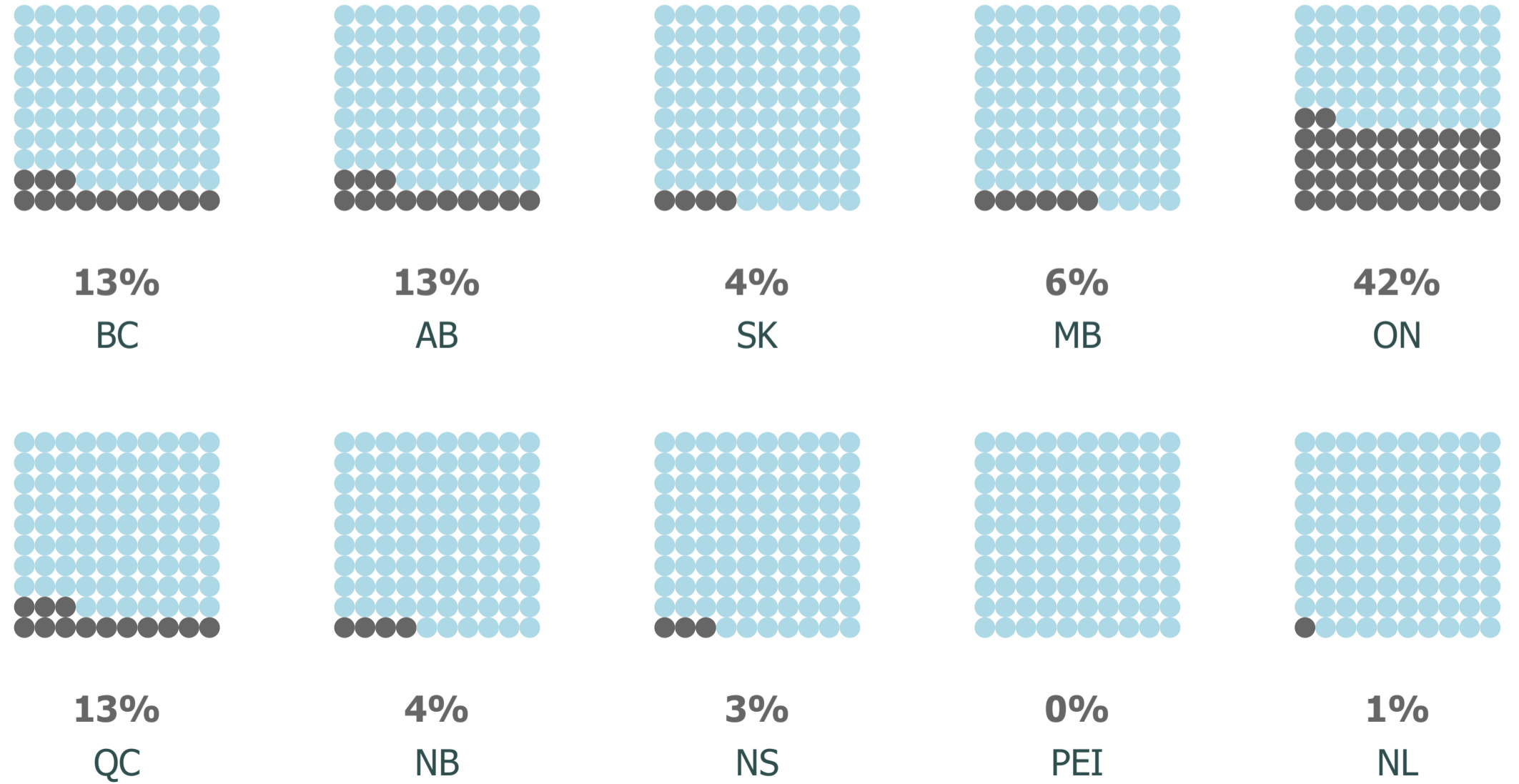
By year(s) in business



By no. of employees



By province



Source: CFIB, Your Voice - October 2024 survey, December 5 - 29, 2024.

CFIB Research Publications and Business Stats



Monthly Business Barometer®

Our monthly survey tracks small business confidence, expectations and operating conditions in Canada.



Enterprise Pulse

Q2 2024 - Entrepreneurship in Canada is improving, but still not fully back to pre-pandemic strength.



Private Sector Job Vacancies in Canada

The private sector job vacancy rate in Canada edged down to 2.7% in 2024 Q4, down by 0.9 percentage points on a yearly basis.

Questions or data requests

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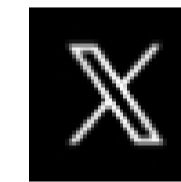


Additional information

All CFIB research



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