



Your Voice Monthly Omnibus Survey

Key Results for June 2022



**CANADIAN FEDERATION
OF INDEPENDENT BUSINESS**

In business for your business.

About the data in this report



Your Voice survey - final results for June 2022

- Type: An omnibus, controlled-access online CFIB survey.
- Active dates: June 9-30, 2022.
- Results: Based on responses from 2,533 CFIB members who are owners of Canadian independent businesses, from all sectors and regions of the country.
- For comparison purposes, a probability sample with the same number of respondents would have a margin of error of +/-1.9%, 19 times out of 20.

Results featured in this report

Slides



Cost pressures

- A strong majority (**two thirds+**) think government misunderstands the cost pressures they face
- Perception that government understands business cost pressures is low overall across all provinces and sectors

4 - 8



Prices and interest rates

- **79%** of businesses raised their prices more than usual in the past 12 months
- Most expect rising interest rates to have a negative impact on their operations

9 - 13



State of small business in Canada

- **54%** are making less than normal sales, **62%** still with pandemic debt, **78%** currently under pandemic stress

14 - 21



Federal travel restrictions

- Small businesses are split on most travel restrictions, but **58%** want lifting of federal masking requirements

22 - 23



Business succession

- **71%** of small business owners agree it is important their business remains in their family or extended family
- Most also believe business transfers should be taxed the same way whether it's to family or a third party

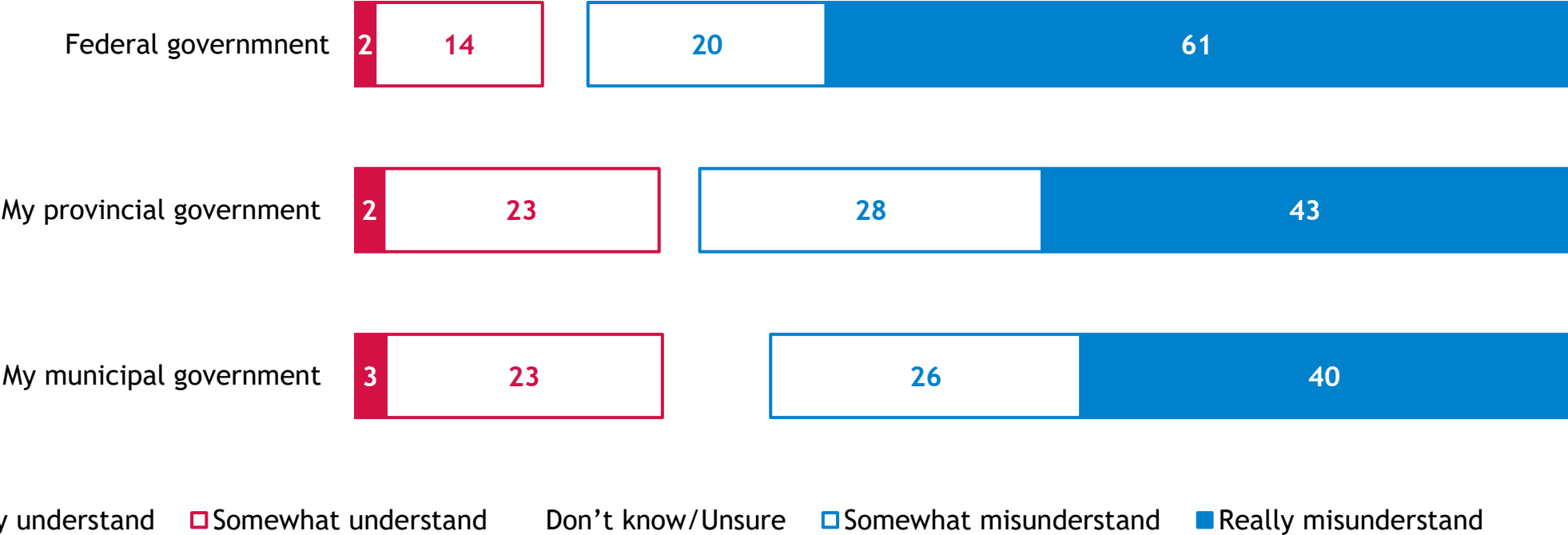
24 - 25

Cost Pressures



A strong majority of businesses think that government misunderstands the cost pressures they are facing

(CANADA; % response)



Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = between 2,475 and 2,490 per option.

Question: "To what extent do you think the following levels of government understand the cost pressures that your business is facing when they make decisions (such as when they change taxes, consider paid sick day policies or deliver building permits)?"

Note: Not shown in the middle of the bars are the shares of respondents indicating "Don't know/Unsure".

Perception that government understands business cost pressures is low overall across all provinces

CANADA

Federal government

16%

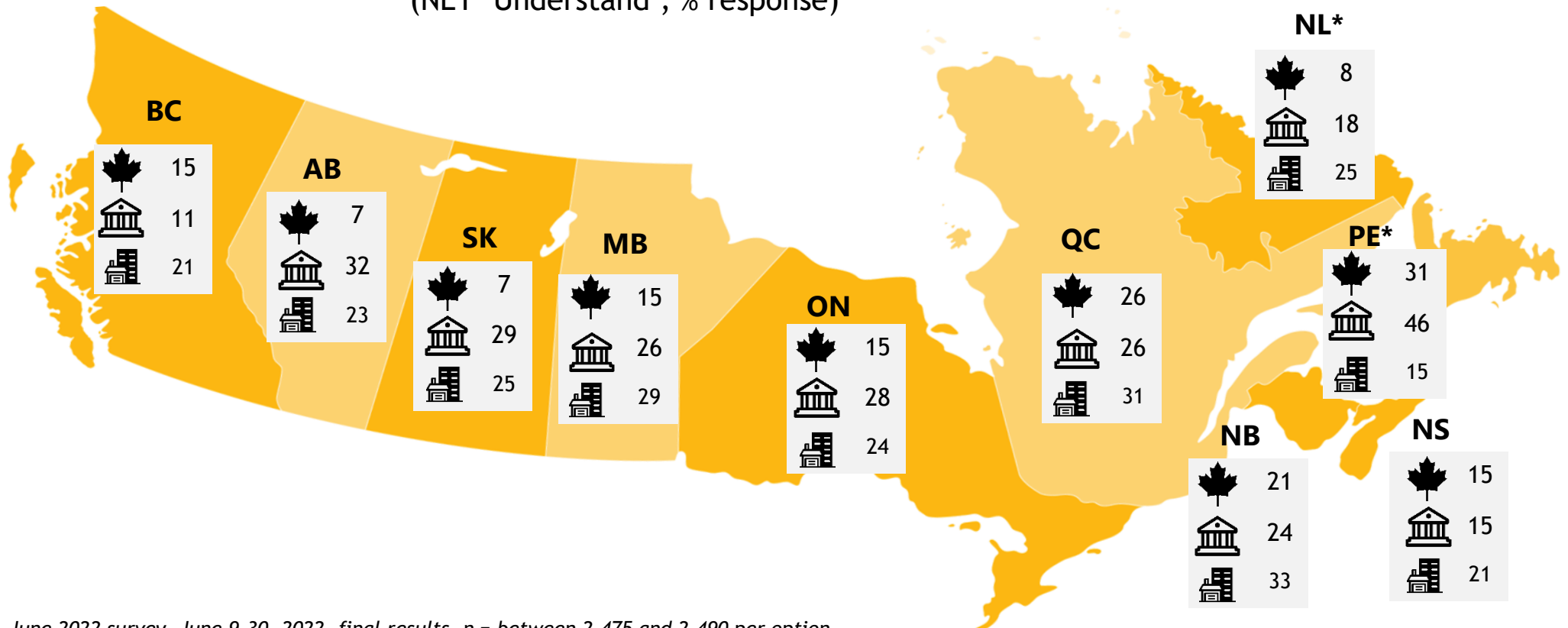
My provincial government

25%

My municipal government

26%

(NET "Understand"; % response)



Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = between 2,475 and 2,490 per option.

Question: "To what extent do you think the following levels of government understand the cost pressures that your business is facing when they make decisions (such as when they change taxes, consider paid sick day policies or deliver building permits)."


Notes: 1) "NET Understand" includes respondents that selected "Really understand" and "Somewhat understand".


2) *Small sample size (<40).




Low understanding by government of business cost pressures is also prevalent across sectors




(NET "Understand"; % response)

CANADA: Federal Gov. =  = 16%

Provincial Gov. =  = 25%

Municipal Gov. =  = 26%

			
Agriculture	9%	22%	34%
Construction	10%	25%	22%
Transportation	11%	24%	18%
Finance, Insurance, Real Estate	12%	34%	29%
Personal, Miscellaneous Services	14%	26%	24%
Hospitality	15%	20%	26%
Retail	15%	23%	25%

			
Manufacturing	16%	25%	27%
Enterprise & Admin. Management	16%	32%	33%
Professional Services	18%	29%	27%
Wholesale	18%	33%	24%
Social Services	21%	21%	26%
Natural Resources*	22%	31%	25%
Arts, Recreation & Information	29%	29%	19%

Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = between 2,475 and 2,490 per option.

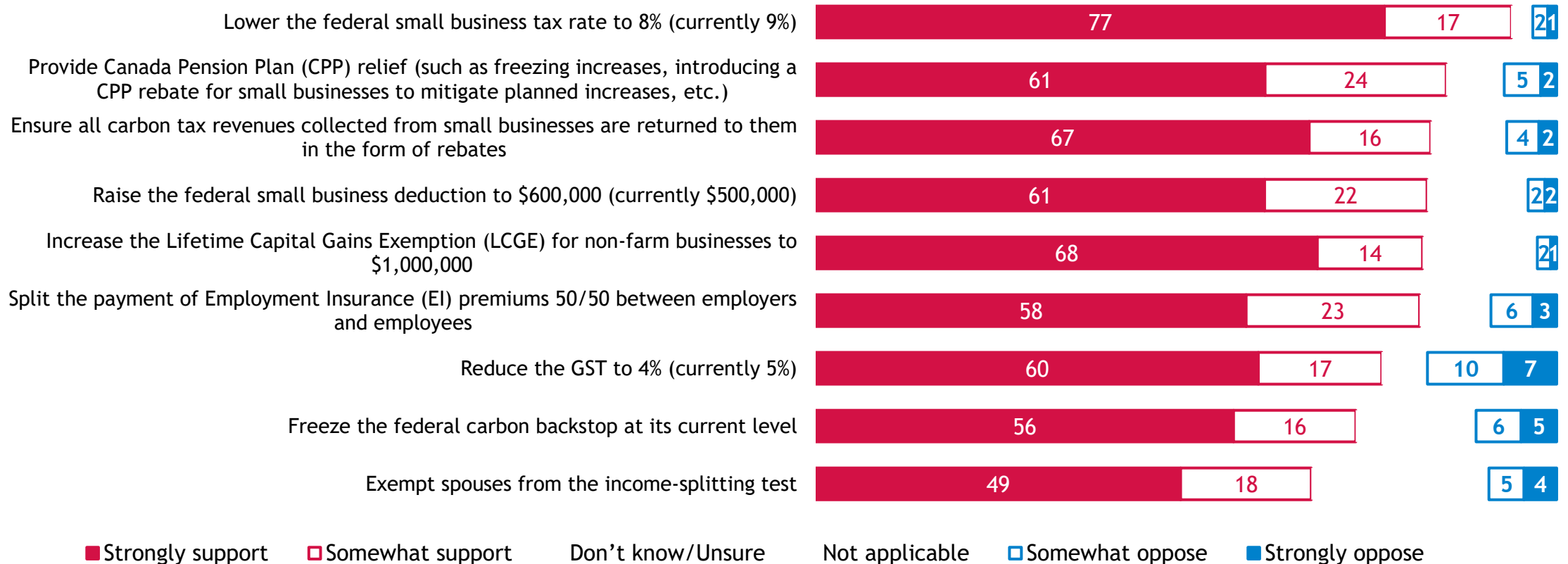
Question: "To what extent do you think the following levels of government understand the cost pressures that your business is facing when they make decisions (such as when they change taxes, consider paid sick day policies or deliver building permits)?"

Notes: 1) "NET Understands" includes respondents that selected "Really understand" and "Somewhat understand".

2) *Small sample size (<40).

Businesses strongly support federal tax relief to help with cost pressures (with consistent support across all provinces and sectors)

(CANADA; % response)



Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = between 2,264 and 2,304 per option.

Question: "Please indicate if you would support or oppose each of the following potential federal measures. (Select one for each line)"

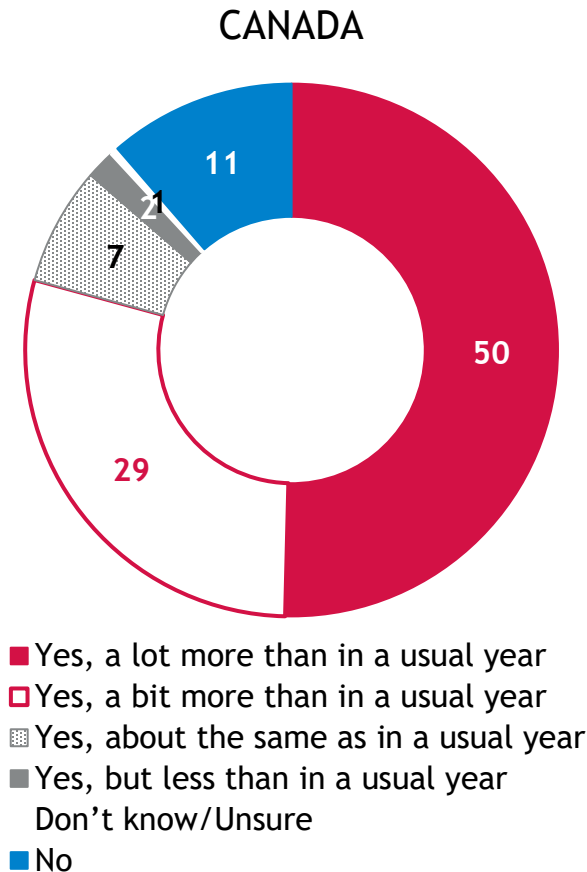
Note: Not shown in the middle of the bars are the shares of respondents indicating "Don't know/Unsure" and "Not applicable".

Prices and Interest Rates

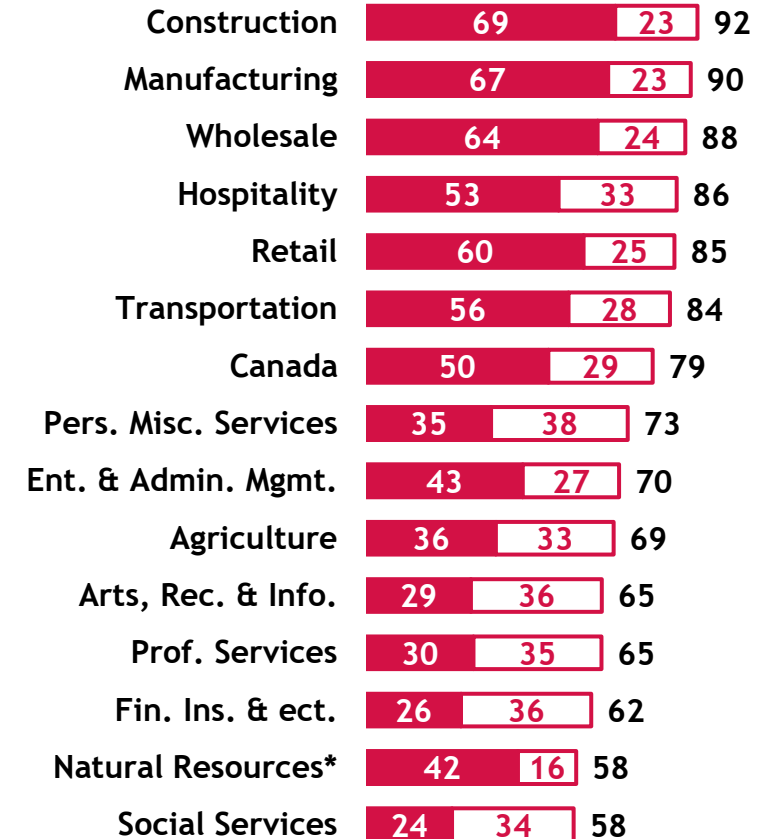
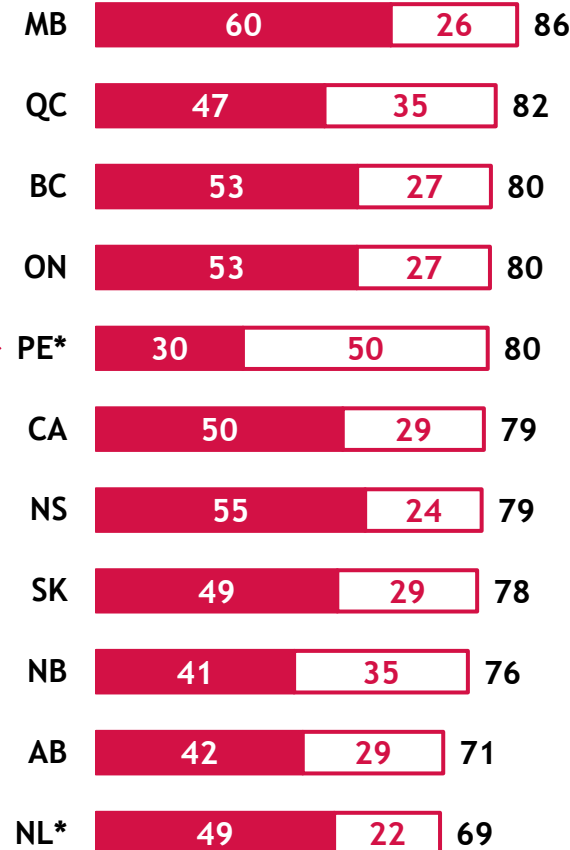


8 in 10 businesses raised their prices more than usual in the past 12 months

(% response)



A lot/bit more

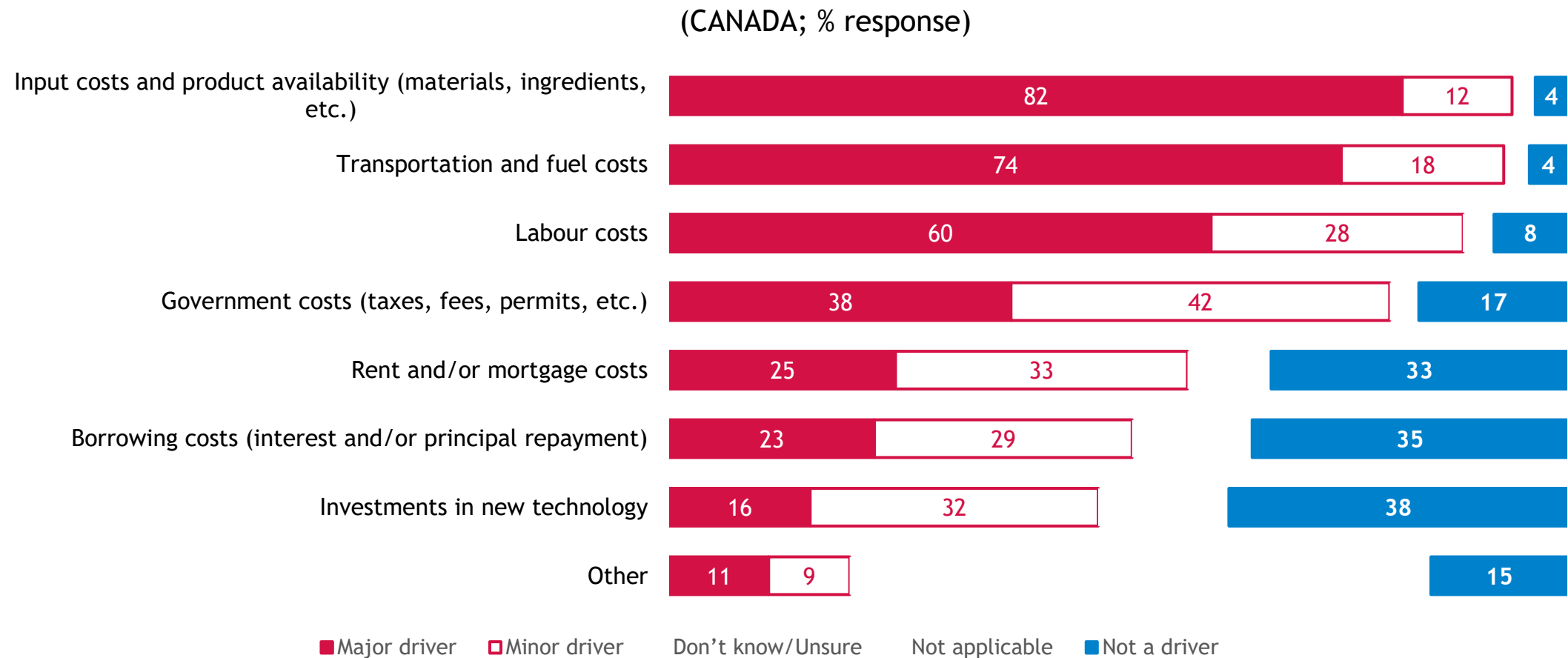


Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = 2,316.

Question: "Has your business raised its prices in the past 12 months?"

Notes: 1) Usual year = pre-pandemic year. 2) *Small sample size (<40). 3) Not shown in the middle of the pie: shares of respondents indicating "Don't know/Unsure".

The top drivers causing business owners to increase prices over the last 12 months include input, fuel and labour costs



Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = between 1,140 and 2,006 per option.
Question: “Please indicate how much the following elements have driven your decision to raise prices in your business in the past 12 months.”
Note: Not shown in the middle of the bars are the shares of respondents indicating “Don’t know/Unsure” and “Not applicable”.

Top drivers of price increases by businesses in the past 12 months, Canada, by sector

(% indicating element is a major driver)

	#1	#2	#3
Agriculture	Inputs 89%	Fuel 86%	Labour 44%
Natural Resources*	Fuel 81%	Inputs 76%	Labour 74%
Construction	Inputs 93%	Fuel 87%	Labour 66%
Manufacturing	Inputs 97%	Fuel 83%	Labour 64%
Wholesale	Fuel 88%	Inputs 87%	Labour 48%
Retail	Inputs 85%	Fuel 82%	Labour 50%
Transportation	Fuel 93%	Inputs 69%	Labour 55%

	#1	#2	#3
Arts, Recreation & Information	Labour 81%	Inputs 62%	Fuel 46%
Finance, Insurance, Real Estate	Inputs 64%	Fuel 61%	Labour 57%
Professional Services	Labour 62%	Inputs 51%	Fuel 39%
Enterprise & Admin. Management	Fuel 74%	Labour 72%	Inputs 64%
Social Services	Labour 66%	Inputs 57%	Fuel 38%
Hospitality	Inputs 91%	Labour 82%	Fuel 72%
Personal, Miscellaneous Services	Inputs 77%	Labour 65%	Fuel 65%

Source: CFIB, Your Voice - June 9-30, 2022, final results, n = between 1,140 and 2,006 per option.

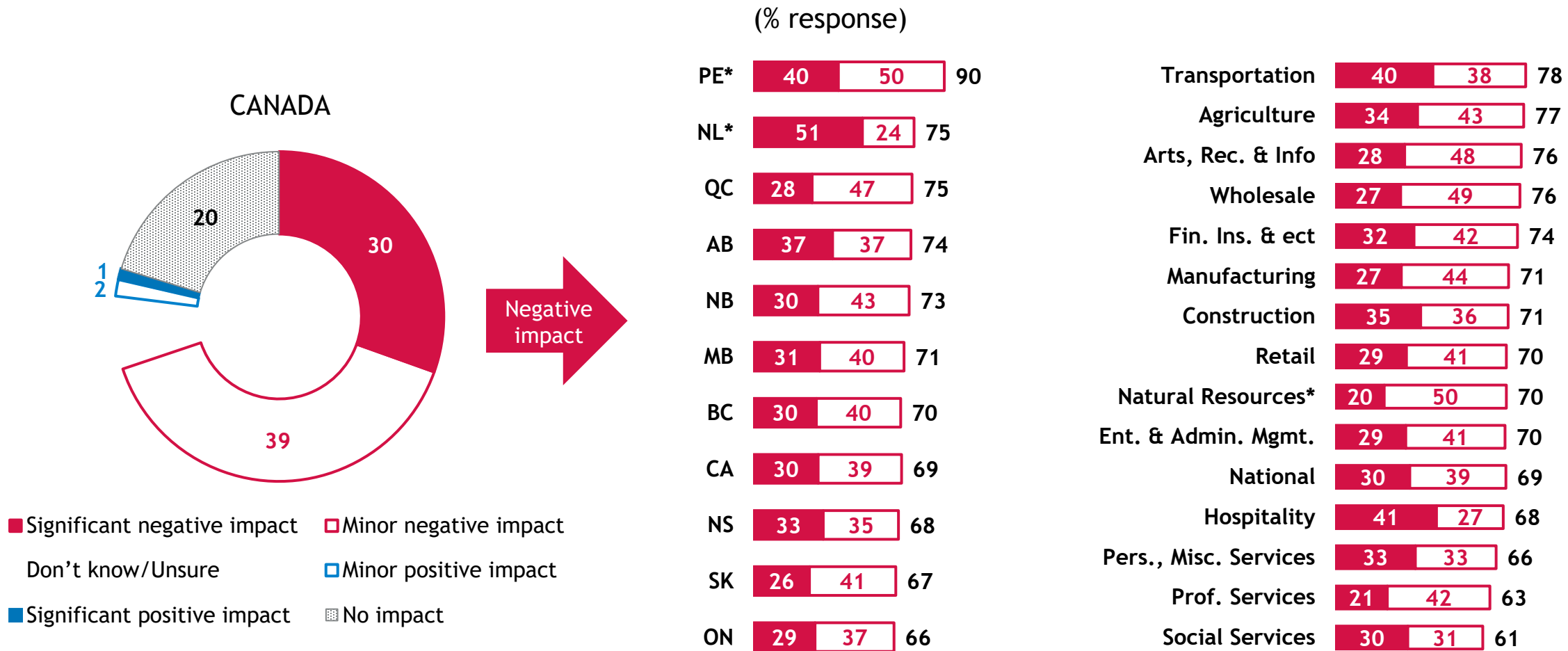
Question: "Please indicate how much the following elements have driven your decision to raise prices in your business in the past 12 months."

Answer choices: Fuel = "Transportation and fuel costs"; Inputs = "Input costs and product availability (materials, ingredients, etc.); Labour = "Labour costs"

Notes: 1) Results shown are for the response to "major driver".

2) *Small sample size (<40).

About 7 in 10 business owners report that their business is negatively impacted by rising interest rates



Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = 2,298.

Question: "The Bank of Canada has recently raised interest rates and may raise them again in the coming months. How are raising interest rates impacting your business?"

Note: *Small sample size (<40).

State of Small Business

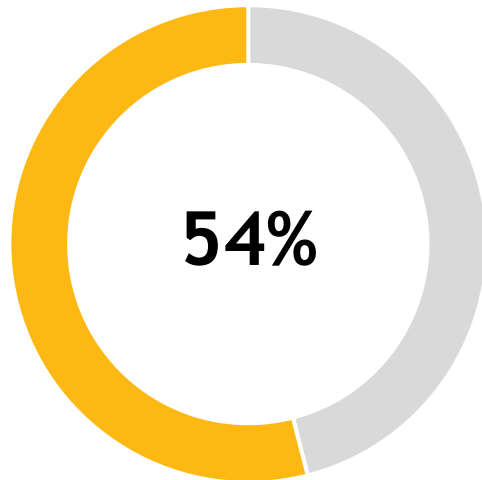


State of Small Business

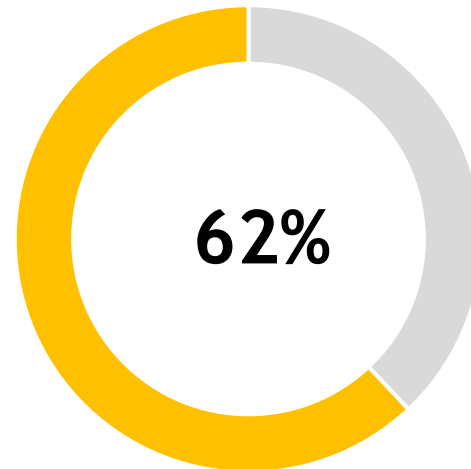
Small businesses are still feeling the impacts of the pandemic, with about half making less than normal sales (**54%**), just under two thirds still reporting pandemic related debt (**62%**) and about 4 in 5 indicating they are still under pandemic stress (**78%**).



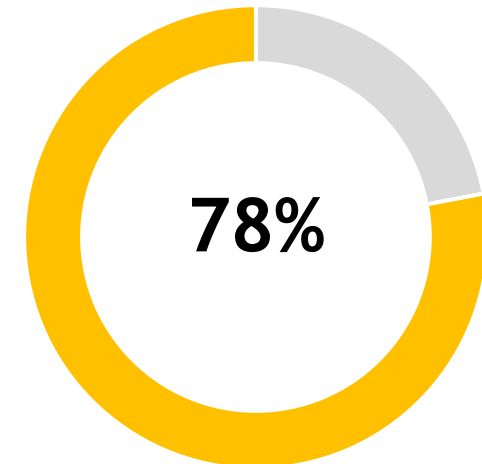
Less than normal revenues



With pandemic debt

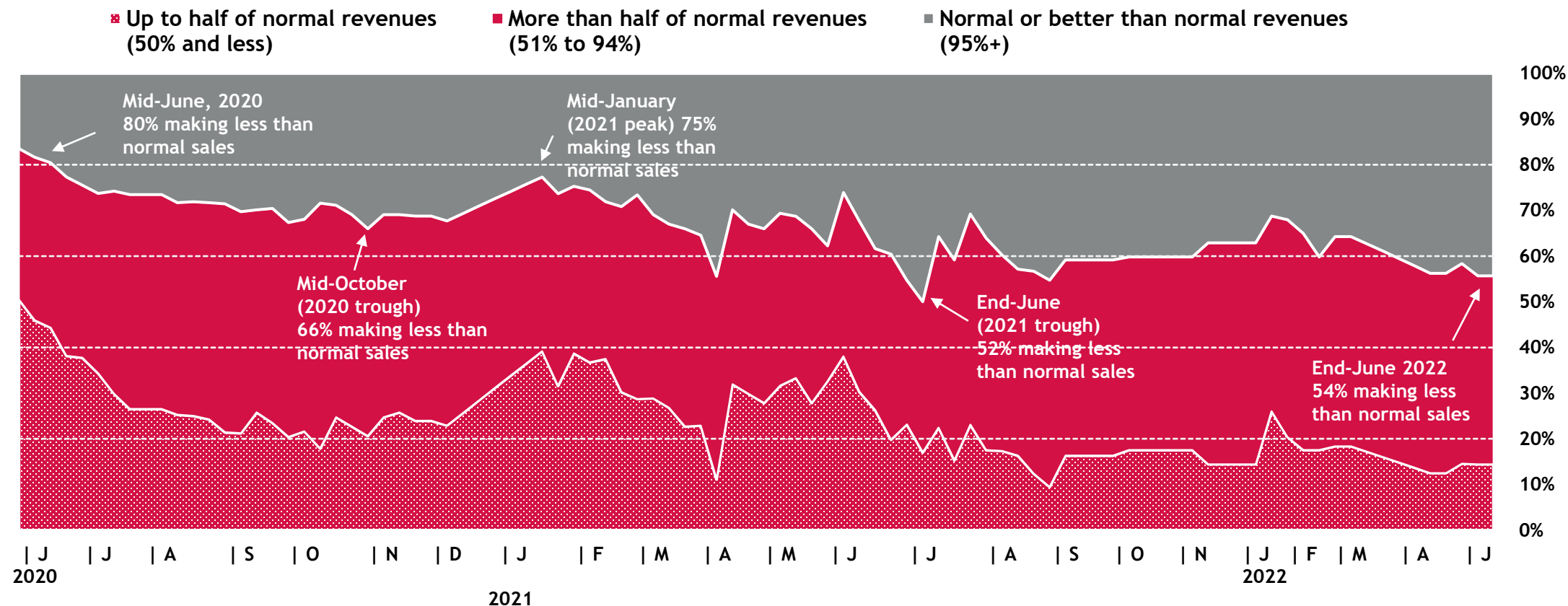


Still under pandemic stress



Source: CFIB, Your Voice - June 2022 survey, June 9 - 30, 2022, final results, n (sales) = 2,278, n (debt) = 2,275 and n (stress) = 2,281.
Data also available at Small Business Recovery Dashboard <https://initiative.cfib-fcei.ca/dashboard/>.

As of June 2022, over 1 in 2 Canadian small businesses have not yet returned to normal revenues

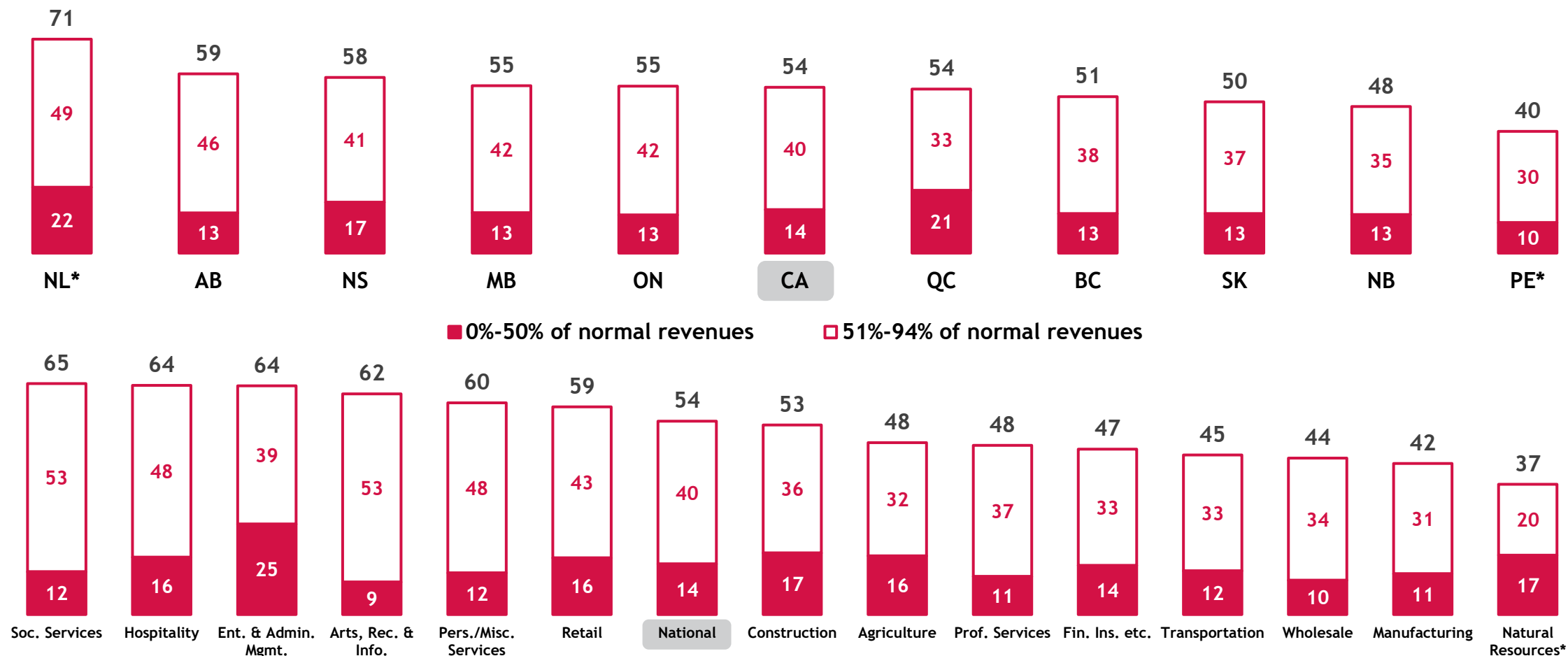


➡ 54% of Canadian business are still not making normal sales, down 2 percentage points from April 2022.

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

Businesses making less than normal revenues, June 2022

(By province and sector, % response)



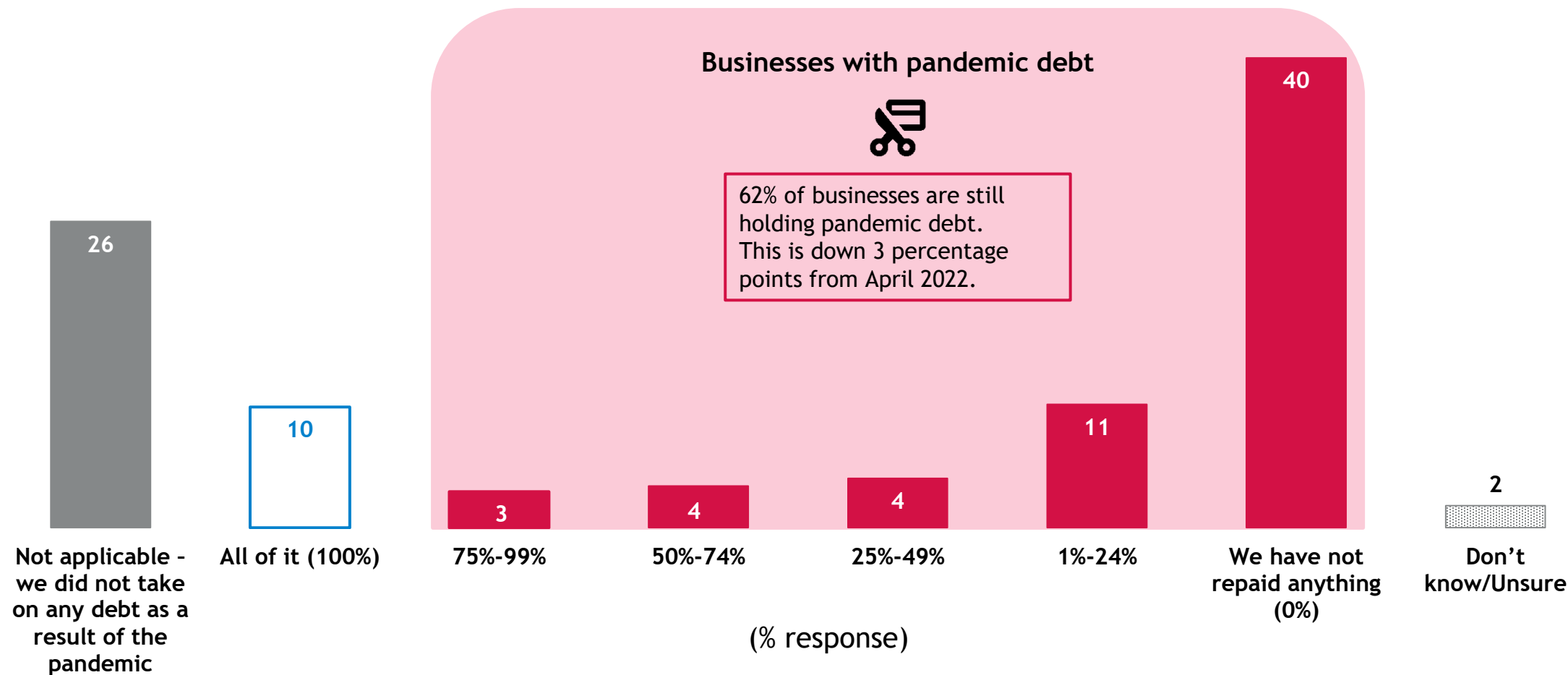
Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = 2,278.

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.

About 3 in 5 businesses are still holding pandemic debt, 2 in 5 have not been able to start repaying anything

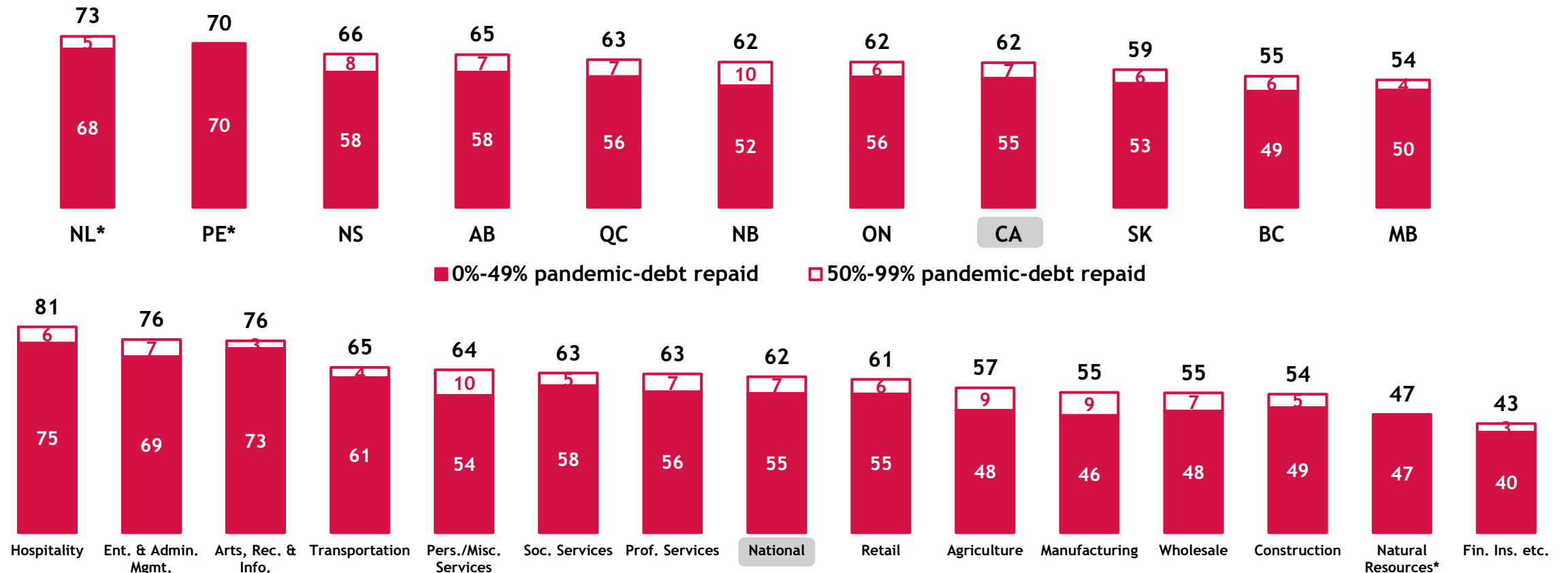


Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = 2,275.

Question: "How much of your pandemic-related debt has your business been able to repay?"

Businesses with pandemic debt, June 2022

(By province and sector, % response)



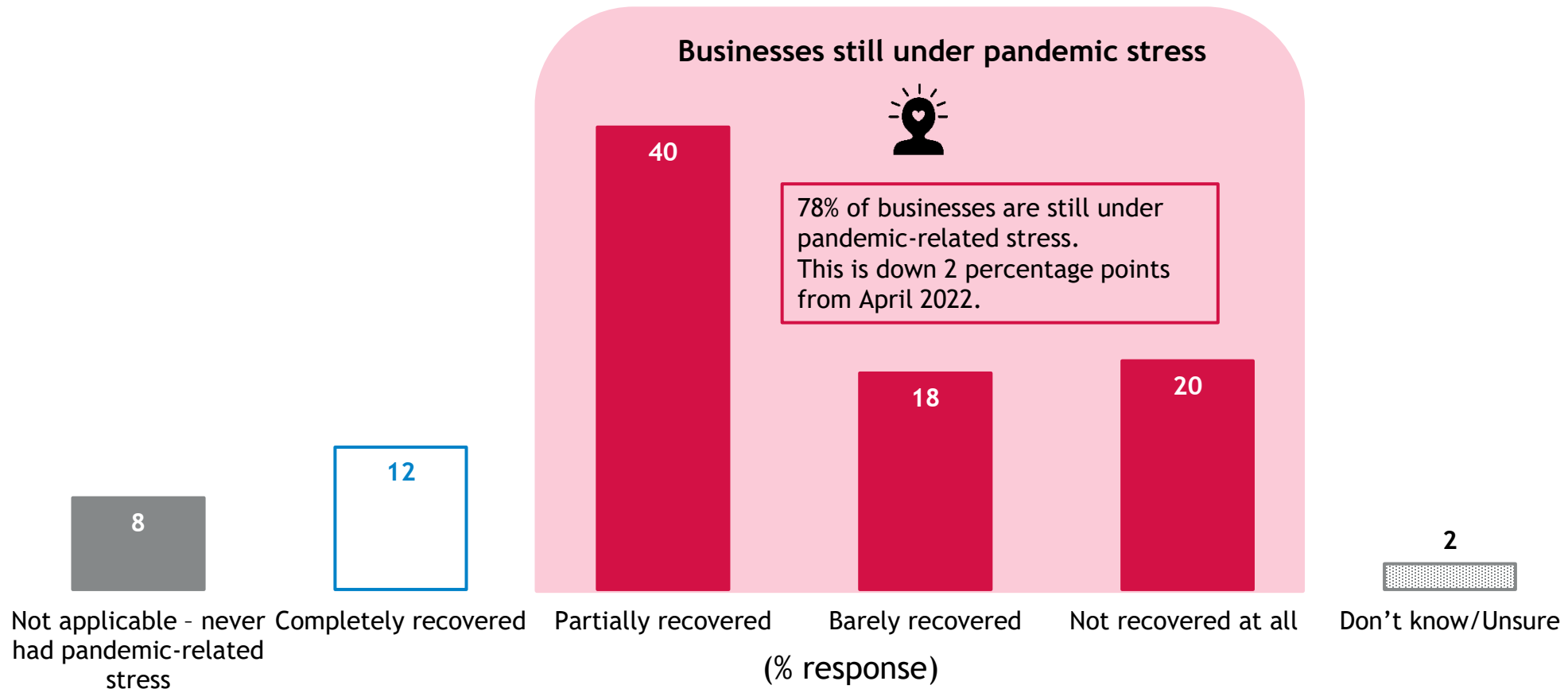
Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = 2,275.

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.

Only 1 in 5 business owners do not have pandemic stress right now, another 1 in 5 have not recovered at all from their stress

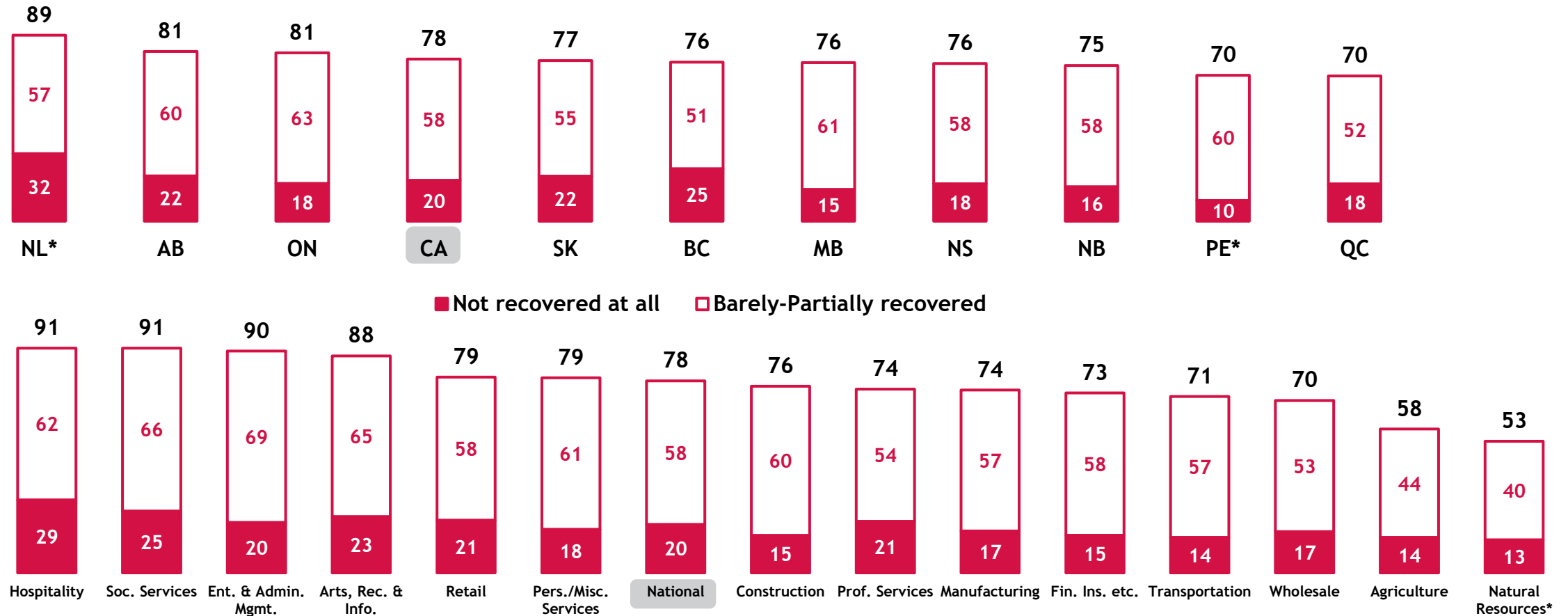


Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = 2,281.

Question: "To what degree have you recovered from your pandemic-related stress as a business owner?"

Businesses still under pandemic stress, June 2022

(By province and sector, % response)



Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = 2,281.

Question: "To what degree have you recovered from your pandemic-related stress as a business owner?"

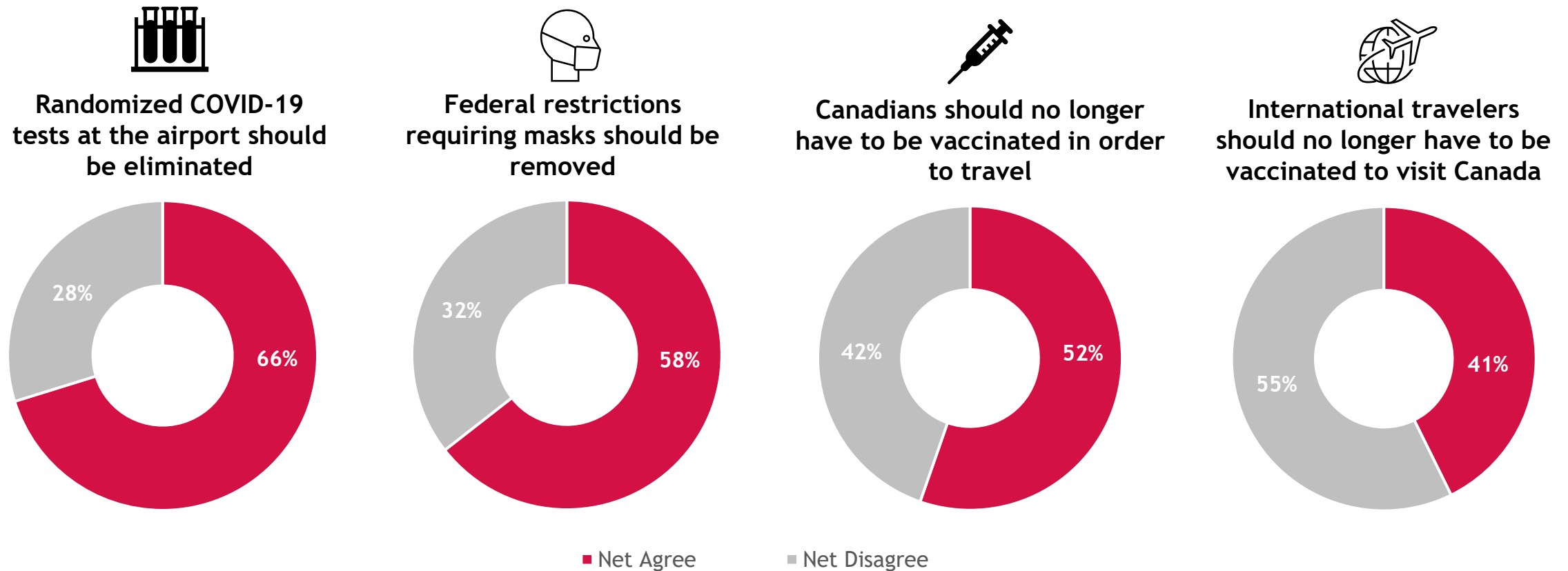
Notes: 1) *Small sample size (<40).

2) Totals may not add up due to rounding.

Federal Travel Restrictions



Generally, small businesses are split on federal travel restrictions, however, the majority support eliminating random COVID tests at the airport (**66%**) and removal of federal mask requirements (**58%**)

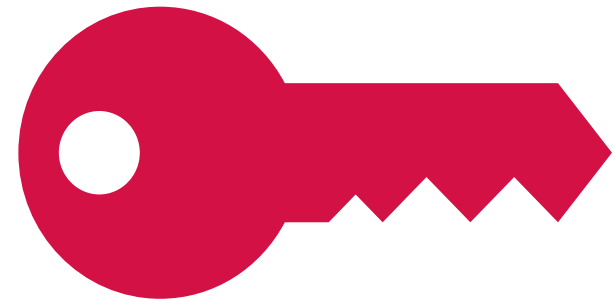


Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = between 2,266 and 2,269 per option.

Question: "Please indicate the extent to which you agree or disagree with each of the following statements."

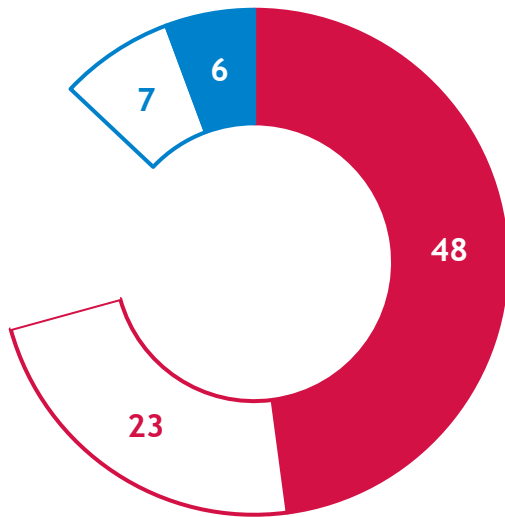
Note: Percentage will not add to 100% (answers of N/A and Unsure were excluded from these charts).

Business Succession

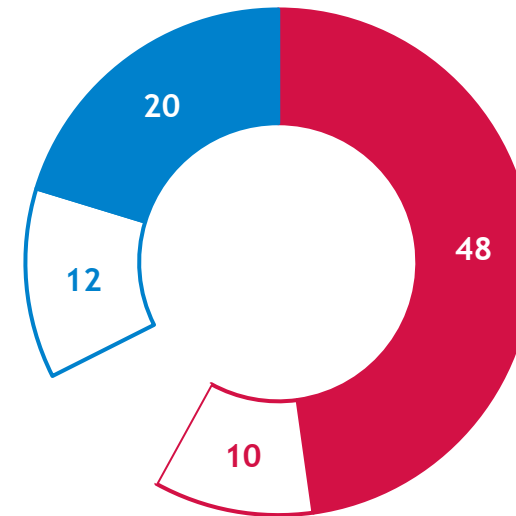


7 in 10 small business owners agree it is important that their business remains in their family or extended family, and most want tax fairness, no matter who they sell to

It is important that our business remains in the family or extended family



Businesses should be taxed the same whether they sell to family members or to an unrelated third party



■ Strongly agree ■ Somewhat agree ■ Don't know/Unsure ■ Not applicable ■ Somewhat disagree ■ Strongly disagree

Source: CFIB, Your Voice - June 2022 survey, June 9-30, 2022, final results, n = between 2,248 and 2,250 per option.

Question: "Please indicate the extent to which you agree or disagree with the following statements about family transfer. (Select one for each line)"

Note: Not shown in the middle of the pies are shares of respondents indicating "Don't know/Unsure" and "Not applicable".

Questions or data requests

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Additional information

Monthly Business Barometer
cfib.ca/barometer

Small business recovery dashboard
smallbusinesseveryday.ca/dashboard/

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