Research Report

Small Business Debt: The COVID-19 Impact

Second Assessment – August 2021

KEY POINTS

So far, the pandemic has taken its toll on **71% of Canadian small businesses that have taken on debt** to cope with the impacts of COVID-19.

CFIB's latest estimate for ***total Canadian small business debt related to COVID-19 sits at $139 billion,*** with 76% of businesses that took on debt saying it will take them ***longer than a year to repay***.

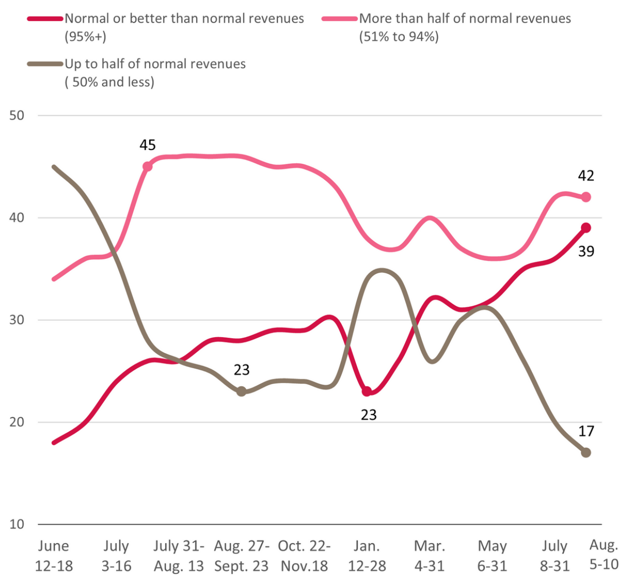
Governments must enhance and continue business relief measures. Even with many restrictions lifted, thousands of businesses carry a big financial burden and are facing a difficult road to recovery.

Current business conditions

Despite recent improvements[1], only 39% of small businesses in Canada are currently making sales they consider normal for this time of year.

Another 17% are still at half or less of their normal sales.

Figure 1
Canadian small businesses, by current revenues relative to usual revenues for same time of year (% response)



Source: CFIB, COVID-19 surveys – June 2020 to August 2021.

[1] CFIB has been tracking the return to normal revenues since March 2020. The share of small businesses making normal sales has gone from 23 per cent in January 2021 to 39 per cent in August, a 16 percentage point increase in the last seven months.

With provincial governments recently beginning to execute their plans for reopening economies, Canadian small businesses have welcomed greater predictability and certain milestones for when they can resume previously restricted activities. However, the real recovery is only just beginning.

Improvements in income generation have been notably slower for small businesses than increases in other indicators, specifically open and staffing status. More are fully open (76%) and fully staffed (47%) than are making normal sales (39%)[2]; this has been a constant reality over the course of the pandemic. Even if entrepreneurs can open their business and ensure it is adequately staffed to operate, they will not necessarily see most of their customers return and start making normal sales again right away.

Further, a business fully open and fully staffed is also more likely to pay full fixed costs, or semi-fixed staffing costs.[3] Having to pay fixed costs while making less than normal sales is not financially sustainable and may force a business to take on a significant amount of debt should it continue for an extended period.

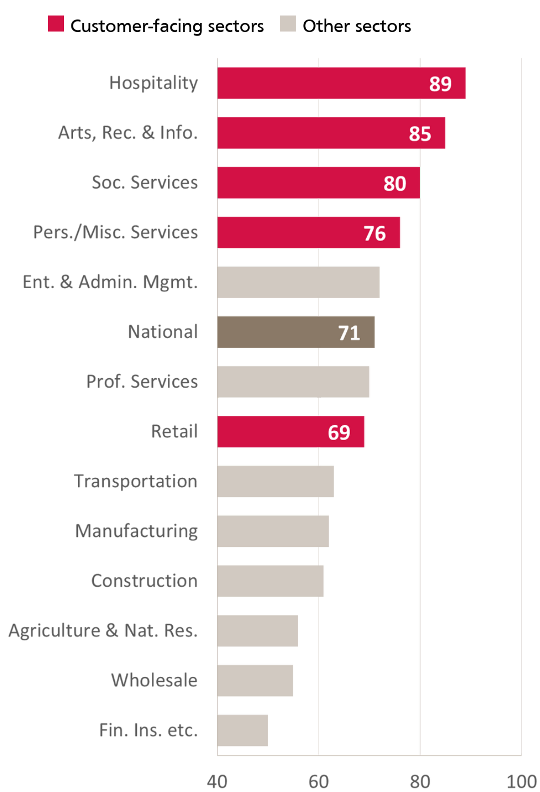
[2] See www.smallbusinesseveryday.ca/dashboard/.
[3] Fixed costs for a business can include rent or mortgage payments, property taxes, utilities, and insurance. Semi-fixed staffing costs are the remaining costs a business must still pay after some reimbursement from the Canada Emergency Wage Subsidy (CEWS) or the Canada Recovery Hiring Program (CRHP). While some of these costs could be deferred during the pandemic, for many businesses access to relief has been difficult, while a phase out of federal relief programs is already underway.

COVID-19: Debt burden so far

Overall, 7 in 10 businesses in Canada have taken on COVID-19-related debt.

In most customer-facing sectors even more businesses took a hit.

Figure 2
Businesses that took on debt due to COVID-19, Canada, by sector (% response)



Source: CFIB, Your Voice Survey – May 2021, May 6-31, 2021, n = 5,126.

In May 2021, just over seven in ten (71%) business owners across Canada reported that they have taken on debt to cope with the impacts of COVID-19 (Figure 2). This is comparable to the share reported in February (73%).[4]

The number of businesses that have taken on debt varies significantly depending on their sector, however. As was also the case in February, businesses from most customer-facing industries are the most likely to have taken on debt.[5] Since the start of the pandemic, these sectors have been more likely to face strict restrictions or be fully closed for long periods of time, depending on the region of the country where they are located. As a result, these businesses have likely had to acquire funding to bridge them through to the point when restrictions are eventually lifted.

On the opposite end, businesses that have been able to continue operating remotely or with fewer restrictions have been relatively less likely to take on debt. The sector with the fewest businesses reporting debt is finance, insurance, real estate & leasing (Figure 2), though half of businesses in this sector still indicate they have COVID-19-related debt to repay.

[4] Taylor MATCHETT, Canadian Federation of Independent Business (2021), Small business debt and profitability: The COVID-19 impact https://www.cfib-fcei.ca/sites/default/files/2021-02/SME-Debt-and-Profitability.pdf.
[5] Ibid.

On average, small businesses report having taken on $169,985 in COVID-19-related debt.

CFIB's latest estimate[6] for total debt held by SMEs in Canada due to COVID-19:

$139 billion

"As a travel agency we have to employ our staff to process the refunds, re-bookings, cancellations, insurance claims and inquiries. I am paying my staff, but I have no income and no foreseeable income until early 2022. I am flailing. Our clients want to travel, but without a plan by our government to loosen restrictions, open borders, lift quarantine measures and PCR testing, we are left to fend for ourselves, dig deeper into debt and keep taking one step forward and twelve steps back. I want to stay in business, but I have no income and do not know how much further I can sink...financially, emotionally, and mentally."

– Travel Agency Business Owner, Ontario, July 2021

The average amount of COVID-19 debt accumulated by small businesses has held steady since February.[7] It still varies widely across sectors and between regions, however.

By sector, average debt per business for the social services sector is on the lower end ($87,690) and at less than half the average across all sectors, while, on the higher end, hospitality businesses have accumulated nearly twice as much ($333,174). See Table A1 in Appendix 1 for detailed information on sectoral average debt.

Average debt for businesses in the Atlantic and Prairie regions is lower, while those in Alberta and Ontario report average debts that are at least $20,000 higher than the national average, nearly twice as much for businesses in Alberta. See Table A2 in Appendix 1 for detailed information on regional average debt.

CFIB's latest estimate for the total debt held by Canada's small business community marks an increase from our previous estimate of roughly $135 billion in February 2021. While it likely indicates that many businesses are in an increasingly difficult financial situation, it is also important to note that this estimate may not capture the complete picture. As we are now well over a year into the pandemic, many other highly indebted survey respondents from February may have already gone out of business, meaning that the average debt for those businesses cannot be captured in our updated estimate.[8]

[6] CFIB calculation based on May 2021 survey results, with adjustments to reflect the entire business community.

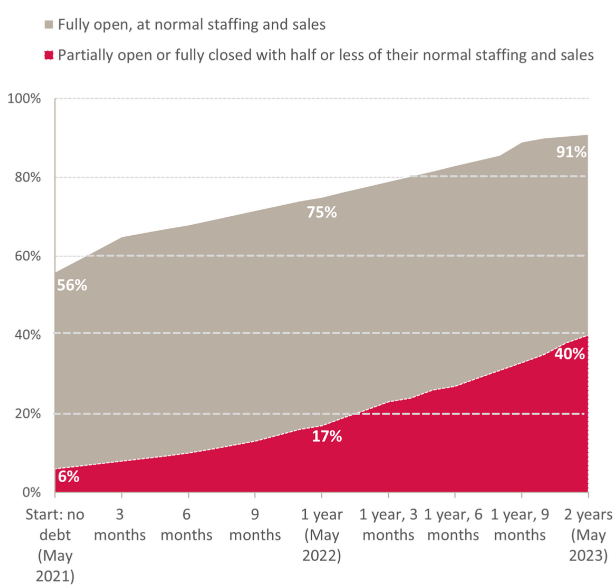
[7] At the time of CFIB's February report, the average amount of debt accumulated per small business due to COVID-19 was $169,992.

[8] A business that permanently closes no longer has an active CFIB membership, therefore losing its ability to participate in CFIB surveys.

On average, 1 in 2 businesses that have been fully operational and are making normal sales did not take on COVID-19 debt.

For businesses that have been partially open or fully closed and are at half or less their normal staffing and sales, only 4 in 10 expect to repay their debt within two years, while 1 in 4 are concerned they may never be able to repay it.

Figure 3
Canadian businesses with no COVID-19-related debt, expected cumulative share over next two years, by open, staffing and sales status



Source: CFIB, Your Voice Survey – May 2021, May 6-31, 2021, n = 5,106.
Note: Businesses that responded with "Don't know/Unsure" have been excluded.

The expected time it will take for businesses to pay back their COVID-19-related debt is notably different for businesses that have been fully open, fully staffed, and making normal sales than for those that have not (Figure 3).

For businesses that have been fully operational, more than half (56%) indicate that they did not take on any COVID-19 debt. Three quarters of these businesses will have repaid their debt within a year, while 91 per cent expect they will have repaid their debt by May 2023. These results have held steady when compared to our February analysis.

For businesses that are only partially open or remain fully closed and are at up to half their normal staffing and sales, only six per cent say they did not have to take on debt to cope with COVID-19. Conversely, less than one in five businesses (17%) in this group indicate that they will have repaid what they owe within a year, and no more than 40 per cent will have repaid within two years. Further, one in four (24%) of these businesses express concern that they may never be able to repay their debt; this data point marks the greatest increase when compared to results from February.[9]

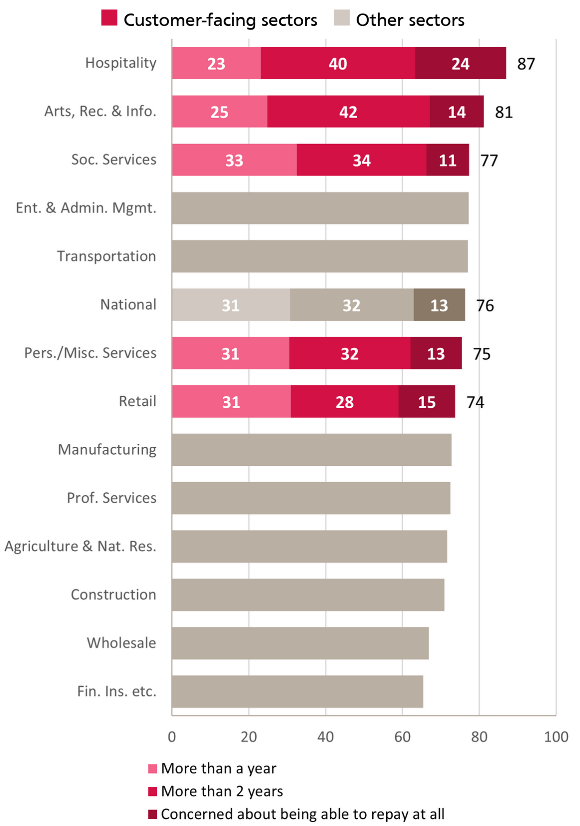
Since this estimate is based on a May 2021 survey, we can determine that 60 per cent of the group that have been closed or only partially open do not expect to repay their debt by May 2023.

These results clearly demonstrate the important financial impact of COVID-19 business restrictions. Going forward, it is critical for small business survival that there be plans in place to keep businesses open, including a strategy for how to do so in the case of a fourth wave of the virus. If future breakouts of COVID-19 result in further lockdowns and closures, it would certainly mean more financial hardships for Canada's already fragile small business community.

[9] As of February 2021, 12 per cent of businesses in this group expressed concern that they may never be able to repay their debt; this figure has since doubled.

Of all businesses that took on debt, 3 in 4 will take more than a year to repay; this share is even higher for some sectors.

Figure 4
Time to pay back COVID-19-related debt, businesses that took on debt, Canada, by sector (% response)



Source: CFIB, Your Voice Survey – May 2021, May 6-31, 2021, n = 4,605.

> *"[We need] support for newer businesses like mine who opened after March 31, 2020. No CEBA support yet and no rent subsidy support in the initial months of COVID-19 has put our business in huge debt. Me and my wife are working day and night to make ends meet and survive, but we can only do so much. We need immediate government help to get back on our feet."*
>
> – Hospitality Business Owner, British Columbia, July 2021

Of all businesses that took on debt, three in four (76%) say it will take them longer than a year to pay off. This result has held steady in comparison with our February analysis.[10]

On the higher end, there are proportionately more businesses in the hospitality and arts, recreation & information sectors that expect to take longer than a year to repay their debts — 87 per cent and 81 per cent, respectively (Figure 4). Even at the lower end, however, nearly two-thirds (65%) of businesses in finance, insurance, real estate & leasing that took on COVID-19-related debt will take longer than a year to repay.

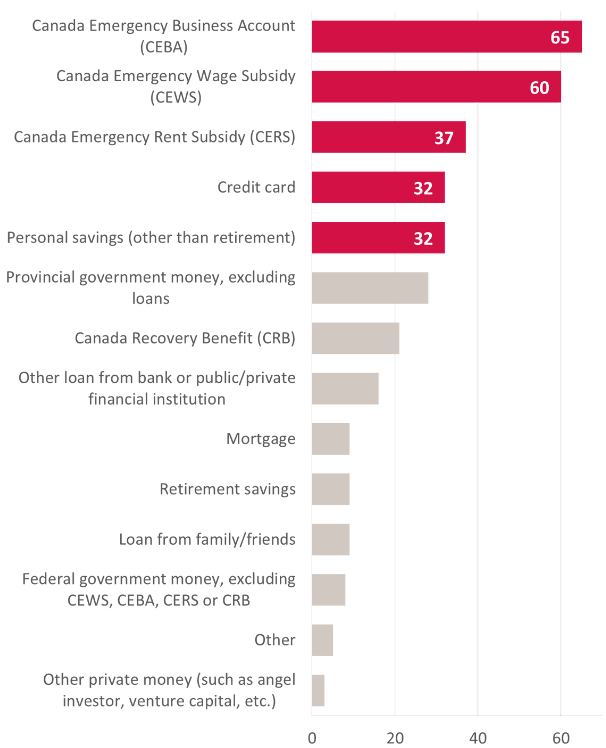
Of all businesses that took on debt, 13 per cent indicate they are concerned about ever being able to repay what they owe (Figure 4), marking a slight increase in this group from our previous analysis in February (11% for the same group of businesses).[11] For those in the hospitality sector, this figure climbs to nearly a quarter (24%) of businesses stating they are concerned about ever being able to repay what they owe.

[10] As of February 2021, 76 per cent of businesses that took on debt indicated they would take more than a year to repay what they had borrowed due to COVID-19.
[11] Taylor MATCHETT, Canadian Federation of Independent Business (2021), Small business debt and profitability: The COVID-19 impact https://www.cfib-fcei.ca/sites/default/files/2021-02/SME-Debt-and-Profitability.pdf.

Financing the burden

On average, 4 in 5 businesses are using one or more sources of money to cope financially with COVID-19.

Figure 5
Sources of money used by Canadian businesses to cope financially with COVID-19, businesses using at least one source of money (% response)



Source: CFIB, Your Voice Survey – May 2021, May 6-31, 2021, n = 4,017.
Note: The percentages used in the bar chart have been rebased to exclude businesses that do not need additional funds, are unable to access additional funds, or responded with "Don't know/Unsure".

CFIB data shows that, while slightly less than one in five (19%) Canadian businesses do not need additional funds to cope with the pandemic's impact, nearly four in five (78%) are using one or more federal, provincial or other sources of money.

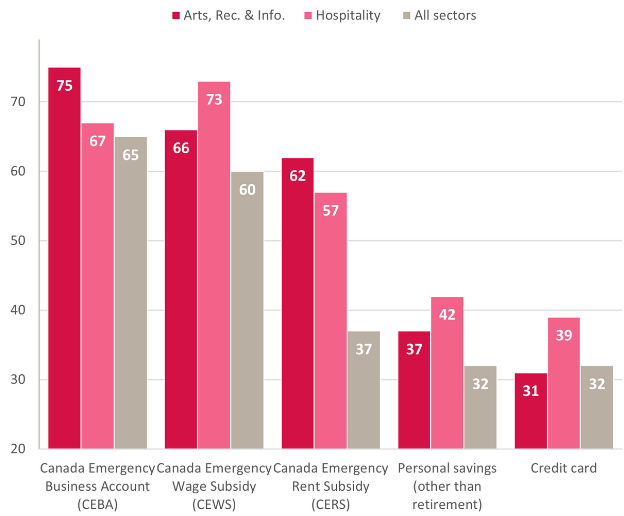
To acquire the financing they need to continue operations, most businesses are using several resources that are further fueling their overall debt (Figure 5).

It is concerning, for example, that nearly a third of businesses that are using additional funds are drawing on credit cards, and that the same number are using their personal savings. Not only do businesses fuel their overall debt by using credit cards as a source of money, but they may also be limiting their ability to make payments on credit cards and loans if they are dipping into their own personal savings accounts.

Federal relief programs have continued to be widely used by businesses that need financial assistance. As was the case in our February analysis, the Canada Emergency Business Account (CEBA) is the top choice of business owners. The Canada Emergency Wage Subsidy (CEWS) is almost as popular.

Over 9 in 10 businesses in the arts, recreation & information and hospitality sectors are using one or more federal, provincial or other sources of money to cope with COVID-19.

Figure 6
Sources of money used by Canadian businesses to cope financially with COVID-19, arts, recreation & information and hospitality businesses (% response)



Source: CFIB, Your Voice Survey – May 2021, May 6-31, 2021, n = 4,017.

> *Getting through this pandemic was hard but we had a reduced mortgage, no municipal tax payment, very reduced staff and much lower energy usage. Re-opening will only serve to increase all my costs, bring my margins back to pre-pandemic times (10%) but now with an added $10k of municipal tax debt and $40k of business loan debt. After 16 years as a profitable restaurant - how do we dig out of this! [...] All the grants have been very much appreciated and have got the business through the pandemic so far. However, the next 2 years will be harder than the last 15 months.*
>
> – Hospitality Business Owner, Ontario, June 2021

These programs are particularly important for businesses in sectors that have been more likely to take on debt. For businesses accessing additional funds in the arts, recreation & information sector, use of all federal programs is significantly above the national average, with 75 per cent using CEBA, 66 per cent using CEWS and 62 per cent using the Canada Emergency Rent Subsidy (CERS). The same goes for hospitality businesses, which are most likely to report using CEWS (73%), followed by CEBA (67%) and CERS (57%).

In addition to the federal relief programs, both of these sectors also report using nearly all other sources of money described in Figure 5 at higher rates than the national average, particularly personal savings for both sectors and credit cards for hospitality businesses (Figure 6). This leaves 92 per cent of arts, recreation & information businesses and 94 per cent of hospitality businesses reporting that they are using one or more federal, provincial or other sources of money to cope with COVID-19.[12]

It can reasonably be concluded that this has resulted from these sectors being disproportionately impacted by restrictions to prevent the spread of COVID-19. While things have recently started looking up in relation to limitations on businesses being relaxed in most regions, we should expect businesses' need for financing from governments and other sources to continue into the foreseeable future. Being able to re-open after being closed for so long is welcomed, but for many businesses it also means that their operating costs are increasing at a time when they have recently incurred a great deal of debt and are far from returning to normal sales. Governments must keep this in mind when determining how to continue supporting small businesses on their road to recovery.

[12] CFIB, Your Voice - May 2021 survey.

Government relief: bridging businesses to recovery

3 in 5 business owners say that government relief programs replace less than 30 per cent of their business's COVID-19 financial shortfall.[13]

It's gotten to the point that we are using our retirement savings to stay on top of our payables, employees and debt. We are both in our 70's and worry a great deal as all other businesses do.

– Retail Business Owner, Manitoba, May 2021

I think that considering debt levels, and that many business owners had to dip into their RRSP's that there need to be some changes, such as extending the deadlines for contribution as we approach retirement.

– Social Services Business Owner, Nova Scotia, June 2021

[13] CFIB, Your Voice Survey – May 2021, May 6-31, 2021, n = 3,079. This question was only answered by respondents that indicated they had used a government grant to cope financially with COVID-19.

It is clear from Figures 5 and 6 that businesses have been in great need of additional money to cope with the impacts of COVID-19, and that the federal relief programs have been very popular among a majority of those businesses. In fact, in October 2020, 63 per cent said that CEBA, CEWS and CERS gave their business the lifeline they needed to survive.

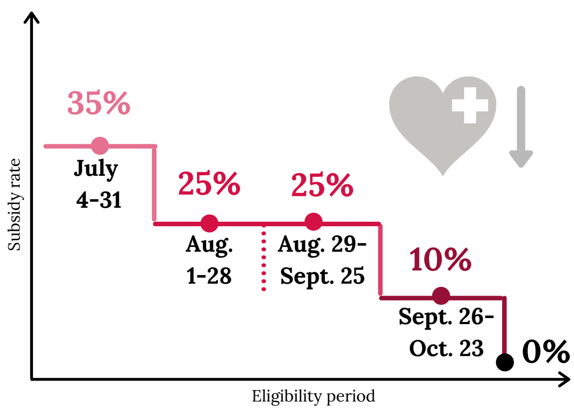
Despite having had access to these federal relief programs or other financial relief through provincial governments, however, many businesses are still left with significant amounts that they must pay. When asked to approximate the percentage of their business's COVID-19 financial shortfall that had been replaced by government grants, well over half of businesses reported that it was less than 30 per cent.

On average across all businesses, the federal, provincial, and other government grants are only covering 31 per cent of businesses' financial shortfall that is attributed to COVID-19.[14] With this and the fact that only 39 per cent of businesses are currently making normal sales, it is no surprise that so many have been forced to incur considerable amounts of debt.

[14] CFIB, Rent and wage subsidies are set to drop in July, locked down small businesses call on Ottawa to press pause (2021) https://www.cfib-fcei.ca/en/media/news-releases/rent-and-wage-subsidies-are-set-drop-july-locked-down-small-businesses-call.

The scaling back of federal relief programs comes too quickly for a majority of business owners.

Figure 7
Planned phase out of government relief programs: CERS (rent) and CEWS (wages) subsidy rates, for businesses with a revenue drop of more than 50% but less than 70%



Source: Government of Canada, *Department of Finance*, 2021.
Note: Subsidy rates shown here are base rates. Businesses may also be eligible for an additional top up depending on their specific revenue drop.

"We're in the home stretch, but these next 3-6 months are critical to recovery. For those of us who have struggled and made it this far because of the supports we've received, it will all be for naught if those supports are pulled prematurely. I had the opportunity to walk away from my business this month because my lease was coming to an end. Instead, I negotiated a 12-month renewal (at a 6.5% increase) on hope and faith that the government would continue support at the current levels until all businesses were able to reopen, as well as consider extending repayment timelines and/or the proportion that is forgivable for the CEBA loan. If I had "walked away" right now, I would have still had $60,000 of debt."

– Arts, Recreation & Information Business Owner, Ontario, June 2021

Despite the fact that the small business community continues to require support as the impacts of COVID-19 persist, the federal government recently began scaling back on key relief programs. So far this has included a planned phasing out of CEWS and CERS,[15] and fully closing the CEBA program to any new applications.[16] More than half of business owners (52%) have expressed they are worried that the federal government is taking these actions. Concern is particularly high among businesses in the arts, recreation & information (81%) and hospitality (77%) sectors.

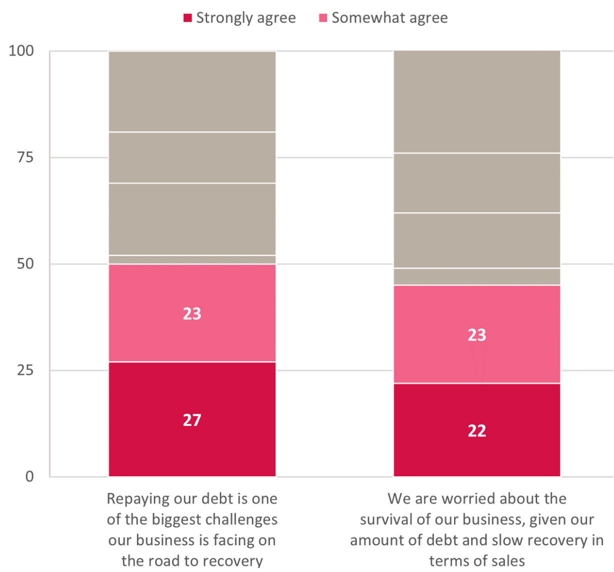
As can be seen in Figure 7, the currently planned phase out of government relief programs provides very little relief for businesses who are under a great deal of financial pressure. A business experiencing a 51 per cent revenue drop, which is common for many of the hardest hit sectors[17], will only receive a subsidy equal to 10 per cent of their eligible expenses from the CERS and CEWS programs starting September 26, then nothing at all as of October 24.

Further, businesses are still calling for improvements to the relief programs. In relation to CEBA, 67 per cent of business owners indicate that increasing the forgivable amount and allowing flexible repayment of CEBA would greatly improve their chances of recovery. As it currently stands, those that accessed the maximum loan amount available ($60,000) are eligible to have 33 per cent forgiven ($20,000) if they are able to repay the balance of their loan by December 31, 2022. Considering that 45 per cent of businesses that took on debt will take more than two years to repay what they owe, this deadline is highly unrealistic for a substantial number of businesses.

[15] The federal government began scaling back CEWS and CERS on July 4, 2021. A gradual decrease in support is planned up until October 23, 2021.
[16] CFIB, Federal government has already begun to close or phase out key small business COVID support programs before the economy is fully open (2021) https://www.cfib-fcei.ca/en/media/news-releases/federal-government-has-already-begun-close-or-phase-out-key-small-business.
[17] The hardest hit sectors where a significant number are still experiencing a 50 per cent revenue drop include hospitality (24%) and arts, recreation & information (38%). These sectors are also more likely to indicate they will take longer than two years to repay their debt.

Half of entrepreneurs say that repaying their debt is one of the biggest challenges their business is facing on the road to recovery.

Figure 8
Impact of debt on entrepreneurs' business outlook, Canada (% response)



Source: CFIB, Your Voice Survey – June 2021, June 3-30, 2021, n = 4,275.

Please continue to push for an increase to the CEBA loan, or at the very least, much better terms on repayment. It would be interesting to see how many businesses will actually have the amount paid off in time for the forgivable portion clause. I can imagine not many after being hammered for 16 months. Our business personally has incurred over $140,000 in covid debt, $60,000 of that is CEBA. As well, part of our business is tourism based, once September comes around, our increasing sales will be dropping off. It is a terrible time for the government to consider pulling back on and ending the subsidies."

– Retail Business Owner, British Columbia, July 2021

The current situation in which many businesses find themselves in relation to COVID-19 debt (i.e. holding a considerable amount of debt, being at least a year away from paying it back and making lower than normal sales) does not inspire confidence in the state of their business. In fact, half of entrepreneurs (50%) say that repaying their debt is one of the biggest challenges their business is facing on the road to recovery
(Figure 8). Agreement with this statement is particularly high for businesses in the arts, recreation & information (73%) and hospitality (72%) sectors, which are also the sectors that are most likely to have taken on debt, and to indicate they will take longer than two years to pay it back.

On top of debt serving as a roadblock to recovery, nearly half of businesses (45%) say that they are worried about the survival of their business, given their amount of debt and slow recovery in terms of sales (Figure 8). We also know that a significant number of businesses have indicated that they are already actively considering bankruptcy or winding down their business.[18]

Without continued support from governments and the opportunity to make sales going forward, uncertainty around survival and worry about debt will undoubtedly persist among small business owners.

[18] Simon GAUDREAULT, Canadian Federation of Independent Business (2021), Canadian businesses and jobs at risk due to COVID-19 https://www.cfib-fcei.ca/sites/default/files/2021-01/Businesses-and-jobs-at-risk-due-to-COVID19.pdf.

Conclusion

Over the last 17+ months, small businesses in Canada have had to cope with unpredictable restrictions that significantly impacted their business activities to combat COVID-19. Business owners went from emergency mode, to retrofitting their business with the pandemic in mind, to having restrictions lifted and reimposed again and again. While some government restrictions have now been lifted, considerable uncertainty remains and the real recovery for small businesses is only just getting started.

Though 76 per cent are now fully open, businesses will need a considerable amount of time to ramp back up to where they had been prior to March 2020, particularly in regions where restrictions on business activities and capacity limits were relaxed more slowly. With only 39 per cent currently making normal sales and 71 per cent having taken on debt at an average amount of $169,985, it is no surprise that 45 per cent of all businesses are afraid about what the future holds for them given the amount of COVID-19-related debt they have incurred.

To overcome the mountain of debt they have accumulated, businesses need continued government relief and a clear plan for how they will stay open to continue seeing their customers, even if another wave of the virus is yet to come.

Recommendations to government

Help businesses go back to normal sales

- Implement provincial "stay open" strategies that avoid future lockdowns and business closures as the top priority.
- Encourage shopping at local independent businesses regularly and often.

Provide more time to recover and repay

- Extend all programs and keep all subsidies at July 3, 2021 levels until the entire economy can reopen, including international borders, and all small businesses can once again serve customers in person.
- Extend the repayment term for CEBA to December 31, 2024.

Enhance relief measures

- Immediately allow for start-ups or newer businesses to access CEWS, CERS, CEBA and HASCAP.
- Expand the CEBA loan to $80,000 while increasing the forgivable amount to 50 per cent ($40,000).
- Make a portion of HASCAP forgivable.
- Provide additional rounds of funding through provincial grant programs.
- Implement cost offsets for small businesses as they recover, such as by lowering the small business tax rate.

Appendix 1: Detailed data

TABLE A1
Average debt due to COVID-19 (for businesses that took on debt) – CFIB member survey results, by sector

	Average debt per business[1]
Hospitality	$333,174
Manufacturing	$218,955
Agriculture & Natural Resources[2]	$170,360
CANADA	**$169,985**
Retail	$160,988
Arts, Recreation & Information	$148,110
Construction	$141,754
Personal, Miscellaneous Services	$122,338
Enterprise & Administration Management	$110,382
Professional Services	$105,192
Wholesale	$93,265
Transportation, Warehousing & Utilities	$90,950
Finance, Insurance, Real Estate & Leasing	$88,627
Social Services	$87,690

Source: CFIB, Your Voice Survey – May 2021, May 6-31, 2021, n = 2,900.
Notes: 1) average debt per business due to COVID-19 for businesses that took on debt;
2) these sectors have been combined due to small sample sizes from Natural Resource sector businesses.

TABLE A2
Average debt due to COVID-19 (for businesses that took on debt) – CFIB member survey results[1], by region

	Average debt per business[2]	*Total debt estimate (all businesses)[3]*
British Columbia	$129,348	$16.6B
Alberta	$335,279	$38.5B
Prairies	$78,844	$4.2B
Ontario	$190,608	$60.0B
Quebec	$96,481	$15.3B
Atlantic	$74,708	$3.9B
Territories[4]		
CANADA	**$169,985**	**$138.5B**

Source: CFIB, Your Voice Survey – May 2021, May 6-31, 2021, n = 2,900.
Notes: 1) differences due to rounding;
2) average debt per business due to COVID-19 for businesses that took on debt;
3) total debt due to COVID-19 – estimate for all Canadian SMEs.
4) average debt per business and the total debt estimate for businesses in the territories have been withheld due to small sample sizes.

Appendix 2: Methodology

Data sources

This report presents findings from the following recent CFIB surveys:

- *Your Voice* Survey – August 2021, an online survey completed by 2,878 CFIB members between August 5 to 10. For comparison purposes, a probability sample with the same number of respondents would have a margin of error of ±1.8 per cent, 19 times out of 20. Results obtained so far are preliminary.

- *Your Voice* Survey – June 2021, an online survey completed by 4,950 CFIB members between June 3 to 30. For comparison purposes, a probability sample with the same number of respondents would have a margin of error of ±1.4 per cent, 19 times out of 20.

- *Your Voice* Survey – May 2021, an online survey completed by 5,361 CFIB members between May 6 to 31. For comparison purposes, a probability sample with the same number of respondents would have a margin of error of ±1.3 per cent, 19 times out of 20.

- *Your Voice* Survey – February 2021, an online survey completed by 5,818 CFIB members between February 4 to 28, 2021. For comparison purposes, a probability sample with the same number of respondents would have a margin of error of ±1.3 per cent, 19 times out of 20.

Global debt estimate

The total COVID-19-related debt estimate for Canadian SMEs is based on Statistics Canada small business counts from December 2020 and two CFIB survey question results:

1. the share of businesses that took on debt due to COVID-19, and
2. the approximate total COVID-19-related debt that businesses had incurred to date.

CFIB used these figures to develop an estimate of COVID-19 debt so far, for all active Canadian SMEs with at least one employee. The total debt estimate includes adjustments to reflect provincial, industrial and business size distribution within the Canadian economy.

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