

**Supporting Small Businesses: Calling on the Federal Government to
Extend the CEBA Loan Repayments and Forgiveness Deadline**

Dear **Enter the MP name**

Ottawa's (OR USE YOUR BIA) Small Businesses Need Your Action

The Canada Emergency Business Account (CEBA) was an important lifeline to many businesses who were forced to close and had restricted operations during COVID-19. The Federal Government requests that businesses pay back the full amount of their loans by December 2023 in order to receive 33% of their loan (up to \$20,000) forgiveness.

The **Ontario Business Improvement Area Association (OBIAA)** and the **Ottawa Coalition of BIAs (OCOBIA)** recently conducted a survey of **657** businesses collectively.

OCOBIA's survey of **128** businesses, found that **97%** of Ottawa small business respondents indicated that the repayment deadline of December 31, 2023 will adversely affect their business. Seventy-Four (74) percent of businesses stated that they will be forced further into debt under the current repayment plan, **41.4%** fear that it will **force them to close the business** and **3 out of 4 businesses who were in operation before COVID declared that they are below 75 % of pre-pandemic sales.**

The OBIAA survey of **529** businesses across Ontario had similar findings, with **88%** of businesses stating the CEBA Loan Repayment will negatively impact their business, 66% stating they will not be able to invest in their business towards growth and 46% note they will be unable to expand their business. Sadly, **37% indicated that it will require laying off staff.** Significantly, **42% stated that their business may be forced to close their business.**

In a recent Canadian Federation of Independent Business report, their findings are hauntingly similar:

- Of the nine in ten small businesses who used CEBA, three quarters accessed loans between \$40,001 and \$60,000, while one quarter received loans of up to \$40,000.
- Only 10% of CEBA users have repaid their loans.
- A total of 43% of CEBA users risk missing the current repayment deadline by end of 2023. Small businesses in the arts, recreation, and information (62%), hospitality (61%) and social services sectors (46%) are most likely to miss the current CEBA deadline.
- The smallest businesses with 0-4 employees are the most likely to miss the repayment deadline (49%)



- Even among the 47% of small business owners who indicate they will meet the 2023 deadline, half say they will struggle to do so, and two-thirds would like to see an extension of the repayment deadline.

To view the OCOBIA's survey results on the State of Ottawa Businesses and CEBA, [please click here](#)

The numbers are daunting and immediate action is necessary to support small and local businesses.

Therefore, we are calling upon the Federal Government to **Extend the full CEBA program deadline:**

- **Extend the CEBA repayment deadline to the end of 2024 or 2025.**
- **Extend the 33% (up to \$20,000) forgiveness deadline for businesses.**

We thank you for your consideration and review and encourage you to act on this impending issue that will dramatically impact the state of our businesses and our BIA.

Signature

Background Information:

OCOBIA Survey Results

Survey Results: State of Businesses and CEBA Loans

On Friday March 3, OCOBIA released a survey link via social media and direct email to Ottawa BIAs. The survey was shared by sectoral partners (Ontario Restaurant Hotel Motel Association) in Ottawa to support a greater outreach. The targeted number of completed surveys from Ottawa businesses was 100.

The survey closed on Friday March 10, 2023 with 128 completed surveys. The majority of respondents are small businesses who have been operating for more than 6 years, and have less than 50 employees. 69.5% respondents reported that revenues were worse than 2019.

The survey was conducted in response to a growing concern from businesses regarding their state and ability to repay CEBA by December 31, 2023 to receive the 33% forgiveness from the Federal Government. Details about CEBA loans can be found [here](#).

OCOBIA was seeking data on local businesses state in order to communicate to policy makers, alongside other national organizations, such as Canadian Federation of Independent Business, Restaurants Canada, International Downtown Association Canada, Ontario BIA Association, that the businesses are still in recovery and is still not ready to pay back pandemic-related debt – even by the end of 2023.