

Part 1: Survey on Financing of Small and Medium Enterprises
2004

(Specs for CATI Application)

Small Business and Special Survey Division
Statistics Canada

For information only

A. FRAME MAINTENANCE

READ: Hello, my name is (interviewer) and I am calling from Statistics Canada. Your business has been selected to participate in a national survey on the financing of small and medium businesses in Canada. The survey is designed to find out what kinds of financing small and medium enterprises are using, and to collect information on recent attempts to obtain new financing.

May I speak with the person who would best be able to provide this information on financing of the business? Are you the person to provide this information?

Your answers to this voluntary survey will be treated in strict confidence, used for statistical purposes and published in aggregate form only. The survey is conducted under the authority of the Statistics Act.

Before we begin I would like to inform you that a supervisor may listen to the call for the purpose of quality control.

Sections of the Frame that may need to be updated:

Frame Maintenance Section 02-Legal Name Modification

Frame Maintenance Section 04- Operating (Business) Name Modification

Frame Maintenance Section - contact name, contact and civic address, phone number for contact and fax number.

B. SCREENING INFORMATION

BEGINNING OF INTERVIEW WITH RESPONDENT. THE FOLLOWING ARE SCREENING QUESTIONS TO DETERMINE IF THE BUSINESS IS IN SCOPE.

B.1 Did the business have commercial operations at any time during the past twelve months? ²⁰⁰⁰

PROMPT: By "commercial operations" we mean sales to customers or purchases of business inputs.

1= YES

3= NO → **READ:** Since this survey is for small and medium businesses with commercial operations, we will not need to proceed with the survey. Thank you for your participation.

8= REFUSED

9= DON'T KNOW

B.2 Is the business a non-profit organisation, a co-operative, a joint venture or a government agency? ²⁰⁰³

1= YES → **READ:** Since this survey is for independent private for-profit businesses, we will not need to proceed with the survey. Thank you for your participation.

3 = NO

8 = REFUSED

9 = DON'T KNOW

B.3 Is the business either a parent or holding company that owned other businesses? ²⁰⁰⁶

1= YES → **READ:** Since this survey is not for parent or holding companies, we will not need to proceed with the survey. Thank you for your participation.

3= NO

8= REFUSED

9= DON'T KNOW

B. 4 Is the business either a partly – or a wholly-owned subsidiary of a parent or holding company? ^{2007.}

1= YES

3= NO → **GO TO B.6 (C9999)**

8= REFUSED → **GO TO B.6 (C9999)**

9= DON'T KNOW → **GO TO B.6 (C9999)**

B. 5 Does the parent company own more than 50%? ^{2008.}

1= YES → Since this survey is for independent private corporations, we will not need to proceed with the survey. Thank you for your participation.

3= NO

8= REFUSED

9 = DON'T KNOW

B.6 Did your business have paid employees at any time during the last twelve months - excluding the owners of the business and contract workers? ⁹⁹⁹⁹

PROMPT: *A contract worker is paid on a contractual basis rather than as a paid employee. Please provide an estimate.*

1=YES → **GO TO B.7a (C2001)**

3= NO → **GO TO B.8 (C1100)**

8= REFUSED

9 = DON'T KNOW

B.7a On average, how many paid full-time employees --excluding the owners of the business and contract workers-- did the business have during the past twelve months?

PROMPT: *Full-time employees are those who work a regular week of at least 30 hours*

IF FTE IS MORE THAN 500: → **READ:** Since this survey is for businesses with fewer than 500 employees only, we will not need to proceed with the survey. Thank you for your participation.

_____ ^{2001.} number of full-time employees

IF FTE IS LESS THAN 500 → **GO TO B.7b (C2002)**

B.7b) On average, how many paid part-time employees --excluding the owners of the business and contract workers-- did the business have during the past twelve months?

_____ ^{2002.} number of part-time employees

PROMPT: *Part-time employees are those who work less than 30 hours. Could you give an estimate?*

System calculate full-time equivalents= # full time employees+ (# part time employees*.5)

IF FTE IS MORE THAN 500: **READ:** Since this survey is for businesses with fewer than 500 full-time equivalent employees only, we will not need to proceed with the survey. Thank you for your participation.

B.8 On average, how many contract workers did the business have during the past 12 months?

_____ ^{1100.} number of contract workers

PROMPT: *A contract worker is paid on a contractual basis rather than as a paid employee. Please provide an estimate.*

If FTE is 0 and B.8 (C1100) = 0 → **GOTO Question B.9 (C1101)**

If FTE is between 0.5 and 19 → **GOTO Section C.**

Otherwise → **GO TO B.10 (C2010)**

B.9 Was your entire business income earned from working for only one company in return for commissions or fees?
1101.

1= YES

3= NO

8= REFUSED

9= DON'T KNOW

→**GO TO Section C**

B. 10 Was the business' gross revenue more than \$50 million for the latest fiscal year? 2010.

1= YES → **READ:** Since this survey is for businesses with less than \$50 million in revenue, we will not need to proceed with the survey. Thank you for your participation.

3= NO

8= REFUSED

9= DON'T KNOW

B. 11 Was the business listed on a stock exchange? 2005.

1= YES

3= NO

8= REFUSED

9= DON'T KNOW

For information only

C. FINANCING REQUESTED IN LATEST FISCAL YEAR

(FOR RANDOMISATION PROCEEDURE INFO. SEE BEGINNING OF SECTION G AND H)

READ: All questions refer to your business financing activities during the past 12 months.

- C.1** Did the business or its owners attempt to obtain external financing for business purposes? This includes any request for borrowing or equity, such as loans, lines of credit, credit cards, leases, government grants, credit from suppliers, or equity financing? 1102

1= YES → GO TO C.3 (C3000)

3= NO

8= REFUSED → ENSURE INTERVIEW IS CONDUCTED WITH THE PROPER PERSON! IF ANSWER REMAINS "REFUSED" --> GOTO QUESTION G.2 (C7014), AND CONTINUE WITH QUESTIONS IN SECTION G. AFTER SECTION G IS COMPLETED GO TO SECTION I AND END INTERVIEW

9= DON'T KNOW → ENSURE INTERVIEW IS CONDUCTED WITH THE PROPER PERSON! IF ANSWER REMAINS "DON'T KNOW" --> GOTO QUESTION G.2 (C7014) AND CONTINUE WITH

QUESTIONS IN SECTION G. AFTER SECTION G IS COMPLETED GO TO SECTION I AND END INTERVIEW

NOTE : SECTION H IS NOT COLLECTED FROM RESPONDENTS THAT REFUSE OR DO NOT KNOW QUESTION C1 (C1102).

- C.2** Why did the business not attempt to obtain new financing?

MARK ALL THAT APPLY

(Respondent to reply with YES/NO after reading option)

YES NO

- a) Financing not needed 3006
If C.2 a)(C 3006) =1 Yes → GO TO SECTION G
- b) Thought the request would be turned down 3007
- c) Applying for financing is too difficult 3008
- d) Applying for financing is too time consuming 3009
- e) Cost of debt financing is too high 3010
- f) Don't like to be in debt 3011
- g) Other 3012
(Please specify) 3013

→ GO TO SECTION G

- C.3** Did the business or its owners approach any type of credit supplier to request new or additional credit for business purposes? This could include any request for a new term loan, mortgage loan, line of credit or credit card, and any request for an increase to existing credit limits. 3000

1= YES

3= NO → GO TO C.5 A (C3002)

8= REFUSED → (ENSURE INTERVIEW IS CONDUCTED WITH THE PROPER PERSON!)
GO TO → G.2 (C7014)

9= DON'T KNOW → (ENSURE INTERVIEW IS CONDUCTED WITH THE PROPER PERSON!)
GO TO → G.2 (C7014)

C.4 What was the name of the LAST financial institution or credit supplier that the business approached to request new or additional credit?

CODE NAME OF LAST CREDIT SUPPLIER APPROACHED: (CS) Code type _____ 3001

- 1= ROYAL BANK OF CANADA
- 2= BANK OF MONTREAL
- 3= TORONTO-DOMINION/CANADA TRUST
- 4= CANADIAN IMPERIAL BANK OF COMMERCE (CIBC)
- 5= BANK OF NOVA SCOTIA
- 6= NATIONAL BANK OF CANADA
- 7= HONG-KONG BANK OF CANADA (HSBC)
- 8= LAURENTIAN BANK OF CANADA
- 9= CANADIAN WESTERN BANK
- 10=CITIZENS BANK OF CANADA
- 11=OTHER CHARTERED BANKS
- 12=A TRUST COMPANY
- 13=A CREDIT UNION
- 14=A CAISSE POPULAIRE
- 15=BUSINESS DEVELOPMENT BANK OF CANADA (BDC)
- 16=OTHER CROWN CORPORATIONS OR GOVERNMENT INSTITUTION
- 17=MANUFACTURER, DEALER OR SUPPLIER (“SEARS”, “HOME DEPOT”, ETC.)
- 18=CREDIT CARD COMPANY (“AMERICAN EXPRESS”)
- 19=OTHER TYPES OF INSTITUTIONS → (SPECIFY THE TYPE OF INSTITUTION) _____ 7777

C.5A) Did the business request new or additional capital leasing authorisations? 3002

PROMPT: *in contrast to operating leases, capital leasing contracts appear as debt on the balance sheet.*

- 1= YES
- 3= NO → **GO TO C.6 (C3004)**
- 8= REFUSED
- 9= DON'T KNOW

C.5 B) ENTER NAME OF LAST LEASE SUPPLIER APPROACHED: (LS) 3003

- 1= ROYAL BANK OF CANADA
- 2= BANK OF MONTREAL
- 3= TORONTO-DOMINION/CANADA TRUST
- 4= CANADIAN IMPERIAL BANK OF COMMERCE (CIBC)
- 5= BANK OF NOVA SCOTIA
- 6= NATIONAL BANK OF CANADA
- 7= HONG-KONG BANK OF CANADA (HSBC)
- 8= LAURENTIAN BANK OF CANADA
- 9= CANADIAN WESTERN BANK
- 10= CITIZENS BANK OF CANADA
- 11= OTHER CHARTERED BANKS
- 12= A TRUST COMPANY
- 13= A CREDIT UNION
- 14= A CAISSE POPULAIRE
- 15= BUSINESS DEVELOPMENT BANK OF CANADA (BDC)
- 16= OTHER CROWN CORPORATIONS OR GOVERNMENT INSTITUTION
- 17= MANUFACTURER, DEALER OR SUPPLIER (“SEARS”, “HOME DEPOT”, ETC.)
- 18= CREDIT CARD COMPANY (“AMERICAN EXPRESS”)
- 19= OTHER TYPES OF INSTITUTIONS, Specify _____ 8888

C.6 Did the business request any equity financing?

PROMPT : *Equity financing is the exchange of partial ownership in a business in return for financing.*

PROMPT: *This could include any request for new or additional financing from an investor, venture capital supplier, or friend or family member in exchange for a share of the ownership of the business.* 3004

- 1= YES
- 3= NO
- 8= REFUSED
- 9= DON'T KNOW

C.7 A) Did the business request a grant, subsidy, or non-repayable contribution from a government or community program? 3014.

- 1= YES
- 3= NO → **GO TO C.8 (C1103)**
- 8= REFUSED → **GO TO C.8 (C1103)**
- 9= DON'T KNOW → **GO TO C.8 (C1103)**

B) What was the amount of financing authorised?

PROMPT: *(in '000s)*

AMOUNT: \$ _____ 1146

PROMPT: *Please provide your best estimate*

C.8 During the past 12 months, did the business make a new request to purchase any materials, equipment or inventory on credit from a supplier? 1103

PROMPT: *Credits from a supplier are recorded as accounts payable on your financial statements*

- 1= YES
- 3= NO → **GO TO D.1 (C4002)**
- 8= REFUSED → **GO TO D.1 (C4002)**
- 9= DON'T KNOW → **GO TO D.1 (C4002)**

C.9 Did any suppliers turn down a request for this type of credit? 1104

- 1= YES
- 3= NO
- 8= REFUSED
- 9= DON'T KNOW

(FOR RANDOMIZATION PROCEEDURE INFO. SEE SECTION G AND H)

D. DETAILS ON (LAST CS) APPROACHED FOR DEBT FINANCING

ONLY UNITS IN THE SAMPLE WITH C.3 = "1" (YES) (C 3000) RECEIVE SECTION D

READ : I have questions regarding the last request for credit made to [CS] during the past 12 months.

D.1 Why did the business choose [CS] to request new or additional credit?

READ LIST AND MARK ALL THAT APPLY
(Respondent to reply with YES/NO after reading option)

- a) This was the regular financial institution for the business
- b) This was the only credit supplier in our area
- c) Thought other credit suppliers would reject the application
- d) Thought this credit supplier would offer the best terms
- e) Other reasons _____
 → Please specify _____

	YES	NO
4002		
4004		
1105		
4006		
4012		
4013		

D.2 How did the business intend to use the financing that was requested from [CS]?

READ LIST AND MARK ALL THAT APPLY
(Respondent to reply with YES/NO after reading each option)

- a) Fixed assets 1106

PROMPT: Fixed assets are assets that the business expects to use for an extended period, such as land, buildings, vehicles, machinery and equipment.

- b) Working capital/operating capital 4023

PROMPT: funds used to finance the day-to-day operations of the business such as the purchase of inventory or paying suppliers.

- c) Research and development (R&D) 4019

PROMPT: R&D expenditures refers to expenditures meant to bring a new product to market or to improve an existing product.

- d) Debt consolidations 4021

- e) Other _____ 4025 Please specify _____ 4026

D.3 What type of financing did the business request from [CS], and what was the total amount of financing that was requested from [CS]?

Financing instrument	Requested	Amount Requested
PAUSE FOR RESPONSE AND READ LIST IF NECESSARY MARK ALL THAT APPLY		
A) <u>demand or short-term loan</u> 4027 PROMPT: <i>This is a loan with a maturity of ONE YEAR OR LESS.</i>	1=SELECT 8=REFUSED 9=DON'T KNOW	4028 \$
B) <u>term loan</u> 4029 PROMPT: <i>This is loan with a maturity of MORE THAN ONE YEAR.</i>	1=SELECT 8=REFUSED 9=DON'T KNOW	4030 \$
C) <u>mortgage loan</u> 4031 PROMPT: <i>Loan made on real estate collateral such as land and building, in which a mortgage is given to secure payment of principal and interest. A mortgage is a pledge of designated property as security for a loan. The maturity of this type of loan is generally over 20 years.</i>	1=SELECT 8=REFUSED 9=DON'T KNOW	4032 \$
D) <u>new line of credit (also called operating loan)</u> 4033 PROMPT: <i>A line of credit is an agreement negotiated between the business and a credit supplier establishing the maximum credit limit against which the business may borrow from the credit supplier.</i>	1=SELECT 8=REFUSED 9=DON'T KNOW	4034 \$
E) <u>new credit card</u> 4035 PROMPT: <i>Credit cards such as Visa, MasterCard or American Express allow the holder to charge purchases rather than pay cash. Generally, no interest is charged as long as the monthly statement is paid in full by the due date.</i>	1=SELECT 8=REFUSED 9=DON'T KNOW	4036 \$
F) <u>increase in the credit limit of current lines of credit</u> 4037	1=SELECT 8=REFUSED 9=DON'T KNOW	4038 \$
G) <u>increase in the credit limit of current credit cards</u> 4039	1=SELECT 8=REFUSED 9=DON'T KNOW	4040 \$
H) <u>No specific instrument specified at time of request</u> 4041	1=SELECT 8=REFUSED 9=DON'T KNOW	4042 \$
I) other type of debt financing #1 4043 Please specify _____ 4044	1=SELECT 8=REFUSED 9=DON'T KNOW	4045 \$
J) other type of debt financing #2 4046 Please specify _____ 4047	1=SELECT 8=REFUSED 9=DON'T KNOW	4048 \$
K) TOTAL		4049 \$

D.4 Was any credit authorised by [CS] as a result of this request? 4050

1= YES → GO TO D.8 (C4078)

3= NO

8= REFUSED → GO TO D.11 (C4179)

9= DON'T KNOW → GO TO D.11 (C4179)

D.5 What was the reason why **NO** amount was authorised? Was it because...⁴⁰⁵¹

READ LIST AND MARK ONE ONLY

(Respondent to reply with YES/NO after reading each option. After first "YES", stop. Do not read the remaining choices.)

- 1= Request was turned down → **GO TO D.6 (C4063)**
- 2= Application still under review → **GO TO D.11 (C4179)**
- 3= Withdrawal of application → **GO TO D.11 (C4179)**
- 4= Other (please specify) _____⁴⁰⁵² → **GO TO D.11(C4179)**
- 8= REFUSED → **GO TO D.11 (C4179)**
- 9= DON'T KNOW → **GO TO D.11 (C4179)**

D.6 What reasons were given to the business by the credit supplier for refusing to provide the amount requested?

a) No reasons given by credit supplier	4063	→ GO TO D.11 (C4179)
<i>Mark all that apply (Respondent to reply with YES/NO after reading each option)</i>		
b) Insufficient sales, income or cash-flow	4064	
c) Insufficient collateral/security	4066	
d) Poor credit experience or history	4069	
e) Other reasons, _____	4075	
Please specify : _____	4076	

D.7 Were you satisfied with the explanation provided?⁴⁰⁷⁷

- 1= YES → **GO TO D.11 (C4179)**
- 3= NO → **GO TO D.11 (C4179)**
- 8= REFUSED → **GO TO D.11 (C4179)**
- 9= DON'T KNOW → **GO TO D.11 (C4179)**

D.8 Indicate the amount of credit that was authorised by [CS] and whether the authorisation was on a personal or commercial basis?

Financing instrument	Amount requested	Authorised?	Amount Authorised	Type of authorisation
MARK ALL THAT APPLY				
A) DEMAND OR SHORT-TERM LOAN ⁴⁰⁷⁸	(C4028)	1=SELECT 8=REFUSED 9=DON'T KNOW	\$ _____ ⁴⁰⁷⁹	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴⁰⁸⁰
B) TERM LOAN ⁴⁰⁸¹	(C4030)	1=SELECT 8=REFUSED 9=DON'T KNOW	\$ _____ ⁴⁰⁸²	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴⁰⁸³
C) MORTGAGE LOAN ⁴⁰⁸⁴	(C4032)	1=SELECT 8=REFUSED 9=DON'T KNOW	\$ _____ ⁴⁰⁸⁵	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴⁰⁸⁶
D) NEW LINE OF CREDIT (ALSO CALLED OPERATING LOAN) ⁴⁰⁸⁷	(C4034)	1=SELECT 8=REFUSED 9=DON'T KNOW	\$ _____ ⁴⁰⁸⁸	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴⁰⁸⁹
E) NEW CREDIT CARD ⁴⁰⁹⁰	(C4036)	1=SELECT 8=REFUSED 9=DON'T KNOW	\$ _____ ⁴⁰⁹¹	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴⁰⁹²
F) INCREASE IN THE CREDIT LIMIT OF CURRENT LINES OF CREDIT ⁴⁰⁹³	(C4038)	1=SELECT 8=REFUSED 9=DON'T KNOW	\$ _____ ⁴⁰⁹⁴	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴⁰⁹⁵
G) INCREASE IN THE CREDIT LIMIT OF CURRENT CREDIT CARDS ⁴⁰⁹⁶	(C4040)	1=SELECT 8=REFUSED 9=DON'T KNOW	⁴⁰⁹⁷ \$ _____	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴⁰⁹⁸
H) OTHER TYPE OF DEBT FINANCING #1(C4043) Please specify (C4044)	(C4045)	1=SELECT 8=REFUSED 9=DON'T KNOW	\$ _____ ⁴¹⁰¹	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴¹⁰²
I) OTHER TYPE OF DEBT FINANCING #2 (C4046) Please specify (C4047)	(C4048)	1=SELECT 8=REFUSED 9=DON'T KNOW	\$ _____ ⁴¹⁰⁵	1=Commercial, 2=Personal 8=REFUSED 9=DON'T KNOW ⁴¹⁰⁶
J) TOTAL	(C4049)		\$ _____ ⁴¹⁰⁷	

D.9 What was the term for the credit authorised by (CS)?

PLEASE ENTER THE FIXED RATE OR VARIABLE RATE AND INTEREST TERM.
RESPONDENT MAY HAVE TO CHECK THEIR LOAN AGREEMENT OR THEIR BANKING CREDIT AGREEMENT.

Financing instrument	Amount authorised	Fixed rate?	Interest Term? (#MONTHS)	Variable rate?
MARK ALL THAT APPLY				
A) DEMAND OR SHORT-TERM LOAN	(C4079)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4138.	4139	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4140
B) TERM LOAN	(C4082)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4141	4142	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4143
C) MORTGAGE LOAN	(C4085)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4144	4145	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4146
D) NEW LINE OF CREDIT	(C4088)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4147	4148	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4149
E) NEW CREDIT CARD	(C4091)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4150	4151	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4152
F) INCREASE IN THE CREDIT LIMIT OF CURRENT LINES OF CREDIT	(C4094)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4153	4154	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4155
G) INCREASE IN THE CREDIT LIMIT OF CURRENT CREDIT CARDS	(C4097)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4156	4157	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4158
H) <u>(C4100)</u>	(C4101)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4159	4160	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4161
I) <u>(C4104)</u>	(C4105)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4162	4163	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % 4164

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D.10 Was the financing guaranteed by the Canada Small Business Financing Act, the Small Business Loan Act, or some other government or community program?"

	Amount authorised	Guaranteed by	Please specify other program
MARK ALL THAT APPLY			
A) DEMAND OR SHORT-TERM LOAN ⁴¹⁶⁵	(C4079)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4166
B) TERM LOAN ⁴¹⁶⁷	(C4082)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4168
C) MORTGAGE LOAN ⁴¹⁶⁹	(C4085)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4170
D) NEW LINE OF CREDIT ⁴¹⁷¹	(C4088)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4172
E) NEW CREDIT CARD ⁴¹⁷³	(C4091)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4174
F) INCREASE IN THE CREDIT LIMIT OF CURRENT LINES OF CREDIT ⁴¹⁷⁵	(C4094)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4176
G) INCREASE IN THE CREDIT LIMIT OF CURRENT CREDIT CARDS ⁴¹⁷⁷	(C4097)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4178
H) (C4100) ⁴²²⁶	(C4101)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4228
I) (C4104) ⁴²²⁷	(C4105)	1= Canada Small Business Financing Act /Small Business Loans Act 3= Other 8=REFUSED 9=DON'T KNOW	4229

IF D.9 (C4085) * "mortgage loan authorisation" GREATER THAN 0 → GO TO D.13. (C1107)

D.11 Were personal assets of the business owners requested as collateral by (CS) to guarantee the financing? ⁴¹⁷⁹

PROMPT: *These personal assets could include assets owned by spouse.*

PROMPT: *Collateral is property, such as land, buildings, etc., charged or pledged as security for the payment of a debt.*

- 1= YES
- 3= NO
- 8= REFUSED
- 9= DON'T KNOW

D.12 Did (CS) request the business to provide business-owned assets as collateral to obtain the new financing? 4181

PROMPT: *Collateral is property, such as land, buildings, etc., charged or pledged as security for the payment of a debt.*

- 1= YES
- 3= NO
- 8= REFUSED
- 9= DON'T KNOW

D.13 Did (CS) require co-signatures from individuals other than the business owners as a condition to obtain the loan? 1107

- 1 = YES
- 3 = NO
- 8= REFUSED
- 9= DON'T KNOW

D.14 How did the business first request this financing from [CS]?

MARK ONE ONLY

(Respondent to reply with YES/NO after reading option, stop question after first "YES")

- a) Application filled in at branch 4184
- b) Application by phone 4186
- c) Application over the internet (include electronic mail and website) 4187
- d) Other _____ 4190 (Please specify) _____ 4191

D.15 What documents were requested by [CS] as part of the application process?

- a) No documentation was requested by (CS) 4192

OR

**** READ LIST AND MARK ALL THAT APPLY****

(Respondent to reply with YES/NO after reading option)

- b) Formal application for financing 4193

- c) Business financial statements 4194

PROMPT: *Business financial statements include statements such as the balance sheet, the statement of incomes and expenditures and the statement of changes in financial position*

- d) Business plan 4195

PROMPT: *A business plan is a document specifying the business' goals and the strategy to attain them, along with the actions to be undertaken to achieve this strategic plan.*

- e) Personal financial statement 4196

PROMPT: *Financial statements that, taken together, provide appropriate disclosure for the financial affairs of a particular individual or organisation.*

- f) Appraisals of assets to be financed 4197

PROMPT: *An appraisal is the valuation of real estate or other assets for collateral purposes by qualified experts recognised by a credit supplier.*

g) Cash flow projection ⁴¹⁹⁹

PROMPT :*The projection of funds available to the company to pay dividends and finance expansion.*

h) Other documentation _____ ⁴²⁰⁰, Please specify _____ ⁴²⁰¹

D.16 On a scale of 1 to 7, where "1" stands for "very dissatisfied" and "7" stands for "very satisfied," how would you rate your level of satisfaction with (CS) with regard to:

	Very dissatisfied			Very satisfied			N/A, No opinion	
	1	2	3	4	5	6	7	8
a) Overall quality of service								
b) Interest rates charged								
c) Time to process application								
d) Documentation required								

D.17 Did the business approach any alternative financing suppliers in attempting to obtain the financing requested from [CS]? ⁴²⁰⁵

1= YES

3= NO

8= REFUSED

9= DON'T KNOW

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E. DETAILS ON LAST REQUESTS FOR LEASES

ONLY UNITS IN THE SAMPLE WITH C.5A ="1" (YES)(C1102) RECEIVE SECTION E

READ : I have questions regarding the last request made to [LS] for a capital lease during the past 12 months.

E.1 CODE TYPE OF FINANCING ORGANIZATION

MARK ONE ONLY 5000

- 1= A leasing company
- 2= A chartered bank
- 3= A trust company
- 4= A credit union or caisse populaire
- 5= A manufacturer, dealer or supplier
- 6= A crown corporation or government institution
- 7= Other type of institution, please specify _____ 5001
- 8= REFUSED
- 9= DON'T KNOW

E.2 What type of asset did the business try to acquire through this lease?

READ LIST AND MARK ALL THAT APPLY

(Respondent to reply with YES/NO after reading each option)

- a) Business or office space 5016
- b) Machinery and Equipment 1113
- c) Vehicles 1114
- d) Computer hardware and software 1115
- e) Other _____ 5022 (Please specify) _____ 5023

E.3 Was the lease authorised as a result of this request? 5025

- 1= YES
- 3= NO → GO TO E.5. (C1116)
- 8= REFUSED
- 9= DON'T KNOW

E.4 What was the total value of the lease authorised?

\$ _____ 5024

PROMPT: Please provide your best estimate.

E.5 On a scale of 1 to 7, where "1" stands for "very dissatisfied" and "7" stands for "very satisfied," how would you rate your level of satisfaction with (LS) with regard to:

	Very dissatisfied			Very Satisfied			N/A	
	1	2	3	4	5	6	7	8
a) Over all quality of service 1116								
b) Service fees and interest rates charged 1117								
c) Time to process application 1118								
d) Documentation required 1119								

F. DETAILS ON REQUESTS FOR EQUITY FINANCING

ONLY UNITS IN THE SAMPLE WITH C.6 =1 "YES" RECEIVE SECTION F

READ : I have questions regarding the last request made for equity financing during the past 12 months.

F.1 Who did you request equity financing from? Was it... 6000.

READ LIST AND MARK ONE ONLY

- 1= A friend or relative of the business owners
- 2= An employee of the business
- 3= A private investor from outside the firm who was unrelated to the firm and its owners (i.e. angels)
- 4= A venture capital firm
- 5= A crown corporation or government institution
- 6= Other, please specify _____ 6001.
- 8= REFUSED
- 9= DON'T KNOW

F.2 Was an investment provided as a result of this request? 6032

- 1= YES
- 3= NO → GO TO RANDOMIZATION 1 TO DETERMINE WHETHER THEY GET ASKED TO GO TO → G.1 (C7023)
- 8= REFUSED → GO TO RANDOMIZATION 1 TO DETERMINE WHETHER THEY GET ASKED TO GO TO → G.1 (C7023)
- 9= DON'T KNOW → GO TO RANDOMIZATION 1 TO DETERMINE WHETHER THEY GET ASKED TO GO TO → G.1 (C7023)

F.3 What was the total value of the investment provided? \$ _____ 6055

PROMPT : Please provide your best estimate.

G. OTHER FINANCING EVENTS DURING THE PAST 12 MONTHS

Random 1= (R1) Choose 1 random number between 1-100. If that random number is greater than 20 → GO TO section H. (skip section G)

READ: We have questions on financing events

G.1 During the past 12 months, did the business approach any of its credit suppliers for any of the following reasons:

MARK ALL THAT APPLY

Request approved?

(Respondent to reply with YES/NO after reading option)

- | | | | | | |
|--|----|-----|------|----|--------------------------------|
| a) To renegotiate credit terms prior to the existing renewal date? | No | Yes | 7023 | No | Yes <input type="radio"/> 1500 |
| b) To consolidate any existing loans or other debts? | No | Yes | 7024 | No | Yes <input type="radio"/> 1501 |
| c) To increase existing credit limits? | No | Yes | 7026 | No | Yes <input type="radio"/> 1502 |

G.2 What was the name of the main financial institution where the business did its day-to-day banking?

ENTER NAME OF THE MAIN INSTITUTION: (MI) _____ 7014

(CODE INSTITUTION)

- 1=ROYAL BANK OF CANADA
- 2=BANK OF MONTREAL
- 3=TORONTO-DOMINION/CANADA TRUST
- 4=CANADIAN IMPERIAL BANK OF COMMERCE (CIBC)
- 5=BANK OF NOVA SCOTIA
- 6=NATIONAL BANK OF CANADA
- 7=HONG-KONG BANK OF CANADA (HSBC)
- 8=LAURENTIAN BANK OF CANADA
- 9=CANADIAN WESTERN BANK
- 10=CITIZENS BANK OF CANADA
- 11=OTHER CHARTERED BANKS
- 12=A TRUST COMPANY
- 13=A CREDIT UNION
- 14=A CAISSE POPULAIRE
- 15=BUSINESS DEVELOPMENT BANK OF CANADA (BDC)
- 16=OTHER CROWN CORPORATIONS OR GOVERNMENT INSTITUTION
- 17=MANUFACTURER, DEALER OR SUPPLIER ("SEARS", "HOME DEPOT", ETC.)
- 18=CREDIT CARD COMPANY ("AMERICAN EXPRESS")
- 19= OTHER TYPES OF INSTITUTIONS → (SPECIFY THE TYPE OF INSTITUTION) _____ 1148

G.3 How many years has the business been dealing with this financial institution?

This should include the total time the company has been in existence under its current legal status, not just the period of time for which the current owner has operated the company. If the respondent does not know, try to obtain an estimate.

PROMPT: Please, provide your best estimate (NY) _____ | 7015 number of years

G.4 On a scale of 1 to 7, where "1" stands for "very dissatisfied" and "7" stands for "very satisfied", how would you rate your level of satisfaction with (MI) with regards to:

		Very dissatisfied				Very satisfied				N/A
		1	2	3	4	5	6	7	8	
a) Convenience and accessibility	1121									
b) Service charges	1122									
c) Understanding of your business needs	1123									
d) Relation with account manager	1124									
e) Overall quality of service	1125									

G.5 a) Do you have a designated account manager assigned by (MI) to manage your firm's banking relationship? 1126

1= YES → GO TO Question G.5 b) (C1127)

3= NO → GO TO RANDOMIZATION 2 TO DETERMINE WHETHER THEY GET ASKED TO GO TO → H.1 (C8031)

8= REFUSED

9= DON'T KNOW

G.5 b) How many Account Managers have you had over the past three years? ___ Account Managers 1127

If number of account managers is LESS THAN OR EQUAL TO " 1" → GO TO Question H.1 (C8031)

G.6 Thinking about the last time your account manager changed, were you satisfied with the way the changeover was handled? 1128

1= YES

3= NO

8= REFUSED

9= DON'T KNOW

H. BUSINESS INFORMATION

IF C.3 ≠ YES (C3000) AND C.5 ≠ YES (C3002) AND C.6 ≠ YES (C3004) AND C.7 ≠ YES (C 3014) AND NOT "START UP AND R. 1 > 20

THEN → GO TO R.2

RANDOMIZATION #2 = R.2

R.2 = CHOOSE 1 NUMBER RANDOM BETWEEN 1 AND 100. IF THAT RANDOM NUMBER IS > 32 → GO TO SECTION I.

READ: Finally, I would like to get some basic information about the business.

H.1 During what year did the business first start selling goods and services? ⁸⁰³¹

1= 2004

2= 2003

3= 2002

4= 2001

5= 2000

6= 1999

7= Prior to 1999. _____ ⁸⁰³²

8= REFUSED

9= DON'T KNOW

(NOTE: collect year of first legal status from BR).

H.2 a) Did the business sell or export any of its goods or services outside Canada during the past 12 months? ⁸⁰¹⁶

1= YES

3= NO → GO TO H.3 (C8025)

8= REFUSED

9= DON'T KNOW

H.2 b) What percentage of your revenues came from outside Canada?

% Total: ___ % ¹¹²⁹

H.3 What percentage of total investment expenditure was devoted to research and development? ⁸⁰²⁵

PROMPT: Please include all R&D expenditures for goods, services and processes

1= 0%

2= 1-10%

3= 11-20%

4= Over 20%

8= REFUSED

9= DON'T KNOW

H.4 During the next two years, do you intend to expand the size and scope of your business? 1131

PROMPT: Do you intend to significantly grow employment or revenues over the next two years?

- 1= YES
- 3 = NO → **GO TO Question H.6 (C1132)**
- 8= REFUSED → **GO TO Question H.6 (C1132)**
- 9= DON'T KNOW → **GO TO Question H.6 (C1132)**

H.5 In order to grow the business, would the owner share equity in the business? 1130

- 1= YES
- 3 = NO
- 8= REFUSED
- 9= DON'T KNOW

H.6 Which of the following obstacles to growth are serious problems for your business?

MARK ALL THAT APPLY

(Respondent to reply with YES/NO after reading option)

YES **NO**

- a) finding qualified labour 1132
- b) instability of consumer demand 1133
- c) obtaining financing 1134
- d) insurance rates 1135
- e) government regulations 1136
- f) management capacity 1137
- g) low profitability 1138
- h) levels of taxation 1139

H.7 Excluding publicly-traded companies, did the majority owners of the business make investments in other unrelated businesses in 2003 or 2004? 1140

- 1= YES
- 3= NO → **GO TO H.10 (C8005)**
- 8= REFUSED → **GO TO H.10 (C8005)**
- 9= DON'T KNOW → **GO TO H.10 (C8005)**

H.8 Approximately how many other businesses did the majority owners make new investments in for each of the following time periods?

- a) 2004: _____ 1141
- b) 2003: _____ 1142

H.9 What was the average amount invested per deal? 1143

READ IF NECESSARY AND MARK ONE ONLY

- 1= less than \$24,999
- 2= \$25,000 to \$49,999
- 3= \$50,000 to \$99,999
- 4= \$100,000 to \$249,999
- 5= \$250,000 or more
- 8= REFUSED
- 9= DON'T KNOW

H.10 What percentage of the business ownership is held by women? 8005

IF NECESSARY, READ LIST.

- 1= None
- 2= 1% to 49%
- 3= Exactly 50%
- 4= 51% to 99%
- 5= 100%
- 8= REFUSED
- 9= DON'T KNOW

H.11 Was the majority ownership of the business held ...

<p>a) by persons with a disability? PROMPT: <i>Disability refers to the limitation in the kind or amount of a person's activity because of a long-term physical condition, mental condition or health problem.</i> 8006</p>	<p>1= YES 3= NO 8= REFUSED 9= DON'T KNOW</p>
<p>b) by Aboriginal persons? PROMPT: <i>Aboriginal persons refer to those persons who identify with at least one Aboriginal group, (i.e. North American Indian, Métis or Inuit).</i> 8007 PROMPT: <i>North American Indians" are those who are a Treaty Indian or a Registered Indian as defined by the Indian Act of Canada and/or who are members of an Indian Band or First Nation.</i></p>	<p>1= YES 3= NO 8= REFUSED 9= DON'T KNOW</p>
<p>c) by persons who are from a visible minority group other than aboriginal persons? 8008 PROMPT: <i>Visible minority groups" includes someone (other than an Aboriginal person) who is non-white in colour/race, regardless of place of birth. For example, Black Chinese, Filipino, Japanese, Korean, South Asian/East Indian, Southeast Asian, non-white West Asian, North African or Arab, non-white Latin American, persons of mixed origin (with one parent in one of the visible minority groups in this list), or other visible minority group</i></p>	<p>1= YES 3= NO 8= REFUSED 9= DON'T KNOW</p>
<p>d) by persons who have resided in Canada for less than 5 years? 1144</p>	<p>1= YES 3= NO 8= REFUSED 9= DON'T KNOW</p>

H.12 What is the age of the person with the largest share of ownership in [Business name]? 8010

PROMPT: *In the case of equal partnerships, please report the age of the oldest partner.*

- 1= Less than 30 years
- 2= 30-39
- 3= 40-49
- 4= 50-64
- 5= 65 and over
- 8= REFUSED
- 9= DON'T KNOW

H.13 How many years of experience does the majority owner have in owning or managing a business? 1145

- 1= less than 5 years
- 2= 5-10 years
- 3= more than 10 years
- 8= REFUSED
- 9= DON'T KNOW

H.14 What is the first language of the majority owner? 8043

- 1= English
- 2= French
- 3= Other
- 8= REFUSED
- 9= DON'T KNOW

For information only

I. CONCLUSION OF Part 1

****System should be able to provide total duration of the interview****

I.1 To ease the burden on respondents, Statistics Canada has entered into an agreement with Industry Canada under Section 12 of the Statistics Act to share the responses from this survey. Industry Canada has a mandate to report regularly on the state of business financing. The agreement requires that Industry Canada keep all information pertaining to you and your business confidential and use it solely for statistical and research purposes. Do we have your permission to share your responses with Industry Canada? ⁸⁰⁶³

PROMPT: *The Government of Canada has mandated Industry Canada, the Department of Finance and Statistics Canada to work together to gather data on SME financing and report regularly to the House of Commons Industry Committee on the state of SME financing in Canada.*

- 1= YES
- 3= NO
- 8= REFUSED
- 9= DON'T KNOW

I.2 Thank you for your cooperation with the first part of the survey! If you have any comments concerning the survey, I would be pleased to make note of them now. Do you have any comments?

9001

9002

9003

9004

9005

1149

CONCLUSION TEXT

READ: The telephone interview is now over. We will mail you the second part of this survey which will ask for some basic financial data for the business. Thank you once again for your cooperation!