Innovation, Science and Economic Development Canada
Innovation, Sciences et Développement économique Canada

2024

CREDIT CONDITIONS SURVEY

Innovation, Science and Economic Development Canada
Small Business Branch
Small Business and Entrepreneurship Research

canada.ca/smeresearch

Canada

Notes to readers

The Credit Conditions Survey was conducted between January and April of 2025. The questions were fact-based and focused on financing sought by small enterprises (1 to 99 employees) during the 2024 calendar year.

A total of 1,825 small businesses completed the questionnaire.

This is the second-largest Canadian survey on small business financing. The margin of error is 2.3% for questions addressed to all respondents. R.A. Malatest & Associates administered the survey for Innovation, Science and Economic Development Canada.

The following tables present the key statistics from this survey.

This analysis was conducted by the Small Business Branch.

The Small Business and Entrepreneurship Research directorate brings you the latest research and exclusive statistics on SMEs in Canada. For all questions or comments, contact our team at ic.sbbsmers-rspmedgpe.ic@ISED-ISDE.gc.ca.

The data used for the purpose of this analysis is also available on canada.ca/smeresearch.

TABLE 1: REQUEST RATES, APPROVAL RATES AND AVERAGE AMOUNT AUTHORIZED, 2024

Type of financing	Request rate (%)	Approval rate* (%)	Average amount authorized ($)
Debt financing	9	89	191,918
Leasing	6	99	-
Equity	2	-	-
Trade credit	24	-	-
Government financing	1	79	198,239

* A request that received either full approval or partial approval was considered “approved”.

TABLE 2: DEBT FINANCING (LONG-TERM VERSUS SHORT TERM), 2024

Type of debt	Request rate (%)	Approval rate* (%)	Average interest rate**** (%)	Percentage of collateral required	Average amount authorized ($)
Short term**	5	91	8.1	52	85,833
Long term***	5	87	6.9	78	288,201
Overall	9	89	7.3	65	191,918

* A request that received either full approval or partial approval was considered “approved.” ** Business lines of credit and credit cards. *** Non-residential mortgages and term loans. **** Interest charged for credit cards are excluded.

TABLE 3: DEBT FINANCING BY BUSINESS CHARACTERISTICS, 2024

	Request rate (%)	Approval rate* (%)	Average amount authorized ($)
Number of employees			
1 to 4 employees	7	84	111,944
5 to 9 employees	12	94	128,665
10 to 19 employees	21	91	349,501
20 to 99 employees	17	97	450,242
Region			
Atlantic	7	91	279,546
Quebec	9	87	184,796
Ontario	8	81	160,759
Manitoba-Saskatchewan	12	97	259,469
Alberta	14	97	200,435
British Columbia and Territories	7	95	194,667
Industry			
Primary	16	92	159,119
Construction	9	100	141,006
Manufacturing	19	84	363,606
Wholesale and retail trade	11	92	171,833
Transportation and warehousing	13	87	203,803
Professional, scientific and technical services	6	92	219,374
Accommodation and food services	7	91	149,551
Other services (except public administration)	10	86	261,225
Other sectors	5	74	114,258
Age of business			
2 years old or younger	29	53	263,380
3 to 10 years old	9	91	105,627
11 to 20 years old	7	86	247,473
More than 20 years old	9	94	197,973

Exporting activities			
Exporter	17	37	150,918
Non-exporter	19	21	219,621
Innovation			
Product	3	100	227,103
Process	18	100	160,064
Organizational	21	91	244,379
Marketing	25	90	200,457
Innovator**	15	94	191,577
Non-innovator	6	88	158,038
Gender of majority owner			
Male	8	90	203,459
Female	10	91	119,730
Jointly owned	13	82	179,708
Education level of majority owner			
Less than high school	22	100	177,629
High school	9	93	104,490
College/Cégep/Trade School	10	85	216,262
Bachelor’s degree	8	94	197,011
Master’s degree or above	8	69	181,270
Experience level of majority owner			
Less than 5 years	26	100	272,120
5 to 10 years	13	79	199,743
More than 10 years	8	91	184,281
Age of majority owner			
Younger than 40 years old	10	90	128,683
40 to 49 years old	7	78	252,839
50 to 64 years old	9	94	200,513
65 years old or older	14	90	103,587

* A request that received either full approval or partial approval was considered “approved”. ** A business that developed or introduced a product, process organizational or marketing innovation in the last three years (with reference year 2024) was considered as “innovator”.

TABLE 4: MAIN REASON FOR NOT SEEKING FINANCING, 2024

Reason	Percentage
Financing not needed	79
Unaware of financing sources	1
Thought the request would be turned down	1
Applying for financing too difficult or time consuming	0.8
Cost of financing too high	17
Business is closing or winding down	0.3
Previous financing is already in use	1

TABLE 5: MAIN INTENDED USE OF DEBT FINANCING, 2024

Intended Use	Percentage
Working/Operating capital	49
Purchase or maintain fixed assets	21
Purchase or expand business	12
Consolidate other debt	17
Support entering new market	0.9
Research and development	0.9

TABLE 6: AVERAGE PERCENTAGE OF TOTAL SALES BY DESTINATION, 2024

Destination	Percentage
Local municipality or region	93
Rest of province/territory	26
Rest of Canada	13
Rest of the world	10