



SMALL BUSINESS OWNERS and THE CANADIAN LEGAL SYSTEM

Understanding small business experience and attitudes toward legal disputes

CANADA'S ECONOMIC ENGINE
IS DRIVEN BY:

2.7 million
Self-Employed Individuals



1.2 million
Small-Medium Businesses¹

3 OUT OF 10 CANADIAN SMALL BUSINESS OWNERS DEALT WITH AT LEAST ONE LEGAL DISPUTE

DURING THE LAST 3 YEARS:
PAYING AN AVERAGE OF: **\$390** PER HOUR FOR AN EXPERIENCED LAWYER²

TOP 3 LEGAL DISPUTES WERE:

- 1 Collecting money owed from customers
- 2 Contract disputes with customers
- 3 Contract disputes with suppliers

EST. # BUSINESSES IMPACTED:

- +600,000
- +370,000
- +255,000

THE NEXT 5 WERE:

- 4 EMPLOYMENT DISPUTES
- 5 TAX DISPUTES
- 6 PROPERTY DAMAGE OR TRESPASS DISPUTES
- 7 BUSINESS LICENSING & REGULATORY DISPUTES
- 8 3RD PARTY INJURY TO EMPLOYEES

1 OUT OF 10 faced the next step of having gone to court or tribunal to resolve a legal dispute

Which can cost up to: **\$44,000** for a two day civil action²

Therefore it is no surprise: **73%** believe a legal dispute would have a tangible impact on their business.

But only: **27%** have set aside budget to cover unexpected legal expenses

and only: **12%** felt they had sufficient commercial insurance coverage to cover legal expenses

Considering that significant gap **&** More than 1 out of 10 know another who lost their business due to a legal disputes

DAS Legal Expense Insurance makes sense

1. Statistics Canada CANSIM table 551-0006 as of June 2014 & CANSIM table 282-0012 as of year-end 2013
Small-medium businesses defined as those with 1-99 employees
2. Canadian Lawyer Magazine - Canadian Lawyer's 2014 Legal Fees Survey, June 2014
3. The remaining stats in this infographic are from DAS Canada market research done in partnership with Ipsos, January 2015

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