

THE IMPACT OF THE GOVERNMENT SHUTDOWN ON SMALL BUSINESS

November 2025



Welcome

Thank you for taking the time to read NSBA's new survey, "The Impact of the Government Shutdown on Small Business." We compiled this data among more than 400 small-business owners across the nation Oct. 30 - Nov. 5, 2025.

The shutdown has now extended beyond one month and is now the longest shutdown in U.S. history. NSBA has been hearing from members about the hardships they are facing due to what is simply political theater.

This wholly avoidable crisis prioritizes partisan points over economic security and the millions of job creators who are being affected. Nearly 3-in-4 small-business respondents–70%–report they have been impacted by the shutdown.

The most broadly felt impact of the shutdown is a slowdown in business-to-business purchases, with delayed payments from federal agencies and prime contractors close behind. Even businesses that don't contract with the federal government are impacted: 1 in 5 respondents said they have experienced decline in business due to the shutdown.

Government shutdowns are costly, damaging, and irresponsible. We deserve better. America's small businesses deserve lawmakers that prioritize job creation, economic stability and predictability; not elementary behavior from the people elected to lead our country.

I hope you find this survey useful.

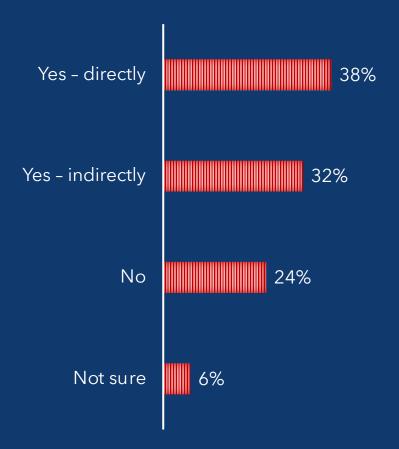
Please contact our media affairs department with questions: mday@NSBAadvocate.org

Best,

Todd McCracken
NSBA President & CEO

Impact of the Shutdown

IS YOUR BUSINESS IMPACTED BY THE CURRENT FEDERAL GOVERNMENT SHUTDOWN?



70% of small-business respondents report being impacted by the government shutdown.



PLEASE INDICATE HOW YOUR BUSINESS IS BEING IMPACTED (CHECK ALL THAT APPLY):



Existing orders have been reduced

> Employees have been furloughed

Delayed payments from prime contractors

Planned orders have been reduced

Planned orders have been cancelled

Indirect decline in business

Delayed payments from federal agencies

Indirect business-to-business purchases have slowed





















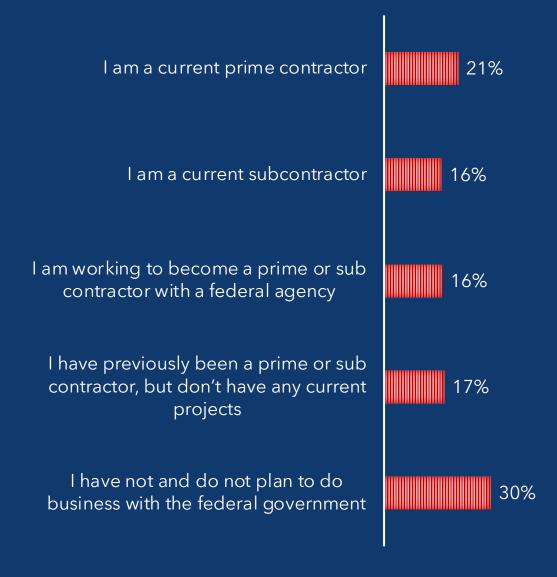


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Doing Business with the Federal Government

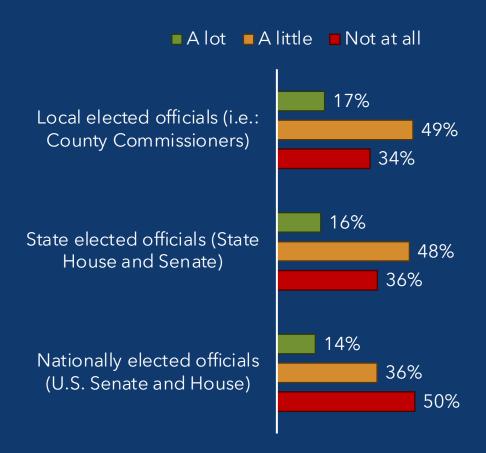
PLEASE SELECT WHICH OF THE FOLLOWING IS MOST ACCURATE WITH REGARDS TO DOING BUSINESS WITH THE FEDERAL GOVERNMENT:





Opinions of Elected Officials

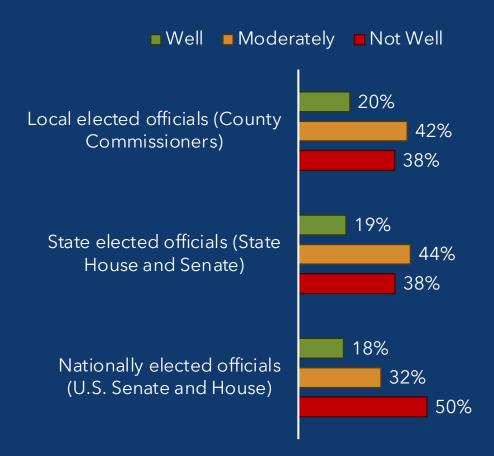
HOW MUCH DO YOU TRUST ELECTED OFFICIALS?



Only 14% of respondents say they have a lot of trust in their U.S. Senators and Representatives.



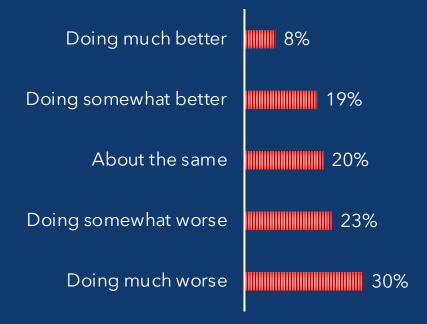
HOW WELL DO YOU THINK YOUR ELECTED OFFICIALS REPRESENT YOU?



Half of small-business respondents believe their U.S. Senators or Representatives do NOT represent them well.



COMPARED TO SIX MONTHS AGO, WOULD YOU SAY THE NATIONAL ECONOMY IS:



The majority of respondents (53%) say the U.S. economy is worse today than it was six months ago.



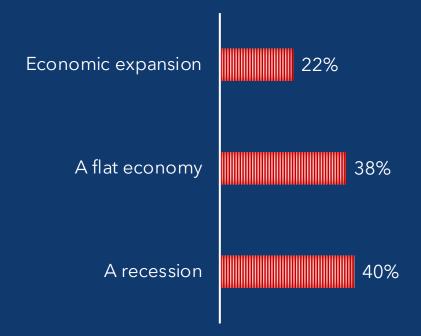
FROM A FINANCIAL PERSPECTIVE, HOW DO YOU FEEL RIGHT NOW ABOUT THE FUTURE OF YOUR BUSINESS?



More than one-third of respondents say they are NOT confident in the future of their own small business.



THINKING ABOUT THE NEXT 12 MONTHS, DO YOU ANTICIPATE...

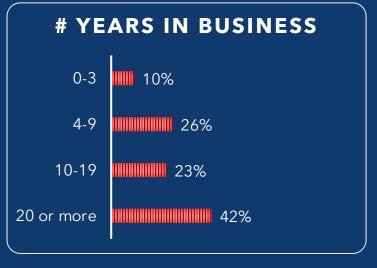


Today, 78% of small business-respondents anticipate a flat or recessionary economy–up from 73% just five months ago.



FULL-TIME EMPLOYEES 0 3% 1 - 5 48% 6 - 9 10% 10-19 14% 20 - 99 18% 100 - 499 7% 500 or more 0%

C-Corp 17% S-Corp 38% Sole Proprietorship 4% Partnership 3% LLC 35% Nonprofit 2%



INDUSTRY

Professional, Scientific and Technical Services	37%
Manufacturing	 9%
Other Services	 9%
Construction	Ⅲ 8%
Educational Services	 6%
Health Care and Social Assistance	 5%
Information	 4%
Wholesale Trade	4%
Finance & Insurance	4%
Retail Trade	3%
Transportation and Warehousing	2%
Administrative and Support, Waste	2%
Accommodation and Food Services	1%
Agriculture, Forestry, Fishing and Hunting	1%
Real Estate, Rental and Leasing	1%
Arts, Entertainment, and Recreation	1%
Management of Companies and	1%





Methodology

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