



COVID-19: GOVERNMENT FINANCIAL RELIEF PROGRAMS

The following table identifies all government programs and what they mean for credit unions and members.

GOVERNMENT PROGRAM + SUMMARY	WHAT THIS MEANS FOR CREDIT UNIONS & MEMBERS	HOW TO ACCESS THE PROGRAM/FUNDING
<i>FEDERAL SUPPORT PROGRAMS</i>		
<p><u>Employment Insurance (EI) Sickness Benefit</u> Greater accessibility to EI sickness benefits through the waiver of the one-week waiting period and requirement to provide a medical certificate.</p>	<ul style="list-style-type: none"> - Quicker and easier access to EI benefits for members who are unable to work due to illness, injury or quarantine 	<ul style="list-style-type: none"> - Members can apply online. Due to a high volume of applications, members may experience website delays
<p><u>Canada Emergency Response Benefit (CERB)</u> CERB is a simpler and more accessible program than EI. It will replace EI for those who have not already applied for EI or whose EI applications have not yet been processed. Benefit provides \$2000/ month for up to 4 months, paid every four weeks and available from March 15, 2020 until October 3, 2020.</p> <p><i>Note</i> – for those who have already submitted an EI application, the application will be automatically processed through CERB; there is no need to reapply through CERB.</p>	<ul style="list-style-type: none"> - CERB covers members under various circumstances. The program was further expanded on April 15 to include more Canadians - For qualification criteria, members should consult this website - Individuals will be able receive aid through only one of either the CERB or CEWS (see below) 	<ul style="list-style-type: none"> - Members are able to apply online - Funds should be received within 2 days through electronic transfer, or up to 10 days via mail - Canadians who are already receiving EI regular and sickness benefits as of today would continue to receive their benefits and should not apply to the CERB
<p><u>Canada Child Benefit (CCB) Increase</u> A one-time Child tax benefit top-up for low and modest-income families.</p>	<ul style="list-style-type: none"> - Families that are entitled to receive the CCB for April 2020 and still have an eligible child in their care in May 2020 	<ul style="list-style-type: none"> - As this is a top-up for an existing benefit, no application process is required

	<p>will get up to \$300 extra per child as part of their regular May 2020 payment</p> <ul style="list-style-type: none"> - This is a one-time increase to the May 2020 CCB payment for the 2019-2020 benefit year (July 2019 to June 2020) 	
<p><u>Canada Emergency Wage Subsidy (CEWS)</u> Business employers of all sizes will be provided with temporary wage subsidies, up to 75% of wages paid to employees, for up to 3 months for qualifying businesses. 75% of each employee's wages would be covered but only for the first \$58,700 of salary, resulting in a maximum subsidy of \$847/ week.</p> <p><i>Note</i> - For employers eligible for both CEWS and the 10% wage subsidy (below), any benefit from the 10% wage subsidy for remuneration paid in a specific period reduces the amount available to be claimed under the CEWS in that same period</p>	<ul style="list-style-type: none"> - All business owner members should be aware of the temporary wage subsidy - Benefit is backdated to March 15 - Also includes 100% refund for certain employer-paid contributions to EI, CPP for eligible employees - Individuals (employees in this case) will be able receive aid through only one of either the CEWS or CERB (see above) 	<ul style="list-style-type: none"> - To be eligible, businesses must have suffered at least a 15% decline in revenue due to COVID-19 in March 2020, and 30% for the following months – see further details here - Applications are open and can be made through CRA's 'My Business Account'
<p><u>10% Temporary Wage Subsidy</u> The 10% Temporary Wage Subsidy for Employers is a three-month measure that will allow eligible employers to reduce the amount of payroll deductions required to be remitted to the CRA.</p>	<ul style="list-style-type: none"> - Unlike CEWS above, this subsidy does not require demonstration of a decline in revenue - The subsidy is equal to 10% of the remuneration paid from March 18 to June 19, up to \$1,375 for each eligible employee to a maximum of \$25K total per employer 	<ul style="list-style-type: none"> - Eligible employers are individuals (excl. trusts), partnerships, non-profits, registered charities, or Canadian-controlled private corporations - Employers do not need to apply for the subsidy, rather they will continue to deduct income tax, CPP and EI premiums from remuneration paid to their employees, as they currently do - The subsidy is then calculated when the amounts are remitted to CRA - Further details on this subsidy and the subsidy calculator can be found here

<p><u>Business Credit Availability Program (BCAP)</u> BCAP will allow the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) to provide more than \$65B of additional support to businesses.</p>	<ul style="list-style-type: none"> - Support is largely targeted to small and medium sized enterprises (SME) - Intended to be administered by approved Financial Institutions (FI) - Program includes: <ul style="list-style-type: none"> - SME Loan and Guarantee Program (backed by EDC) - SME Co-Lending Program (backed by BDC) 	<ul style="list-style-type: none"> - Limited additional information can be found on the Government of Canada website, as well as the EDC website and BDC website. - Alberta credit unions are able to access the EDC Guarantee program through Alberta Central
<p><u>Canada Emergency Business Account (CEBA)</u> This program, administered by EDC, provides interest-free loans of up to \$40K to small businesses and not-for-profits, to help cover their operating costs during a period where their revenues have been temporarily reduced. This program is now being offered by eligible credit unions.</p>	<ul style="list-style-type: none"> - Repaying the balance of the loan on or before Dec. 31, 2022 will result in a loan forgiveness of 25% (\$10K) 	<ul style="list-style-type: none"> - To qualify, SMEs will need to demonstrate they paid between \$20K and \$1.5M in total payroll in 2019 - SMEs must agree to use the funds from this line of credit to pay for operating costs that cannot be deferred such as payroll, rent, utilities, insurance and property tax, etc. - For further information, members should contact their respective credit unions.
<p><u>Near-term credit to farmers and the agri-food sector</u> Farm Credit Canada (FCC) has received an enhancement to its capital base that will allow for an additional \$5 billion in lending capacity.</p>	<ul style="list-style-type: none"> - Members in the farming and agri-food sector will benefit from the availability of increased near-term credit through FCC as well as the option for payment deferrals 	<ul style="list-style-type: none"> - Further details of this support measure can be found on the FCC website
<p><u>Various funding for agri-food sector</u> \$252M committed by federal government, for several programs aimed at helping businesses in the agri-food sector.</p>	<ul style="list-style-type: none"> - Members in the farming and agri-food sector will benefit from various federal and provincial programs - \$77M fund to help businesses retrofit their factories and increase capacity. To be used for PPE, adapting to health protocols/ social distancing, etc. - \$125M to AgriRecovery fund, a joint federal/provincial program aimed at helping farmers during disasters 	<ul style="list-style-type: none"> - Government of Alberta is introducing several new supports to help farmers and ranchers through AgriRecovery fund - Further details to come on all programs listed

	<ul style="list-style-type: none"> - \$50M for a purchase program for surplus food, to redistribute surplus to food banks 	
<p><u>Various Tax Deadlines Extended</u></p> <p>CRA has deferred the tax return filing date until June 1, 2020. The income tax payment deadline has been extended until after August 31, 2020 for amounts that are or become owing before September 2020.</p>		
<p><u>Mortgage Payment Deferrals</u></p> <p>Canada's large banks have confirmed that they will provide up to a 6-month payment deferral for mortgages and the opportunity for relief on other credit products.</p>	<ul style="list-style-type: none"> - Alberta's credit unions have the ability under the Act, to provide up to 3-month mortgage payment deferrals to members, within their discretionary lending limits - For deferrals over 3 months (up to 6), and/or if over the discretionary lending limit, individual credit unions must submit a special lending program application to CUDGC 	<ul style="list-style-type: none"> - The deferrals are being granted on a case-by-case basis; individuals and businesses are encouraged to contact their FI to discuss options
<p><u>Withdrawals from Registered Retirement Income Funds (RRIF)</u></p> <p>The minimum withdrawal amount from RRIFs has been decreased by 25% for 2020, in recognition of volatile market conditions and the impact on many seniors' retirement savings.</p> <p>Similar rules would apply to individuals receiving variable benefit payments under a defined contribution Registered Pension Plan.</p>	<ul style="list-style-type: none"> - Retired members should be aware of this option 	
<p><u>Canada Student Loan Moratorium</u></p> <p>Individual members with outstanding Canada Student Loans will be given a 6-month interest-free moratorium on their repayment. Any loans payments will be paused until September 2020.</p>	<ul style="list-style-type: none"> - Members who are currently paying off Canada Student Loans should be aware of this benefit 	<ul style="list-style-type: none"> - The six-month interest-free moratorium applies only to students who have already graduated and are paying back their student loans after graduation

		- There is no application process
<p><u>Canada Emergency Student Benefit (CESB)</u> Eligible post-secondary students will receive \$1,250/ month, from May to August, and up to \$1,750/ month if they are taking care of someone else or have a disability.</p>		<ul style="list-style-type: none"> - College and university students currently in school, planning to start in Sept., or who graduated in Dec. 2019 are eligible - Working students earning less than \$1,000/ month are also eligible - Benefit requires legislation to be passed. An operationalization date is unknown.
<p><u>Deferral of GST/ HST Payments</u> Allow businesses, including self-employed individuals, to defer GST/HST payments until June, as well as customs duties owed for imports.</p>	<ul style="list-style-type: none"> - The deferral will generally apply to remittances that become due in March, April, and May 	<ul style="list-style-type: none"> - This measure is in effect immediately, through existing authorities
<i>PROVINCIAL SUPPORT PROGRAMS</i>		
<p><u>Utility Payment Holiday</u> Albertans who are experiencing financial hardship directly related to the COVID-19 pandemic can work with their utility company to defer electricity and natural gas bills until June 18, 2020 without any late fees or added interest payments.</p>	<ul style="list-style-type: none"> - All members should be aware of the deferral option for electricity and natural gas payments - Credit unions should stay abreast of their respective municipalities' plans - Additionally, no Albertan can be cut off from these services or see their services reduced during this period 	<ul style="list-style-type: none"> - Individuals are asked to contact their utility providers directly to arrange for deferrals
<p><u>Canada Emergency Commercial Rent Assistance Program (CECRA)</u> Program will provide a loan retroactive to April 1 to qualified commercial property owners, supporting 50% of rent for April (retroactive), May, and June. The program is available to non-profits and charitable organizations as well.</p>	<ul style="list-style-type: none"> - Business members and commercial property owners should be aware of this program - Program will provide 50% of monthly commercial rental costs; landlords and tenants would be responsible for 25% each of the remaining costs - Loan will be forgivable if the property owner and tenant come to a rent 	<ul style="list-style-type: none"> - Program will be administered by the Canada Mortgage and Housing Corporation (CMHC) and is anticipated to be running by mid-May. More details to come. - To qualify, small business are required to: pay less than \$50,000/month in rent, and have temporarily ceased operations due to COVID-19 <i>or</i> are

	<p>forgiveness agreement that lowers the business's rent by 75% for the 3 months and includes a moratorium on eviction</p>	<p>experiencing at least a 70% decrease in revenues</p>
<p><u>Wage boost for essential workers</u> In collaboration with the provinces and territories, the Federal government to cost-share a temporary top up to the salaries of low-income essential workers.</p>	<ul style="list-style-type: none"> - Members who are essential workers and who earn less than \$2,500, will be provided with a salary top-up - Essential works include those on the front-line in hospitals and nursing homes, those ensuring the integrity of the food supply, or providing essential retail services 	<ul style="list-style-type: none"> - Federal and provincial government continue to work together on the delivery of this measure, but the decision will ultimately be made by provincial governments - Further details are expected
<p><u>Relief for the child care sector</u> Up to \$17.8M in grants will be provided to child care centres and approved family day home agencies to ensure they are ready to safely restart and support families through Alberta's economic recovery.</p>	<ul style="list-style-type: none"> - Phase 1: one-time grant to cover up to 25% of overhead costs like rent/utilities - Phase 2: upon reopening, centres will receive a grant for cleaning and sanitation supplies to adhere to public health guidelines - Phase 3: after 3 months of being open, centres may receive a grant to offset deferred bills and address unforeseen operational issues 	
<p><u>Alberta Student Loan Moratorium</u> Individual members with outstanding Alberta Student Loans will be given a 6-month interest-free moratorium on their repayment. Any loan payments will be paused until September 2020.</p>	<ul style="list-style-type: none"> - Members who are currently paying off Alberta Student Loans should be aware of this benefit 	<ul style="list-style-type: none"> - The six-month interest-free moratorium applies only to students who have already graduated and are paying back their student loans after graduation - There is no application process
<p><u>Corporate Income Tax Collection Deferral</u> To mirror the federal government's tax deferral options, the Alberta government is also deferring the collection of corporate income tax balances and instalment payments until August 31, 2020.</p>		

<p><u>Education Property Tax Freeze/ Deferral</u> Education property taxes for businesses and individuals have been frozen at last year's level.</p> <p>Businesses are able to defer payment on their education property tax for 6 months, to be repaid in future tax years.</p>	<ul style="list-style-type: none"> - Business members should be aware of the deferral option - Rolling back the 3.4% inflation adjustment will save Alberta households and businesses about \$87M - Tax deferral will result in \$485M in savings for businesses 	<ul style="list-style-type: none"> - Business members should look to their municipalities for education property tax deferral programs
<p><u>Workers' Compensation Board (WCB) Premium Deferrals</u> Private sector employers can defer WCB premiums until early 2021 and those who have already paid for 2020 are eligible for rebate/ credit. Government will also cover 50% of premium for small and medium businesses when it is due.</p>		<ul style="list-style-type: none"> - Invoices for 2020 premiums have been stopped for the remainder of the year and payments already made towards 2020 premiums will be automatically refunded to employers. - Employers do not need to contact WCB to request reimbursement
<p><u>Other Provincial Measures and Announcements</u></p>	<ul style="list-style-type: none"> - 14 days of job protected leave for self-isolation - 2020 residential education property tax rates frozen at 2019 levels - Expiry dates for driver's licenses, ID cards, vehicle registrations, other permits extended to May 15 - Business Link resources for small businesses affected by COVID-19 	