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## COVID-19: Government of Canada Economic Response Plan

The events surrounding COVID-19 are truly unprecedented, leading to business closures, layoffs, social distancing, and other disruptions to the lives of almost every Canadian. The Government of Canada has taken action for individuals and businesses alike. The following measures have been enacted by the federal government.

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# For Individuals

### Canada Emergency Response Benefit (CERB)

The federal government has provided a taxable benefit of \$2,000 a month for up to 4 months to eligible workers who have lost their income due to COVID-19.

Who is eligible?

The benefit will be available to workers:

- Residing in Canada, who are at least 15 years old;
- Who have stopped working because of COVID-19 and have not voluntarily quit their job or are eligible for EI regular or sickness benefits;
- Who had income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; and
- Who are or expect to be without employment or self-employment income for at least 14 consecutive days in the initial four-week period. For subsequent benefit periods, they expect to have no employment or self-employment income.

You can apply for this benefit on the [Government of Canada website](#).

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# For Businesses

### Temporary Wage Subsidy for Employers (TWS)

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 Canada Revenue Agency (CRA).

You are an eligible employer if you:

- are a(n):
  - individual (excluding trusts),
  - partnership (see note below),
  - non-profit organization,
  - registered charity, or
  - Canadian-controlled private corporation (including a cooperative corporation) eligible for the small business deduction;

- have an existing business number and payroll program account with the CRA on March 18, 2020; and
- pay salary, wages, bonuses, or other remuneration to an eligible employee.

An eligible employee is an individual who is employed in Canada.

The subsidy is equal to 10% of the remuneration you pay from March 18, 2020 to June 19, 2020, up to \$1,375 for each eligible employee to a maximum of \$25,000 total per employer.

Visit the Government of Canada website for more information regarding the [Temporary Wage Subsidy for Employers](#).

#### Canada Emergency Wage Subsidy (CEWS)

The federal government has proposed a new wage subsidy to support employers that are hardest hit by the pandemic, and protect the jobs Canadians depend on.

The subsidy would cover 75 per cent of an employee's wages – up to \$847 per week - for employers of all sizes and across all sectors who have suffered a drop in gross revenues of at least 15 per cent in March, and 30 per cent in April and May. This program would be in place for a 12-week period, from March 15 to June 6, 2020.

Visit the Government of Canada website for more information regarding the [Canada Emergency Wage Subsidy](#).

#### Canada Emergency Business Account (CEBA)

The new Canada Emergency Business Account will provide interest-free loans of up to \$40,000 to small businesses and not-for-profits, to help cover their operating costs during a period where their revenues have been temporarily reduced. This interest free loan will have a forgivable portion of 25% if fully repaid by December 31, 2022.

To qualify, these organizations will need to demonstrate their total payroll in 2019 was between \$50,000 and \$1 million.

Who is eligible?

The benefit will apply if you have a business or not-for-profit organization with:

- An operating company registered in Canada;
- Annual payroll between \$50k and \$1MM. This will be based on your 2019 Business T4 Summary of Remuneration Paid Slip; and
- You must work with your primary financial institution. This means you must have had an LDCU business operating account that was opened on or before March 1, 2020. If LDCU is not your primary financial institution, please visit your primary financial institution's website for more information.

View the [CEBA FAQs](#) page on our website.

This program will roll out in mid-April. Visit the Government of Canada website for more information regarding the [Canada Emergency Business Account](#).

News Bulletin  
LDCU, LCUI, FML  
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Our Community. Your Credit Union.™

The above government benefits are in addition to the **Members' Support Package** already announced by LDCU. You can find information on [LDCU's Covid-19 benefit package here](#).

LDCU has committed to helping our members through our own Support Package and participating in government programs. In this time of uncertainty, we will lead with strength, courage and caution. This philosophy has defined us for almost 76 years, and will continue throughout this crisis and beyond.

LDCU Strong!

Sincerely,

A handwritten signature in black ink that reads "John de Leeuw". The signature is fluid and cursive, with a long horizontal stroke at the end.

John de Leeuw, CEO  
Ladysmith & District Credit Union

