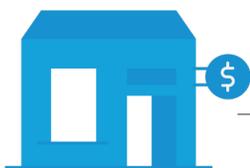


Focus: Fast facts on bank measures in response to the COVID-19 pandemic

Focus Sheet



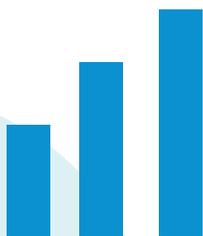
- As of August 31, 13 CBA member banks have provided help through mortgage deferrals or skip a payment to more than **778,000** Canadians.

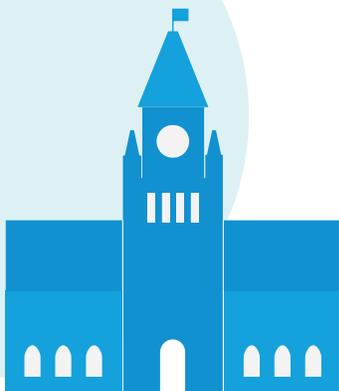
The COVID-19 outbreak is the most urgent challenge Canada has faced in recent memory. Banks in Canada have stepped up to help our country work through these difficult times and have launched comprehensive programs to make a positive difference for those who need their help and support. They are working directly with individual and small business customers to create tailored support plans to manage financial uncertainty and build a bridge to a strong future.

Personal Customers

Relief through deferred mortgage payments

- As of August 31, 13 CBA member banks have provided help through mortgage deferrals or skip a payment to more than **778,000** Canadians, which represents about 16% of the number of mortgages in bank portfolios.
 - CMHC data show that the average monthly mortgage payment of Canadian homeowners is \$1,326. Cash flow freed up from completed deferrals is roughly one billion per month, or three billion per quarter.
 - Roughly 90% of customers seeking a mortgage deferral are approved.





- Banks are seeing increasing rates of payment resumption among customers whose payment deferral period has ended. Roughly 32% of Canadians who opted to defer their mortgage payments (254,000) have resumed payments as of August 31.

Credit cards and lines of credit

- Banks are reducing credit card interest rates, deferring payments and instituting low minimum payments on credit cards and lines of credit. As of August 31, more than **476,000** credit card deferral requests are in process or have been completed by eight banks.
- Several banks have announced heavily discounted or low fixed interest rates for customers who choose to defer their credit card payments.
- Customers have been offered term loans and lower-interest lines of credit to reduce their credit card balances.

Facilitating access to emergency benefits

- Banks have collaborated with the Government of Canada to offer online enrollment of Canada Revenue Agency's (CRA) direct deposit to facilitate convenient and secure access to the Canada Emergency Response Benefit payments. Over **2.8 million** Canadians have already enrolled through their financial institution for CRA direct deposit.

Small business customers

- Canada's banks serve three million self-employed, small and medium-sized businesses across Canada.
- Banks have authorized more than \$254.6 billion in credit to this sector as of December 2019, and have increased



the amount of available business credit by \$25 billion since March 1, 2020.

- Banks delivered fast access to the federal government-led Canada Emergency Business Account (CEBA) program, providing small and medium-sized companies loans of up to \$40,000 at 0% interest until December 31, 2022. If repaid by end of 2022, up to one-quarter of the loan is forgivable.
- As of September 17, more than 750,000 CEBA loans have been approved by financial institutions including banks, representing more than \$29 billion in credit for eligible businesses.
- Banks have introduced a range of flexible measures for existing loans, including deferrals and term extensions. More than 86,000 deferrals have been extended to business accounts for SME, commercial and corporate customers with a total value of more than \$2.6 billion.
- Banks have partnered with the [Business Development Bank of Canada](#) to offer a Co-Lending Program and with [Export Development Canada](#) to offer a Loan Guarantee Program for small and medium-sized enterprises through the federal government's Business Credit Availability Program (BCAP).
- Banks also partnered with the Government of Canada to expedite access to the Canada Emergency Wage Subsidy (CEWS) for businesses. The new service allows eligible businesses to register their business payroll accounts for direct deposit with the Canada Revenue Agency directly through their bank business portals.



The Canadian Bankers Association is the voice of more than 60 domestic and foreign banks that help drive Canada's economic growth and prosperity. The CBA advocates for public policies that contribute to a sound, thriving banking system to ensure Canadians can succeed in their financial goals.

www.cba.ca

Communities

- Seven banks have donated a combined \$10.8 million to support frontline health care workers and community services urgently needed for vulnerable individuals affected by the public health, social and economic consequences of COVID-19.
- These gifts to Canadian charities such as United Way Centraide Canada, Food Banks Canada and Breakfast Club Canada provide essential services, community services and services for vulnerable populations.

Canada's strong banks

Canada's stable, well-regulated banks can provide high levels of support because of their strength.

- Banks employ 275,825 Canadians
- Amount banks paid in taxes to all levels of government in Canada in 2019: \$12.7 billion
- Amount banks and their subsidiaries paid in salaries and benefits in Canada in 2019: \$30 billion
- Dividend income paid in 2019 by Canada's banks to shareholders: \$21.3 billion
- Canada's largest banks hold more capital entering the COVID-19 crisis than they did entering the global financial crisis in 2008.