

2020-2021 CREDIT UNION



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IMPACT REPORT



# Credit unions are co-operatives

The challenges the world has faced due to the COVID-19 pandemic have been devastating and have impacted many industries and businesses across the globe. Here at home, Canada's credit unions quickly adapted to the changing circumstance and responded to the crisis by providing financial relief measures in support of their members. From coast-to-coast, credit unions began offering loan payment deferrals and providing additional resources to their most vulnerable member base. They also supported their local businesses and communities by providing charitable donations to various initiatives combatting the pandemic.

More than 5.9 million Canadians continue to trust their local credit union as their financial institution of choice. In addition to providing lower fees, co-operative dividends and Canada's largest surcharge-free ATM network, credit unions contribute to their communities' economic, social, and environmental well-being. In 2019, Canada's credit unions gave back 4% of their pre-tax profits to local community organizations. Credit unions also employ thousands of individuals and their profits are used to further support neighbourhood entrepreneurs and local businesses.

The 2020-2021 Community and Economic Impact Report highlights the contributions Canada's credit unions continue to make to the country's economy, as well as their perseverance in supporting members and local communities throughout the pandemic. At CCUA, we are proud to be part of a resilient and strong sector that continues to join efforts when Canadians need it most.



Martha Durdin  
President & CEO  
Canadian Credit Union Association





## Canada's 233 credit unions

- Are member-owned, co-operative financial institutions. This different way of banking allows Canadians to keep their money working for their local community.
- Serve over **5.9 million Canadians\***
- Operate from **1,721** locations
- Are the **only financial institution** with a physical presence in **394** communities
- Are governed by **2,521** volunteer directors
- Directly and indirectly employ more than **58,000** Canadians
- Lead Canada's financial sector in gender parity with **34%** female board of directors

Figure not including Quebec





## *Stronger* Together

### Supporting Canadians through COVID-19

Credit unions' profits stay in Canada – to benefit the people and communities they were built to serve. In trying times, credit unions continued to support their members and local communities – reinforcing what differentiates them from other financial institutions.

#### **Credit unions have invested in economic recovery by:**

- retaining local, well-paying jobs in communities across the country
- supporting local efforts to combat COVID-19 including providing donation matching, buy local challenges, and financial contributions to communities
- partnering with government to ensure all **5.9 million** credit union members were eligible to apply for CEBA loans
- supporting small businesses by administering over **\$2 billion** in CEBA loans
- partnering with government to support groups disproportionately affected by COVID-19 including entrepreneurs, black business owners and women, farmers and fishers
- protecting the housing market by providing over **80,000 mortgage** deferrals to our members
- reducing or eliminating interest rates on credit cards and loans at the height of the pandemic
- providing financial literacy and a friendly face for our members during these challenging times
- supporting business and partnering with government to offer HASCAP loans

#### **A Safe and Secure Credit Union Sector**

- Just as in 2008, the credit union sector has continued to demonstrate resilience and is well capitalized.
- There has been an increase in deposits, and Canadians have displayed a conservative spending approach due to the economic uncertainty.





# Stronger Together

As the situation around the COVID-19 pandemic evolved, credit unions across Canada began offering additional support measures to help their communities and members through the crisis. Below are just a few examples of how the credit unions helped make a difference.

**OMISTA Credit Union (NB):** In 2019, OMISTA partnered with a local K-8 school to support children who living in poverty. The credit union filled stockings for 60 students as part of the holiday program organized by the school. The contents of the stocking included: a water bottle personalized w/vinyl lettering with child's first name, hat & mittens, slippers or knit socks, a book, toothbrush, treats and more. The initiative was a success and OMISTA renewed the program again in 2020.



## Ladysmith & District Credit Union (BC):

Ladysmith & District Credit Union created a new product to help offset the impact of the COVID-19 pandemic. They immediately made available up to \$1,000,000 in Emergency Relief Term Loans to their members. These short-term emergency relief loans have no interest, and the repayment of these loans can be deferred up to 6 months.



**Libro Credit Union (ON):** Libro Credit Union, Pillar Nonprofit Network and TechAlliance partnered to launch Recovery & Rebuilding the Region Design Challenges, to accelerate and scale solutions with a financial investment and a suite of personalized business advisory, financial coaching and community impact services. The first challenge focused on responding to the immediate health and social issues of COVID-19 and the second one focused on revitalizing and rebuilding our communities. In addition to this, Libro pivoted its annual community grant program in a matter of days to provide \$320K in emergency relief funding to support marginalized individuals hardest hit by the pandemic.



## Interior Savings Credit Union (BC):

In response to COVID-19, Interior Savings Credit Union launched a \$100,000 Community Relief Fund to help non-profit organizations with extraordinary costs they were incurring as they adjusted their operations to continue serving the community through the pandemic. Interior Savings' members then helped top-up the fund with an additional \$50,000 by investing in a Community Impact Term Deposit.



**Connect First Credit Union (AB):** In partnership with the Calgary Foundation, Connect First Credit Union leveraged an existing grant program to provide support for COVID-19. The previously established “Stepping Stones” grant program, offers yearly small grants up to \$600 that Calgarians can use for any community building project or event. In response to the pandemic, Connect First contributed an additional \$25,000 to the Stepping Stones program. Connect First also increased the maximum eligible amount from \$600 to \$1,000 and opened the grants to all communities around Alberta that Connect First operates for projects related to COVID-19 response.



### **East Coast Credit Union**

**(NS):** East Coast Credit Union launched the Helping Hand Loan during the COVID-19 crisis. This was a pre-approved loan offer for \$5,000, offered at a low rate, with no payments or interest for 3 months followed by low monthly installments.



**Synergy Credit Union (SK):** Synergy Credit Union regularly provides financial assistance for capital projects in its region through the Synergy Shares program. As the COVID-19 pandemic escalated, the program pivoted to shift their focus on the current crisis. Through the program, Synergy donated \$29,500 to support non-profit groups and food banks in 11 local communities, by providing gift cards to local grocery stores. Synergy also donated \$27,500 to assist the Lloydminster Region Health Foundation (LRHF) and Kindersley & District Health & Wellness Foundation with funds earmarked towards PPE for front-line staff. Synergy also contributed \$100,000 to more than 30 schools across west-central Saskatchewan. The donation was to assist with some of the unexpected expenses and adjustments associated with COVID-19 while helping to focus on students’ physical and mental wellbeing.



**Conexus Credit Union (SK):** In response to the COVID-19 crisis, Conexus Credit Union launched the Conexus Kindness Capital Fund (CKC Fund). The \$200,000 CKC Fund recognized 40 individuals and businesses with \$5,000 to continue their acts of kindness by calling on people across Saskatchewan to nominate those in their community who responded to the pandemic in extraordinary ways. The credit union received over 207 nominations from 37 communities across Saskatchewan. The project provided funds to the following areas of need:

- Elder care
- Shelter
- Health care and supplies
- Food security
- Mental Health



**PenFinancial Credit Union (ON):** Amid the COVID-19 Crisis, PenFinancial donated \$20,000 in emergency funds to local organizations to support critical food shortages across Niagara, while continuing to honour their Truly Local Commitment of giving 10% of pre-tax profits back to the local community.



**Your Neighbourhood Credit Union (ON):** YNCU launched shopyourneighbourhood.com, a virtual shopping district bringing local retailers and community members together for a safe shopping experience. Shoppers who visit the virtual shopping district can swipe through 1,000 local Ontario digital storefronts where they have the option to shop products or services online or simply leave a tip to show support. YNCU also launched the YNCU Healthcare Heroes Appreciation Campaign, which asked its members to nominate a healthcare hero they thought was going above and beyond to assist and support individuals during the COVID-19 crisis. The credit union received 76 unique nominations and all nominees received gift cards to local merchants.



### **Vancouver City Savings Credit Union (BC):**

Vancity mobilized various efforts to support members and their communities through the pandemic. They partnered with the Vancouver Foundation, United Way Lower Mainland, and the City of Vancouver to create the Community Response Fund (CRF) – a fund that rapidly deployed over \$17M in essential relief to organizations providing frontline services who were disproportionately impacted by COVID-19. They provided \$2M in support to the CRF, as well as \$100K to the Victoria Foundation’s Rapid Relief Fund. Vancity also invested in supporting local businesses by co-founding Support Local BC – an online platform to generate cash flow and support for businesses across the province.

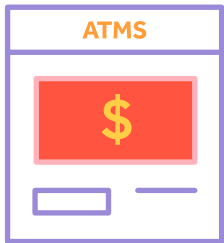




# Giving back to our Members

Credit unions exist to provide service to members and not solely to generate profit. This different way of doing banking allows us to help Canadians hold on to more of their money.

4,300 DING-FREE ATMS



Across Canada, members can access surcharge free ATMs through the ACCULINK shared service and THE EXCHANGE network. It's an ATM network bigger than most big banks!

Credit unions members are also able to access over 1,800 Desjardins ATMs across the country for surcharge free withdrawals.

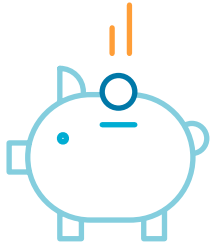
RETURNED \$208 MILLION TO MEMBERS

Canada's credit unions returned over \$208 million to their members through dividends and patronage.



\$102 MILLION SAVED

Members saved over \$102 million on ATM fees by using THE EXCHANGE and ACCULINK networks.



## Canadian credit unions make an impact in their local communities



An average of 4 per cent of Canada's credit union pre-tax income went to community donations and sponsorships.

In the same year, credit unions contributed \$53.4 million through:



\$25 M  
DONATIONS



\$23 M  
SPONSORSHIPS



\$2.7 M  
2046 SCHOLARSHIPS  
& BURSARIES



\$2.7 M  
DONATIONS  
-IN-KIND



108,844  
COMMUNITY  
ORGANIZATIONS THAT  
RECEIVED DISCOUNTED  
FINANCIAL SERVICES



302,877  
VOLUNTEER  
HOURS



34,028  
CANADIANS REACHED  
THROUGH FINANCIAL  
LITERACY PROGRAMS

(Figures are based on year-end 2019 reporting)

# Strengthening Canada's Economy



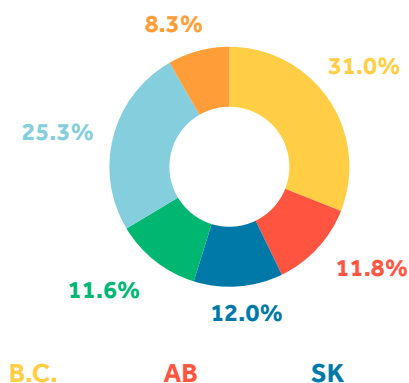
Credit unions provide over 28,000 full-time jobs.

CCUA, Q3 2020

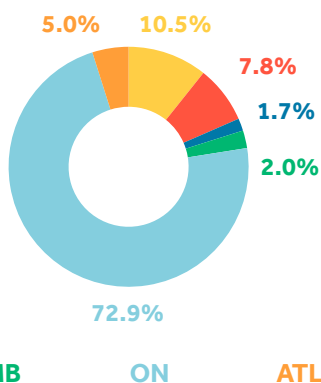
## Jobs on Main Street, not just Bay Street

Credit unions provide good jobs on main streets of cities and towns from coast-to-coast. Because credit unions and their head offices are based locally, professional jobs are distributed across all regions in Canada. Compare that to 73 per cent of big bank jobs that are concentrated in Ontario and its big financial centres.

CREDIT UNION JOBS BY PROVINCE



BANK JOBS BY PROVINCE



Source: CCUA, Q4 2019 & CBA, 2017.

RESIDENTIAL MORTGAGES

**\$125.8 BILLION**



PERSONAL LOANS

**\$10.5 BILLION**



COMMERCIAL LENDING

**\$71.9 BILLION**

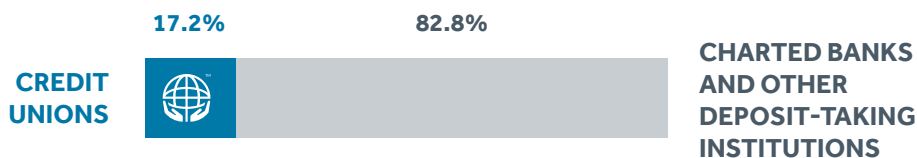


Source: CCUA, Q3 2020

## Supporting home ownership

Credit unions are among the largest lenders to homeowners.

CANADA MORTGAGE LENDING MARKET SHARE, 2019



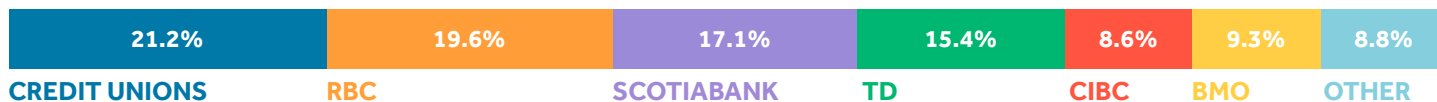
Source: CCUA, 2019



# The Leader in Small Business Lending

Credit unions are responsible for **21.2 per cent** of lending to small and medium-sized businesses – a share as large as any of the big banks.

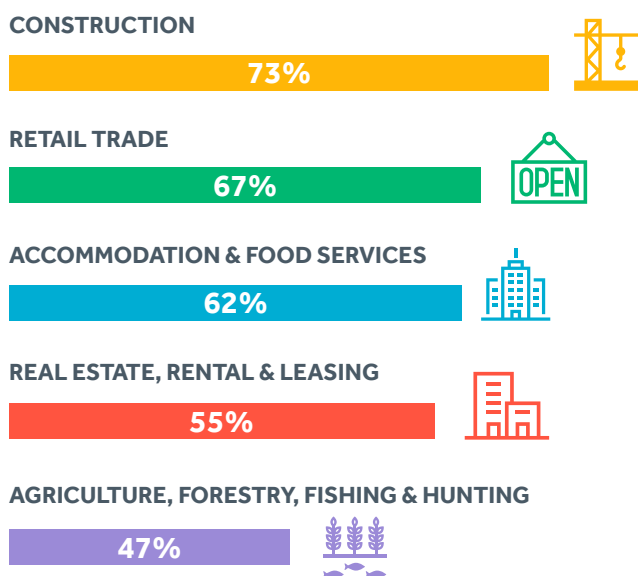
## SMALL BUSINESS LENDING MARKET SHARE IN CANADA, 2019



Source: CFIB, 2019

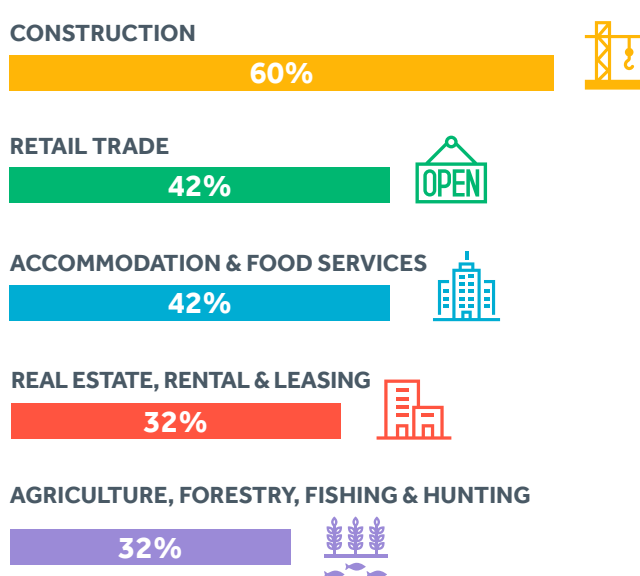
Canada's credit unions support **over 306,000 small businesses.**

### TOP INDUSTRIES REPRESENTED BY SMALL BUSINESS MEMBERS (1-99 EMPLOYEES)



Canada's credit unions support **over 63,000 medium businesses.**

### TOP INDUSTRIES REPRESENTED BY SMALL BUSINESS MEMBERS (100-499 EMPLOYEES)



Share of Canada's credit unions that list industry within top 5 industries represented by their members

## Supporting rural communities and farmers

### AGRICULTURAL LENDING MARKET SHARE



Source Statistics Canada, 2019: All Quebec data has been excluded from calculations.



## Credit unions lead financial literacy in communities

Members' financial well-being is at the core of what makes credit unions a different kind of financial institution. Since 2008, volunteer credit union staff have met and worked with thousands of Canadians to increase their financial knowledge, skills and confidence through the Each One, Teach One initiative.

In 2020:







**Climate change is an urgent crisis with broad social and environmental consequences. Credit unions are responding to climate change by:**



- Reducing paper waste through specific programs. **(60% of credit unions).**



- Implementing energy efficiency measures and building climate resilience within their organizations **(40% of credit unions).**



- Maintaining robust waste management programs to divert materials away from landfills **(37% of credit unions).**



- A Board-approved strategy to reduce the organization's negative impact on the environment **(15% of credit unions).**



- Adopting climate-related financial risk disclosures **(2% of credit unions).**



# Canada's credit unions: From coast-to-coast

## British Columbia's 41 credit unions

- Serve over **2 million** members
- **40%** of British Columbians bank with a credit union
- Operate from **373** locations
- Are the only financial institution operating in **37** BC communities
- Are governed by **450** volunteer directors
- Provide **8,700** full time jobs

## Alberta's 16 credit unions

- Serve over **600,000** members
- **14%** of Albertans bank with a credit union
- Operate from **193** locations
- Are the only financial institution operating in **13** AB communities
- Are governed by **153** volunteer directors
- Provide over **3,300** full time jobs

## Saskatchewan's 39 credit unions

- Serve over **480,000** members
- **41%** of people in Saskatchewanians bank with a credit union
- Operate from **234** locations
- Are the only financial institution operating in **141** SK communities
- Are governed by **370** volunteer directors
- Provide over **3,300** full time jobs

## Manitoba's 24 credit unions

- Serve over **690,000** members
- **50%** of Manitobans bank with a credit union
- Operate from **199** locations
- Are the only financial institution operating in **80** MB communities
- Are governed by **218** volunteer directors
- Provide over **3,200** full time jobs

## Ontario's 64 credit unions

- Serve over **1.6 million** members
- **12%** of Ontarians bank with a credit union
- Operate from **536** locations
- Are the only financial institution operating in **51** ON communities
- Are governed by **661** volunteer directors
- Provide over **7,000** full time jobs

## New Brunswick's 10 credit unions

- Serve over **200,000** members
- **27%** of New Brunswickers bank with a credit union
- Operate from **68** locations
- Are the only financial institution operating in **25** NB communities
- Are governed by **288** volunteer directors
- Provide over **1,100** full time jobs

## P.E.I.'s 7 credit unions

- Serve over **48,000** members
- **30%** of Prince Edward Islanders bank with a credit union
- Operate from **13** locations
- Are the only financial institution operating in **6** P.E.I. communities
- Are governed by **76** volunteer directors
- Provide **186** full time jobs

## Nova Scotia's 23 credit unions

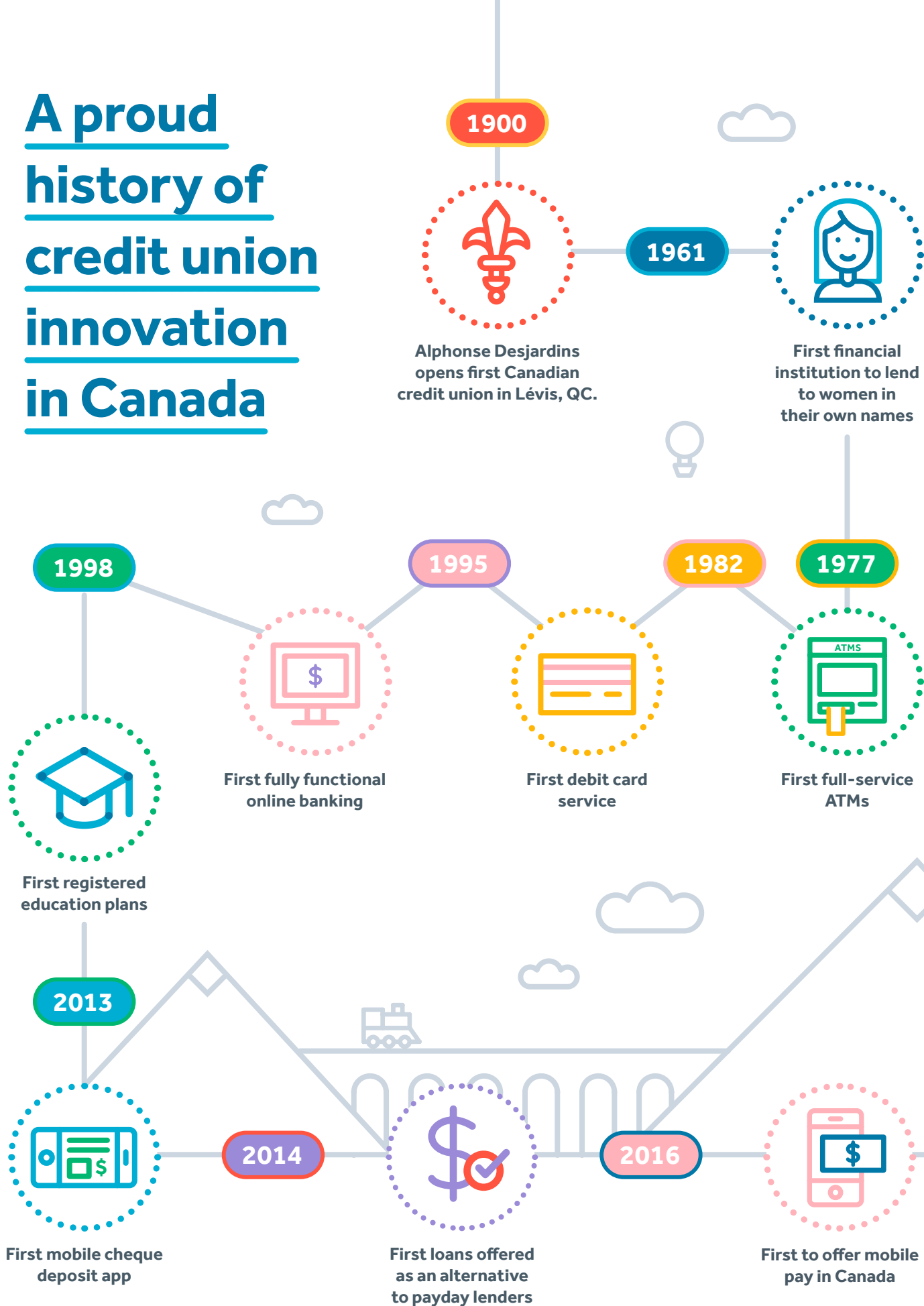
- Serve over **145,000** members
- **15%** of Nova Scotians bank with a credit union
- Operate from **69** locations
- Are the only financial institution operating in **23** NS communities
- Are governed by **228** volunteer directors
- Provide **666** full time jobs

## Newfoundland and Labrador's 9 credit unions

- Serve over **60,000** members
- **12%** of Newfoundlanders and Labradorians bank with a credit union
- Operate from **36** locations
- Are the only financial institution operating in **17** NL communities
- Are governed by **77** volunteer directors
- Provide **316** full time jobs



# A proud history of credit union innovation in Canada



**CCUA**  
Canadian Credit Union Association

**ACCF**  
Association canadienne des  
coopératives financières



You First.  
Banking Second.

[ccua.com](http://ccua.com)

This document is also available in French.  
Ce document est aussi disponible en français.