

Guidance to Communities of Faith on Managing Employees during the COVID-19 crisis

Prepared by Shining Waters Regional Council staff

Revised on January 1, 2021

1. The current context of employment relationships

As the COVID-19 pandemic continues into 2021, church leaders are grappling with the question of how to manage employment relationships, including lay employees.

Recognizing that the circumstances of every Community of Faith are different, the following is some guidance for M&P Committees and governing bodies.

2. Keeping your employees on your payroll

a) Canadian Emergency Wage Subsidy (CEWS)

The ability of churches to retain employees through this crisis has been supported by the federal government's announcement of the Canada Emergency Wage Subsidy. This subsidy program does apply to non-profits, including churches. For details see:

<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy.html>

The subsidy rate has fluctuated through different periods:

- From **March 15th, 2020 to July 4th, 2020**, eligible employers that see a drop of at least 15% of their **qualifying revenue** in March 2020 and 30% for the following months of April, May and June, when compared to their qualifying revenue for the same period in 2019, qualify for the wage subsidy.
- From **July 5th, 2020 to December 19th, 2020**, the wage subsidy is available for all eligible employers that experience a decline in revenue for a claim period, with a base subsidy amount, and an additional top-up subsidy amount for those employers that have been most adversely affected by the COVID-19 crisis.
- From **December 20th, 2020 to March 13th, 2021** the wage subsidy has been raised to 75% for eligible employers.

The program has now been extended to the end of June, 2021.

For implementation of these subsidies, please see the United Church website for more information on working with ADP:

<https://www.united-church.ca/community-faith/being-community/government-emergency-programs>

A webinar on how to set up a Canada Revenue Agency account can be viewed here:

<https://united-in-learning.com/index.php/webinars/recordings/324-access-to-cra-accounts>

Broader information about how to apply for the CEWS can be found here:

<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy/cews-how-apply.html>

b) Using internal resources

In this time of crisis, you may have experienced a drop in donations and other types of giving. The General Council Office Philanthropy department has provided some creative and useful suggestions for giving and stewardship in these extraordinary circumstances we find ourselves in. Please see this document:

<https://shiningwatersregionalcouncil.ca/wp-content/uploads/2020/03/Generosity-in-Unprecedented-Times-280320.pdf>

If the Canadian government programs outlined above still leave you short of money to cover employee expenses, consider any internal resources you have. If you have a line of credit, consider using that, rather than investments, which have significantly diminished in value in this crisis.

Congregations can get approval to use up to \$25,000 of income from restricted funds related to property and manse for salary and expenses during the Covid-19 Pandemic. Congregations can also get approval to borrow up to \$25,000 of income from other restricted funds (e.g. bequests) for salary and expenses during the Covid-19 Pandemic. This does not apply to cemetery funds. Congregations must have a plan for repayment. For more information contact Jody Maltby from the Regional Council staff (jmaltby@united-church.ca).

c) Support from Shining Waters Regional Council

Emergency loans of up to \$10,000 are available to communities of faith that need a short-term top-up after they have accessed the government programs available or are transitioning out of the government benefits.

<https://www.united-church.ca/community-faith/being-community/united-church-emergency-support>

Please contact Jody Maltby: jmaltby@united-church.ca or Kim Uyede-Kai: KUyedeKai@united-church.ca for more information.

As well, the most current financial information is available through a recording of the United Church Covid-19 financial webinar. Please note that the information contained here is current as of August 12th:

<https://www.united-in-learning.com/index.php/webinars/recordings/350-congregational-finances-august-12>

3. Placing lay staff on leave

As a last resort and in some circumstances, it may be necessary to place one or more of your employees on emergency leave due to COVID-19. The latest government regulations require that employees who are temporarily laid off from their work be placed on Infectious Disease Emergency Leave (IDEL). Information about IDEL can be found here:

<https://www.ontario.ca/document/your-guide-employment-standards-act-0/infectious-disease-emergency-leave#section-0>

This leave protects an employee's job while they are on unpaid leave that lasts, as of this update, until July 3, 2021 (check the above website to see if the date has been extended). **If you currently have an employee on IDEL, please take steps with your governing body (i.e. Church Board, Official Board) to recall the employee before July 3, 2021 (again subject to any updates).**

Option of employee continuing to receive UCC Benefits Plan

If an employee currently on IDEL wishes to continue their benefits, please contact the United Church Benefits Centre at benefits@united-church.ca. The employee must pay their benefit premiums to remain on benefits. When an employee on IDEL does choose to continue to pay into their benefits, the employer is required to pay the employer contribution to maintain benefits during the leave.

Option of employee continuing to contribute to the UCC Pension Plan

Employees being placed on IDEL also have the option of continuing to participate in the UCC Pension Plan. To do so, they must pay their normal monthly contribution to the Pension Plan.

If the employee elects to continue to pay into the Pension Plan while on IDEL, the church employer (i.e., you, the local Community of Faith) is obligated by Ontario pension law to continue to pay the employer portion as well.

Note that the placing of employees on IDEL and recalling an employee must be approved by your governing body. No single person, or even the M&P Committee can make this decision.

For lay employees, no permission is needed from the Regional Council to make changes to the employment relationship, including placing staff on IDEL. We always advise seeking the counsel of an employment lawyer, but especially in times of tight finances, for straightforward situations, the minimum you must do is comply with Ontario employment law.

c) For independent contractors who are not term or permanent employees of the church

If you engage the services of independent contractors (third party cleaning companies, self-employed individuals, etc), you have no obligation to continue to retain their services if they are not needed (but check your contracts with these contractors to make sure there is nothing that would obligate you).

Federal Program to Support Employees

The CERB program has now ended as of October 3, 2020 and those who continue to require government assistance can now apply for special Employment Insurance benefits, which as of this writing are in place until September 25, 2021. For new recovery benefits please go to:

<https://www.canada.ca/en/services/benefits/ei/cerb-application/transition.html>

4. Your ministry personnel

In this time of crisis, ministry personnel are busier now than ever. They can continue to do much of their work via the phone and electronic means. Your congregants, community members and others need the leadership that your minister is able to provide. Prioritize your ministry personnel!

If you are considering the reduction of hours for ministry personnel, or changing any aspect of the pastoral relationship, please speak to your Pastoral Relations Minister before doing anything (see contacts at the bottom).

For any questions related to employment issues of your staff, and for the forms mentioned in this document, please call your Pastoral Relations Minister:

Pastoral Relations Ministers

Todd McDonald – tmcdonald@united-church.ca (416-231-7680 or toll free: 1-800-268-3781, ext. 6235)

Dale Hildebrand – dhildebrand@united-church.ca (416-231-7680, 6261)