

## **Servus-Bredin Microloans for Newcomer Professionals (Microloan) FAQ (Dec 2020)**

### **About the Program**

Servus has partnered in an exclusive microloan funding program with the Government of Alberta (Labor and Immigration) and Bredin Centre for Career Advancement. The program is intended for applicants who are permanent residents or Canadian citizens and are internationally educated professional newcomers living in Alberta. This program is unique as its structure also enables applicants to build financial literacy and a credit history.

### **Who is eligible for a Microloan?**

Newcomers living in Alberta who are permanent residents or Canadian citizens and are skilled internationally educated professional newcomers. Successful applicants must become a member of Servus Credit Union.

### **Why do I have to become a member of Servus Credit Union?**

The loan is granted by Servus Credit Union and to borrow money under the microloans program, you must be a member. Obtaining a membership requires that you deposit \$1.00 into a Common Share account. As a member you will be eligible to vote for the Board of Directors and will benefit from participating in the Servus Profit Share program. To learn all the benefits of being a Servus Credit Union member go to [www.Servus.ca](http://www.Servus.ca).

### **What can a Microloan be used for?**

- Credential Assessment and Accreditation
- Licensure Fees
- Membership Fees
- Exam Fees
- Training to get back in your previous professional occupation
- Association Fees
- Material Fees (example books, equipment, etc.)
- Limited Travel Expenses

### **How will I build financial literacy?**

Applicants are required to successfully pass three basic financial literacy courses (2 required and 1 course of the applicants choosing). These courses are free and provided by Servus Credit Union.

### **Can I get a Microloan if I have already started my training?**

Yes, you may still get the loan which can then be used to cover your costs for the remainder of your training depending on your situation.

### **Am I eligible for a loan if I am already working in my field?**

Yes, but we would need to see that you are underemployed (working at a level much lower than someone with your education or experience should be).

### **How do I get started?**

You will begin by meeting with the Bredin Microloans Coordinator who will assess your eligibility and work with you to complete an application form. Bredin will submit the recommendation to Servus Credit Union. If you are approved, you will work directly with Servus Credit Union to complete your loan application and

Financial Literacy requirements. <https://www.bredin.ca/unemployed-albertans/other-services/Servus-Bredin/>

### **How much may I borrow?**

\$1,500 minimum to a maximum of \$15,000 from all Foreign Qualification Recognition (FQR) loan providers. Up to three partial advances are permitted during the first 24 months (2 draws for loans under \$10,000 and 3 draws for loans \$10,000 to \$15,000)

### **What is the interest rate and loan term?**

The interest rate is the Servus Credit Union prime rate plus 1.5%. Our loans are a variable interest rate loan product, meaning that as the CU prime rate increases or decreases, the interest on your loan increases or decreases accordingly. The loan term is a maximum of 48 months.

### **What documents do I need to have ready for the application?**

- a copy of your Permanent Residency immigration status document, Canadian Citizenship Certificate, or Canadian Passport
- an Alberta government-issued photo ID
- proof of your address if your government-issued photo ID doesn't include it
- your updated resume
- a certified English translation of your credentials, or your credential evaluation from a recognized evaluator
- Documents that explain your recertification requirements
- proof of your financial situation (pay stubs, tax return, other household income, etc.) Temporary government benefits do not qualify

### **Is my loan tax deductible?**

Microloans are personal loans, rather than student loans (or government loans). Therefore, the interest payments on this loan are not tax deductible and we do not issue T4s for this loan.

### **Can I use my Microloan to pay off my credit card?**

Not usually, but it may be allowed if you can demonstrate that you very recently paid for the costs of your Career Success Plan on your credit card. We can only approve funds to be used to cover applicable costs incurred within the past 3 months maximum, so please be prepared to provide receipts if you are requesting funds for expenses already incurred

### **How good does my English have to be for this program?**

You need to have a Canadian Language Benchmark (CLB) level of minimum 5 or equivalent to be eligible. To get your language level assessed, please contact your nearest government-funded language assessment centre.

If you do not have a CLB test result, you can do a free online self-assessment to get an idea of your current approximate language level: <https://www.clb-osa.ca/home>

### **What is a skilled international professional?**

You have achieved the required education in another country.

To work in these regulated professions in Alberta requires licensure, certification or registration from one of Alberta's professional regulatory organizations (PROs). PROs are independent, self-regulating entities governed by professional regulatory statutes and regulations that sets standards of practices and

qualifications to an occupation or trade. The PRO will assess an individual's education and experience and will grant a license to an individual if they meet all the requirements.

Examples of regulated professions in Alberta include:

**Health Occupations:**

Audiologist, Chiropractor, Dental Assistant, Dental Hygienist, Dentist, Dietician, Physician and Surgeon, Medical Laboratory Technologist, Medical Radiation Therapist, Midwife, Licensed Practical Nurse, Registered Nurse, Registered Psychiatric Nurse, Occupational Therapist, Physiotherapist, Optician, Optometrist, Pharmacist, Podiatrist, Psychologist, Respiratory Therapist, Speech Language Pathologist, etc.

**Non-Health Occupations:**

Chartered Professional Accountant, Architect, Engineer, Engineering Technologist, Geoscientist, Veterinarian, Forester, Forest Technologist, Agrologist, Early Childhood Educator, Teacher, Lawyer, Social Worker, etc.

**Regulated Trades:**

Automotive Service Technician, Autobody Technician, Electrician, Crane and Hoisting Equipment Operator, Gasfitter, Refrigeration and Air Conditioning Mechanic, Steamfitter-Pipefitter, Sheet Metal Worker, Plumber, Hairstylist, Heavy Equipment Technician, Elevator Constructor, Welder, Ironworker, etc.

**What is a permanent resident?**

A Permanent Resident is someone who immigrated to Canada and has been given permanent resident status by the Canada immigration, but is not a Canadian citizen. Permanent residents are citizens of other countries.

A person in Canada temporarily, like a student or foreign worker, is not a permanent resident.