



Canada Emergency Response Benefit: Here's How to Get Your \$500/Week

Description

Kudos to the federal government here in Canada and Prime Minister Justin Trudeau, who acted fast to get emergency stimulus money into Canadian hands — perhaps the most important program has been the Canada Emergency Response Benefit.

Here's how the program works. The Canada Emergency Response Benefit will supply eligible workers who have lost their job with \$500 per week for up to 16 weeks. There's also a chance the program gets extended if the impact from COVID-19 lasts longer than that, although for the sake of all of us social isolating, I sure hope we're back to normal long before then.

It's not for just full-time employees, either. Both part-time employees and self-employed people can apply, assuming they've taken a major hit to their income.

Folks looking to get their own stimulus money must follow the government's rules. First, you can apply at either Service Canada locations or through the Canada Revenue Agency website. Applying through both will impact your status. *Where* you apply depends on what your employment status was.

There are some conditions, however. You must have earned at least \$5,000 in 2019 or in the last 12 months. This program is only open to people who are 15 years old or older. As well, you must be fired or laid off to collect the Canada Emergency Response Benefit. People who quit voluntarily need not apply.

Note that you can still earn a little money and still qualify for the benefit. You can earn up to [\\$1,000 per month](#) and still maintain your status on the program.

Applying for Canada Emergency Response Benefit

It's a straightforward process. You simply go online to the correct portal and submit your application. At its peak, the government was handling more than 1,000 applications per minute. For the most part, the process was running smoothly. People who opted for direct deposit of their cheques were receiving money just a few days later.

The feds have also staggered the application process. If you were born in the first three months of the year, Monday is your application day. If you were born in the next three months, Tuesday is your day. And so on. Fridays, Saturdays, and Sundays are for anyone who qualifies.

Note that you have to reapply for every four week period you're out of work. The first period was for March 15 to April 11. Applications are currently being accepted for that period. You'll be free to apply for the next period — which spans from April 12 to May 9 — after the time has elapsed.

One more thing — keep in mind that any money received from this benefit program is taxable. You'll want to ensure you've put away a little extra to satisfy the tax man next April.

What to do with the cash?

Many Canadians need this benefit to pay rent, keep current on their utilities, and put food on the table.

But some have been fortunate enough to put savings aside for a rainy day. These folks are currently tapping their savings, using that cash to pay bills. The Canada Emergency Response Benefit is just a bonus for them.

If that applies to you, I'd recommend using the benefit to invest in undervalued Canadian stocks. It can be as simple as putting cash to work in exchange-traded funds (ETFs) or other passive income vehicles.

Using this approach minimizes risk for an investor who isn't sophisticated enough to read financial statements. It's also a really easy way to invest, a strategy that is ideal for many investors who would rather focus on other things than balance sheets.

Active investors can use their Canada Emergency Response Benefit to invest in individual stocks. Remember, most of the market is on sale today, even if we [have rallied off the bottoms](#). The average Canadian stock is still quite cheap.

Even adding a little cash to your favourite stocks today can have a big impact in the future. And if you focus on top Canadian dividend stocks, any cash put to work today will deliver passive income for years to come.

The bottom line

The Canada Emergency Response Benefit will help millions of Canadians pay rent, put food on the table, and ensure they don't suffer undue economic hardship to go along with their sacrifices to keep COVID-19 at bay. It's a great program.

If you're fortunate enough to have a little extra cash because of it, perhaps you can use it to help

solidify your future.

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