



## 7 Million CRA CERB Applicants: Can You Get \$2,000/Month?

### Description

The federal government in Canada acted swiftly in anticipation of the economic pain the novel coronavirus will bring. With businesses slowing down and stay-at-home directives, many Canadian workers are losing jobs or working reduced hours.

The Canada Emergency Response Benefit (CERB) is a necessary but costly [emergency program to help workers](#) from going for weeks without income. Fortunately, access to the benefit is broader now after the governments instituted enhancements to the original CERB.

Based on statistics, the Canada Revenue Agency (CRA) and Service Canada received 7.26 million unique applications as of April 28, 2020. Thus far, the total CERB benefits paid have reached \$25.63 billion. The number of applications processed is 10.15 million from out of a total of 10.32 million applications.

### Expanded eligibility

The new CERB is a big improvement from the original version. Effective April 15, 2020, part-time and seasonal workers, including volunteer firefighters, are now eligible to apply.

Similarly, seasonal workers making less than \$1,000 monthly but who have exhausted their employment insurance (EI) benefits also qualify, as do the self-employed.

### Amount and duration

The amount of the CERB benefit is the same for all. All eligible workers should be receiving \$2,000 monthly for up to four months or \$500 weekly in four four-week periods. If you wish to apply, you can do so online via the CRA My Account.

Applicants have until December 2, 2020, to avail of the CERB benefit. Take note, however, that the CERB is a taxable benefit. There will be no tax deductions when the CRA releases the benefit to you,

but you must declare or report the payments as income next year when you file your return for the 2020 tax year.

## Essential business only

**Transcontinental** ([TSX:TCL.A](#)) was among the companies forced to lay off workers. The packaging business continues to operate as it's a critical need in the food industry. The company's printing activities, however, are non-essential during the crisis.

Thus, about 1,600 workers from Transcontinental's print business segment were temporarily laid off. The displaced workers are likely to apply for the CERB benefit due to job loss during the COVID-19 pandemic.

This \$1 billion company is tops in flexible packaging in North America and the largest printer in Canada. Transcontinental started in 1976 as a printing and publishing group. But in 2019, the company completed the integration of its core printing business with the packaging segment. Synergy should create long-term value.

Transcontinental's evolution resulted in record-breaking \$3 billion in revenue last year, which is a 15.8% growth versus 2018. In the current health crisis, only the packaging segment and verticals related to food are running at high capacity.

On the **TSX**, the shares of Transcontinental are down 20.9% year to date. Dividend [investors are nervous](#) about a possible dividend cut. The current dividend yield stands at 7.45%. Meanwhile, bargain hunters are waiting for the current price of \$12.15 to slide further. It should be a good entry point if the price drops to \$10 or below.

## Avoid financial dislocation

Apply for the CERB benefit if you have lost your job or unable to work because of the pandemic. You can avoid financial dislocation in an extended lockdown.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:TCL.A (Transcontinental Inc.)

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**Date**

2025/08/25

**Date Created**

2020/05/07

**Author**

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