



## \$500/Week Emergency CERB Benefit: How Long Can You Get It?

### Description

Several provinces in Canada are starting to loosen COVID-19 lockdown restrictions in the hope of restarting their respective economies. Meanwhile, health officials, particularly the units in Ontario, are reporting a 1.9% spike in coronavirus cases.

Prime Minister Justin Trudeau said that while the curve is flattening in many parts of the country, he is warning against relaxing controls too early. Canadians must exercise caution or else squander the progress in the fight against the outbreak.

A lockdown extension is still possible if the government finds it necessary. If you have [financial concerns](#) about such order, you have to remember there is the Canada Emergency Response Benefit (CERB).

### Financial help

The CERB is part of the government's \$73 billion wage subsidy scheme that will help workers and businesses [cope with the financial hardships](#) during the health crisis. This benefit is no longer limited to full-time employees and the self-employed. Part-time, contract, and seasonal workers can apply too.

If you lost your job or income due to the pandemic, the government would extend financial help through the CERB. The benefit payouts will be for a maximum of 16 weeks. You will receive \$500 per week during the pre-set four-week period.

### Pre-set start and end dates

There are eligibility periods where each period has a pre-set start and end date. You can apply for the CERB with either Service Canada or the Canada Revenue Agency (CRA). If you apply with Service Canada, you can't apply with the CRA. Once approved, you'll receive payments for a specific four-week period.

If your situation persists after the period, you can re-apply for another four weeks or 16 weeks total. Keep in mind, however, that the CERB is a taxable benefit. You must include the payouts as income for the year 2020 when you file your tax return in 2021.

## Hardest-hit industry

Aside from airlines and restaurants, hotels are experiencing a financial crunch too. The **American Hotel Income Properties** ([TSX:HOT.UN](#)) is walking a tight rope. This \$192.2 million real estate investment trust (REIT) has been consolidating operations and reducing staff levels.

About 65% (more than 1,600) of the REIT's total hotel workforce were laid-off. Of AHIP's 79 hotels, only 60 are operating at the moment. Senior management is taking an immediate 15% salary cut for the rest of 2020. The employee reduction will enable AHIP to save more than \$40 million in annualized operating cost.

According to AHIP CEO John O'Neill, drastic measures are necessary to reduce expenses and conserve cash. The market viability is murky and could extend for months or until regular travel patterns resume.

As of this writing, this REIT stock is trading at only \$2.46. Had you bought AHIP shares on year-end 2019, you would be losing by 63.8% today. Even at its low price, the stock is not worth buying. Besides, there is a temporary suspension of dividend payouts.

## Use your CERB wisely

Many displaced workers won't be able to cope with the unprecedented circumstances without the CERB. If you receive the weekly payments, use it to buy or spend on essential needs. You can get through these hard times by using your CERB wisely.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:HOT.UN (American Hotel Income Properties REIT LP)

### PARTNER-FEEDS

1. Business Insider
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