



Here's a Better \$2,000/Month Than CRA's CERB

Description

The CRA is offering emergency financial support of \$2,000 per month to Canadians whose employment is affected by COVID-19 through the [CERB](#). This gives relief money to Canadians who need it.

The Canadian unemployment rate spiked to 13% in April — a rate that “was second only to the 13.1% observed in December 1982,” according to Statistics Canada.

Understandably, the CERB support is temporary. Payments will cease when the COVID-19 situation is under control.

There's no telling when the next macro events will cause mass unemployment and affect *your income*. What's certain is that there *will* be such events in the future.

There's a way to get passive income of \$2,000 per month (or more) for as long as you like. It's easy to get the passive income started. Here's how.

Turn your savings into a passive-income stream

If you've been working for at least a few years, you probably got some meaningful savings under your belt. If not, it's not too late to start saving a portion of your take-home money.

For example, saving \$100 a week leads to \$5,200 a year, or \$26,000 over five years. That's not all; once you start investing your savings for passive income, your \$100 a week will turn into something much bigger over time through the magic of compounding.

By saving and investing \$100 a week for a reasonable 10% return every year, you'll arrive at \$34,921 in five years, 34% more than the \$26,000 you put in.

If you do this for 15 years instead, you'll arrive at a nice fortune of \$181,738 — 133% more than the \$78,000 you put in.

If you have savings that you don't need for the next six months, you can get your passive-income, money-making machine rolling right away!

Invest in safe dividend stocks

One of the easiest ways to build a passive-income stream is through solid dividend stocks. Since you want secure dividend payments, you should consider robust dividend payers that have a track record of paying dividends.

The Big Five Canadian banks have all paid dividends for more than a century! **Bank of Nova Scotia** and **CIBC** stocks offer the biggest dividend yields of about 7% today and are the best choices for folks seeking massive passive income. Their earnings more than cover their dividends.

Another good place to look for passive income is in real estate. For example, **RioCan REIT**, one of Canada's largest real estate investment trusts (REITs) offers [excellent value](#) today.

Essentially, investors are paying \$0.53 for \$1 worth of assets right now. The quality retail REIT offers a yield of close to 10% that can be sustained in normal economic conditions. By buying RioCan today, you're essentially locking in a perpetual yield of 10%.

Of course, the dividend discussion isn't complete without mentioning utilities. One of my favourite utilities is **Brookfield Infrastructure**. It offers a nice blend of income and growth.

At writing, Brookfield Infrastructure yields 4.8%. Brookfield Infrastructure owns a diversified portfolio of long-life, cash-cow assets, including electricity transmission lines, rail operations, toll roads, data centres, and much more.

The Foolish takeaway

The \$2,000 per month CERB money is temporary, but the passive income you generate from your dividend portfolio lasts forever.

If you haven't already, start saving and building your passive-income stream today! If you are diligent in saving and investing, before you know it, you'll get \$500 a month, then \$1,000 a month, \$2,000 a month...

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