



\$4,000 CRA CERB Extended: Do You Qualify?

Description

Canadian Prime Minister Justin Trudeau was aware of the reality when he announced the extension of the Canada Emergency Response Benefit (CERB). Even if some provinces are re-opening, Trudeau said millions are out of work, willing to work — millions more people than there are jobs available.

The program extension will be for another eight weeks and two months more of CERB payment. However, the government is encouraging people to go back to work when it's safe to do so. The country is moving from the stay-at-home phase to the [return-to-work](#) phase.

The first batch of recipients in March will be maxing out their CERBs on July 4, 2020. If you're maxing out your CERB too and still out of work or unable to return to work, you can apply to receive the additional \$4,000. However, you are ineligible if you're working and earning more than \$1,000 a month.

Condition for CERB extension

People should understand that CERB is temporary and not a long-term solution. While the CERB extension is a relief, recipients should seek employment opportunities or return to work when employers call them.

In the extension phase, CERB recipients must sign an attestation acknowledging the government is encouraging them to look for work and to consult with the government's job bank. According to the office of Employment Minister Carla Qualtrough, the attestation will be in place on July 5, 2020.

Stricter measures

The CRA is not as lenient as it was before when people applied for CERB. More stringent measures come with the program's extension. Meanwhile, the government is pushing employers to avail of the underused Canada Emergency Wage Subsidy (CEWS) to reopen.

Note that some people who received larger up-front payments during the program launching might

receive less CERB payments. It will happen if you inadvertently received the Employment Insurance (EI) benefit and CERB. The government is [adjusting cases](#) of double deposits.

Permanent lifeline

You can draw lessons from the 2020 pandemic, especially the need for an emergency fund. CERB is the lifeline of displaced workers and self-employed individuals in Canada. However, financial support is temporary. After the program lapses, you must earn your keep.

If your situation allows, save to have seed capital for investment. You will have another lifeline from investment income. Assuming you have \$12,000, or CERB equivalent, you can compound the money through dividend investing.

Choose a stock that's recession-resistant and pandemic-proof. **Northland Power** ([TSX:NPI](#)) best fits long-term investors. This \$6.62 billion independent power producer is a flourishing renewal energy company.

Northland has been beating consensus estimates over the last four consecutive quarters. In Q1 2020, the earnings surprise was 57.14%. Revenue and net income grew by 33.93% and 38.43, respectively, year-on-year. The net profit margin rose by 3.37% to 29.78%.

This Toronto, Canada-based diversified energy company survived the March 2020 carnage. The stock is up 22.8% year-to-date. At the current price of \$32.84 per share, the dividend yield is 3.78%. Your income from \$12,000 worth of NPI shares is \$453.60. Northland Power is an excellent buy if you want a permanent lifeline.

Don't add to the burden

Make sure you're 100% eligible before applying for CERB. Canada is extending the program despite generating billions of dollars in losses.

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