



Canada Revenue Agency's Critical Benefits for Individuals During the Pandemic

Description

The Canada Revenue Agency has announced several financial measures so far amid the pandemic. Individuals and businesses have been affected equally in the last couple of months, resulting in severe financial hardships.

Let's take a look at some key [COVID-19 benefits](#) for individuals.

Canada Emergency Response Benefit

The government declared financial support of \$2,000 for a four-week period for those eligible workers who lost income due to the pandemic. The payment is taxable and can be extended for up to 16 weeks.

These CERB payments are nothing short of a helping hand for Canadians. Even though economies are re-opening, business activities have remained slow. Thus, the CRA last month extended the CERB for eight weeks to benefit those who are still searching for jobs.

Child Care Benefit

Through Canada Child Benefit, the CRA has announced an additional \$300 per child for 2019-2020. This is a tax-free monthly payment intended to offer extra support to parents who have lost jobs due to the coronavirus outbreak.

An additional aid to seniors

Canadian seniors eligible for the Old Age Security (OAS) pension will collect an extra \$300, while those eligible for Guaranteed Income Supplement (GIS) will collect an extra \$200. Those who receive both OAS and GIS will collect \$500 tax-free.

This one-time aid came in the wake of increasing living expenses, particularly for seniors, due to the

pandemic-driven lockdowns.

The pandemic has resulted in many businesses' closings, which has seen a huge surge in unemployment. Even though the Canadian government has declared widespread financial aids to its people, those will not be enough for many.

It's not possible to tell when the next crisis will occur, but there will certainly be such grim situations in the future. What Canadians can definitely do is to better plan for the next crisis.

It's always prudent to have a passive-income stream for which you don't need to depend on last-minute options like the CERB or CCB. An average-earning Canadian investor can easily create such a passive income stream over the long term with disciplined investing. One can consider investing in high-quality, dividend-paying stocks to create one.

Top TSX dividend stock

Top bank **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) is one such stock that pays stable dividends. It currently yields almost 5%, higher than **TSX** stocks at large. If one invests \$100,000 in Royal Bank at the beginning of 2020, he or she will receive approximately \$5,000 in dividends annually. The bank has also managed to increase dividends for the last 10 consecutive years.

Near-term challenges might weigh on stocks, including the Royal Bank of Canada. However, its strong balance sheet and diversified earnings base will likely support a faster recovery. Also, its regular dividends will compensate for weak short-term market performance up to a certain extent.

Luckily, Canadians have many options that pay such consistent dividends. Investors should diversify with those to [generate stable, long-term returns](#).

They can consider top utility names such as **Canadian Utilities** that have been paying consistent dividends irrespective of the economic conditions.

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