



CERB Update: Will Canada Adopt Universal Basic Income?

Description

The Canada Emergency Response Benefit, commonly referred to as CERB, has people talking about Universal Basic Income, otherwise known as UBI. The connections are clear.

According to the [government](#), CERB “gives financial support to employed and self-employed Canadians who are directly affected by COVID-19. If you are eligible, you can receive \$2,000 for a 4-week period (the same as \$500 a week).” The payment window has since been extended several times.

This program has proven critical for millions of Canadians. Roughly 8.2 million have applied, with more than 360,000 applications coming in the last week alone. Just over \$53 billion has been paid out so far, though that figure is expected to grow.

As COVID-10 rolls on, many wonder whether this emergency program will be made permanent. After all, it only covers a single month of benefits. If COVID-19 becomes a structural reality of life, and the economy takes a long-term [hit](#), it will likely need to be deployed again and again.

Is there a chance that CERB is converted into a permanent form of UBI?

The start of UBI?

UBI is exactly what it sounds like. It provides a cash income stream to every resident of a country, regardless of personal wealth or position. The proposed figure varies. Some advocate for \$200 weekly payments. Others believe in \$3,000 monthly disbursements. If CERB were converted into UBI directly, it would give every Canadian roughly \$500 per week.

“Our focus at this point, and from the very beginning, has been on getting help to people who needed it,” Trudeau says. “There are millions of Canadians who need help. There are others who do not need help.”

Notably, he warned that converting CERB to UBI is not as simple as it sounds, tempering expectations.

In contrast, most Canadians are fans of UBI. A survey from the Angus Reid Foundation found that nearly 60% of residents support introducing some sort of UBI. NDP leader Jagmeet Singh has already endorsed converting CERB into a permanent, universal benefit.

“What if Ottawa simply ditched the whole confusing archipelago of opt-in covid-19 aid and just mailed monthly checks of a couple of thousand dollars to every Canadian instead,” [writes](#) a contributor for the *Washington Post*.

Despite the public’s endorsement and growing awareness of UBI, the same writer concludes that “even amid crisis, it seems unlikely the eccentric idea will overcome the decades of deeply engrained psychosocial resistance that blunts its traction at the best of times.”

Build your own CERB

Will the Canadian government introduce a permanent form of UBI? We’re closer than ever, but experts are still wary. Most importantly, you shouldn’t bet your finances on it becoming a reality.

Instead, focus on building your own UBI. That can be done with dividend stocks like **Enbridge Inc** and **Brookfield Property Partners**. For every \$100 you put into these stocks, you’ll receive \$10 in annual income.

Of course, you’ll need more than two stock picks to build a diversified portfolio capable of generating your own private CERB payments, but it’s possible to create your own UBI with some healthy saving habits and the right investments.

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