



CRA Added New \$4,000 to CERB Benefits!

Description

The Canada Emergency Response Benefit (CERB) extension with the Canada Revenue Agency (CRA) will benefit many Canadians. On June 16, 2020, the Canadian government announced [extended benefits](#) in response to the COVID-19 pandemic.

The CRA will continue issuing CERB payments for another eight weeks for a total of \$12,000. Canadians can apply for another \$4,000 if they are still unable to work during the coronavirus health crisis. What does this mean for you?

Canada's strong response to COVID-19

The parliament's budget office expects the extension to pump an extra \$17.9 billion into the global economy. Thus far, CERB payments have exceeded \$44 billion.

Government spending on CERB will total approximately \$71 billion by the end of the summer. The initial CERB payments have provided consumers with the ability to spend income on essentials during the quarantine. The CRA extension will give both consumers and these businesses stimulus throughout the health emergency.

To be eligible, Canadians must state that they are looking for work, not denying offers for work, and consult with Canada's job bank. The stimulus is only for those Canadians who have seriously been affected by the coronavirus pandemic.

Small business hit the hardest by coronavirus

Small businesses have had the hardest time proving essential to the economy. In addition, many consumers have switched to e-commerce during the pandemic. As a result, the COVID-19 pandemic has resulted in an unprecedented wealth transfer from small businesses to large publicly traded corporations, undermining healthy economic competition.

Moreover, these large corporations will have an easier time bouncing back from the health crisis than smaller businesses. The unfortunate truth in this is, those small businesses are crucial clients of many publicly traded companies like **Molson Coors Canada**.

[Molson Coors Canada](#) has been unduly affected by the pandemic. Around 21% of the company's orders come from on-premises sales including those at small businesses. Soon, hopefully, these small businesses will have greater access to the Canada Emergency Wage Subsidy (CEWS).

The finance minister may consider eliminating the 30% revenue drop test or initiating a sliding scale test to allow those with lower revenue drops to access a smaller subsidy. Extending these benefits to small businesses will help this crucial sector bounce back while expanding the stimulus to additional parts of the economy.

Invest in strong dividend stocks

Dividend stocks are a great way to generate income from investments even during the COVID-19 health situation. The trick is to find top dividend payers with a history of stable long-term price performance to protect your initial investment.

Manulife Financial ([TSX:MFC](#))([NYSE:MFC](#)) might be one of those stocks. This stock is shaking up the defence industry and offers shareholders a 5.84% dividend yield at its current share price.

Apart from a brief bubble in the share price preceding the financial crisis, the market value of this stock has performed relatively well. The price of this stock is well off its November 2007 high of \$46 per share. Today, it is trading for \$18.78 per share.

Now might be a great time for value investors with an appetite for dividends to buy this stock at a price-to-earnings ratio of eight. The price-to-sales ratio is only 0.49 and the price-to-book is a low 0.71.

Even better: technical charting patterns suggest that the stock has been in a basing pattern since the initial March free fall. Investors should be watching this stock for a comeback during the second half of the year.



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