



Are CRA Benefits a Springboard to UBI?

Description

Globally, the COVID-19 monthly economic stimulus is looking eerily like universal basic income (UBI). Regardless of your stance on this controversial topic, it is crucial to consider whether the money you are receiving from the Canada Revenue Agency (CRA) might just be the beginning.

During the COVID-19 health pandemic, the Canada Emergency Response Benefit (CERB) has allowed many Canadians to follow social-distancing requirements without suffering through hunger and eviction.

Around \$2,000 per month before taxes, this economic stimulus gave many Canadians a chance to keep up with their essential bills during the health emergency. It is almost like a temporary form of UBI until the world stops the advance of the coronavirus pandemic.

Will CERB evolve into UBI?

UBI is the idea that the government should subsidize expenses up to a certain standard of living. It goes far beyond basic employment insurance and welfare programs.

[A Queen's University Researcher](#) has commented on whether CERB benefits could evolve into a permanent basic income program.

Your CERB payments from the CRA may well be a springboard to future UBI. Nevertheless, it is nothing to count on. Canadians should still be saving their spare cash and investing within a TFSA or RRSP.

The stock market might involve some risk, especially now, but there are still great stocks to buy if you have any money left over after your CERB payments go toward meeting your basic expenses.

Ballard Power Systems

Ballard Power Systems ([TSX:BLDP](#))([NASDAQ:BLDP](#)) is a great stock with a lot of potential for your TFSA or RRSP. When I [first recommended this stock](#) back in January, it was trading for \$11.60. On July 15, it was selling for \$20.68.

Ballard Power Systems supplies fuel cell batteries to the **NFI Group** (New Flyer), another profitable stock to buy and hold today. New Flyer supplies electric buses for public transportation to the California state government in the United States.

One thing Canadian investors should look for are companies with strong government contracts. These stocks will give shareholders reliable returns to boost their savings.

As you can see from the price performance of Ballard Power Systems, even the COVID-19 health emergency couldn't slow this stock down.

Save for the future

The current CERB benefits from the CRA may not turn into UBI. Even if UBI did become a reality in our post-pandemic world, you will still need to save your spare cash. Any move toward UBI is unlikely to give you the top standard of living that you crave. Thus, save for the future.

Investing well is the only way to take those dream vacations, live comfortably during retirement, and provide handsomely for your family. Stocks like Ballard Power Systems are the perfect way to grow your savings.

Stocks like these have a lot of momentum, which means capital gains that you can then reinvest elsewhere. I would buy and hold this stock for a time.

There's definitely a move toward electric vehicles. This company already has a strong advantage over the new competition. With well-established clients in the industry, it is set up for success, even during the COVID-19 pandemic.

Wherever you put your money, know that there is not any reward without risk. Diversify your investments and research them thoroughly. Once you feel comfortable with a stock, take the plunge and buy 100 shares. You'll be surprised how easily long-term investing can get you closer to your financial goals.

CATEGORY

1. Coronavirus
2. Dividend Stocks
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