



Retirees: Did You Miss Your Chance for a \$500 OAS and GIS Boost?

Description

Canadian seniors are facing financial strain, like their younger counterparts, in the 2020 health crisis. They are also the most vulnerable in contracting the deadly coronavirus. If you're eligible to receive the Old Age Security (OAS) and the Guaranteed Income Supplement (GIS) benefits, did you receive the [\\$500 one-time boost](#)?

The OAS and GIS extra payments were made available on the week of July 6, 2020. This emergency financial support exclusive to seniors will cost the federal government around \$2.5 billion in total. Each recipient can use the money to spend on essential needs and cover increased costs during the COVID-19 pandemic.

Financial security

The much-needed federal aid came a little bit late as opposed to the Canada Emergency Response Benefit (CERB), which is the pillar of Canada's COVID-19 Response Plan. Still, it will serve its intended purpose. The measure is tax-free and on top of a senior's existing benefits.

Eligible OAS pensioners will receive \$300, while eligible GIS pensioners will get \$200. If you're a recipient in both, you should have received a total of \$500 this month. Canada's minister for seniors, Deb Schulte, reiterated the government's desire to give its senior citizens greater financial security amid the pandemic.

Roughly 6.7 million will get the one-time OAS pension payment, while approximately 2.2 million will partake of the extra GIS. Schulte also mentioned the more than four million low- and modest-income seniors who benefited from the special top-up payment through the Goods & Services Tax (GST) handed out in April 2020.

Reliable pension supplement

Canadian retirees can better navigate a crisis if there is a pension supplement. Investing in a high-yield

dividend stock like the **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)) can [lighten the financial burden](#).

This \$41.96 billion financial institution is the fifth-largest bank in Canada. The bank stock is currently trading at less than \$100 and paying a lucrative 6.18% dividend. A \$60,000 investment will deliver \$309 in monthly passive income. The amount is slightly higher than the one-time OAS boost in 2020.

CIBC is a reliable pension supplement, given the bank's impeccable 152 years of dividend payment history. The track record signifies that you can take a position in the bank today and keep it for good. Your earnings are not a one-time thing but are perpetual

For long-term investors growing their nest eggs, the \$60,000 will swell to \$199,069.93, assuming CIBC maintains the yield for the period. The dividends are safe, because the bank maintains a payout ratio of not more than 65%.

Valuable help

Based on the Canadian Red Cross survey results, seniors are doing okay during the health crisis. Dr. Paul Hebert, Medical and Science Advisor for the Red Cross, confirmed the revelation: "It turns out that overall seniors fare pretty well and have over the course of the last several months." He mentioned the number of programs in support of the elders. Dr. Hebert also noted that people are less worried about making ends meet. I would suppose the OAS and GIS boost are helping the seniors a great deal.

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