



\$12,000 CRA CERB Is Ending: Buy This Stock for Income

Description

Millions of people feel sad, as the Canada Revenue Agency (CRA) will turn off the faucet on [money that keeps Canadians liquid](#) in the pandemic. It was an excellent five-and-a-half month run for the Canada Emergency Response Benefit (CERB), which is ending in August 2020.

The pillar of the federal government's COVID-19 Response Plan saved unemployed or displaced Canadians from financial ruin. Despite misgivings from some quarters, the program was a huge success. CERB recipients are preparing to transition to a new but temporary scheme in September.

Last hurrah

Officially, the last eligibility period you can receive \$2,000 monthly from the CRA is September 26, 2020. The maximum \$12,000 total for 24 weeks was a significant amount to cover each recipient's financial needs. However, you shouldn't despair if your circumstances are the same as when you started receiving CERB.

The government is well aware that a significant number of people still need emergency income support when CERB expires. Employment Minister Carla Qualtrough confirmed a transition to a refurbished Employment Insurance system as the [follow up to CERB](#).

Retooled replacement

The program details are not yet available. However, based on estimates, only 1.4 million receiving CERB in August would qualify for EI's current rules. About two million wouldn't automatically switch over to the system. Qualtrough said the government is still fine-tuning the program so more people can have access.

CERB recipients and people searching for work can breathe easy. Whether the benefit amount is equivalent to or less than the CERB payment, you will know this month. The only thing sure is that there's no disruption of benefits. Those who are not eligible for EI will receive a parallel transitional

benefit.

Lifetime well-spring

If ever a long-term investor or retiree tells you that it's possible to earn passive income for 190 years or more, you'd better believe it. These people are referring to **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)). The fourth-largest banking institution in Canada could be your bountiful source of recurring, uninterrupted financial support for life.

While no company can guarantee 100% payment in the future, BMO's sterling 191-year dividend track record is a key takeaway. You can't dismiss another fact: BMO has kept dividend payouts steady during recessions, including four of the world's most devastating financial meltdowns.

Sometimes cyclical markets and downturns are blessings to investors. You can scoop blue-chip stocks like BMO at depressed prices. In the 2020 market crash, the share price sunk to a low of \$56.24. As of August 13, 2020, BMO shares have gone up to \$77.79. At this price, the dividend yield is a high 5.45%.

Don't limit your options

CERB is on its way out, but it's not the end of the line. The transition to the EI system is the next quick-fix solution as the economy restarts and the labour market reclaims lost jobs in April and May. However, don't limit your options. Having other income sources that can sustain you for a lifetime is more favourable. You might not even need to line up to receive federal aid in the future.

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