



## \$5,000 CRA Student Crisis Payment: Can You Receive it?

### Description

COVID-19 deprived Canadian students of income opportunities while on school break. Companies are letting workers go instead of hiring. Jobs are scarce, so it becomes [incredibly challenging](#) to go through the season without a stipend.

The federal government introduced the Canada Emergency Response Benefit (CERB) in mid-March, but regrettably, the majority of students are ineligible to receive the taxable benefit. Most do not qualify for Employment Insurance (EI) either. A month later, on April 22, 2020, Canada announced a \$9 billion emergency package for students.

Hope springs eternal for post-secondary students or recent post-secondary and high school graduates. The Canada Revenue Agency (CRA) will distribute at least \$5,000 to each eligible student applying for the Canada Emergency Student Benefit (CESB). If you belong to the student sector, the benefit is your [alternative to CERB](#).

### Program mechanics

CESB mirrors the CERB's eligibility periods, and it's the more relevant program to students who are unable to find work during the summer. There are four four-week CESB eligibility periods, with the first commencing on May 10, 2020, to June 6, 2020. The fourth and last period is from August 2, 2020, to August 29, 2020.

If you meet the eligibility requirements, the CRA crisis payment is \$1,250 monthly for up to four months or a total of \$5,000 for the program's duration. For students with dependents or permanent disabilities, there's an extra \$750, which totals \$8,000 CESB.

The program's time frame is specific (May 2020 to August 2020), although students can retroactively apply for this CESB until September 30, 2020. If you're eligible and in need of financial support, apply as soon as possible. The CRA will note extend the application deadline.

## Invest now

Millennials are starting to appreciate the benefit of saving money. The 2020 crisis should also arouse interest in stock investing. If you have enough savings or free cash, make money work for you and grow it over time. CESB, CERB, and other federal aid programs are temporary. You need something more enduring after the pandemic.

An excellent choice is **Canadian Utilities** ([TSX:CU](#)). Utility stocks are boring compared with the flashier tech stocks. However, you're not investing in popularity but consistent, recurring income that will keep flowing for years. This \$9 billion company is 93 years old, with 48 consecutive years of dividend payments.

Assuming your available cash is \$10,000, Canada Utilities will return to you \$525 in permanent income. At its current share price of \$33.31, the corresponding dividend yield is 5.25%. In 20 years, your capital will balloon to \$33,551.31. Money is hard to earn these days, but with financial discipline and patience, you can build wealth.

## Apply soon

The Canada Student Service Grant would have given students more money. However, its cancellation in late June 2020 extinguishes the opportunity to do volunteer work and earn grants simultaneously. Thus, CESB is the only allowance available. Like CERB, CESB is winding down. You can still receive \$5,000 to \$8,000 from the CRA.

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