



## CERB Recipients: The \$2,000 CRA Payment Will End Soon

### Description

The countdown has begun for the transition to the retooled Employed Insurance (EI) system. Sadness, not excitement, is the feeling of people receiving the Canada Emergency Response Benefit (CERB). The Canada Revenue Agency (CRA) is nearing the end of the \$2,000 monthly payments to unemployed or displaced workers in Canada due to COVID-19.

For up to 24 weeks, an eligible CERB recipient will get \$12,000 in crisis money. If both spouses were laid-off, each can receive the maximum amount and have a collective \$24,000 as [family income](#). CERB served its purpose and saved millions of Canadians from financial misery. However, the program is over for good in September 2020.

### Recovery phase

The federal government explains that CERB is for the emergency period. As the provinces and territories end their lockdowns, the country should be moving into the recovery phase. You can understand the apprehension of CERB recipients because the replacement or new scheme is untested.

Employment Minister Carla Qualtrough assures people that the EI system can handle the volume of CERB claims this time. However, the goal is to wean Canadians from the taxable benefit and [bring millions back to work](#). Another promise is that no Canadians will be left behind despite the shift to EI.

The government has yet to announce the full details, including the benefit amount. There are indications that not everyone will qualify for EI. For those in the modern labour market like gig and contract workers, the government will extend a parallel, transitional benefit that's very much like the EI.

Meanwhile, the Canada Revenue Agency (CRA) will also shift its focus to the enhanced Canada Emergency Wage Subsidy (CEWS). The program extension until November 21, 2020, is definite. It should help employers, regardless of size, to rehire or get their employees working again.

## Power up

CERB is bidding farewell, but it shouldn't discourage Canadians from seeking permanent income. When you're back in the workforce, and your salary is stable again, start creating a CERB-like benefit. You can invest in a renewable energy company like **Northland Power** ([TSX:NPI](#)) with tremendous growth potentials.

This \$7.34 billion independent power producer is a developer, builder, owner, and operator of clean and green power. Its projects are mostly in Canada and Europe with a few others in South America. In Q2 2020, sales growth has been outstanding (25% increase versus Q2 2019).

Northland also recorded increases in EBITDA (17%) and gross profit (20%). Based on the run-rate in 2020, the company should finish the year with \$1.9 billion in \$377.4 million in net income. The estimates are better by 16.5% and 17.8% versus 2019's top and bottom lines.

For would-be investors, the dividend yield is a respectable 3.3%. The dividends should be safe, given the payout ratio of less than 70%. Analysts project a price appreciation of 15.3% (from \$36.42 to \$42) in the next 12 months.

## New priority

A stop-gap measure like CERB will end no matter what. It's the reason why Canadians should be changing priorities in the post-pandemic. You don't have to depend on or wish for an extension of temporary federal aid. Make your financial situation better by creating a lasting CERB.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:NPI (Northland Power Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

### Category

1. Dividend Stocks
2. Investing

**Date**

2025/08/25

**Date Created**

2020/08/22

**Author**

cliew

default watermark

default watermark