Looking for Temporary Income? The Canada Revenue Agency Can Help You in 3 Ways

Description

The Canada Revenue Agency has announced a flurry of measures that have helped Canadians tackle the pandemic. The CRA recently extended the Canada Emergency Response Benefit (CERB) by another four weeks. That means one can claim another $2,000 by September. After September, the CERB will be changed to a revised employment insurance (EI) plan, which will last for a year.

Importantly, the federal government has announced three additional benefits for those who do not qualify for EI.

Canada Recovery Benefit

Under newly initiated Canada Recovery Benefit, an eligible individual would get $400 per week for up to 26 weeks starting from September 27, 2020. This aid will increase the program’s reach, as it will include those who were ineligible for EI earlier.

One can get this aid if they lost their job due to the pandemic and is now actively looking for work. They also must have had employment or self-employment income of at least $5,000 in 2019 or in 2020.

Canada Recovery Sickness Benefit

Under the Canada Recovery Sickness Benefit, workers would get $500 per week for up to two weeks if they can’t return to work because of the sickness or isolation due to COVID-19.

To be eligible for this, one must be employed or self-employed at the time of application and must have earned at least $5,000 in 2019 or 2020. This benefit would be valuable for those who can work but are sick or in quarantine.

Canada Recovery Caregiving Benefit

This benefit will also be applicable from September 27 and would offer $500 per week for up to 26 weeks. The aid will be given to those unable to work because they provide care to children or support dependents at home.

Being out of work certainly strains household finances. Canadians who are still working and have time before they retire can consider building a robust investment portfolio that will take care of such emergencies. Evidently, the plan will not be appropriate in the short term but will be useful for the next crisis.

Canada Revenue Agency: Create your emergency benefit program

Investors can consider high-quality dividend-paying stocks like **TC Energy** (TSX:TRP)(NYSE:TRP) for their long-term investments. It is a midstream energy company that does not have earnings correlated to volatile oil and gas prices. It pays stable dividends and yields 5% at the moment. That means an investment of $10,000 would generate $500 in dividends every year.

Notably, the dividends are stable and will likely remain consistent as its earnings are stable. In the last 10 years, TRP stock has returned more than 170%, including dividends. Though it has underperformed many **TSX** growth stocks, the stability offered by TRP is unmatched.

Another stock investors can consider is the **National Bank of Canada** (TSX:NA). National Bank is among the smallest of the six big banks in the country, but it has notably outperformed peers. NA stock has returned 240% in the last 10 years.

National Bank stock yields more than 4%, higher than TSX stocks at large. It has soared more than 70% since its record lows in March, beating Canadian banks by a wide margin. Though many expect impending weakness in Canadian bank stocks in the near future driven by the pandemic, their long-term growth prospects remain intact.

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