



\$2,000 CERB: Employment Insurance Is the New Alternative

Description

The Canada Revenue Agency (CRA) began paying eligible Canadians \$500 per week for up to 16 weeks. The Canada Emergency Response Benefit (CERB) program launched as part of Canada's [COVID-19 response plan](#) to help citizens who lost their jobs due to the pandemic.

Over 8.5 million Canadians who lost their jobs applied for CERB, and it is estimated that the CRA has distributed more than \$82 billion to Canadians who lost jobs due to COVID-19. The emergency benefit has been a success in helping people during the lockdown. However, it is a program that was not meant to last, and the focus is on getting Canadians back to work. The CERB is ending soon, and the CRA is launching an alternative to CERB that could also encourage Canadians to get back to work.

The CERB alternative

In July, Prime Minister Justin Trudeau said that the federal government plans to replace CERB with Employment Insurance (EI). EI was the default alternative for people who lost their jobs. However, the traditional system was not suitable to accommodate the millions who lost income due to the unprecedented event. He also announced that the government plans to provide an alternative to Canadians who worked part-time jobs or were self-employed and did not qualify for EI.

What we know about EI

Employment Insurance is not the same as the CERB program. EI was offered to Canadians who lost their jobs due to no fault of their own. It is an insurance program that you can avail only if you pay the premium for a certain period. Here's what we know about EI:

- You qualify for it if you're working with an employer who deducts EI premium from your salary. CERB did not rely on any premiums. Any working Canadian that earned at least \$5,000 in the last 12 months qualified for the benefit.
- The CRA calculates EI as 55% of the average weekly earnings, but CERB was a flat \$2,000 for everybody who qualified to receive it.

- You can get the EI between 14 to 45 weeks. The duration of the benefit depends on several factors, including the number of hours of insured working hours and the unemployment rate in the area. The higher these two metrics went, the longer the EI benefit period could go on. The CERB is only available for 24 weeks after the extension was announced on June 15.

EI has various constraints that can leave many Canadians without the CRA support blanketing everyone through CERB. Many of those who qualify for EI might also get much lower amounts than through CERB.

Creating an alternative on your terms

There are several prerequisites to qualify for CERB and many more for EI. There are better ways to secure more financial freedom for yourself by making the right investments. One of the ideal ways is to invest in a high-growth stock like **Lightspeed POS** ([TSX:LSPD](#)).

Lightspeed launched its initial public offering in March 2019, and the stock soared to amazing heights in the first year of becoming a publicly traded company. It saw a massive 90% increase. Lightspeed provides cloud-based point-of-sale solutions for physical stores. With the onset of COVID-19, business took a hit for the company, as most of its clients like restaurants and retailers lost their income.

Many customers discontinued their subscriptions with Lightspeed due to the lockdown. However, the company shifted its offerings to cater to the changing business environment. It included features that could help businesses in the new normal, and it attracted a significant surge in new customers for LSPD.

Foolish takeaway

While the government support during these challenging times has been crucial for so many people, I think it is better to enjoy financial security on your own terms. A [high-growth stock](#) like Lightspeed in your portfolio can help you accomplish that through rapidly growing your wealth.

At writing, the stock is back to its pre-pandemic value and trading for \$40.70 per share. With its new approach to offering value to clients, it is likely to see further growth.

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Date

2025/08/25

Date Created

2020/08/25

Author

adamothonman

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