



Canada Revenue Agency: An Extra \$2,000 CERB Is Available for September

Description

A [new round of income-support measures](#) is coming out not only for out-of-work Canadians, but also for sick workers and those doing caregiver duties. Before that, the Canada Emergency Response Benefit (CERB) extends for another four weeks.

Understandably, millions are worried about exhausting their lifelines by the end of August 2020. The new \$37 billion emergency package incorporates the second CERB extension until the end of September. It means a claimant can receive an extra \$2,000 and a maximum of \$14,000 CERB for 28 weeks.

EI or CRB option

The scheme that will take effect on September 27, 2020, is two-pronged. Workers who remain in the unemployment ranks have the option of applying for Employment Insurance (EI) or Canada Recovery Benefit (CRB).

For the EI option, the current hours required (minimum of 420 and 700) to be eligible will not apply. Under the temporary measure, you can qualify with only 120 insurable hours. The relaxed rules aim to transition as many people as possible to EI.

The CRB provides \$400 weekly for up to 26 weeks to displaced workers or self-employed individuals who are not eligible for EI. A CRB claimant will need to apply after every two weeks for which they are seeking income support. You need to attest that you continue to meet the requirements. Similar to CERB, CRB is a taxable benefit.

Sick or with caregiver duties

The Canada Recovery Sickness Benefit (CRSB) and Canada Recovery Caregiving Benefit (CRCB) complete the new income-support program. If you fall ill or must isolate due to COVID-19, the CRSB provides \$500 weekly for up to two weeks.

There's no medical certificate requirement to qualify for CRSB. However, you can't claim the benefit if you're simultaneously receiving paid sick leave from your employer. To qualify, you must have missed a minimum of 60% of your scheduled work in the week for which you claim the benefit.

The CRCB provides a household \$500 weekly for up to 26 weeks. You qualify for the benefit if you need to do caregiving duties that are all COVID-related. Only one family member can apply per given period.

Look to earn more

All of the measures mentioned above are temporary and will run for just one year. However, if you want years of permanent income-support, use your "free" money to invest in **Canadian Western Bank** ([TSX:CWB](#)), a super cheap dividend-paying stock. Don't belittle this \$2.44 billion regional bank because it carries Dividend Aristocrat status.

Loyal investors in this bank stock were rewarded with 28 consecutive years of dividend increases. Over the past decade, the average dividend growth rate is 9%. On the EPS side, the annual growth rate over the last three years is 13%.

Your earning potential from this dividend stock is fantastic given its 4.24% dividend yield. Assuming you can invest \$50,000, the bank stock will deliver \$2,120 in passive income. The payouts can be for years if you keep it for the long term. Also, the dividends are safe since Canadian Western maintains a payout ratio of less than 40%.

Permanent partnership

The new schemes aim to support Canadians through the [next phase of the recovery](#). If your resources allow, consider creating a lasting income-support. You'll be financially healthy with a Dividend Aristocrat by your side.

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