



CERB Extension: All You Need to Know About the \$2,000 EI

Description

While the Canada Emergency Response Benefit (CERB) has ended, the Employment Insurance (EI) has returned. This time, the EI is giving a minimum of \$500 a week, or \$2,000 a month, for at least 26 weeks. This new COVID-19 EI is temporary and will be in place for a year till September 25, 2021. Service Canada (SC) will process the new benefit.

The old EI versus the COVID-19 EI

For those who are new to EI, the benefit calculation is a little complex. It has three elements:

- The unemployment rate in the region
- Number of insured working hours
- Average weekly insured income

The Justin Trudeau government changed the threshold for all three elements to make EI accessible to more Canadians. And those who still can't access this benefit can apply for the [Canada Recovery Benefit](#) (CRB).

The unemployment rate in the region

The pandemic has severely hit the job market. Canada's unemployment rate was 10.2% in August, with Alberta's rate reaching as high as 11.8%. Hence, the government has set the minimum unemployment rate (for benefit calculation) at 13.1%. This way, anyone eligible for EI can get the benefit for at least 26 weeks. If your area has an unemployment rate of 15%, you can get the benefit claim for at least 28 weeks,

Insured working hours

The second factor is the insured working hours. Under the old EI, you would be eligible to claim the

benefit if you have worked for at least 420 insured hours (or 10.5 weeks full time) in the last 52 weeks from the date of application.

On March 15, the government paused the EI and transferred all claimants to CERB. Hence, it has tweaked this minimum eligibility. In the COVID-19 EI, you can claim the benefit if you have worked for at least 120 insured hours (or three weeks full time) in the last 52 weeks from March 15.

Average weekly insured income

In the old EI, the SC calculated your benefit payment as 55% of your average weekly income for a certain number of weeks, depending on the unemployment rate. If the unemployment rate is 6% or less, it will calculate 55% of your average weekly income for 22 weeks.

In the COVID-19 EI, SC has kept the default minimum unemployment rate as 13.1% for benefits calculation, which means it will calculate your benefit amount as 55% of your average weekly income for 14 weeks. You will get the calculated amount or \$500, whichever is higher. You can get up to \$573 a week in EI for a maximum of 45 weeks.

How to get the \$2,000 EI

Now that you know the calculation, you have to apply for the EI on the SC website. If you received CERB from SC, it would automatically transfer your benefits account to EI. If your benefits provider was CRA, then you will have to register for My Service Canada Account (MSCA). Remember, you can only apply for EI for a maximum of two weeks at a time and after the end of the benefit period. SC will pay the benefit in arrears.

Your first

Make optimum use of your \$2,000 EI

Maximize your \$2,000 EI by putting \$500 in **Descartes Systems** ([TSX:DSG](#))([NASDAQ:DSGX](#)). It is a low risk growth stock that is resilient to the pandemic because of the nature of the supply chain and logistics management

Descartes's end-to-end solutions cater to these complexities. Its business model has surged its revenue and adjusted EBITDA at a compound annual growth rate (CAGR) of 12% and 15%, respectively, and its stock at 20% in the last five years.

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2. TSX:DSG (The Descartes Systems Group Inc)

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