The CERB End Date Is Here

Description

It’s finally happened. After months of paying Canadians COVID-19 support, the CERB has ended. Last week, the final payment period came and went. Today, the program is formally closed. Retroactive payments aside, there will be no further CERB payments coming. This is a huge milestone in Canada’s COVID-19 timeline. In this article, I’ll explore how it may impact you.

What this means if you’re still unemployed

If you’re still unemployed due to COVID-19, you can still get support. Specifically, there are three new programs you can apply for:

- Revamped EI: A new form of EI that pays $500 a week at minimum.
- CRB: A CERB replacement for the non-EI-eligible that pays $500 a week.
- CRCB: A CERB-like program for people who provide care to COVID-impacted dependents.

Among the three of these benefits, almost everybody who needed the CERB will be able to get support if still unemployed. There is also a sickness benefit available for those who were directly impacted by COVID-19.

How to transition to the new benefits

If you’re not sure about whether you can get the new post-CERB benefits, your first step is to determine whether you’re eligible. All of the new benefits require that you:

- Are at least 15 years old.
- Have a Social Insurance Number.
- Be out of work due to COVID-19 related concerns.

Beyond that, there are some specific eligibility standards for each form of aid. EI requires that you have worked a minimum of 120 hours and be generally eligible for EI. The CRB requires that you *not* be eligible for EI. The CRCB requires that you be caring for a dependent who was impacted by COVID-19. If you're still not sure about eligibility, check the official statement on Canada.ca.

How far $500 a week can go

As we've seen, all of the new COVID-19 supports being rolled out pay $500 a week at minimum. They're all available for 26 weeks, so they can pay $13,000 in total.

Truth be told, $13,000 is a considerable sum of money. If you invest it, it could go quite far. Let's imagine for a second that you had $13,000 and invested it in an ETF like the **BMO Covered Call Utilities ETF** (TSX:ZWU). That's a special dividend fund that uses yield enhancement to get a whopping 7.8% yield.

It also has a .8% fee, so let's just say a 7% yield. If you invested $13,000 a year at an average yield of 7%, you'd get $910 in dividends back every single year. That's on top of any capital gains you realize — and a substantial income supplement. And it could grow over time, thanks to dividend increases, or if you add to your position.

That's not to say that you should invest all your COVID-19 money in the markets, however. As always, daily necessities come first. But if you get COVID-19 benefits and have a little left over after expenses are paid, there's no reason not to invest a bit of it and grow your nest egg.

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