



CERB Is Over: How to Create Your OWN Benefits

Description

The Canada Emergency Response Benefit (CERB) was a lifeline for those that needed it. Along with the virus keeping people at home or in hospital, there were massive layoffs to boot. Canadians were stuck with either putting their health at risk or their finances.

But CERB offered a way out. Eligible Canadians received \$2,000 every four weeks, starting with just a few weeks and ending to a maximum of 26 weeks. A total of 8.86 million Canadians received the benefit, with applications reaching 27.22 million. It put the total payouts at \$80.62 billion from this program alone.

However, about 850,000 payments have been sent back to the Canada Revenue Agency (CRA), as Canadians start returning to work. The CERB helped, taking the 13.7% unemployment rate peak down to 10.2%. Now, there are new benefits that Canadians still struggling can use, such as the Canada Recovery Benefit (CRB).

New benefits

There are several new benefits that Canadians can still use if they are having trouble. These benefits are there to help Canadians return to work, but also to help if they are still affected by COVID-19. I'll briefly go over them here.

There are the changes to Employment Insurance (EI). You will now only need 120 insured hours to apply for these benefits, instead of 480. Of that, it can start from before CERB rather than the last 52 weeks. You will receive \$500 per week, or \$300 per week if on parental leave.

There is CRB, which opens Oct. 12, 2020. For this, if you are not able to collect EI but are affected by COVID-19, you can receive \$1,000 every two weeks for up to 13 eligibility periods. It's a total of \$13,000 before taxes.

There is the Canada Recovery Sickness Benefit (CRSB), where if you contract the virus or need to self-isolate, you can receive \$500 for one week. If your sickness continues, you can apply again for a total

of two weeks.

Finally, there is the Canada Recovery Caregiving Benefit (CRCB). This benefit is offered to those who must take care of a child under 12, or a family member who needs care, and their facility or school is closed during the pandemic. This person would be eligible for \$500 per week up to 26 weeks.

Other methods?

Now here is the issue. On the one hand, it's great that there are more specialized benefits for people to use. As a self-employed mother of two, I can definitely say there are some that apply to me should the case arise. However, I still want to be prepared in case the illness takes more than \$500 per week.

In this case, I would recommend investing in a stock like **Great-West Lifeco** ([TSX:GWO](#)). While the company is still [slightly down](#) for the last year in returns, in the last decade its compound annual growth rate (CAGR) reached 5.85% and 8.5% in the last five years — not incredible, but steady. Meanwhile, it has a [steady dividend](#) of 6.4% as of writing. The company is now expanding to Asian markets, so investors can look forward to years of growth.

Investors can make their own benefits by investing in a company like Great-West. If you wanted to bring in \$13,000 per year in dividend, you would need an investment of about 205,000 as of writing. That's a huge investment. But if you were to just take \$60,000 of your TFSA contribution room, you could bring in \$3,804 as of writing. That's still not a bad benefit to receive.

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