



CERB Extension: Will the CRA Keep Handing Out \$2,000?

Description

The second wave of COVID-19 has started to become a problem for Canadians across the country. Many people are expecting the Canada Revenue Agency (CRA) to provide them with another extension to the Canada Emergency Response Benefit (CERB) program. However, the Canadian government has not announced if it has any plans to [extend CERB](#).

CERB has finally ended

The CERB benefitted millions of Canadians who lost income due to the global health crisis. The initial plan was going to last 16 weeks. However, the development with COVID-19 saw the government extend the program twice to bring it up to 28 weeks. The last eligibility period for CERB ended on September 27, 2020.

Canadians who did not receive the full CERB money can retroactively receive the benefits, but CERB is effectively over for most Canadians. The government spent billions over several months to provide Canadians with the benefits, but it also increased the financial burden on Canada.

While the \$2,000 per month payments helped most Canadians take care of their expenses, it put more pressure on the overall economy. The government devised plans to provide aid to Canadians while encouraging them to return to work. The CRA announced the last extension to the CERB and plans of implementing CERB alternatives that took effect on September 27.

If you are still unable to find work, there is an alternative benefit that could pay you at least \$500 per week as CERB did.

The new and improved Employment Insurance benefit

The government revamped the Employment Insurance (EI) program to cater to the COVID-19 economy. The traditional plan had too many limitations that would exclude millions because of the eligibility criteria. As the government planned to help Canadians transition to a post-CERB economy, it

revamped the EI benefits to suit the current situation.

Many Canadians are still confused about the new EI. Here are some of the requirements to qualify for the benefit. If you are a Canadian at least 15 years old, have a Social Insurance Number, worked at least 120 insurable hours in the last year and lost your job due to COVID-19, you can qualify for the EI.

The new and improved EI benefit will pay you at least \$500 regardless of how much you earned before the pandemic. Suppose you were already preparing for the end of CERB and made arrangements for expenses in the coming months. You can still claim the EI money and make better use of it.

Using your EI to earn more money

Having money aside for a rainy day is necessary. COVID-19 has shown everybody the importance of having money to fall back on in tough times. If a similar situation arises in the future, your emergency funds can come in handy. If you can get the \$500 per week from EI benefits and don't need it for immediate expenses, you can consider investing it instead of storing it as cash.

Investing it in a company that provides you with stability and a decent annual dividend payout could help you grow your capital and create emergency funds for the future. Consider investing in a large and dependable company like **Brookfield Property Partners** ([TSX:BPY.UN](#))(NASDAQ:BPY).

Brookfield is currently trading for \$17.04 per share at writing. The stock is down more than 27% on a year to date basis, and is paying shareholders at a juicy 7.39% dividend yield inflated because of its valuation. Generally, I would advise steering clear of companies with dividend yields north of 4-5%. It is challenging for companies to finance such high payouts.

However, Brookfield Property Partners is a reliable firm with capital to fund its dividend yield. It is a subsidiary of **Brookfield Asset Management**, which is worth trillions. Brookfield has the kind of financial backing to ride the wave.

Foolish takeaway

Investing in a portfolio of [reliable dividend-paying stocks](#) can help you generate substantial passive income. You can continue reinvesting your dividends to unlock the power of compounding to grow your capital. If any emergencies befall you in the future, you can use the funds to keep you afloat during the crisis, so you don't have to rely on government aid.

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