



## CRB: Who Can Receive This New Benefit?

### Description

The CERB, which was launched at full speed last spring by Justin Trudeau government, [ended on September 27](#). If you received this financial assistance, you must now turn to the employment insurance program, whose criteria have been relaxed, or the [Canada Recovery Benefit \(CRB\)](#), which will be in effect until September 25, 2021.

Bill C-4, which created the CRB, was passed on October 2. Benefits will apply retroactively as of September 27.

CRB literally replaces CERB with a few modifications, including the weekly amount paid to beneficiaries.

### Who is eligible to receive CRB?

Details on how to apply to CRB will be known on October 12, 2020. The CRB will help employed and self-employed workers who will not be eligible for the revised and enhanced Employment Insurance (EI).

Regardless of the program, workers will receive as much as with CERB, as benefits have been increased from \$400 to \$500 per week, following pressure from the New Democratic Party (NDP).

But with EI or CRB, there will be fewer side effects than with CERB, which discouraged people with lower incomes from working.

In order to be eligible to CRB, you must have earned at least \$5,000 in 2019 or 2020 and have lost at least half of their earnings.

Eligible individuals will receive \$1,000 taxable per 2 weeks for up to 26 weeks. The CRA will withhold 10% tax at source. It will therefore pay you a sum of \$900 per 2 weeks. You will need to renew your request every two weeks.

Note that you have the right to work and receive the CRB. However, if your annual income exceeds \$38,000, you will have to repay 50% of the amount received as a benefit.

Such a mechanism will silence critics of the CERB who deplored that everyone was entitled to it in full, including the rich who did not need emergency help to shop for groceries.

This benefit, like the CERB, is taxable. It is possible that the 10% withheld at source is insufficient. When you file your 2020 return, the amounts received will be added to your taxable income. You will receive a T4A for this. You will then have to reimburse the unpaid tax, if applicable.

## Invest a portion in stocks if you can

If you can put away a portion of the CRB you'll receive, it would be very helpful. If you're willing to take some risks, you could invest a portion in the stock market.

To lower your risk of losing money if you think you'll need money soon, you should choose stocks with low volatility. You can see this by looking at a stock beta. If a stock beta is greater than one, it means it is more volatile than the market. Those stocks should be held over the long term. If a stock beta is lower than one, it moves less than the market, so they are better suited to shorter holding periods.

**Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) stock has a beta of 0.06, which is very close to zero. While the **TSX** is down 4% for the year, Fortis has risen by 5% during the same period. Fortis is a utility company, so it's pretty stable regardless of economic conditions.

On September 23, Fortis announced its new five-year capital investment plan of \$19.6 billion for the period 2021 to 2025, up \$800 million from the previous year's plan. The new five-year plan supports the company investment-grade credit ratings and the growth of its dividends, ensuring stability for its shareholders.

The five-year capital plan includes investments of \$5.1 billion to ITC for power transmission infrastructure to increase system capacity, improve reliability through system upgrades and to provide customers with access to more profitable renewable energy.

The board of directors declared a common stock dividend of \$0.505 per share, representing a 5.8% increase in the quarterly dividend, payable on December 1, 2020 to common shareholders recorded at the end of November 18, 2020.

In addition, the company extended its target average annual dividend growth per common share of approximately 6% through 2025 based on a 2020 annualized dividend of \$1.91. The dividend yield is close to 4%.

### CATEGORY

1. Investing

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1. NYSE:FTS (Fortis Inc.)

2. TSX:FTS (Fortis Inc.)

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1. Investing

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