



Will the CRA Make CERB Permanent?

Description

The CERB (Canada Emergency Response Benefit) program was a lifesaver. It provided \$82 billion to more than [one-quarter](#) of the population. Many believe it held the economy together throughout the COVID-19 pandemic.

In early October, the benefit ended, leaving millions of Canadians in the cold.

Lawmakers quickly put together some CERB replacements. You should review these programs *today* to see if you qualify. Your benefits could easily total in the thousands of dollars.

Beyond these additional emergency measures, there's now talk about making CERB *permanent*. Is that a realistic possibility?

Meet your new options

Last week, I'd [highlighted](#) the four major programs that have replaced CERB.

The biggest replacement benefit is the newly expanded Employment Insurance (EI). This allows most Canadians who were on CERB to continue receiving \$500 per week. You're allowed to work while on EI but must repay some of the benefit if your income exceeds \$38,000 annually.

Importantly, nearly 500,000 Canadians won't qualify for EI. That's what the other three programs intend to remedy.

The first is the Canada Recovery Caregiving Benefit. If you're staying home to care for a loved one, you could qualify for \$500 per week for up to 26 weeks. That's similar to what CERB paid out.

The second is the Canada Recovery Sickness Benefit. You'll get \$500 per week if you fall ill or must quarantine, but the payments only last for two weeks.

The final program is the Canada Recovery Benefit. This replicates the \$500 weekly payments under

EI, but applies to contractors and self-employed individuals that otherwise wouldn't qualify. The benefits last the same 26 weeks.

Will CERB become permanent?

Many now believe CERB will be used to launch a universal basic income initiative in Canada. Will that dream become reality?

"There's more and more pressure on the government, I would say, to extend the CERB. I think the basic income would be a logical extension of CERB, and it's a more rational plan," said Elaine Power, a researcher at Queen's University.

But a universal basic income scheme doesn't look imminent. Most major politicians are focused on strengthening the existing social safety net rather than rolling out new programs.

"What we're really talking about is not ensuring everyone receives a cheque but ensuring there's a minimum floor below which no Canadian ought to fall," explained Liberal MP Nathaniel Erskine-Smith. "So it really is a conversation about rethinking and reinventing our social safety net."

But fear not. There are ways to improve your financial well-being even if CERB doesn't become permanent.

The first is through dividend stocks like **Enbridge**. This company operates a monopoly-like business with consistent cash flows, which allow it to pay an 8% dividend. For every \$100 you invest, you can receive \$8 in cash income per year.

If you want to go faster, you'll need growth stocks like **Shopify**. This stock grew *30 times* in value in under five years. A \$1,000 investment would have become \$30,000. That's more than a year's worth of CERB payments!

If you want financial freedom, you must identify the *next* Shopify.

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rvanzo

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