



CRB Update: Create a Passive Income Stream for LIFE!

Description

The Canada Emergency Response Benefit (CERB) might be gone, but Canadians needing extra income still have options. Today, those options are a bit more focused. The one most popular with Canadians today is the Canada Recovery Benefit (CRB).

The CRB update applies to Canadians who are employed and self-employed but are not entitled to Employment Insurance (EI) benefits. The support is given to those directly affected by COVID-19, and is administered by the Canada Revenue Agency (CRA).

If eligible, Canadians can receive \$1,000 (\$900 after tax) for two weeks. Then, if you are still in the situation you were in before, you can apply for a further two weeks. You can do this up to a total of 13 times, or 26 weeks, for a total of \$13,000, or \$11,700 after tax.

Unfortunately, \$11,700 certainly isn't enough to live on for the year. This is just meant to create some supplemental income while you recover. However, if you're able to take the CRB update money and put it in a Tax-Free Savings Account (TFSA) while you get better, there's a great option to consider.

Passive income

Using the CRB update to create passive income isn't gaming the system. You are eligible for this money because you are [affected by the pandemic](#), just like everyone else. And let's say you get past those 26 weeks and your situation *still* hasn't changed. You're going to want to have some savings set aside, along with a passive income stream to keep you afloat.

So here's what I recommend. If you're able, create a budget with the funds you'll receive from the CRB update and put that cash aside from each payment. Then, whatever you're able to put aside, put that in the TFSA. All you have to do is find a solid dividend stock that can create a passive income stream.

And it doesn't merely have to apply during COVID-19. No, instead you could be setting your investments up for life! This CRB update could be the start of creating passive income that will follow you everywhere.

A safe bet

If you're asking for the CRB update, you need that money. So if you're able to invest any of it, you'll want to keep it safe. The railway industry is one of the safest options out there. No matter what, the railways keep running. If one industry is affected by the pandemic, there are other industries still running that can keep trains running along with them. So you don't have to worry about this industry going belly up.

An excellent example is **Canadian National Railway Co.** ([TSX:CNR](#))([NYSE:CNI](#)). This company continues to do well even during the pandemic, with shares reaching a five-year return of 106% as of writing, and a 10-year compound annual growth rate (CAGR) of 17.89%! Meanwhile, its 1.57% dividend yield has grown a CAGR of 15.6% in the last decade.

If you were able to put the whole \$11,700 aside in CNR, you would be looking at [passive income](#) of \$184 as of writing. Not much, but if you keep adding to it there is no limit to the kind of passive income you can create! All from one CRB update.

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