



## CERB Substitutes: 3 Replacements for the \$2,000 CERB

### Description

It's been nearly a month since the Canada Emergency Response Benefit (CERB) ceased to exist. The flagship COVID-19 program in Canada ended on September 27, 2020. Still, millions of Canadians are [looking for CERB substitutes](#) because their circumstances are the same as when they received \$2,000 monthly for seven months.

Beginning in October 2020, displaced Canadian workers have two options to [continue receiving income support](#). For people with financial flexibility and spare cash, creating passive income is the third option.

### Transition to EI

If you received CERB through Service Canada, the transition to the retooled Employment Insurance (EI) system is automatic. However, you must apply for EI if your Social Insurance Number (SIN) starts with a "9," you're self-employed or declared in your CERB report that you returned to work full-time.

If you received CERB from the Canada Revenue Agency (CRA) but eligible for EI, you must receive all your CERB payments before applying. For new EI claims between September 27, 2020 and September 25, 2021, the minimum benefit rate is \$500 weekly or \$300 per week for extended parental benefits, net of applicable taxes. Your EI claim can last a minimum of 26 weeks up to a maximum of 45 weeks.

### Apply for CRB

If you were receiving CERB before but did not qualify for EI, you could apply for the Canada Recovery Benefit (CRB). The taxable benefit is also \$2,000 per month (\$1,000 payment every two weeks). Unlike CERB, the CRA will deduct the tax due upon release.

The program period is retroactive to September 27, 2020 and available until September 25, 2021. Instead of 28 weeks, the maximum period is up to 26 weeks. The order conditions to qualify are you

stopped working, or your employment and self-employment income dropped by at least 50% due to COVID-19.

## Reliable income provider

The third option is ideal than EI or CRB because the income support is lasting, not temporary. You can create perpetual income by investing in dividend stocks. **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a top-notch dividend payer that is well-loved by income investors.

This \$78.7 billion integrated oil and gas company pays a high 8.39% dividend. A \$50,000 investment can produce \$4,195 in passive income. From another perspective, any amount you invest will double in a little over eight-and-a-half years. If you're saving for retirement, your \$250,000 today would be worth half-a-million in 2028.

While Enbridge belongs in a highly volatile sector, the dividends should be safe and sustainable. The businesses are varied to include liquids pipelines, gas distributions, energy services, and gas transmission & midstream. It's also into and green power and transmission.

It would be an excellent time to purchase this energy stock while the share price is depressed (20.8% discount). Analysts forecast Enbridge to recover in the next 12 months, with the price climbing between 33.4% and 57% from its current \$38.36.

## Immediate replacements

Uncertainty remains high because there's no full containment of the pandemic yet. COVID-19's second wave is stalling economic recovery and inflicting financial. Fortunately, Canadians are receiving an outpouring of support from the government. CERB has ended, but EI and CRB immediately replace the lifeline.

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**Date**

2025/08/26

**Date Created**

2020/10/22

**Author**

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