



CRA: You Can Now Apply for the New Version of CERB

Description

Since the coronavirus pandemic first hit, the government has made sure Canadians have gotten the relief they needed. At first, nobody knew how to deal with the pandemic, but it was clear that there would be devastating economic consequences. That's why the Canadian government and CRA quickly came up with the Canada Emergency Response Benefit (CERB).

The CERB was crucial during the first months of the pandemic. This was during the worst of the shutdowns when it was necessary to flatten the curve. Even after different regions started to open back up, many Canadians still needed support, especially if their employer was still affected.

By now, almost every government and business have a plan for how to deal with or work around the virus. This is why it's the perfect time for the Canadian government to end CERB and shift in a new direction. While the initial shock is behind us, a long road to recovery for the economy still exists, and there will surely be more economic casualties before we are out.

So while it's important that some new programs incentivize job creation and driving down the unemployment rate, there still needs to be support programs to substitute for CERB. That way, Canadians who can't work because of COVID-19 continue to get the support they need.

New programs replacing CERB

For most Canadians, if you still require support for the government, you will be eligible for the new and improved employment insurance (E.I.). However, if you don't qualify for E.I., such as self-employed Canadians who may be out of work due to the pandemic, then the Canada Recovery Benefit (CRB) is the program for you.

The CRB will give eligible Canadians \$500 a week for up to 26 weeks until the program ends in September 2021.

Because the government recognized the need for flexibility, it's allowing Canadians to earn up to \$38,000 a year before it will start to take back the CRB money. That's very different from the CERB,

which eliminated Canadian's eligibility once they made over \$1,000 in a month.

Now, if you're employment is seeing an impact from coronavirus, but you're still making an average of \$2,500 a month, for example, you would still be eligible to collect part of the CRB.

The government has also introduced [two other benefit programs](#) to protect Canadians who may have to quarantine or care for someone who is quarantining.

Use the support to your advantage

When it comes to investing, one of the biggest factors that will influence your long-term performance is time. Investors who have a longer time horizon have a longer duration to compound their capital.

So whenever you are out of the market, you are likely missing out on some investment gains. It's understandable to want to keep cash on the sidelines when there's uncertainty, like during the pandemic.

However, now that Canadians know there are several recovery benefits the government is offering as support, you may think about buying some **TSX** stocks with the cash you were keeping on the sidelines.

It's still important to keep a rainy-day fund, whether for personal emergencies or even to buy stocks if there is another selloff. However, knowing the vast amount of support programs replacing CERB, if you can spare some cash today, I wouldn't wait to gain some exposure to top TSX stocks.

Some of the best stocks to consider today would be a gold stock such as **Barrick Gold Corp.** Barrick is one of the biggest gold miners in the world and an excellent investment in this environment. The stock is a perfect mix of high-growth potential in addition to its reliability.

The stock is already up 47% this year, and it's just getting started. Even [Warren Buffett](#) recently took a position in Barrick, so you know it's an excellent investment today. Whether it's Barrick or any other **TSX** stock, it's crucial investors don't miss out on investment gains in the short-run.

It's obviously most prudent to be ready for a financial emergency. However, knowing the support available from the government with the new CERB programs, if you can spare some cash, there are a tonne of stocks worth buying today.

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Author

danieldacosta

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