



\$2,000 CRB or EI? Here Are 2 Big Differences You Should Know

Description

In Canada, the federal government introduced two income support measures to replace the Canada Emergency Response Benefit (CERB). About four million Canadians still need financial assistance after CERB.

The priority was to [transition](#) as many as possible to the revamped Employment Insurance (EI), which Service Canada administers. However, not everyone is eligible to claim EI benefits. Hence, the Canada Recovery Benefit (CRB) became the second option. The Canada Revenue Agency (CRA) is the program administrator.

While CRB and EI serve the same purpose, there are two big differences between the two programs. It's worth knowing them because you might be applying for one or the other.

1. Benefit duration

Let's begin with the CRB. Employed and self-employed individuals, including gig workers, who will not qualify for EI are the recipients. Each claimant can receive CRB payments for up to 26 weeks, broken down into 13 eligibility periods. The program commences on September 27, 2020, and ends on September 25, 2021.

An EI claimant can receive a minimum of 26 weeks of benefits, but that could extend to a maximum of 45 weeks, depending on your region's unemployment rate at the application date and accumulated insurable hours in your qualifying period.

2. Benefit amount

CRB provides an eligible claimant with a payment of \$1,000 for each two-week period applied for. However, unlike CERB, the CRA will deduct [a 10% tax each disbursement](#). Thus, the actual payment per eligibility period is \$900.

CRB renewal is not automatic, so you must re-apply if your situation is the same after two weeks. The maximum amount you could receive for the entire stretch is \$13,000 (\$11,700 net of tax).

EI payments vary. The benefit amount can be anywhere from \$500 per week (minimum) to \$573 per week (maximum). Like CRB, all EI benefits are taxable. It means the CRA deducts federal, provincial, or territorial taxes from payments where applicable.

Longer-lasting income than CRB or EI

Similar to CERB, CRB and EI have start and ending periods. Canadians can earn income other than both benefits. If you have spare cash, let it generate lasting income instead of allowing the money to sleep in the bank. **TELUS** ([TSX:T](#))([NYSE:TU](#)) is a buy-and-hold income stock. Purchase now and never sell again.

The second-largest telecom in Canada is not only a defensive stock but a passive-income machine, too. It pays a hefty 5.03% dividend. If you want to earn +\$350 extra monthly, buy \$85,000 worth of TELUS shares. Your income stream should be recurring for 20 years or more.

This \$31.69 billion company is a top-draw in the TSX because telecommunication services and the internet are enduring. The need for connection is 24/7, whether personal or business.

The latest feathers in its cap are its ranking on the Dow Jones Sustainability World Index (five consecutive years) and the North American Index (20 years in a row). TELUS is also in the fight against climate change. The commitment is to reduce greenhouse gas emissions to operational carbon neutrality by 2030.

Be thankful for CRB and EI

It doesn't matter if you're receiving CRB or EI. Recipients of both should be thankful. The programs are available while Canadians are actively seeking work or employment.

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