



Hooray! The CRA Is Extending \$2,000 CRB From 26 Weeks to 38 Weeks

Description

Judging from the announcement of Prime Minister Justin Trudeau on February 19, 2021, the health crisis is far from over. The federal government is extending [multiple income support programs](#) to Canadians affected by the COVID-19 pandemic.

During his press conference, Trudeau announced the extension of the Canada Recovery Benefit (CRB) — the Canada Emergency Response Benefit's (CERB) replacement. Claimants who would begin to exhaust their CRB in late March 2021 will have an additional 12 weeks to claim the taxable benefit.

Thus, the change means the CRB eligibility period limits extend from 26 weeks to 38 weeks, or 19 instead of 13 eligibility periods. The Canada Revenue Agency (CRA) will still pay eligible claimants \$900 net — \$1,000 less 10% withholding tax — every two weeks. CRB is on its 12th eligibility period (February 28 to March 13, 2021).

Other recovery benefits extension

Regarding the other COVID-19 recovery benefits, the Canada Recovery Caregiving Benefit (CRCB) has been extended to 38 weeks, too. The income support is for employed and self-employed individuals who can't work because they must care for their children below or under 12 years old or a family member who needs supervised care.

The CRCB pays \$450 weekly (\$500 minus 10% withholding tax) per household. The recovery benefit ensures that parents and those with dependents do not need to choose between caring for them and paying the bills.

With some recipients facing a cut-off by the end of March 2021, the federal government enhanced the Canada Recovery Sickness Benefit (CRSB). Instead of two weeks, the eligibility period is now four weeks — or until June 30, 2020. The \$450 per week (\$500 less 10% withholding tax) is for Canadians who need to be absent from work due to sickness.

El benefits extension

The Trudeau administration saw the need to broaden the claimant period for Employment Insurance (EI) regular benefits. EI recipients can now receive the regular benefits up to 50 weeks or 24 weeks extension from 26 weeks. Employment Minister Carla Qualtrough said the EI extension would cost the government another \$5.4 billion.

Pure dividend play

A CRB recipient could receive a maximum of \$19,000 in 38 weeks. An equivalent amount invested in **Pembina Pipeline** ([TSX:PPL](#))([YSX:PBA](#)) will produce \$114.95 in monthly passive income. The example shows how substantial the recovery benefit is.

Pembina is a pure dividend play that pays monthly dividends, although [risks are ever present](#) in the energy sector. However, the business of this \$17.79 billion energy infrastructure company is enduring. Also, it's a major player in crude oil, natural gas, and natural gas liquids industries. Pembina operates in multiple basins across Canada and the United States.

The extensive pipeline network contributes 65% of adjusted EBITDA, while the facilities business segment delivers 30%. Pembina's marketing services and new ventures account for the remaining 5%. The company has over 65 years of experience and offers a full spectrum of midstream and marketing services. This energy stock can be a long-term hold, as income streams are lasting.

Necessary program extensions

The federal government has spent \$11.6 billion for the three recovery benefits. However, program extensions are necessary. Canada's labour market lost its gains from previous months in December 2020 and January 2021. Minister Qualtrough said the government would figure out what needs to come next for affected Canadians.

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