



CRA CRB Extended by 12 Weeks: Can You Still Get it?

Description

The near term isn't encouraging for Canadians, given the [blowout job loss](#) in January 2021. Data from Statistics Canada show the country's labour market lost 212,800 jobs in the first month of the year. The return to lockdowns caused the largest monthly decline since the first wave of coronavirus in April 2020.

The actual job loss number is four times more than the 47,500 average analyst prediction. Canada's unemployment rate climbed to 9.4%, the highest level since August 2020 and way off the 8.9% analysts' expectations.

With the fallout from the pandemic emerging, the federal government will extend the Canada Recovery Benefit (CRB) by 12 weeks. Recipients exhausting their temporary income support in late March 2021 could continue to receive the \$1,000 every two weeks.

CRB extension

The CRB extension somehow gives certainty to workers in hardest-hit sectors. While Prime Minister Justin Trudeau said on February 19, 2021, that the crisis isn't over, his administration promises continued support for all Canadians. The eligibility period extends from 13 to 19 (38 weeks maximum), but the criteria remain unchanged.

Make sure that on the application date, you're not employed or self-employed because of COVID-19. You're also eligible if your average weekly income is 50% lower than in the previous year because of COVID-19. The Canada Revenue Agency pays \$900 (10% tax withheld at source) every two weeks.

Other program extensions

The Canada Recovery Childcare Benefit (CRCB) extends to 38 weeks too. If you're employed and self-employed but unable to work because you must care for a child under 12 or a family member due to COVID-19, you can apply for CRCB. Eligible recipients can get \$450 (net of 10% withholding tax) every week. The application for CRCB is every week.

For sick Canadians or those self-isolating due to the pandemic, the Canada Recovery Sick Benefit (CRSB) is now four weeks instead of two. You can receive \$450, net of tax, weekly but must reapply every week. Canadians eligible for Employment Insurance (EI) through Service Canada can claim benefits for up to 50 weeks. You must establish such claims between September 27, 2020, and September 25, 2021.

Passive-income machine

Finder, a rate comparison site, reports that Canadians saved more (14.75% of disposable income) in 2020 than in 2019. The overall savings rate was around 10.9%. David McKay, **Royal Bank of Canada's** CEO, said significant savings are sitting on consumers' balance sheets.

Those with spare cash can consider investing in dividend stocks to have [more financial cushion in 2021](#). **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)), a \$50.11 billion energy infrastructure giant, is a passive-income machine. This energy stock pays a high 6.53% dividend. Assuming you invest \$19,000, or the maximum CRB equivalent, the payout is \$1,240.70.

TC Energy derives earnings from rate-regulated assets and long-term contracts. Future dividend growth is almost inevitable, given the \$8 billion worth of development projects in the pipeline. More importantly, its high-quality earnings base assures investors of enduring income streams. Purchase now while the share price is only \$53.30 for a dividend king.

Tighter eligibility criteria

Employment Minister Carla Qualtrough said eligibility criteria for COVID-19 recovery benefits are tighter. Income supports must go to those who need them the most. You can't receive one and apply for another benefits extension with the CRA.

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