



# NEWS RELEASE

## Young Canadians living in high-income households eligible for nearly \$12 billion in CERB payments

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For Immediate Release

**VANCOUVER**—Young people living at home with their parents in households with at least \$100,000 of income are eligible for as much as \$11.8 billion in Canadian Emergency Relief Benefit (CERB) payments, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“With the federal government running a deficit of \$343 billion this year, every government dollar should target people genuinely in need, which doesn’t appear to be the case with CERB,” said Jason Clemens, executive vice-president of the Fraser Institute and co-author of *Distribution of CERB: Estimating the Number of Eligible Young People Living with Parents*.

The study finds that nearly one million (985,200) young people aged 15 to 24 who live at home with their parents in households with incomes of at least \$100,000 are eligible to collect \$11.8 billion in CERB payments over the 24-week period that the benefit is expected to be available.

But do these young Canadians really need it?

For example, of the nearly one million CERB-eligible young Canadians, an estimated 400,000 of them are still attending school and had earnings between \$5,000 and \$12,000 in 2019. As a result, this group would actually see, on average, an increase in their monthly earnings from the receipt of CERB compared to their 2019 earnings.

An additional 30 per cent of them, having earned between \$12,000 and \$24,000 in 2019, would see no decline in their average monthly earnings and more than likely would also experience an increase by receiving CERB payments.

“Many of these young Canadians could actually see a significant increase in their monthly income by receiving CERB, which is not the point of income stabilization policies,” Clemens said.

“The lack of adequate eligibility criteria for CERB will likely result in billions going to young Canadians with questionable need, which adds unnecessarily to the deficit, which these young people will ultimately bear the cost of.”

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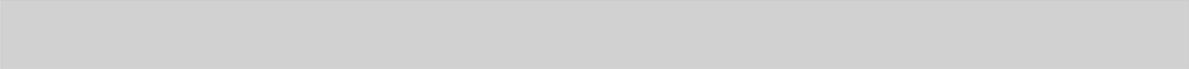
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