3 Dividend Beasts to Store in Your RRSP for Decades

Description

Retired actuary and author Frederick Vettese recently wrote an illuminating article for *The Globe and Mail* on the decline of defined-benefit (DB) pension plans. Vettese pointed to research by Statistics Canada that paints a grim picture for the future of DB plans in the private sector. Going by the current trend-line, DB plans in the private sector could drop to zero or near zero by 2026. Vettese declares that it will be a "near certainty" that there will be less than half a million active DB members remaining in the private sector by 2026.

Back in June, I'd discussed the rise of the "gig economy" and how it was changing the investment environment for millennials and other Canadians. Retirees will have to lean on their registered retirement savings plans more than ever before to survive and thrive. That means that savers young and old would do well to contribute as much and as frequently as possible.

Today, we will go over four income-yielding stocks that are worth considering for your RRSP as we head into the final months of 2018.

Fortis (TSX:FTS)(NYSE:FTS)

Fortis is a St. John's company that owns and operates utility transmission and distribution assets in Canada and the United States. Shares had dropped 10.7% in 2018 as of close on October 4. However, Fortis boasts a wide economic moat and the company has delivered 44 consecutive years of dividend growth. This was one of the reasons I chose Fortis as my top stock pick up for the month of October.

Fortis is set to release its third-quarter results on November 2. The stock offers a quarterly dividend of $0.425 per share, representing a 4.1% dividend yield.

Enbridge (TSX:ENB)(NYSE:ENB)

Enbridge is the largest energy infrastructure company in North America. Shares were down 10.8% in 2018 as of close on October 4. The company regained momentum in the spring and summer on the back of higher oil and gas prices and a big regulatory win for its Line 3 pipeline replacement project in

Minnesota. In the second quarter, the company also saw adjusted earnings per share rise to $0.65 compared to $0.41 in the prior year.

Enbridge has posted 22 consecutive years of dividend growth and leadership has declared that it will strive to continue this into 2021 and hopefully beyond. Currently, the stock offers a quarterly dividend of $0.671 per share, which represents a 5.9% dividend yield.

Genworth MI Canada (TSX:MIC)

Genworth MI Canada is an Oakville-based private residential mortgage insurer. Shares had dropped 4% in 2018 as of close on October 4. Housing sales have slowed down in Canada, but a growing population coupled with dwindling supply should keep the sector steady in the years to come. Genworth has also seen margins improve due to rising premium rates. The stock currently boasts a quarterly dividend of $0.47 per share, representing a 4.5% dividend yield.

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