



Get Income for Life With These 3 Top Dividend Studs

Description

In today's ever-changing world, it can be tough to invest with a long-term perspective. Technology has the potential to change everything.

It's not hard to take a bearish stance on almost every industry today.

Want to invest in Canada's top power generators? Don't bother. We'll all have solar-powered rooftops in the next couple decades that'll allow us to live off the grid.

Interested in the telecoms? Nah. Smart folks are working on new WiFi that has a super-long range. It'll make cell phone spectrum obsolete.

How about banking? Sure, you could, but financial technology companies everywhere are working incredibly hard to usurp the current giants. Who wants to take that risk?

The problem with this kind of thinking is, it gives current leaders zero credit. Banks are investing billions in new technology. The telecoms have a much better grasp of new trends than you do. And I'm sure utility companies would jump at the opportunity to install (and finance) expensive rooftop systems.

The point is, there are certain sectors with a high risk of near-term technological disruption, but most will keep chugging along. This means you can feel safe buying the same companies as you would a decade ago, knowing they will successfully change with the times.

Let's take a look at three companies that are poised to pay uninterrupted for decades to come, no matter what technology does.

Great-West

Considering its size, **Great-West Lifeco** ([TSX:GWO](#)) doesn't get much attention. Despite a market cap of nearly \$30 billion, the last time one of our analysts covered the stock was when [Victoria Hetherington wrote about it in late 2018](#).

Hetherington specifically pointed out positive aspects like the stock's low forward price-to-earnings ratio (which currently sits under 10 times), its moderate growth potential, and you've got to like the 5.4% dividend yield. And after keeping that dividend stagnant for years following the Great Recession, Great-West Lifeco has bumped the payout each of the last four years. Look for that streak to continue in 2019.

Great-West Lifeco also stacks up pretty favourably versus its two largest peers — at least from a valuation perspective. Its valuation is about the same as its competition, while paying out a much larger dividend yield. Income investors have to like that combination.

Canadian Apartment REIT

Canadian Apartment Properties REIT ([TSX:CAR.UN](#)) is one of Canada's largest residential landlords. It owns an interest in more than 50,000 suites across Canada and into Europe, including 32 manufactured home parks.

CAPREIT has been a growth story over the past few years, with little indication that expansion will slow down. Approximately 50% of rents come from Ontario, and ever-rising rents in the Greater Toronto Area have made investments in the region a good move. The company also has plans to add some 10,000 units by redeveloping existing facilities and using adjacent vacant land to build new property.

Some investors might not be impressed with the company's 2.7% yield, but the payout is intentionally kept low to help fund the expansion program. It has also hiked the payout annually since 2014.

WestJet

WestJet Airlines ([TSX:WJA](#)) isn't scared of technology. If anything, it's much easier to run an airline today versus 20 years ago. The internet has made it easier to sell tickets and offer add-ons, and automation in airports have significantly reduced the need for staff to help out travelers.

WestJet's short-term results have been weak lately because of higher fuel costs eating into profits, but its long-term potential looks strong. The company is taking steady profits from its Canadian operations and using them to purchase more planes and expand flights to Europe. Asia will likely be next. And it is seeing continued success expanding its regional airline to new medium-sized cities.

Travel is in the midst of a worldwide bull market, a trend that should continue over the next few decades, as people get more disposable income. It used to be the epitome of luxury to jet off for a weekend away. These days, it's common.

WestJet shares pay a 2.5% dividend and have grown that payout five times since introducing it in 2010.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
2. TSX:GWO (Great-West Lifeco Inc.)

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