



2 Dividend Stocks for Retirement Income

Description

Older Canadian adults who are nearing retirement might have seen their retirement planning thrown out of balance due to the uncertainties caused by the pandemic. It has become imperative to save as much as you can to secure your financial future.

Canadian retirees enjoy solid foundations for their retirement income through pensions like the Canada Pension Plan (CPP) and Old Age Security (OAS) benefits. However, these pensions are not designed to fulfill your retirement income needs completely.

Suppose you have managed to save a significant retirement nest egg. In that case, you should consider supplementing your pension with passive income that can bolster your retirement income without moving you to a higher tax bracket. That is where a portfolio of [dividend stocks](#) in a [Tax-Free Savings Account](#) (TFSA) can come in handy.

Today, I will discuss two Canadian dividend stocks that could be ideal for supplementing your pension benefits.

Emera

Emera ([TSX:EMA](#)) is a Canadian utility company with assets across Canada, the U.S., and the Caribbean. The company's utility businesses include natural gas and electric utilities that primarily operate in highly rate-regulated environments. It means that Emera tends to generate robust and predictable cash flows. The company can use its predictable cash flows to fund its dividends and capital programs comfortably.

Emera is currently in progress with a capital plan that will see \$7.4 billion invested in different projects through 2023. The company's management has also set aside an additional \$1.2 billion for its capital programs in the timeframe should it need to invest more. The company's management intends to raise its dividends by at least 4% by the end of next year.

The stock is trading for \$58.85 per share at writing and boasts a juicy 4.26% dividend yield that you

can use to supplement your retirement income.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is a leading telecommunications provider in Canada with a wide range of services, including mobile, internet, and TV, that it provides through its extensive wireline and wireless network infrastructure. The company also boasts a massive media division that features a TV network, positions in sports teams, radio stations, and specialty channels.

The world is becoming increasingly digital, and the pandemic has accelerated global digitization. Indeed, 5G technology is rapidly emerging as the new innovation in the tech and communication space that will facilitate digital migration. BCE is investing billions of dollars in expanding its 5G infrastructure, and the company's management intends to provide 5G services to 70% of Canadians by the end of this year.

The stock is trading for \$64.95 per share at writing and boasts a juicy 5.39% dividend yield that you can lock into your TFSA portfolio to supplement your pension benefits.

Foolish takeaway

If you are a retiree looking to use your savings to supplement your pensions to enjoy greater financial freedom for a more comfortable retired life, creating a portfolio of [dividend stocks](#) in your TFSA can be the best way to achieve it. BCE stock and Emera stock are ideal investments to buy and hold as you begin building a portfolio for this purpose.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

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1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:EMA (Emera Incorporated)

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