



If You Like Dividends, You Should Love These 3 Canadian Stocks

Description

Most investors would agree that dividend stocks are some of the best Canadian businesses to own long term.

In addition to the fact that receiving cash every quarter or, in some cases, every month is a great feeling, these are also some of the best businesses to own long term.

Generally, only well-established businesses that have been earning a profit for a while are paying dividends.

And the best stocks, which are consistently increasing their dividend payments, will not only be excellent investments to grow your money over the long term; they will also be some of the best investments that can protect your money.

High-quality dividend stocks are often some of the lowest volatility investments. So, if you love passive income, these are some of the best and most stable dividend stocks for Canadian investors to buy today.

A top Canadian utility stock

If you're a dividend investor, one of the best industries to find high-quality but, more importantly, safe dividend stocks is utilities. And while there are several high-quality utility stocks in Canada, I think **Algonquin Power and Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is one of the best dividend stocks to own.

The Canadian dividend stock earns roughly two-thirds of its operating income from its utility operations which span over 10 states, offering gas, water, and electricity services to hundreds of thousands of customers.

Because the operations are spread out across several states, the already low-risk operations are even safer and are a massive contributor to Algonquin's consistently increasing dividend.

Over the last five years, Algonquin's dividend has increased by more than 50%, and today offers an attractive yield of roughly 4.6%.

Plus, its renewable energy operations offer a tonne of long-term growth potential for the Canadian dividend stock, which is why it's one of the best investments you can make today.

A top telecom stock

Another high-quality Dividend Aristocrat to own long term is **BCE** ([TSX:BCE](#))([NYSE:BCE](#)). BCE is the largest company in one of the most defensive sectors there is. Plus, the company is well integrated and owns a tonne of high-quality, long-life assets in an industry with major barriers to entry, giving it a significant [competitive advantage](#).

All this means that BCE is one of the best cash cows you can buy, and the Canadian dividend stock is an excellent investment to own in your portfolio for decades.

Over the last five years, its dividend has been increased by over 25%. And today, BCE stock offers an impressive yield of roughly 5.5%.

Plus, on top of being a low-risk dividend stock, BCE also offers Canadian investors a tonne of long-term growth potential, as 5G networks are rapidly expanding across Canada.

So, if you're looking for a long-term investment that can earn you a tonne of growing passive income, BCE is an excellent stock to consider.

A top Canadian royalty stock for dividend investors

Lastly, one of the fastest-growing dividend stocks Canadian investors can buy today is **A&W Revenue Royalties** ([TSX:AW.UN](#)).

A&W earns a royalty from all the sales in its networks of stores across Canada. So, as A&W has rapidly grown to become the second-largest burger chain in Canada in recent years, it's been one of the best [growth stocks](#) for dividend investors to consider.

The stock is no longer a Dividend Aristocrat, as it had to suspend its dividend at the beginning of the pandemic. However, it has already recovered rapidly and is now paying out 94% of what it did before the pandemic hit.

To get an idea of how fast its dividend was increasing, and how fast it could continue to grow as the economy recovers, A&W used to increase its monthly payout to unitholders several times a year.

Between 2017 and the start of 2020, when the pandemic hit, A&W increased its payout to investors on seven separate occasions and by roughly 20%. Today, its dividend yields 4.85%.

So, if you're a dividend investor looking for a high-quality Canadian growth stock that you can own for years, A&W is one of the best to buy today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BCE (BCE Inc.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:AW.UN (A&W Revenue Royalties Income Fund)
5. TSX:BCE (BCE Inc.)

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