



## Retirees: 3 Top TSX Stocks to Buy Now for Passive Income

### Description

Canadian seniors are searching for top **TSX** dividend stocks to put in their Tax-Free Savings Account (TFSA) portfolios geared toward generating reliable passive income.

### Great-West Lifeco

**Great-West Lifeco** ([TSX:GWO](#)) is an insurance and wealth management company with operations in Canada, the United States, and Europe.

The business continues to grow through acquisitions, including the recent US\$3.55 billion deal to buy Prudential Financial's full-service retirement business in the United States.

The Canadian operations primarily operate under the Canada Life brand. Canada Life recently announced a deal to buy ClaimSecure, a health and dental claims management firm.

In Europe, the Irish subsidiary, Irish Life, recently bulked up its market presence with a deal to buy Ark Life.

Great-West Lifeco finished Q2 2021 with \$2.2 trillion in assets under management, up 9% from the beginning of the year. The company is buying back up to 2.2% of its stock under the current share repurchase plan and pays an attractive dividend.

The shares trade for less than 11 times trailing 12-month earnings and currently offer a 4.7% dividend yield. The multiple is cheaper than most of the big banks and the dividend provides a higher yield.

### BCE

**BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is a long-time favourite among income investors for its reliable and generous dividend. The company's business looks a lot different today than it did 20 years ago, but BCE remains a top pick for steady passive income.

BCE is investing heavily in fibre optic lines and its new [5G network](#). These initiatives should drive new revenue opportunities while helping protect the wide competitive moat. BCE received good news in May this year when the CRTC decided to cancel planned cuts to wholesale internet rates. The decision provides important clarity on future revenues and gave BCE the confidence to boost its capital program by \$500 million.

The stock is off the 2021 highs, giving investors a chance to buy BCE on a bit of a pullback. At the time of writing, BCE trades near \$63 per share and provides a 5.5% dividend yield.

## Enbridge

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a giant in the North American energy infrastructure industry. The company moves 25% of the oil produced in the U.S. and Canada and 20% of the natural gas used in the United States.

Enbridge grows through development projects and strategic acquisitions. The company recently announced a US\$3 billion deal to buy an oil export facility on the U.S. Gulf Coast. Energy shortages are boosting demand for North American natural gas and oil. The trend is expected to continue for some time as the global economy recovers from the pandemic. This bodes well for throughput along with Enbridge's oil and gas pipeline networks.

Enbridge also has a growing renewable energy group.

The stock is up nearly 30% this year but still appears reasonably priced for income investors. Dividend growth should be in line with anticipated annual distributable cash flow increases of 5-7%. Investors who buy the stock at the current price of \$53 can get a 6.3% dividend yield.

## The bottom line on top stocks for passive income

Stocks come with risks, but Great-West Lifeco, BCE, and Enbridge are top-quality companies that pay generous and safe dividends offering much better returns than GICs.

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2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
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