

Core Benefits

Pandemic's Impact on Employee's Financial Wellbeing

It is no surprise that the prolonged coronavirus pandemic is having an effect on working Canadians' financial well-being. The stress is taking a toll on their savings and their productivity in the workplace, according to a new survey by LifeWorks Inc.

Although Canadian workers' financial well-being score for April improved slightly from February's, the survey found it was still lower than the pre-pandemic data collected in 2019. Earlier this year, 21 percent of the respondents reported increased financial concern; however, the number has since decreased to 18 per cent.

Despite the gains, more than half of respondents said they had either no emergency savings (28 per cent) or limited savings that would cover less than two months of essential expenses (26 per cent). "Employers are often unaware of the challenges faced in the workforce," said Paula Allen, global leader and senior vice-president of research and total well-being for LifeWorks, in a press release. "There are people over the age of 50 with no emergency savings and others who prefer to go beyond only saving through pension plans. It is essential to provide a system that offers more personalized options."

The impact of the pandemic on Canadian workers' productivity for spring 2021 was also low. More than a year into the coronavirus crisis, nearly one in three respondents indicated their financial situation is currently influencing their work productivity.

Financial stress among younger Canadians is affecting their workplace productivity the most, with respondents aged 20 to 29 scoring the lowest and age 50 to 59, the highest.

As well, the survey found the productivity score for parents was nearly 10 points lower than for people without children.

However, all this is not a doom and gloom story. There are great ways for employers to help support their staff. Education plays a key role. Employers have the unique opportunity to help

create awareness and strengthen their team's financial literacy. This wellness approach is a great component to your total rewards program and retention strategy.

Contact Dynamic Core Benefits today to plan an employee education session on a variety of topics, from Wellness in the Workplace to Finance 101. We create custom presentations to address the needs and interests of your staff. Let us help you build a solution to reduce the stress and create certainty for your employees.

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