

2024

Canadians' growing focus on financial well-being





Introduction

This report is published by Dialogue in partnership with Environics Research, following Canada-wide surveys with Canadians and Human Resource (HR) professionals to understand workplace health and wellness. The research was commissioned by Dialogue.

The 2024 surveys were completed by 1,602 Canadians, representing all age groups and all provinces, and 86 HR professionals – between February 1 and 16, 2024.

These surveys are conducted annually to measure changes in attitudes toward health and wellness over the past year, while also understanding the evolving workplace realities in Canada.



Executive summary

INSIGHT FROM DIALOGUE'S FINANCIAL PLANNER

Over the past few years, Canada has experienced significant financial changes due to the impacts of rising inflation. Overall inflation has surged by as much as 8%, with particularly steep increases in food and housing costs as of late, affecting Canadians nationwide. Multiple factors have contributed to this inflationary trend, including the lingering effects of COVID-19, geopolitical issues, and slower-to-recover supply chain constraints.

In response, the Bank of Canada has raised interest rates to curb inflation. We are also witnessing a decline in productivity, alongside a slowdown in our economy, rising prices, and an increase in joblessness rates. All of these factors can create a high level of financial stress for Canadians.



Aws Al-Hasani

With mortgages, **groceries**, and fuel prices taking a toll on many people's wallets, what's the role of employers in alleviating some of the mental pressure this creates?

Personal financial stress is on the rise, and its effects can ripple through the workplace, leading to reduced productivity, strained relationships, burnout, and other issues. To enhance support for employees' well-being on and off the job, organizations should explore ways to help teams improve their financial wellness, ultimately promoting better overall health.



INSIGHT FROM DIALOGUE'S MEDICAL DIRECTOR

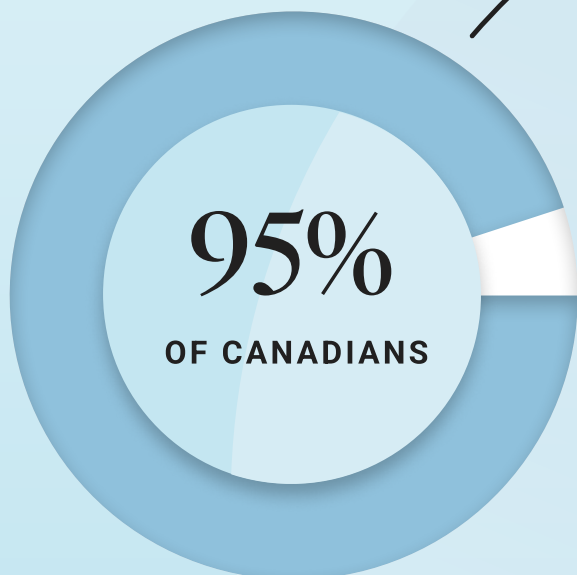
Financial stressors are having a profound impact on the mental health of Canadians. Nearly one in three (28%) are experiencing mental health symptoms that interfere with their daily functioning – the highest rate since mid-2021. This mental strain is also affecting work performance, as one in four Canadians (27%) report that their productivity has declined due to their mental health. These findings highlight the urgent need for **integrated financial and mental health support**.



Dr. Marc Robin

Financial health and total well-being

Canadians nod in agreement: financial health plays a crucial role in overall health. A whopping 95% recognize that their financial situation significantly impacts their personal well-being, and 92% of HR leaders concur.



— AND —



AGREE THAT:

finances impact overall health.



However, many Canadians report worsening finances, with 1 in 4 saying their financial situation has declined in the past year. This not only adds a layer of difficulty in managing money matters, but also negatively impacts well-being – with 37% of Canadians citing financial constraints as a barrier to prioritizing their health.

This highlights the need for employer intervention. When employees cannot address their well-being needs due to poor finances, issues can worsen and **spill over into work**. This could lead to more employees needing time off for medical appointments, decreased productivity and innovation due to lack of focus, and higher stress levels at home and at work.

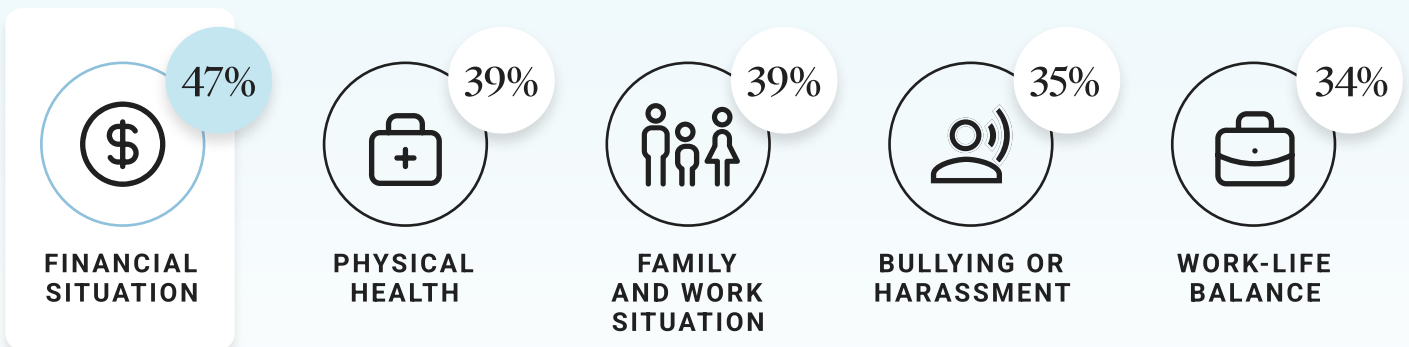
By reevaluating their employee benefits offerings, employers can aim to better support the physical and mental health of employees and their families, thereby alleviating the financial burden of seeking healthcare.



Financial insecurities influence mental well-being

Canadians strongly agree that beyond its general impact on well-being, one's financial situation is also a contributing factor to mental health, **more so than any other determinant**.

Canadians **strongly** agree that these lifestyle factors impact mental health:

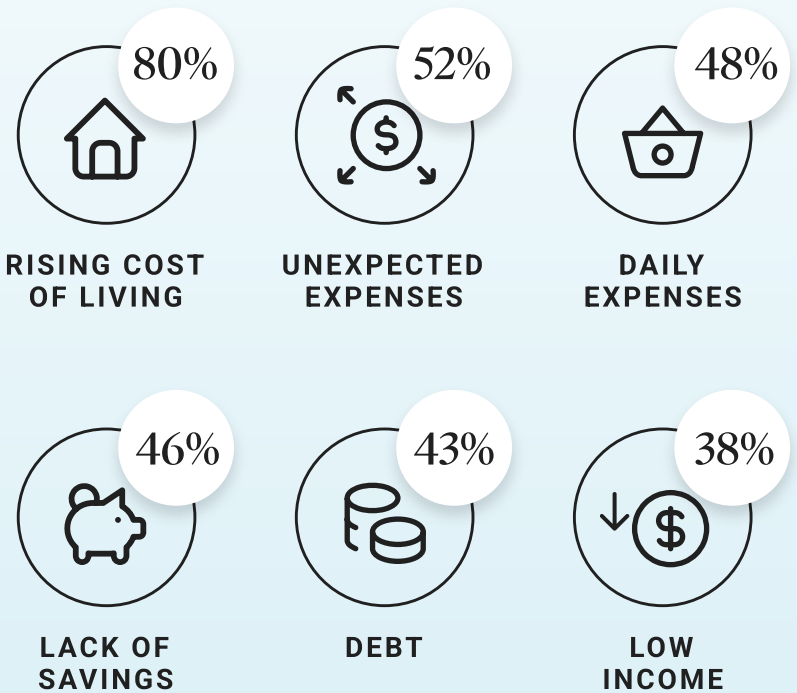




Specifically, 1 in 3 employees report **worsened mental health**, and half (49%) have specifically experienced financial stress in the past 12 months, stemming from a variety of issues.



Factors contributing to financial stress:



With major stressors like the rising cost of living and everyday expenses often out of an employer's control, how can employers help ease their employees' financial stress?

A staggering 43% of Canadians lack the financial means to access professional mental health care. So, organizations have the power to provide resources for immediate and long-term support. Early intervention can address pressing issues such as stress levels and debt management, while long-term strategies can educate employees to manage their finances and plan for the future through savings and investments.

Employers can also foster financial growth by offering **career development**, upskilling, and reskilling opportunities, enabling employees to pursue careers that align with their financial goals and dreams.

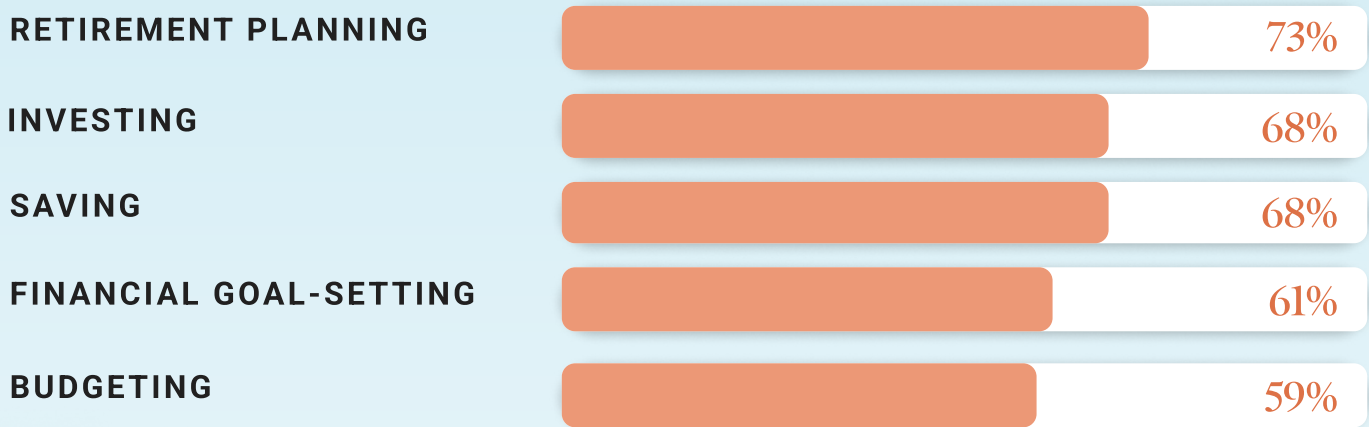


A role for employee benefits

Many employed Canadians are keen on receiving financial support through work, yet only 24% feel satisfied with what their benefits plan currently offers for their financial planning needs.

Surprisingly, even though 62% of employers offer financial counselling services, most employees either perceive them as inadequate or are unaware of them.

Employees are open to receiving financial advice/support for:



BUT...

20% say current support is insufficient

16% don't know if they have support

39% do not have any support at all



This reveals that employers have clear opportunities to enhance support for financial well-being and related challenges. In fact, **46% of employees believe their workplace should offer an employee assistance program that includes access to financial advisors and counselling.**

While just a small number (13%) of Canadians have used an EAP for financial well-being support, 83% of them have found it to be helpful.

The overall lack of engagement with most EAPs might be due to several factors, such as:



Lack of awareness around benefits offered



Poor accessibility, often requiring members to contact a 1-800 number



Lack of integration with other benefits



Long wait times

To adopt an EAP that genuinely engages and supports employees, organizations should prioritize making care easily accessible and focused on enhancing the member experience.





Opportunities for your organization

For team members to thrive mentally and physically, a focus on financial well-being is non-negotiable. To relieve the negative impact of financial stress on other areas, HR leaders should consider investing in evidence-based care that is personalized to the unique needs of each individual. This includes:



Financial counselling

Empower employees with tools to improve their money management skills. Look for providers that offer **access to counselling within 24 hours** and ensure continuity with the same advisor for a smoother member experience.



Virtual healthcare

Ensure employees can **address medical issues promptly**, minimizing financial burdens. Providers that regularly follow up with members can deliver more effective treatments and better health outcomes.



Mental health support

Address financial stress and anxiety early to prevent absenteeism and productivity loss in the long term. Diverse care options, like self-serve therapy or access to practitioners, give members the **right level of support** for their needs.



Preventive resources

Encourage employees to **develop healthier habits** to lower their chances of chronic health issues and expensive medical bills down the road. Resources that can be tailored to each member's health and fitness level are shown to be most effective.

Discover how Dialogue's **Integrated Health Platform™** provides comprehensive and centralized support with these services, allowing you and your team to prioritize long-term well-being.

MADE WITH

