



Celayix

# Overcoming Staff Shortages in North America: A Guide to Proactive Solutions



# Table of Contents

Overview	1
Section 1: Labour Shortage Trends in North America	2
Staff Shortages in Canada	2
Staff Shortages in the U.S.	2
Section II: 2022 Staff Shortage Trends and 2023 Predictions	3
Low Unemployment	3
Aging Population	4
Lack of interest in certain types of work	4
Changing Demographics	4
Skills Gap	5
Remote Work	5
Section III: Economic Overview of Staff Shortage Trends	6
Unemployment Rate	6
Canada's Unemployment Rate	7
United States Unemployment Rate	7
Unemployment-to-Job Vacancy Ratio	8
U-to-J ratio in North America	8
Govt. Initiatives to increase labour force participation	9
Encouraging Immigration	9
Providing Education and Training Opportunities	9
Helping Disadvantaged Groups	10
Implementing Policies to Support Family and Work-Life Balance	10
Providing Assistance and Incentives for Employers	10
Section IV: Causes for Labour Shortage	11
Is the pandemic still a root cause of the labour shortage?	11
Businesses in 2023	11
Canadian Healthcare System in 2023	12
Canadian Society in 2023	12
The Great Resignation: What is it, and why isn't the economy fixing it?	14
Ways an Economy can solve a labour shortage?	14
Changing Demographics: Early Retirement or Immigration Drop?	15
Staff Shortage due to Early Retirement?	16
Industry-Specific Labour Shortage: Need for a change in working conditions	17
The U.S.	17
Canada	17

# Table of Contents

Section V: Importance of Retaining Employees in 2023	18
Offer Competitive Compensation and Benefits Packages	18
Foster a Positive Work Culture	18
Provide Opportunities for Growth and Development	18
Listen to Employee Feedback	19
Offer Flexible Work Arrangements	19
Specific Work Environment Issues to Tackle in 2023	19
Employment Safety & Hospitality and Security	19
Challenges of Employee Safety	19
Ways Employers can Help with Employee Safety	20
Provide Adequate Training	20
Implement Safety Protocols	20
Foster a Positive Workplace Culture	21
Offer Support Services	21
Increasing Workload from Pandemic for Healthcare Workers	21
Reasons for Increasing Workload	21
Impact of Nurse Burnout	21
Ways to Prevent Nurse Burnout	22
Provide Adequate Support	22
Foster a Positive Workplace Culture	22
Implement Flexible Scheduling	22
Provide Adequate PPE	22
Section VI: How Celayix Can Help Solve your Staff Shortage Problems	23
Why Shift Workers need Flexible Work Schedules	23
How to Provide Flexible Work Schedules to Shift Workers	23
Offer Flexible Scheduling Options	23
Encourage Job Sharing	23
Provide Paid Time Off	23
Offer Remote Work Options	23
Provide On-site Amenities	23
Our Final Thoughts	24

## Overview

According to a new study by recruiting agency Robert Half, half of Canadian workers wants to hunt for a new job in 2023, an almost twofold rise from only a year ago. Despite rumours of layoffs and a hiring slowdown, David King, senior managing director of Robert Half for Canada and South America, said many Canadian employees remain optimistic about the labour environment.

"Professionals with in-demand abilities recognise their power in the face of a talent scarcity and are open to new options that provide more meaningful work, a greater compensation, and improved perks and benefits," he said in a statement.

This statement goes a long way in suggesting that labour will have large control over the market and it's true: there may not ever be a better time than 2023 for an employee to dictate the way they want to find meaningful work. However, is that true for all workers in all industries?

The staff shortage expected in 2023 is likely to greatly disturb all industries continent-wide, and companies only have one solution: retain their employees. But the question remains: why are there staff shortages all over North America? Is it just industry-specific or is it because of a demographic transition?

In any case, the onus is on employers to find ways to retain employees in 2023. And as a workforce management solution provider, we can help you find ways to do just that. In this ebook, we discuss the staff shortage issues that might persist through 2023 and provide potential explanations for it as well as solutions for companies to fight through the staff shortage problems.

Despite whether the staff shortage continues throughout 2023, employee retention is expected to remain a buzzword in the industry.



# Labour Shortage Trends in North America



## Staff Shortages in Canada

Staff shortages in Canada come from a need for more available workers to fill positions in a particular field or industry. This can happen for various reasons, including an aging population, low unemployment, and a lack of interest in certain types of work.

One of Canada's most significant staff shortages is in the healthcare industry. This is partly due to the aging population, which is increasing the demand for healthcare services, and partly to a need for more workers to enter the field. There is a high demand for registered nurses and personal support workers who assist with activities of daily living.

Another area where staff shortages are being felt is in the construction industry. The strong demand for housing and infrastructure projects, coupled with a need for more skilled workers, has led to a shortage of tradespeople such as electricians, plumbers, and carpenters.

In addition, Canada's fast-growing technology sector faces massive staff shortages of skilled workers, like developers, programmers and data scientists.

Staff shortages can harm businesses and industries, leading to project delays and increased workload for existing employees. Some companies are considering recruitment and retention strategies to address staff shortages, such as flexible work arrangements and training programs. The government also plays its role by providing immigration programs to attract and retain skilled workers.

## Staff Shortages in the U.S

The healthcare industry also has one of the most significant areas of staff shortages in the U.S. With the increasing aging population, the demand for healthcare services is rising, and there is a shortage of healthcare workers such as nurses, doctors, and personal care aides. The shortage can also be attributed to the number of Americans entering the healthcare field has yet to keep pace with the increasing demand for healthcare services.

Another area where staff shortages are being felt is in the manufacturing industry. The strong demand for goods and a need for more skilled workers have led to a shortage of skilled labour, including machinists, welders, and engineers.

Another sector facing substantial staff shortages is the education sector, specifically the shortage of teachers, special education teachers and support staff.

In addition, the technology sector is also facing challenges with massive staff shortages of skilled workers, like developers, programmers and data scientists.

Staff shortages can negatively impact a country's economy and industries, and the two countries are currently facing staff shortages in several areas, including healthcare, construction, and technology. Addressing the staff shortages will require a combination of efforts from the government, industries and individuals.

## 2022 Staff Shortage Trends and 2023 Predictions

In 2022, North America, as a whole faced significant staff shortages across various industries. Some of the main reasons behind these shortages include the following:

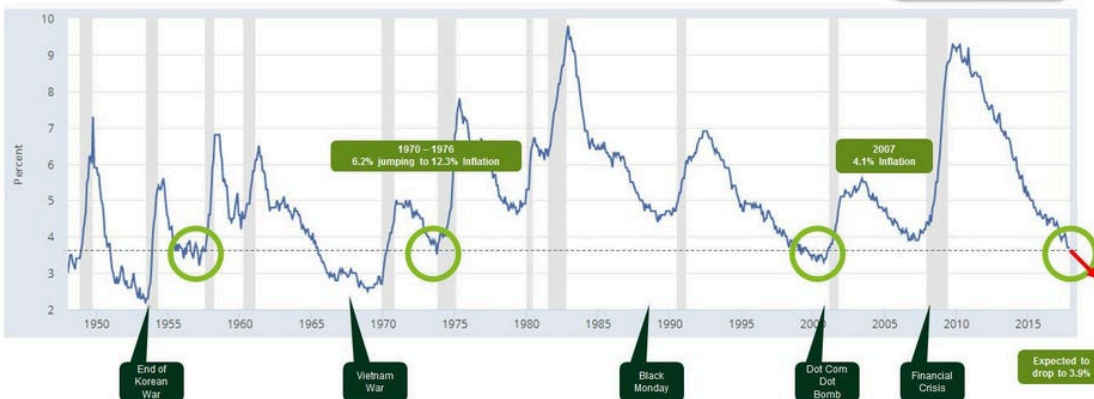
**Low unemployment:** With unemployment rates at historic lows, there were fewer available workers to fill open positions, making it more difficult for employers to find suitable candidates.

In July, the unemployment rate was 3.5%, matching the 50-year low set in February 2020. To attract and keep workers, there are 1.9 available employment for every unemployed American, and firms are reacting by boosting compensation and offering alternative working arrangements.

### Unemployment rate nearing record lows

Hiring is as hard as it has been since 2001 and "time to hire" is even greater

Mean "time to hire" for new hires is 31 days, higher than it was in 2001.

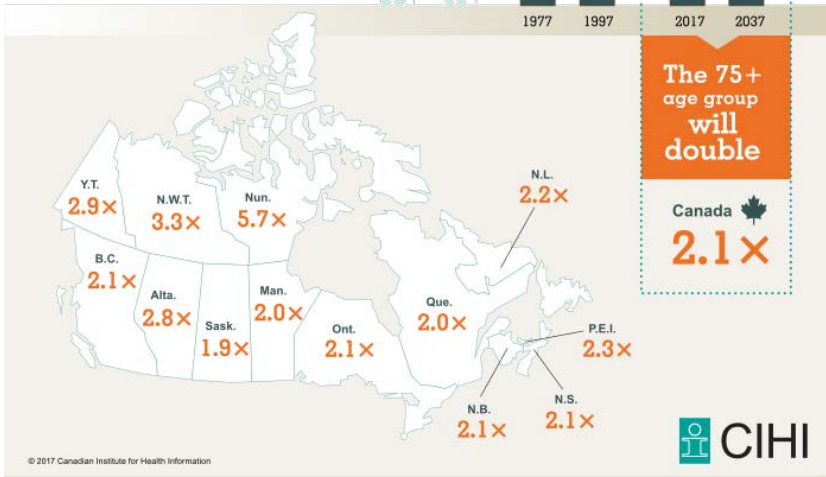
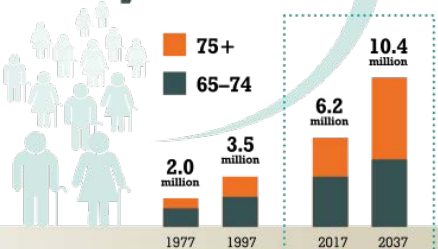


<http://dhihiringindicators.com/wp-content/uploads/2018/01/2018-01-DHI-Hiring-Indicators-Report-FINAL-2.pdf>  
<https://www.thebalance.com/unemployment-rate-by-year-3305506>

**Aging population:** As the population ages, more people are retiring, and fewer are entering the workforce, which leads to a shortage of workers in specific fields. This is particularly true in healthcare, where an aging population has led to an increased demand for healthcare services but a decreased number of workers available to provide those services.

### Canada's seniors population outlook: Uncharted territory

Over the next 20 years, Canada's seniors population is expected to grow by **68%**



The 75+ age group will double  
 Canada **2.1x**

© 2017 Canadian Institute for Health Information



**Lack of Interest in certain types of work:** Some jobs are considered less attractive than others due to pay, working conditions, or other factors, which can lead to a lack of people interested in pursuing careers in those fields.

40% of all job-seeking respondents say the desire for better pay or hours drives their search for a new job. Furthermore, a Payscale research on 454 occupations contrasted how employees felt about their employment regarding Job Meaning and Job Satisfaction. The study also factored in Median Pay to see if there was any strong correlation between the 2.

According to the report, working at fast-food restaurants has the lowest median wage, particularly in the kitchen. They were also in the bottom 20 jobs regarding how significant and gratifying they believed their work was.

Job Title	Median Pay	High Meaning	High Satisfaction
<i>Restaurant workers</i>	\$19,400	33%	39%
<i>Registered Nurses</i>	\$60,100	80%	71%
<i>Security Guards</i>	\$25,300	49%	53%
<i>Librarians</i>	\$49,100	77%	81%
<i>Public Transport Workers</i>	\$30,400	52%	52%
<i>Bartenders</i>	\$28,600	32%	61%
<i>Repair Workers</i>	\$38,100	50%	64%
<i>Home Care Aides</i>	\$30,500	81%	64%
<i>Teachers</i>	\$41,000	72%	67%
<i>Fire Fighters</i>	\$43,100	88%	83%

The table presents the anticipated decrease in interest and job satisfaction for certain occupations. The root cause of this dissatisfaction, be it arduous working conditions or job burnout, will likely deter individuals from pursuing such careers, resulting in a staff shortage.

**Changing demographics:** The changing demographic landscape can have a substantial impact on the in-demand skills in the labour market. As the aging population creates a higher demand for healthcare and social services workers, technological advancements drive a heightened demand for workers with technical and engineering abilities.

However, this can result in a skills mismatch, where the available workforce does not possess the required skills to meet the growing demands of the industry. This shortage of skilled workers can pose a significant challenge for organizations seeking to expand and remain competitive in the global economy.

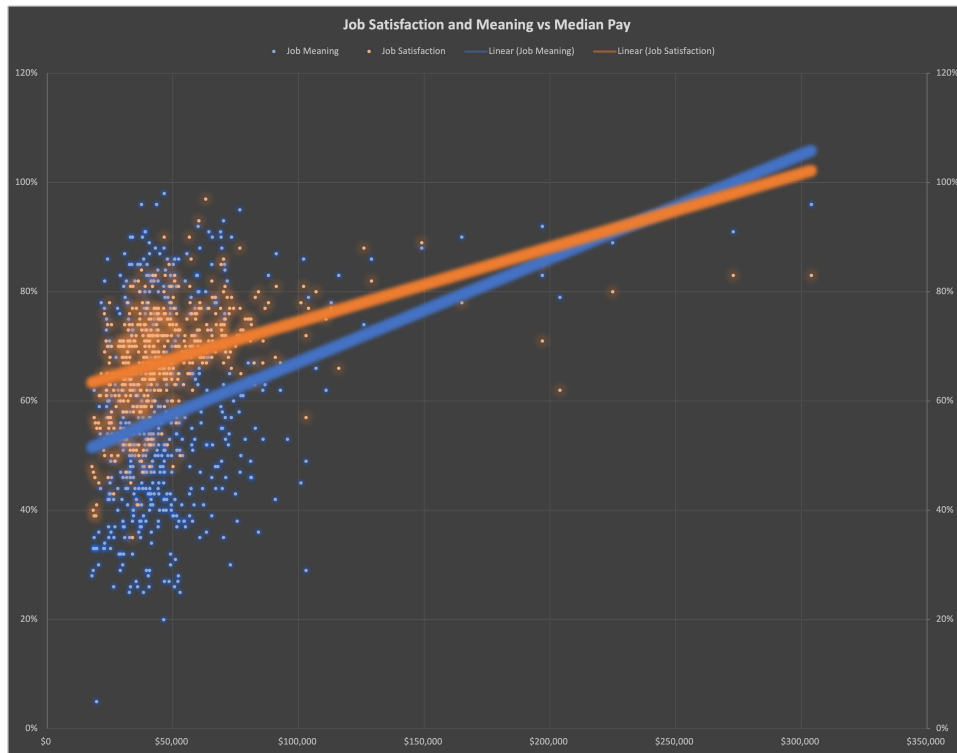


Figure.2 How different employees rate their job in terms of satisfaction and meaning based on their median income. On average employees' perception on job meaning increases faster than their job satisfaction.

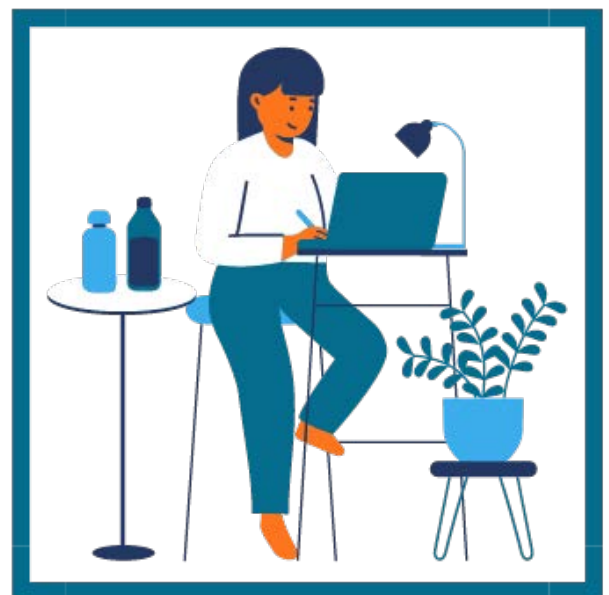
**Skills gap:** There may need to be more workers with the necessary skills to fill open positions, particularly in areas such as technology and healthcare.

The perceived mismatch between jobseekers' skills and employer expectations is the second most often stated obstacle to employment: A lack of experience, necessary abilities, credentials, and/or education is preventing 26% of respondents from the McKinsey study from being employed.

**Remote work:** The aftermath of the COVID-19 pandemic has led to more people working remotely. This makes it more difficult for some employers to find workers willing to relocate or return to working on-site.

A discrepancy in expectations, particularly regarding income and flexibility, is a potential cause for the mismatch between job vacancies and job seekers. Other top reasons for looking for a new job, after a more excellent salary or hours and better career progression, are flexible working arrangements, such as the flexibility to work from home or bring a kid to work (22%), and predictable hours and scheduling (16%).

Each industry and location might have different contributing factors that cause staff shortages. As we remember from our macroeconomics classes, the government looks to take immediate action during high unemployment. But first, let's look at an economic overview of the staff shortage problem to see how bad it is!





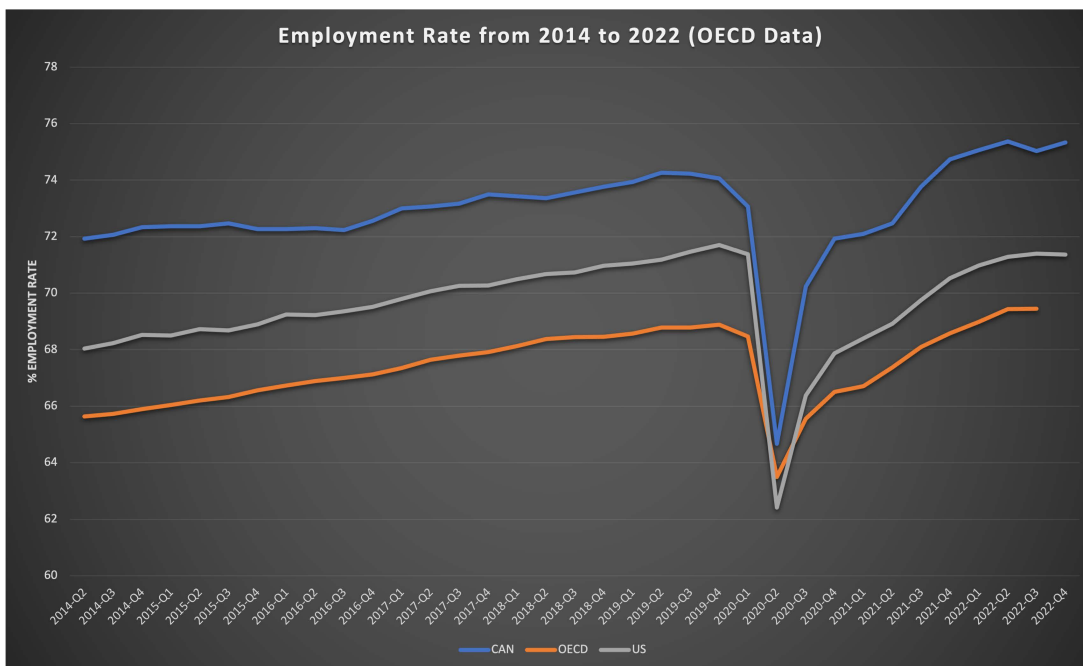
# Economic Overview of Staff Shortage Trends

## Unemployment Rate

The unemployment rate is a measure of the percentage of the labour force that is unemployed but actively seeking employment and willing to work. It is typically calculated by dividing the number of unemployed individuals by the total labour force, including employed and unemployed individuals.

The total labour force is the sum of employed individuals and unemployed individuals, which are defined as:

- Employed individuals: people who are currently working, including those who are self-employed or working without pay in a family business.
- Unemployed individuals: people who are without work but are available for work and have actively sought employment in the past four weeks.



It's worth noting that not all people without work are considered unemployed; for example, individuals who are not actively seeking employment are not considered unemployed and, therefore, not included in the labour force.

The unemployment rate is widely used to indicate the economy's overall health and labour market. A low unemployment rate generally indicates a strong economy and a healthy labour market, while a high unemployment rate may indicate an economic downturn or weak labour market conditions. It's also important to note that the unemployment rate is a lagging indicator and does not capture the dynamics of the labour market, such as underemployment and discouraged workers.

## Canada's Unemployment Rate

The unemployment rate in Canada has fluctuated since 2015.

In 2015, the unemployment rate was relatively low, averaging around 6.9%. As the Canadian economy expanded, the unemployment rate dropped even lower, hitting a low of 5.8% in early 2017, the lowest level seen since the 1970s.

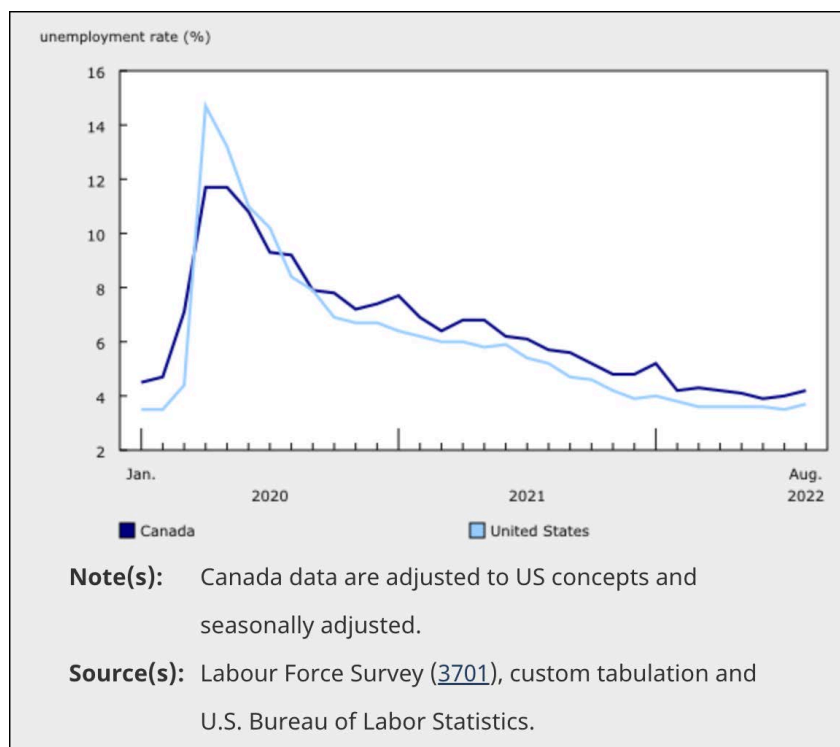
The unemployment rate remained relatively stable during the next few years, fluctuating from 5.6% to 6.0%. However, with the onset of the COVID-19 pandemic in 2020, the Canadian economy was hit hard, leading to widespread job losses, which caused a significant increase in the unemployment rate. It peaked in May 2020 at 13.7%, the highest level in decades.

As the country adjusted to the new normal, the unemployment rate started to come down with the vaccines rolling out. The unemployment rate continued to improve throughout 2021 and early 2022 as the economy began to recover and businesses started re-hiring workers. The unemployment rate currently is at 5.8% as of December 2022 and hence decreased by 1.7% points in the past year.

## United States Unemployment Rate

In 2015, the unemployment rate steadily decreased from previous years, averaging around 5.3%. The unemployment rate remained low for the next few years, reaching a record low of 3.5% in September 2019.

However, similarly to Canada, in 2020, the U.S. economy was hit hard. The pandemic led to widespread job losses and a significant increase in unemployment. The unemployment rate increased dramatically, reaching 14.8% in April 2020, its highest level since the Great Depression. Like Canada, the United States is returning to a lower unemployment rate as they adjust to the new normal.



## Unemployment-to-job vacancy ratio

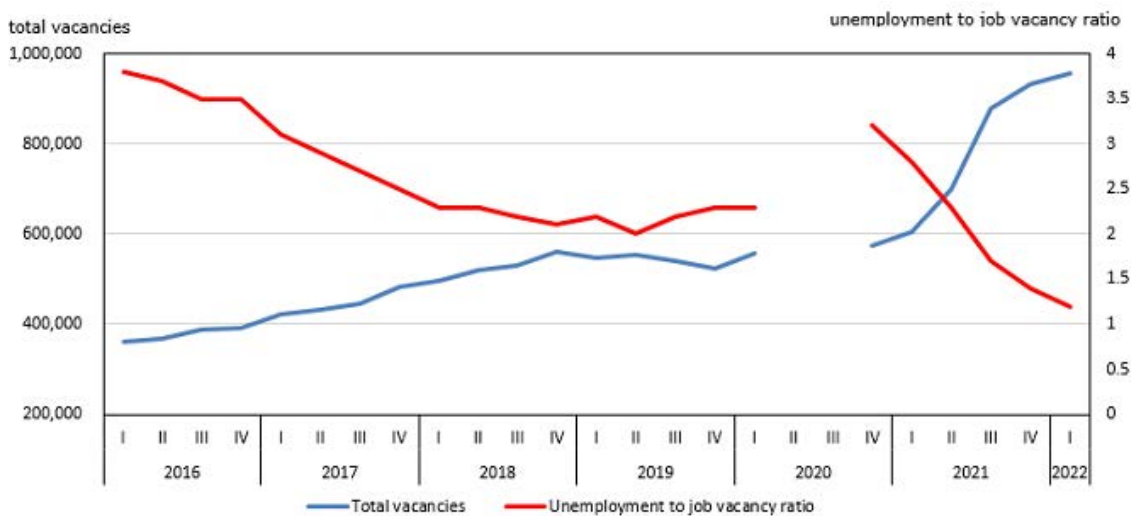
The unemployment-to-job vacancy ratio (U-to-J ratio) measures the balance between the number of unemployed workers and the number of job openings in an economy. It is calculated by dividing the number of unemployed workers by the number of job vacancies.

The U-to-J ratio varies depending on the period you are looking at and also the location you are looking at. It also can be affected by the type of economy, whether service-based or goods based, as well as the level of education and skills required for the job vacancies.

A low U-to-J ratio indicates a tight labour market with more job openings than unemployed workers. Employers may have to offer higher wages and better benefits to attract and retain workers. On the other hand, a high U-to-J ratio indicates a weak labour market, where there are more unemployed workers than job openings, and employers may have more choices in terms of whom they hire. They can offer lower wages and benefits.

### U-to-J ratio in North America

How has the fluctuations in the unemployment-to-job vacancy ratio (U-to-J ratio) changed in both Canada and the United States since 2010?

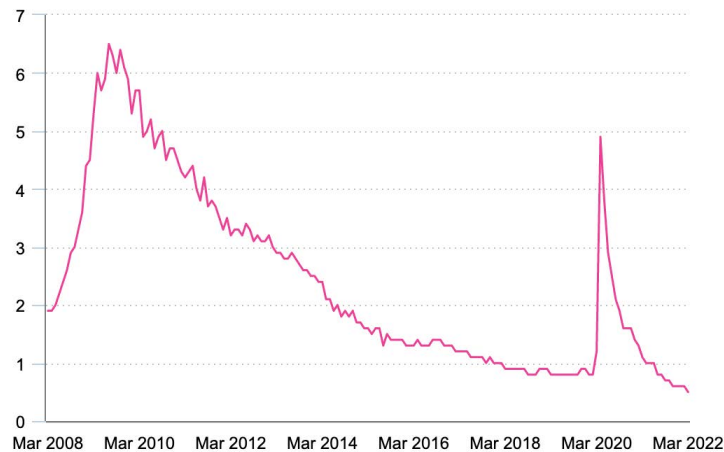


**Note(s):** Job Vacancy and Wage Survey data collection was suspended for the second and third quarters of 2020; therefore, data for these reference periods are not available. Data are seasonally adjusted.

**Source(s):** Job Vacancy and Wage Survey (5217), table 14-10-0400-01; Labour Force Survey (3701), table 14-10-0287-01.

In Canada, the U-to-J ratio was relatively low in the early 2010s, with unemployment rates below job vacancies indicating a tight labour market. The ratio reached an all-time low of 0.3 in 2015 but started to rise as the economy started to lose steam, reaching around 0.7 by 2018. The COVID-19 pandemic in 2020 resulted in widespread job losses and a sharp increase in unemployment, causing the U-to-J ratio to skyrocket to one of its highest levels in two decades at 2.4 in May 2020. The ratio continue to increase past 2021 and 2022, but the Canadian Government believes the ratio would start to fall as people go back to work.

Number of unemployed persons per job opening, March 2022



Hover over chart to view data.  
Source: U.S. Bureau of Labor Statistics.



In the United States, the U-to-J ratio was relatively high in the early 2010s due to the lingering effects of the 2008-2009 financial crisis and the Great recession. The ratio started to decline as the economy began to recover and reached 1.9 by the end of 2014. The unemployment rate dropped to a historic low and job vacancies increased due to tight labour market conditions and strong economic growth. However, the COVID-19 pandemic in 2020 severely impacted the economy and resulted in widespread job losses and a considerable increase in unemployment.

The U-to-J ratio improved in the latter half of 2020 and early 2021 due to efforts implemented to mitigate the pandemic's economic impact.

It's worth noting that the U-to-J ratio can vary by industry, region, and other factors, so it's essential to look at more detailed data to get a more accurate picture of the labour market conditions in Canada and the U.S. since 2010. Also, the U-to-J ratio is only one measure of labour market conditions. Other indicators such as GDP, inflation, and wage growth should also be considered to get a more comprehensive picture of the labour market.

## Government initiatives to increase labour force participation

The Canadian and U.S. governments have implemented several policies and programs to increase labour force participation. Some of the key initiatives include:

### Encouraging immigration:

Canada and the United States have several immigration programs in place that are designed to attract skilled workers from other countries. This helps address labour shortages in specific industries and regions and promotes economic growth.

### Providing education and training opportunities:

The government offers funding and support for education and training programs to help Canadians and Americans acquire the skills they need to participate in the workforce. This can include secondary and post-secondary education funding and apprenticeship and vocational training programs.

## Helping disadvantaged groups:

The Canadian government focuses on helping disadvantaged groups more likely to face barriers to labour force participation, such as Indigenous peoples, people with disabilities, and newcomers to Canada. Similarly, the U.S. government also focuses on helping disadvantaged groups more likely to face barriers to labour force participation, such as low-income families, people with disabilities, and veterans. This includes programs and initiatives to provide support, education, training, and other opportunities for these groups.

## Implementing policies to support family and work-life balance:

The Canadian and the U.S. government have introduced various policies to support work-life balance, such as parental leaves, flexible work arrangements and affordable childcare, to make it easier for parents to participate in the workforce.

## Providing assistance and incentives for employers:

Both governments provide assistance and incentives to employers to encourage them to hire and retain workers. This can include tax credits, grants, and subsidies to help offset the cost of training, hiring and retaining workers.

## Addressing regional disparities:

The Canadian and U.S. governments are addressing regional disparities in labour force participation by implementing policies and programs targeted to specific regions where the participation rate is lower than the national average.

*It's important to note that the policies and programs implemented by the Canadian and the U.S. government are subject to change and review over time depending on the economic situation and the labour market conditions. The government initiatives may have long-term benefits, but urgent action is needed to ensure companies don't remain understaffed in 2023. So what can businesses do to ensure they have an adequate workforce? With the shifting trends, it's essential first to identify the root causes of staff shortages within organizations, followed by possible solutions!*



## Causes for Labour Shortage

### Is the pandemic still a root cause of the labour shortage?

It is difficult to predict the exact effects of the ongoing pandemic in 2023, as it will depend on various factors, such as the effectiveness of containment and mitigation efforts, the development and distribution of vaccines, and potential virus mutations. However, some possible effects that have been widely discussed include continued economic disruption, the possibility of additional waves of infection, and ongoing challenges to mental health. Changes made to society and the economy due to the pandemic will remain in effect for some time. Additionally, further research and studies may come up with more information regarding the long-term effects of the pandemic on individuals and society.

For instance, US President Joe Biden announced on 30th January 2023 that he plans to end the national emergency and public health emergency declaration by this May. While it may not directly impact employment opportunities and staff shortages, it could certainly affect the labour market. By ending the action to offer financial help to the public, people are more likely to start looking for jobs again to finance their living. While this may be a good opportunity for the government to increase economic activity and reduce their spending, critics disagree as it could still affect the welfare of the public that cannot afford vaccinations and treatments for COVID-19.

Maclean's research on 2023 predictions can have significant implications on what's expected to come to Canadian society, with a substantial focus on businesses, health and social issues. We'll take a brief look to see how these topics can result in a labour shortage.

### **Businesses in 2023**

*"In other words, fasten your seatbelt" - Jason McBride*

The article discusses the present economic downturn's probable influence on Canadian corporations and labour unions, as well as the consequences of climate change on both groups. The recession created by the COVID-19 epidemic has been devastating to many firms, according to the report, and has resulted in a significant increase in bankruptcies and job losses. According to the report, the economic slump may decrease union membership as people are laid off, and businesses fail.

The recession could have a silver lining for some businesses and workers. It suggests that the downturn may lead to increased government spending on infrastructure projects, which could create jobs and help boost the economy. Additionally, the article notes that the recession could increase consumer demand for sustainable and environmentally friendly products as people become more conscious of the need to address climate change.

Moreover, it is essential to look at the potential impact of climate change on Canadian businesses and labour unions. Climate change could lead to more extreme weather events, disrupting supply chains and damaging infrastructure. The shift towards a more sustainable economy could also lead to job losses in some industries, such as fossil fuels. Still, it may also create jobs in new sectors, such as renewable energy.

Overall, the economic recession and the challenges of climate change will likely lead to significant changes in the Canadian business and labour landscapes in the coming year. Businesses will have to adapt to the changing economic conditions, and labour unions will have to navigate the challenges of a changing economy and the need for more sustainable practices.

## **Canadian Healthcare System in 2023**

The impact of the COVID-19 pandemic on the healthcare system in Canada is one to discuss certainly. The pandemic has highlighted the need for more doctors in the country, particularly in rural and remote areas. The shortage of doctors in these areas is a long-standing problem, but the pandemic has made it even more pressing.

Moreover, the shortage of doctors is likely to continue in the future as the population ages and the demand for healthcare services increases. It also mentions that the pandemic has accelerated the adoption of telemedicine in Canada, which could help address the shortage of doctors in some areas by allowing patients to see a doctor remotely.

Moreover, the pandemic has had a significant impact on doctors who have been working under extreme conditions. They have been dealing with the increased workload, prolonged stress, and burnout. It's important to highlight the need for better mental health support for doctors who have been at the front of the pandemic.

To summarize, the COVID-19 epidemic has highlighted the need for fundamental improvements in Canada's healthcare system. Significant difficulties to be addressed in 2023 include doctor shortages, increasing strain and stress, pressure on rural and distant locations, and the need for greater mental health care for physicians.

## **Canadian Society in 2023**

Maclean's outlook on Canadian society, which can be extended to the United States, suggests that some of the changes caused by the pandemic are here to stay and become the new normal.

*Hybrid work is here to stay.*

According to an AT&T poll of 300 C-suite executives and senior managers, 81% of employees will be using a hybrid arrangement by 2024. It's a step that will need improved technology and a lot more confidence. Technology, such as AI assistants who can arrange meetings and open-source software that synchronizes all of our office tools, is well on its way, but trust is more difficult to come by. Employers are electronically monitoring one-third of Canadian workers at work. Ontario will force corporations to disclose such surveillance beginning in 2023, but the legislation does not grant employees any new rights.

Moving over productivity phobia will need a fundamental shift in how we approach work: project-based over time-based, output over input. Brandish, a Winnipeg consulting business, bills customers by the project rather than the hour. At the same time, AltFee, a Vancouver Law-Tech startup, creates software that lets law firms, long shackled to the billable hour, would do the same.

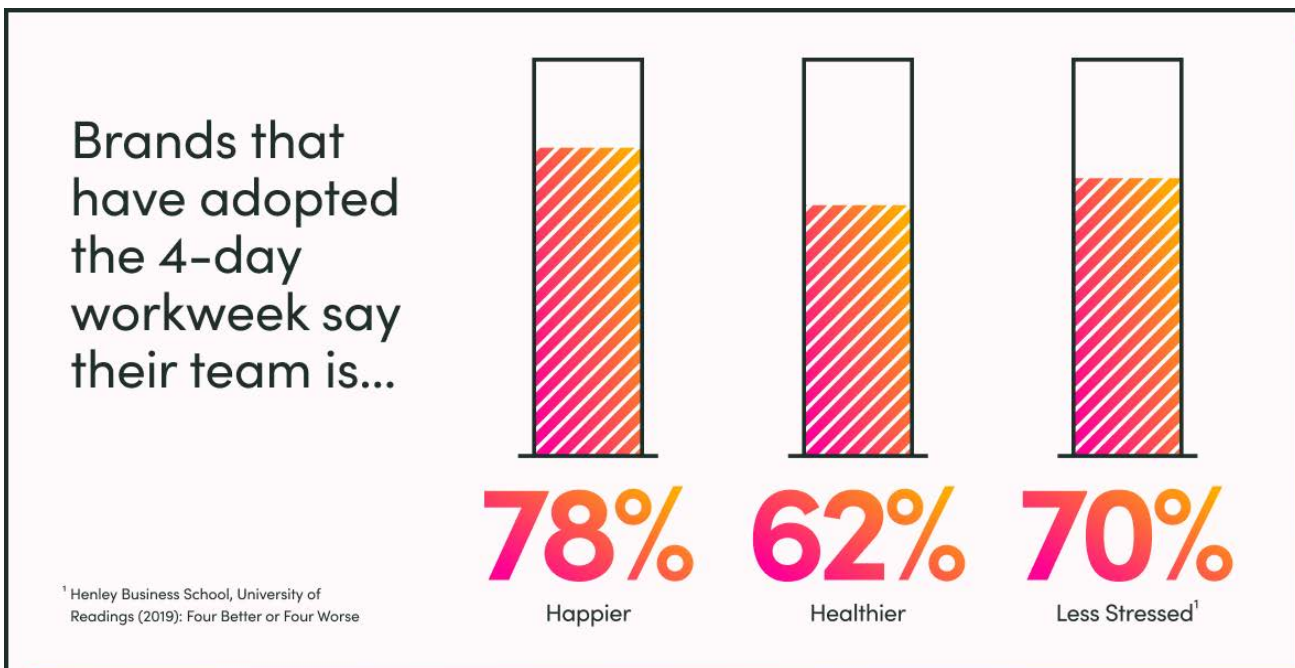
The potential alterations that are being considered may have a considerable impact on the matter of work interests and preferences. As per a recent study conducted by Accenture, 83% of 9,326 surveyed workers expressed a preference for a hybrid work model, allowing them to work remotely for a minimum of 25% of the time. Thus, it is possible that a shift in the workplace model could mitigate the issue of personnel shortages.

*Employers will experiment with four-day workweeks.*

What was once the stuff of Gen X fantasies appears to be getting closer to reality. A non-profit organization called 4 Day Week Global is conducting a pilot project with 160 companies in the United Kingdom, North America, Australia, and New Zealand, including Canadian organizations such as Toronto marketing agency Praxis, Montreal architecture firm L'Abri, and the Leukemia & Lymphoma Society of Canada, to test a four-day workweek with no pay cut for employees.



Preliminary findings are encouraging: employee happiness is up, stress is down, and 95% of participating organizations reported the same or greater productivity levels. Employers are also finding it simpler to attract and retain talent. As the labour crisis remains, employee experience is becoming an increasingly important component of recruiting packages, implying that more Canadians than ever may be saying TGIT in 2023.





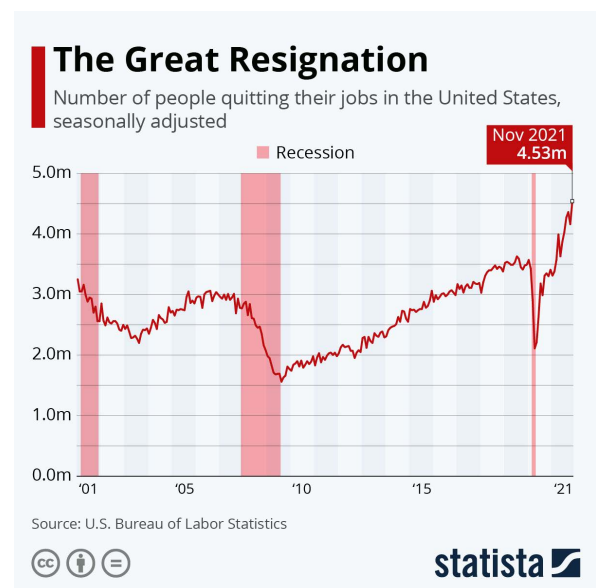
## The Great Resignation: What is it, and why isn't the economy fixing it?

The term "The Great Resignation" refers to the trend of workers leaving their current employment in pursuit of better job prospects or higher job satisfaction. This trend has been observed across various countries and industries and is believed to have multiple causes.

One factor is the changing economic landscape, which has resulted in increased job competition and a more dynamic labour market, brought on by globalization and the digital economy. Another factor is a shift in employee attitudes toward work, where individuals are prioritizing a better work-life balance and are less willing to stay in jobs that do not align with their values or career aspirations. It is believed that these two causes are interconnected.

The Great Resignation has had a noticeable impact in countries such as the United States and the United Kingdom, where workers have reported increased job uncertainty and insecurity, as well as decreased job satisfaction. This trend has implications for both organizations and employees.

To mitigate the effects of the Great Resignation, experts have suggested that organizations adopt a proactive approach to employee engagement by providing more flexible work arrangements, and career development opportunities, and fostering a positive and supportive work environment.



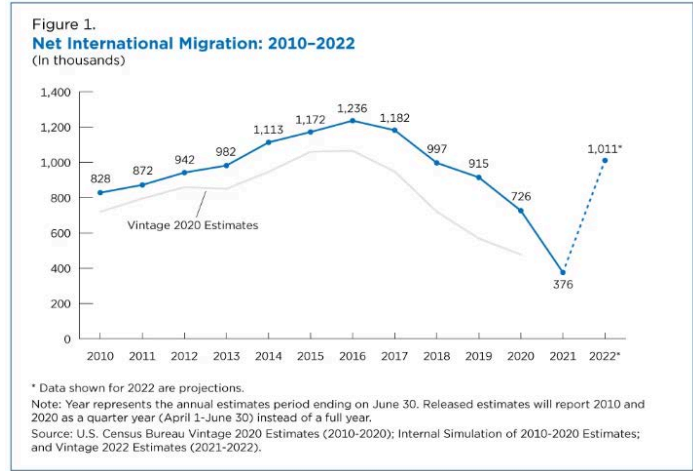
### Ways an economy can solve a labour shortage.

There are several ways that an economy can address labour shortages:

- **Increase immigration:** Allowing more people to enter the country can help fill labour shortages, particularly in industries that rely on low-skilled workers.
- **Automation:** Investing in automation and other forms of technology can help businesses become more efficient and reduce the need for human labour.
- **Training programs:** Investing in training programs and education can help prepare workers for in-demand jobs, which can help fill labour shortages.
- **Increase wages and benefits:** Increasing salaries and benefits can help attract workers to specific industries or regions experiencing labour shortages.
- **Encourage more women and older workers to join the workforce:** Encourage policies that support women and older workers to enter the workforce and make working conditions more flexible to retain these employees.
- **Increase productivity:** Encourage policies that support worker productivity.

# Changing Demographics: Early Retirement or Immigration Drop?

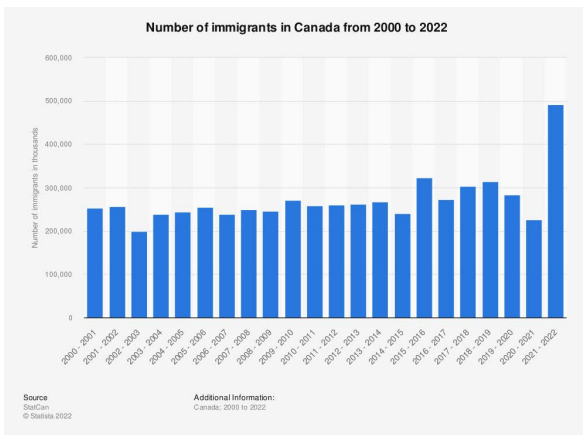
Economists hold contrasting viewpoints regarding the impact of immigration on the economy. Proponents of immigration argue that it stimulates economic growth through the expansion of the labour force and the promotion of innovation. Conversely, opponents argue that immigration negatively affects low-skilled workers by increasing competition for jobs that would otherwise be filled by American workers and by suppressing wages for native-born, low-skilled labourers.



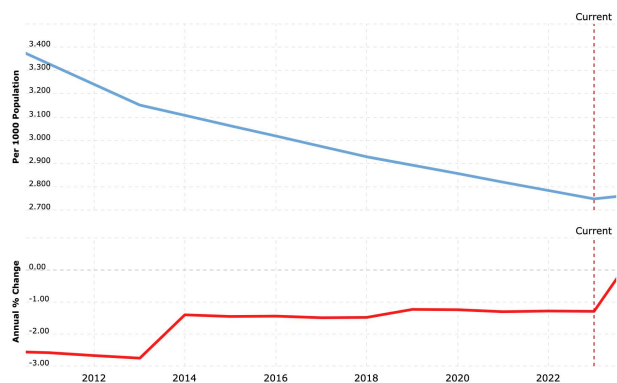
In his address to Congress in 2017, President Donald Trump cited a report by the National Academies of Sciences, Engineering, and Medicine on the economic impact of immigration. The President stated that the immigration system incurs significant financial losses for American taxpayers each year, as per the report's findings. However, the National Academies later clarified that the report actually concluded that immigration has a net positive effect on the economy. Immigrants represent an increasingly diverse category in the U.S., having become more diverse in recent decades.

During the Trump administration, there was a decline in immigration to the United States, but the recent trend shows a return to pre-pandemic levels of net international migration. Despite the influx of immigrants with a diverse range of skills and work experiences, the ongoing staff shortage issues have not been alleviated.

According to research by Macrotrends, the proportion of new immigrants to the total population is decreasing, which may suggest a decline in new job opportunities for immigrants, an increase in the productivity of workers, or a rise in the retirement rate. It is also possible that the situation may be different in Canada, where there was an increase of 250,000 more immigrants in 2022 compared to 2021, primarily for the purpose of study or work. Is the current staff shortage issue solely attributed to an increase in early retirement and a more productive workforce?



## U.S. Net Migration Rate 2011-2023



# Staff Shortage due to Early Retirement?

After the great resignation, some economists have termed a new word: The Great Retirement. The labour force in Canada increased in the month of August 2022, however, it declined in the preceding two months and has yet to return to its pre-summer size as a considerable number of individuals have ceased to be employed. Statistics Canada attributes a significant portion of this phenomenon to an increasing trend of retirement among Canadians.

According to Statistics Canada, a record number of Canadians aged 55-64 are reporting retirement in the last 12 months. This is in addition to the usual 65 and over age group who are also retiring.

As reported by Statistics Canada, Canada has the largest working-age population as a percentage of the overall population in the G7, but its labour force has become increasingly older. With one in five workers 55 years or older, Canada has been facing a mass exodus of its highly skilled workforce. This situation has left businesses struggling to adapt and has resulted in a rise in wages and a potential decline in productivity. In response, the country has ramped up immigration efforts to drive economic growth.

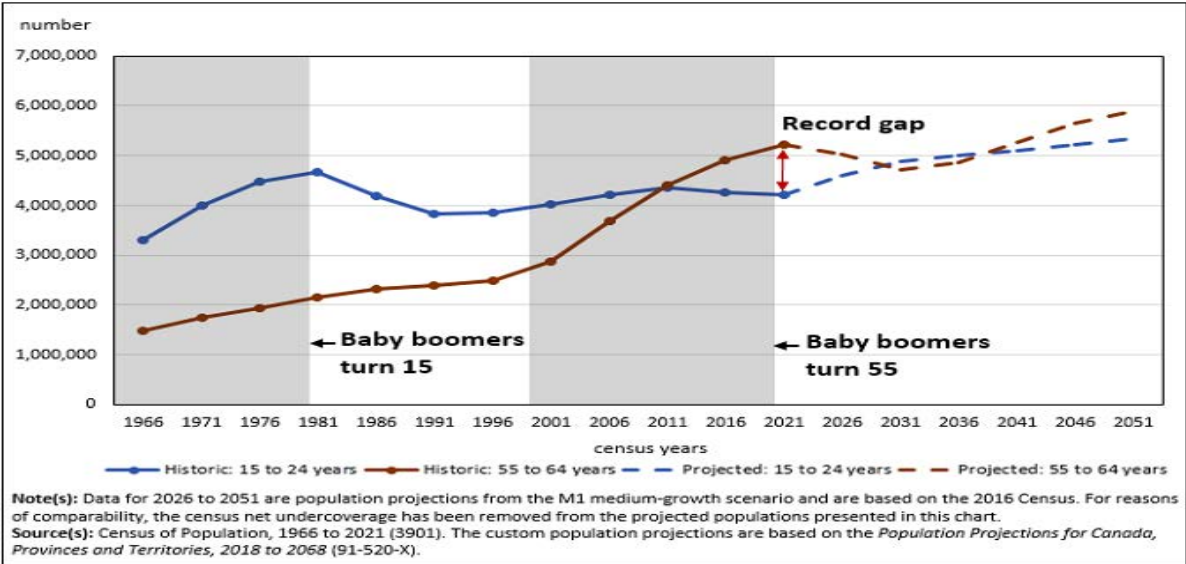
“*People are leaving without there being enough younger workers to take over*”

JIMMY JEAN, CHIEF ECONOMIST, DESJARDINS GROUP

The issue of retirement in Canada is particularly pronounced in skilled fields such as trades and nursing, leading to a significant decline in the number of jobs available in these industries. According to Statistics Canada, the country has lost 34,400 healthcare jobs since May, despite a record number of nurses reporting working overtime hours.

Similar is the case in the United States, with CBS News reporting that “Retirements fueling U.S. worker shortage.” With the difficulty of getting people back into the workforce, whether through immigration or bringing people back from retirement, the only thing keeping companies alive are the remaining employees that are either very productive or they are overworked. But is that sustainable in 2023 and beyond?

## People nearing retirement outnumber people old enough to enter the labour market



## Industry-Specific Labour Shortage: Need for a change in working conditions

The Great Resignation has been observed in various industries and sectors within the U.S. and Canada. On a national scale, disputes over wages and working conditions have often led the conversation regarding industry-related staff shortages. So what is the Industry trend looking like for employees and is there a need for change?

### **The U.S.**

In 2023, the US technology industry experienced significant layoffs, with over 66,000 workers impacted, as recorded by Crunchbase News. This trend is attributed to several factors, including intense competition for talent and the rapid pace of change and innovation in the sector. The job cuts are expected to continue, with more workers potentially losing their jobs as the year progresses.

In the retail industry, the Great Resignation has been driven by the changing nature of the sector, with more retailers shifting to e-commerce and automation, which has led to job losses and increased competition for remaining jobs.

In the healthcare industry, the Great Resignation has been spurred on by the increasing demands on healthcare workers, with many reporting high levels of stress and burnout, leading to increased turnover.

### **Canada**

The Great Resignation has been observed in Canada too, mainly in the oil and gas industry. Many workers have left their jobs due to the downturn in the industry and the shift toward renewable energy sources. This has led to increased competition for remaining jobs, and many workers have chosen to leave the industry in search of better opportunities. In 2014, the labour force within Oil and gas industry had peaked at over 240,000 Canadians. However, in 2022, only around 188,000 are seeking to work in this sector.

In the public sector, the Great Resignation has been led by the increasing demands on public sector workers, with many reporting high levels of stress and burnout, leading to increased turnover.

*So, it's clear that there is a need for a change in working conditions to help address labour shortages in North America.*

*One of the main reasons for labour shortages in North America is a mismatch between the workforce's skills and qualifications and employers' needs. To address this, many experts recommend investing in education and training programs to help workers acquire the skills and qualifications they need to succeed in the modern workforce.*

*Working conditions also play a vital role in the retention of employees; providing better working conditions, benefits, fair compensation, and a good work-life balance can help to retain employees and reduce labour shortages.*

*In addition, organizations may need to consider alternative recruitment and workforce management forms, such as remote work arrangements, contractor-based workforce, or outsourcing, to address labour shortages in specific sectors and industries.*

# Importance of Retaining Employees in 2023

Retaining employees is critical to running a successful business. Not only does it save time and resources in the recruitment and training process, but it also contributes to a positive workplace culture and increased productivity.

According to a study by the Society for Human Resource Management, the average cost of losing an employee can range from one-half to two times their annual salary. That's why employers need to make employee retention a priority.

Here are some tips and strategies for retaining employees:

## Offer competitive compensation and benefits packages.

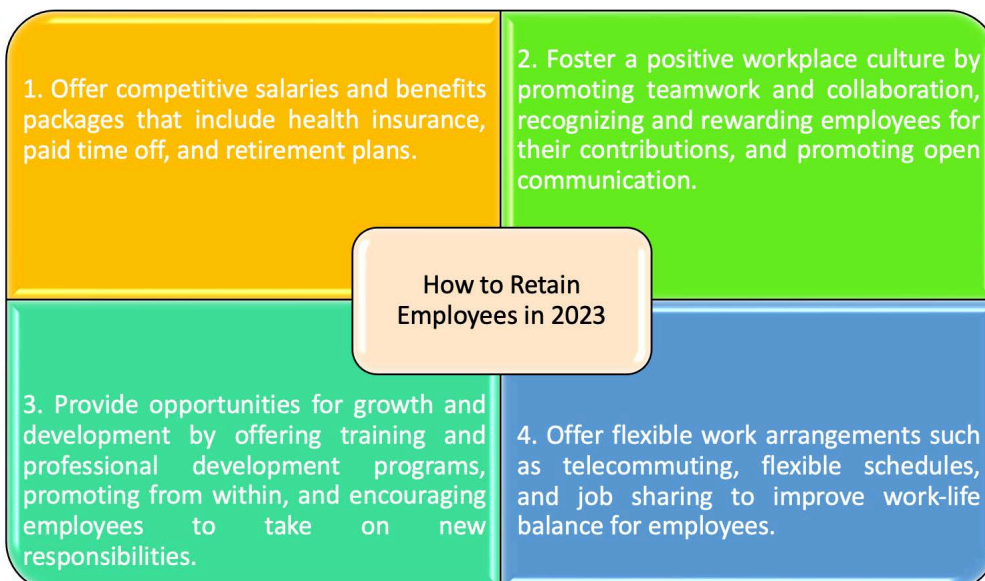
Offering competitive salaries, bonuses, and benefits such as health insurance, retirement plans, and paid time off can help retain employees. Employees are more likely to feel valued and appreciated by providing a comprehensive compensation package, which can increase job satisfaction and reduce turnover.

## Foster a positive workplace culture.

Creating a positive workplace culture can have a significant impact on employee retention. This includes promoting open communication, encouraging collaboration, and recognizing and rewarding employees for their contributions. A positive workplace culture can improve morale and increase job satisfaction, making employees more likely to stay with the company.

## Provide opportunities for growth and development.

Employees are more likely to stay with a company that offers opportunities for growth and development. This can include training and professional development programs, offering promotions and advancement opportunities, and encouraging employees to take on new challenges and responsibilities.



## **Listen to employee feedback.**

Regularly soliciting and acting on employee feedback can help retain employees. By showing that their opinions and ideas are valued, employees are more likely to feel invested in the company and less likely to look for opportunities elsewhere.

## **Offer flexible work arrangements.**

Offering flexible work arrangements, such as telecommuting, flexible schedules, and job sharing can help retain employees. This can improve work-life balance and increase job satisfaction, making employees more likely to stay with the company.

## **Specific Work Environment Issues to tackle in 2023**

Different industries face unique work environment issues impacting employee satisfaction and retention. Such issues largely contribute to employee turnover and hence the staff shortages that we see today. These issues can range from the physical demands of the job, long and irregular hours, and limited opportunities for growth and advancement to high stress and burnout. Understanding and addressing these issues is crucial in creating a positive workplace culture and retaining top talent. Whether it's the healthcare industry with its demanding patient care responsibilities, the technology industry with its rapidly changing technology, or the retail industry with its long hours and physical demands, each industry faces its own set of work environment challenges. Let's look at some of them!

### **Employee Safety in Hospitality and Security: Understanding the Challenges and Solutions**

Hospitality and security are two industries that require a strong focus on employee safety. With the nature of the work, employees in these industries are often exposed to various physical and emotional hazards that can impact their well-being and job satisfaction. In this blog post, we'll discuss the challenges of employee safety in hospitality and security and how employers can help with employee safety.



### **Challenges of Employee Safety in Hospitality and Security**

#### *Physical Demands:*

Hospitality workers, such as hotel and restaurant workers, are often required to perform physically demanding tasks, such as carrying heavy bags, standing for long periods, and dealing with difficult customers. These physical demands can lead to injuries and burnout, impacting employee morale and job satisfaction.

Security personnel are often required to perform physically demanding tasks, such as standing for long periods of time and dealing with potentially dangerous situations. These physical demands can lead to injuries and burnout, impacting employee morale and job satisfaction.

### *Workplace Violence:*

Hospitality workers are often exposed to customer verbal and physical abuse, leading to a high risk of workplace violence. According to a 2018 Bureau of Labor Statistics study, the hospitality industry had the highest rate of nonfatal workplace assaults among all industries.



Security personnel are often exposed to verbal and physical abuse from customers and clients, leading to a high risk of workplace violence. According to a 2018 Bureau of Labor Statistics study, the security industry had the second-highest rate of nonfatal workplace assaults among all industries.



### *Stress and Burnout:*

Hospitality workers are often required to work long hours, deal with demanding customers, and manage multiple tasks simultaneously. This can lead to high levels of stress and burnout, impacting employee well-being and job satisfaction.

Security personnel must often work long hours, deal with potentially dangerous situations, and manage multiple tasks simultaneously. This can lead to high levels of stress and burnout, impacting employee well-being and job satisfaction.

## *Ways Employers Can Help with Employee Safety*

### *Provide Adequate Training:*

Employers can provide adequate training to employees to help them handle the physical and emotional demands of the job, deal with workplace violence, and manage stress and burnout. For example, hospitality employers can provide customer service training to help employees deal with demanding customers, and security employers can provide self-defence training to help employees deal with potentially dangerous situations.

### *Implement Safety Protocols:*

Employers can implement safety protocols to help employees stay safe on the job. For example, hospitality employers can implement security cameras and panic buttons, and security employers can provide body armour and pepper spray.

### Foster a Positive Workplace Culture:

Employers can foster a positive workplace culture by promoting teamwork and collaboration, recognizing and rewarding employees for their contributions, and promoting open communication. This can help improve employee morale and job satisfaction, reducing the risk of workplace violence and stress and burnout.

### Offer Support Services:

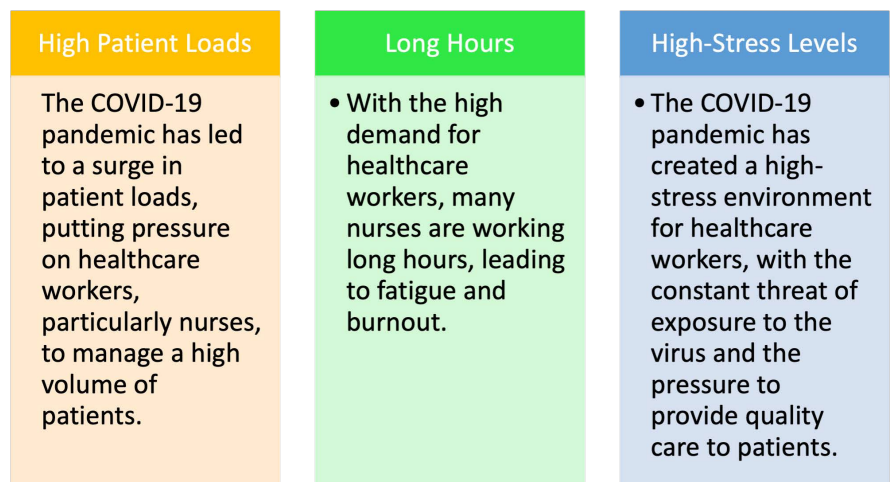
Employers can offer support services to employees, such as counselling and wellness programs, to help them manage stress and burnout.



## Increasing Workload from Pandemic for Healthcare workers: How to avoid Nurse Burnout

The COVID-19 pandemic has put an enormous strain on healthcare workers, particularly nurses, who have been on the front lines of the crisis. Nurse burnout has become a critical issue with increasing patient loads, long hours, and high-stress levels and burnout. In this blog post, we'll discuss the reasons for the increasing workload for healthcare workers, the impact of nurse burnout, and how employers can help prevent nurse burnout.

### Reasons for Increasing Workload



### Impact of Nurse Burnout





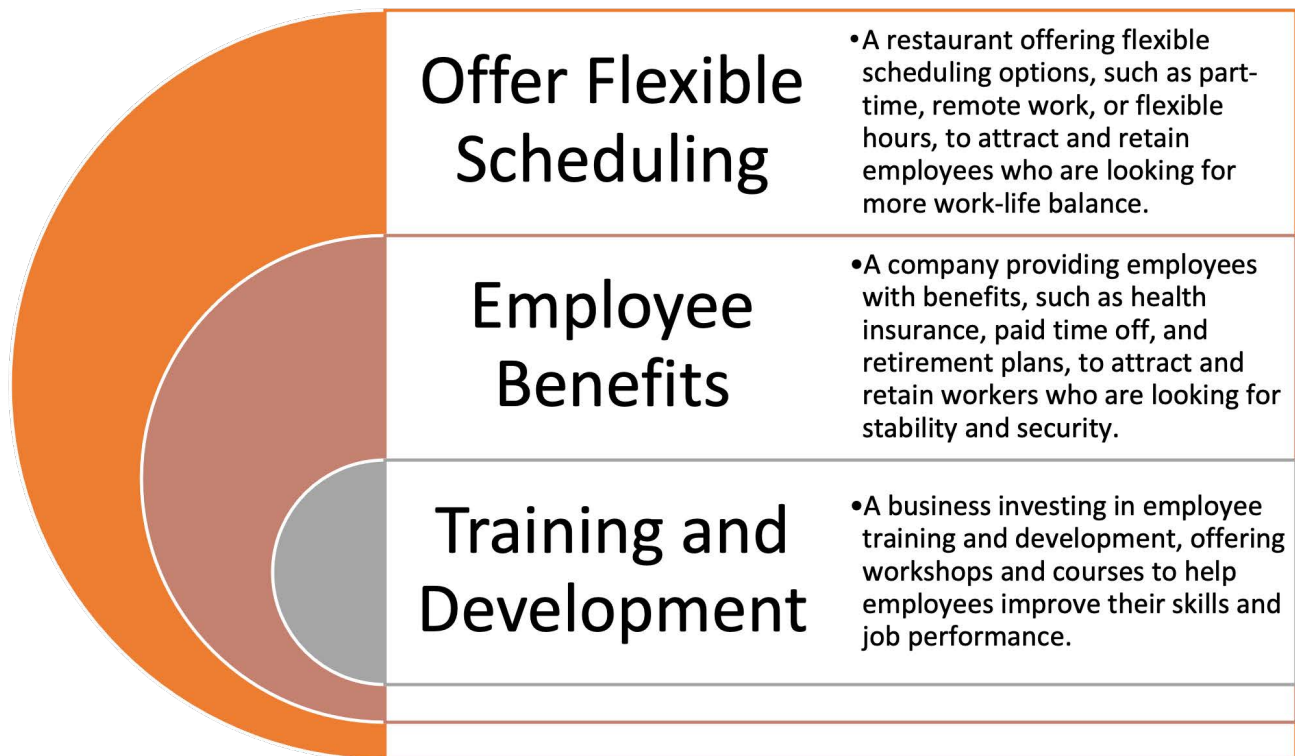
## Ways to Prevent Nurse Burnout

**Provide Adequate Support:** Employers can provide adequate support to healthcare workers, including counselling and wellness programs, to help them manage stress and burnout.

**Foster a Positive Workplace Culture:** Employers can foster a positive workplace culture by promoting teamwork and collaboration, recognizing and rewarding employees for their contributions, and promoting open communication.

**Implement Flexible Scheduling:** Employers can implement flexible scheduling to help healthcare workers manage their workload and avoid burnout. This can include offering flexible hours, paid time off, and the ability to work from home.

**Provide Adequate PPE:** Employers can provide adequate personal protective equipment (PPE) to healthcare workers to help them stay safe on the job and reduce the risk of exposure to the virus.



# How Celayix Can Help Solve your Staff Shortage Problems

You must have noticed several phrases often used throughout the ebook: flexible scheduling, technology, employee communication, and feedback. We'd be lying if we stated there wasn't a reason for employing the terms. Below we talk about the importance of flexible work schedules, how to implement them and show you why Celayix would be the perfect fit for you!

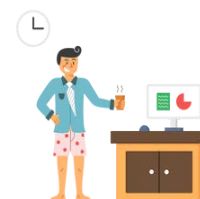
## Why Shift Workers Need Flexible Work Schedules

Shift workers are essential to many industries, including healthcare, retail, transportation, and manufacturing. These workers provide imperative services 24/7, 365 days a year. Despite the importance of their work, shift workers often need help with challenges that make their jobs more complex and less enjoyable. One of the biggest challenges faced by shift workers is inflexible work schedules.

Inflexible work schedules can create several problems for shift workers. For example, it can be difficult for shift workers to balance their work and personal lives. They may miss important events or activities, such as birthdays, school plays, and family gatherings, because of work commitments. This can lead to stress, burnout, and reduced job satisfaction.

Another issue is the impact of shift work on health. Shift work is associated with several health problems, including sleep disturbances, digestive issues, and cardiovascular disease. These health problems can be exacerbated by inflexible work schedules, as shift workers are often required to work unsocial hours, leading to disrupted sleep patterns and other health issues.

## How to Provide Flexible Work Schedules to Shift Workers



It is essential to provide flexible work schedules to support shift workers and help them achieve a better work-life balance. Here are some ways to do so with Celayix:

**Offer flexible scheduling options:** Allow shift workers to choose their work hours or days within certain constraints. This can help them to balance their work and personal commitments better. Examples include Shift Bidding, Self-scheduling and Shift Swapping.

**Encourage job sharing:** Encourage shift workers to find a job share partner to split their shifts. This can reduce the time spent working and allow shift workers more time for other activities.

**Provide paid time off:** Offer paid time off to shift workers, such as paid holidays and paid sick leave. This can help them take time off for personal or health reasons without worrying about lost income.

**Offer remote work options:** Allow shift workers to work remotely or elsewhere. This can help reduce the impact of shift work on their health and well-being and provide them with more flexibility.

**Provide on-site amenities:** Offer amenities such as on-site childcare, showers, and break rooms to support shift workers. This can help them to manage their work and personal lives better and make their jobs more enjoyable.

In conclusion, providing flexible work schedules to shift workers can positively impact their health, well-being, and job satisfaction. By offering flexible scheduling options, encouraging job sharing, providing paid time off, offering remote work options, and providing on-site amenities, employers can support shift workers and help them to achieve a better work-life balance.



## Our Final thoughts

In conclusion, staff shortages can be attributed to several factors, including a strong economy leading to low unemployment rates, a skills gap, and an aging workforce. Employers can tackle staff shortages by offering competitive wages and benefits, providing professional development opportunities, and adopting flexible work arrangements. They can also consider expanding their hiring pool, for instance, by recruiting from underrepresented groups or training and upskilling current employees.

By implementing these strategies, employers can not only address staff shortages but also enhance job satisfaction and employee retention. Utilizing scheduling software like Celayix can also help employers tackle staff shortages by streamlining their scheduling process, improving communication and collaboration among team members, and reducing errors and inconsistencies in scheduling. This can result in increased efficiency and productivity, freeing up time for employers to focus on other important tasks in 2023.