



State of Manufacturing

How Hardship Relief Can Close a
Gap Wages Can't

AT A GLANCE

The gap your benefits package wasn't built to close

Manufacturing employers lead most industries on health coverage, wages, and workforce investment. And yet attracting and retaining talent remains the sector's most persistent challenge. The reason isn't what you're offering. It's what happens when a \$1,000 car repair stands between an employee and their next shift.

95%

eligible for employer-sponsored health insurance

Source: National Association of Manufacturers

\$36.39

average hourly wage

Source: Bureau of Labor Statistics

#1

since 2017 talent attraction & retention is top challenge

Source: National Association of Manufacturers



\$10K+

cost to replace frontline worker

Source: UKG



17–32%

turnover rate, role and region dependent

Source: Deloitte



\$1,145

average grant to manufacturing employees

Source: Canary programmatic data

Most employer offerings are designed for planned needs. A hardship fund addresses the *unplanned ones* that they aren't built for.

Manufacturing: A sector at an inflection point

U.S. manufacturing is experiencing a level of strategic attention it hasn't seen in decades. The case for domestic production has been strengthened by hard-won supply chain lessons: 86% of manufacturers worked to de-risk their supply chains in the two years following COVID-19 disruptions, according to NAM. Additionally, growing geopolitical uncertainty and sustained trade policy pressure that is making offshore manufacturing increasingly expensive. Reshoring intentions are at historic highs.

The case for domestic production has never been stronger. Trillions in U.S. manufacturing commitments have been announced in recent years, spanning semiconductors, pharmaceuticals, energy, and automotive verticals.

But promised investment alone doesn't build a workforce.

The plants are being planned. The investment is promised. What determines whether this moment is met is whether manufacturers can **solve the workforce challenge standing in the way.**

There are currently over 400,000 unfilled manufacturing positions in the U.S. By 2033, 3.8 million new roles will be needed. Of those openings, the majority will result from retirements. Those who navigate this next decade successfully will be the ones who retain the existing workers and give the next generation a reason to show up.

Strong workforce investment isn't the same as financial stability

Manufacturing leads most industries on traditional workforce investment. In 2025, 95% of manufacturing employees were eligible for employer-sponsored health insurance. Average hourly wages for all manufacturing employees reached \$36.39 as of early 2026, Manufacturers consistently rank competitive total rewards packages as their most effective retention strategy.

So why does attracting and retaining talent remain the industry's most persistent challenge?

The answer lies in a distinction that's easy to miss. Most of what employers currently offer is designed to support employees over time. Offerings like health coverage, retirement matching, well-being programs are valuable, and manufacturers invest in them heavily. But they share a common limitation: they're built for planned needs. They help once someone is already sick, already planning for retirement, already stable enough to engage with long-term tools.

Since 2020, inflation has consistently outpaced wage growth for hourly workers. In early 2026, real purchasing power declined again for the first time in years. At the same time, we know that 59% of Americans currently lack sufficient savings to cover a \$1,000 emergency.

For a workforce that is approximately 70% hourly, the 59% of Americans who lack sufficient savings to cover a \$1,000 emergency isn't a distant statistic, it's a description of who's on the floor. The gap between strong workforce investment and genuine financial resilience is wide. The opportunity cost of not closing that gap is significant.

Deloitte's 2026 Manufacturing Industry Outlook names it directly: nonwage support for transportation, childcare, and housing are "increasingly important" retention tools for manufacturers.



When getting to work is the hardest part of the job

Manufacturing has always required workers to show up in person, on time for every shift. What compounds that requirement is a location-based reality: manufacturing plants are often located outside city centers and shifts start early before public transit or ride-share is less reliable, that is if access even exists. In that context, a car breakdown isn't just an inconvenience. It can be a job-ending event.

From Canary's Grant Circle data: manufacturing clients

Among Canary's manufacturing clients, car-related issues were a top hardship category within employer-sponsored hardship funds. On average, more than 1 in 5 grant requests were car-related. In both cases, the average grant needed to resolve these issues was only \$938.

The barrier wasn't willingness to work. It was a repair bill that couldn't be covered.



1 in 5

share of car-related grant requests among manufacturing clients



\$938

median grant amount to resolve a car-related hardship

Transportation is a clear example of a hardship that is both common in manufacturing and almost entirely unaddressed by traditional workforce programs. For many, the only tool within reach is their 401(k). But when a car repair sends someone there, they're trading long-term security for a short-term fix.

WHAT HARDSHIP LOOKS LIKE

The full picture of financial crisis at work

While transportation is a very visible hardship, it's far from the only one. Across Canary's manufacturing client base, the category's employees sought help with reveal a broader pattern of financial instability that accumulates quietly before it surfaces as an absence or departure.

Manufacturing employees also sought emergency support for: medical bills, eviction, property issues, utility disconnection, and natural disaster.



“The grant ensured I would be able to put food on the table for my family, all the while making it possible to keep my car payment on track and my tank full of gas.”

–ANONYMOUS GRANT RECIPIENT

In post-grant surveys, employees reported the real-world consequences before they received a grant:

48% had incurred late fees on at least one bill

31% had skipped meals or reduced food purchases

20% had delayed or skipped medical care, including prescriptions

11% had already experienced lateness or absence from work as a direct result

The window between hardship and resignation is shorter than you think.

In fact, it's not only short but also nearly impossible to predict. Thankfully, it's inexpensive to close. Manufacturing turnover figures vary depending on how and what you measure. Manufacturing voluntary quit rates run roughly 17–19% annually, according to BLS JOLTS data. While total separations, which include retirements and layoffs, push that figure considerably higher depending on the workforce.

But here's what doesn't vary: the cost of replacing a skilled frontline worker. Conservatively it is estimated at \$10,000, often far more, it is orders of magnitude larger than the crisis that might precede the departure.

According to grantees of our manufacturing clients, without the immediate financial support, 23% of workers would have put emergency expenses on a credit card to pay off over time. Another 28% would have borrowed from friends or family. Nearly 4 in 10 said they would not have been able to cover the expense at all.

These moments are solvable and inexpensive to address.

To be clear, the average grant across manufacturing clients — \$1,145 — doesn't always fix a worker's entire financial situation. It can prevent a personal crisis from becoming a productivity one. The math isn't complicated. The window is just easy to miss.



MEDICAL BILLS

GRANT AMOUNT

\$268

full request funded

TIME TO APPROVAL

Same day as application



"I have worked at many places and never have I been offered this type of assistance. You have no idea how much help you were in my time of need. I will also continue to donate the very little that I do now to possibly help another coworker in need."



THE IMPACT

The moment support arrives

Among manufacturing employees surveyed within a week of receiving a grant:

76%

said the grant provided breathing room to figure out next steps

54%

felt supported by their employer or colleagues

59%

Felt less stressed

39%

said without the grant they had no viable way to cover the expense

Four months later, 18% said the grant allowed them to continue working when they otherwise might not have been able to, and 22% said they were able to direct more attention to their work.



“The fund helped me in a time that no other solution seemed possible. Thank you so much!”

–ANONYMOUS GRANT RECIPIENT

What grants helped employees avoid

Among the same group of recipients, a grant from the employer-sponsored hardship fund helped them avoid:



40% avoided a late fee on at least one bill



28% avoided a utility shutoff



17% avoided delaying or skipping medical care, including prescriptions



8% avoided lateness or absence from work

THE ATTRACTION ARGUMENT

The next generation of manufacturing workers is watching how you show up

Retention is only part of the equation. With 2.8 million retirements projected over the next decade, manufacturers face a replacement challenge that can't be solved by holding onto existing workers alone. They need to attract workers who may have never considered manufacturing. Or those who have, but talked themselves out of it based on a perception that the manufacturing industry no longer reflects their lived reality.

That's a harder task than it sounds. Manufacturing has long carried a perception problem with younger workers: physically demanding, inflexible, and slow to evolve how it treats its people. Changing that perception requires more than updated facilities or a sign-on bonus. It requires demonstrable proof that an employer will show up when life gets hard.

Among manufacturing employees surveyed after receiving a grant, 54% said they felt supported by their employer.

Younger workers entering the labor market are evaluating employers on a question older generations rarely got to ask: does this company actually have my back? The employers who answer that question with real resources will be better positioned to attract talent from a generation with more options, higher expectations, and a sharper instinct for the difference between a company that values people and one that says it does.

For the foreseeable future, manufacturing will continue to depend on skilled human workers. For a generation navigating real uncertainty about AI's reach, that near-term stability is a more honest promise than most industries can make. But that story only lands if the employer relationship that comes with it feels worth committing to.

The missing layer.

Every investment a manufacturer makes in their workforce — health coverage, financial coaching, retirement matching, mental health resources — assumes that employees are stable enough to use it. A hardship fund helps protect that assumption.

Think of it this way: long-term financial tools work well for employees who are already on solid ground. But when a worker is deciding between a car repair and making rent, they're not thinking about their retirement contribution rate. A sense of stability has to come first. An employer-sponsored hardship fund doesn't replace what you've already built but it will help things function as designed.



“Our employees are at the heart of everything we do and we realize unexpected financial hardships happen. Being able to work with a responsive grant partner in Canary, allows us to support our people during difficult times.”

**-KELI WATSON, VP HUMAN RESOURCES
POTTER GLOBAL TECHNOLOGY**

WHAT TO DO NEXT

1. Survey your workforce on financial stress

Measure if it has affected attendance, focus, or intent to stay.

2. Talk to your frontline managers

They often know employees are struggling before leadership.

3. Analyze existing data through a new lens

401k hardship withdrawals or increased absenteeism are leading indicators of financial distress hiding in plain sight.

4. Audit your existing programs for gaps

Examine which offerings are employees using or not using. See if it identifies gaps in what your workers actually need.

5. Establish an employer-sponsored hardship fund within your employee well-being budget.

Ready to make a difference?

Talk to our team about building an emergency employee relief fund designed for your workforce.

[CONTACT US](#)