

The Mental Health Index™ report

Regional Comparison –

Australia, Canada, United Kingdom
and United States, November 2020

MORNEAU
SHEPELL 

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Executive Summary

For eight consecutive months, the mental health of Americans, Australians, Britons, and Canadians is significantly lower than prior to the COVID-19 pandemic. Regional mental health scores since April have shown general improvement through July; however, all regions showed declines from July to August. While there was an improvement in September in all regions, except for the United States, October results showed a reversal of mental health scores with decreases in Canada and the United Kingdom. **In November, modest improvements are observed in Australia and in Canada while mental health declined in both the United States and the United Kingdom this month.**

From October to November, the greatest decline in mental health is observed in the United States (-1.1 points), followed by a modest reduction of 0.2 points in the United Kingdom. Canada and Australia show evidence of modest improvement in their mental health scores (+0.3 points in Canada and +0.2 points in Australia) when compared to the prior month.

The level of mental health in November remains concerning as it indicates that the working population in all four geographies is significantly distressed when compared to mental health scores prior to 2020.

The proportion of individuals reporting more stress than the prior month is observed in all four geographies. The increase in mental stress in November is greatest in Canada (58.5), followed by the United Kingdom (58.2), the United States (56.7), and Australia (55.7).

The COVID-19 pandemic has caused increased strain on workplaces and employees. It has compelled many employers and employees to reconsider how they conduct their business, not only with those for whom they provide goods or service, but also with their employees. **Between twelve and fifteen per cent of individuals across all geographies report a more positive view of their employers** when compared to before the COVID-19 pandemic.

Across all regions, approximately one-quarter of respondents indicate that the COVID-19 pandemic led them to consider a job or career change.

Workplace health and safety has risen to primary importance since the onset of the COVID-19 pandemic. In all regions, approximately **seven in ten respondents believe that their employers are handling health and safety well.**

A positive score on the Mental Health Index™ indicates better mental health in the overall working population, compared to the benchmark period of 2017 to 2019. A higher positive score reflects greater improvement. A negative Mental Health Index™ score indicates a decline in mental health compared to the benchmark period. The more negative the score, the greater the decline. A score of zero indicates mental health that is the same as it was in the benchmark period.



One of the many consequences of the COVID-19 pandemic is the closing or reduction of in-person workplaces. With a dispersed and remote workforce, employers rely on technology to ensure business continuity and connectedness. **Approximately two-thirds of respondents in all geographies report that their employers are handling the use of technology well.**

Some employers were forced to reduce salaries, hours, or lay-off employees because of impacts to their business from the COVID-19 pandemic. **Between thirty-eight and forty-two per cent of respondents report that their employers are handling reductions to employee pay and hours well.**

Business models have been modified to respond to changes in demand and to adhere to health and safety protocols. **Across all regions, approximately sixty per cent of respondents report that their employer is handling changes to the way in which business is conducted well.**

As the pandemic continues, the need for flexibility is critical. Employees need time for self-care, to attend to children or to other family members, and to address their daily tasks in a fluid, and sometimes, a complex environment. **More than half of respondents in all regions report that their employers are handling flexible work hours well.**

In addition to flexible work hours, work from home has been driven by the COVID-19 pandemic. **Approximately half of respondents report that their employers are handling work from home policies well.**

As employees come under increased strain due to the COVID-19 pandemic, many employers are reminding their people of the support and resources available to them to support or improve their wellbeing. **Fifty-six per cent of respondents report that their employers are handling the promotion of resources well**, while fifteen per cent indicate that their employers are handling this poorly.

Containing rising COVID-19 cases has forced restrictions in all regions. Gyms and other recreational facilities have been required to close or to significantly reduce capacity. The United States is the only region wherein a greater number of respondents report improved physical health (12 per cent) when compared to those who report worsened physical health (10 per cent). **More individuals report worsening physical health over improved physical health in Australia, Canada, and the United Kingdom.**



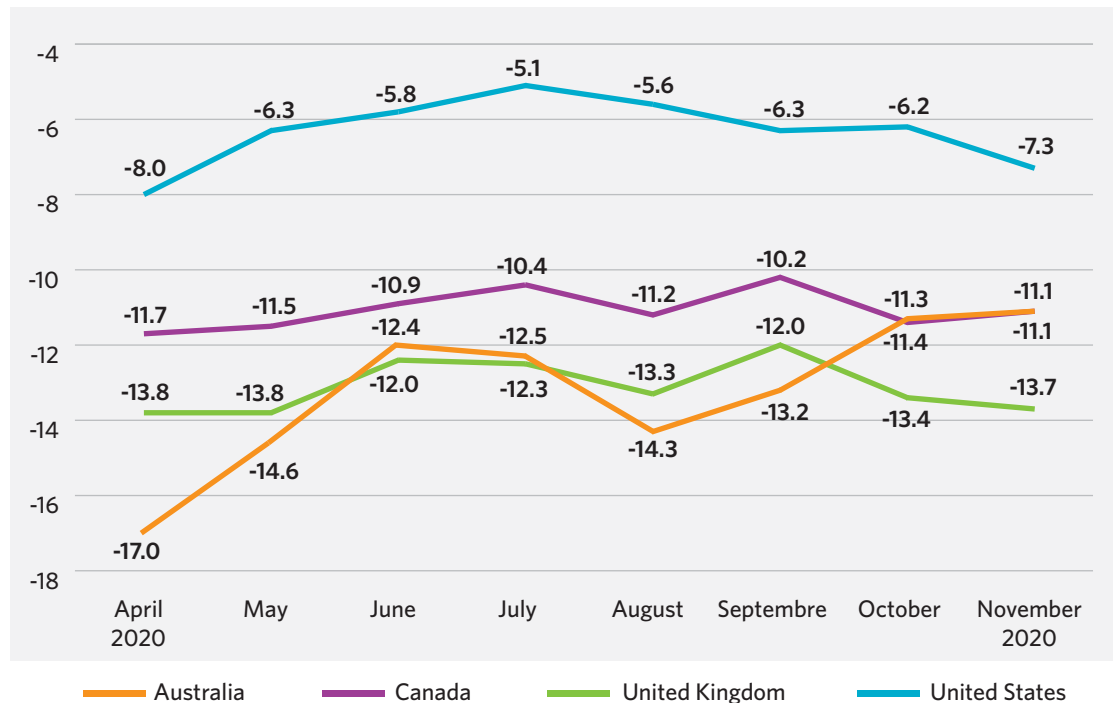
Since the pandemic, parents of children under 18 years are finding themselves balancing work and their children's personal and educational needs while daycares and schools have been under restrictions. **Across all geographies, the greatest fear or concern reported by parents is the mental health of their child(ren), with approximately one-quarter identifying this concern.** Parents also commonly identified quality of education, the physical health of their child(ren), childcare/work balance, and the safety of attending school in person as their top concerns for children under 18 years.

Children under 18 years present a decidedly separate set of concerns for parents than adult children. **In all geographies, the most reported concerns related to children aged 18-30 include the financial impact of the pandemic, mental health, job opportunities/career impact, and physical health.** As the top drivers of mental health continue to be financial risk and isolation, parents of adult children are concerned about similar issues for those children.



Regional comparisons – Australia, Canada, United Kingdom and United States

The Mental Health Index™ by region

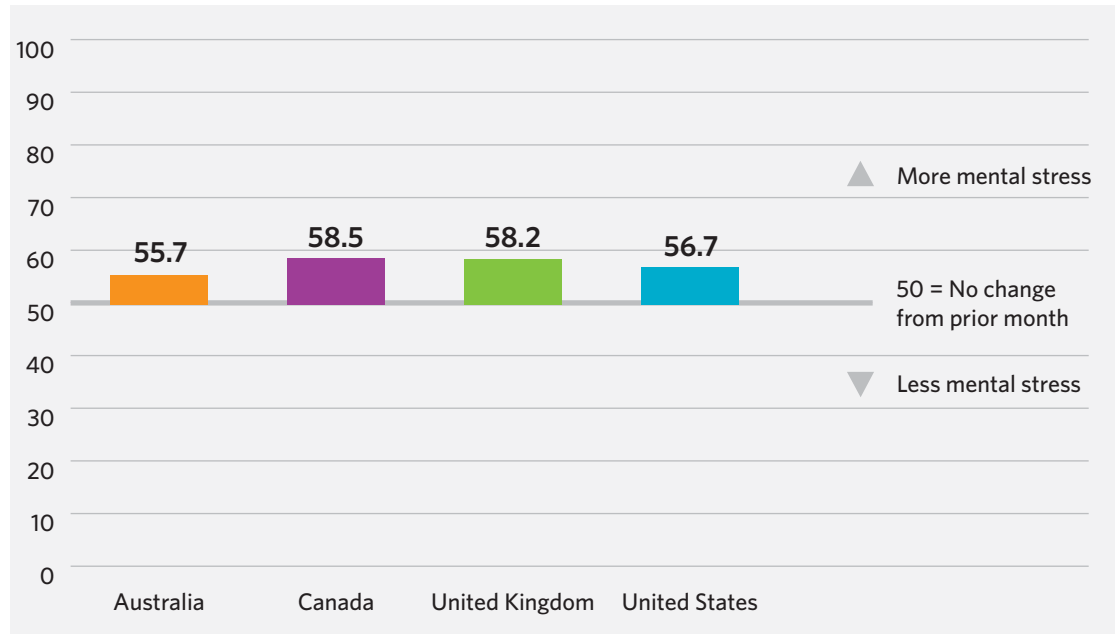


Overall, the Mental Health Index™ is lowest in the United Kingdom (-13.7), followed by Australia (-11.1), Canada (-11.1), and then the United States (-7.3). While some differences are evident, the Index for each region shows a significant decline in mental health from benchmark data.

Mental health scores declined in the United States (-1.1 points) and the United Kingdom (-0.2 points) since October. Mental health scores improved in Canada (+0.3 points) and Australia (+0.2 points).



The Mental Stress Change score (region)



Comparing October 2020 to November 2020, there is a significant increase in mental stress in all regions. The increase is greatest in Canada (58.5), followed by the United Kingdom (58.2), the United States (56.7), and Australia (55.7).

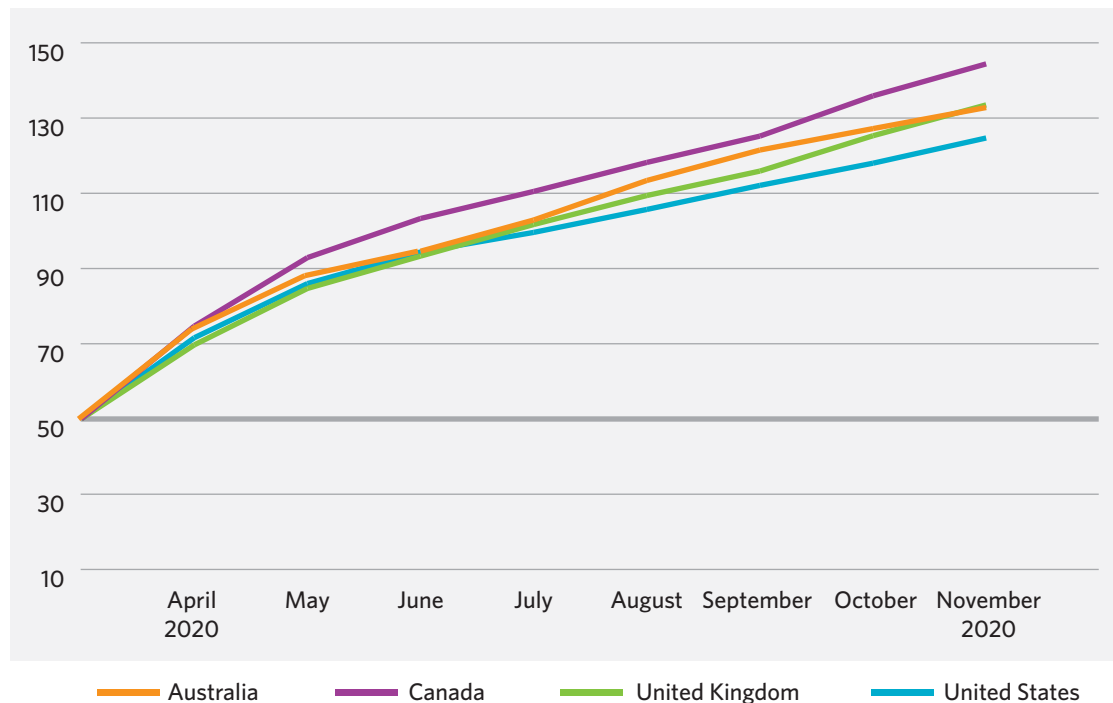


Mental Stress Change (cumulative)

The Mental Stress Change Score (MStressChg) is a measure of the level of reported mental stress compared to the prior month. The change is rooted against a value of 50 implying no net mental stress change from the previous month, while values above 50 indicate a net increase in mental stress and values below 50 indicate a net decrease in mental stress. The graph below tracks the increases and decreases to account for the cumulative effect on mental stress.

The greatest accumulation of mental stress is observed in Canada (144.4), followed by the United Kingdom (133.5), Australia (132.8), and the United States (124.7).

The continual increase in mental stress demonstrates that respondents in all regions are reporting more mental stress month-over-month. In order to relieve this level of accumulated stress, a significant portion of the population must start regularly reporting lower stress.





Spotlight

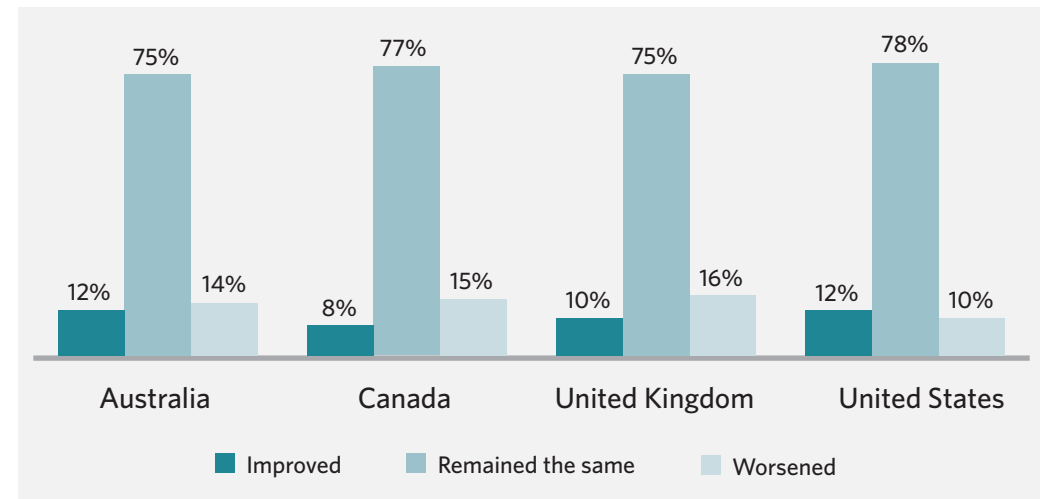
Physical health during the COVID-19 pandemic

Physical health

Containing rising COVID-19 cases has forced restrictions in all regions. Gyms and other recreational facilities have been required to close or to significantly reduce capacity. Individuals were asked to consider the impact of their physical health since the onset of the COVID-19 pandemic.

- In all regions, over three-quarters of respondents indicate that their physical health has remained the same since the onset of the pandemic.
- The United States is the only region wherein a greater number of respondents report improved physical health (12 per cent) when compared to those who report worsened physical health (10 per cent).
- More individuals report worsening physical health over improved physical health in Australia, Canada, and the United Kingdom.

Reported change in physical health since the pandemic began in March 2020

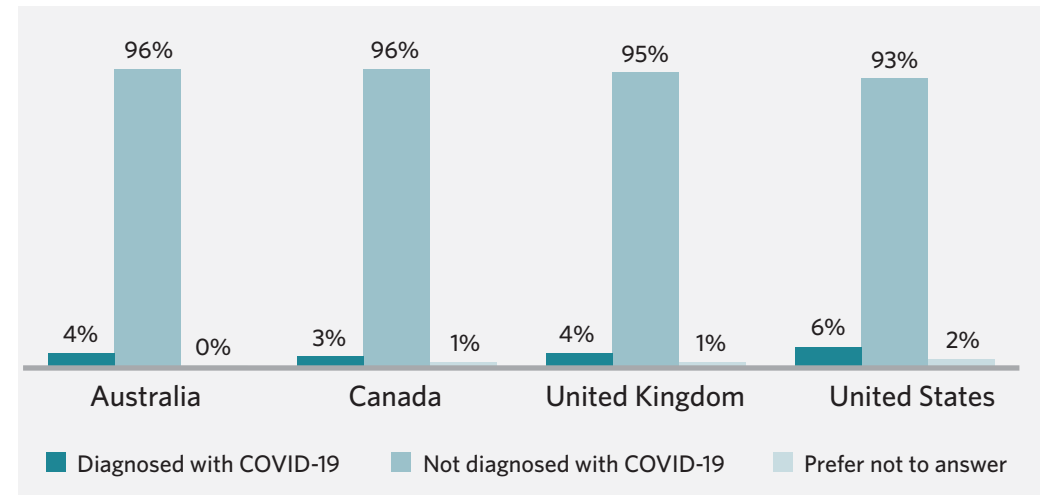




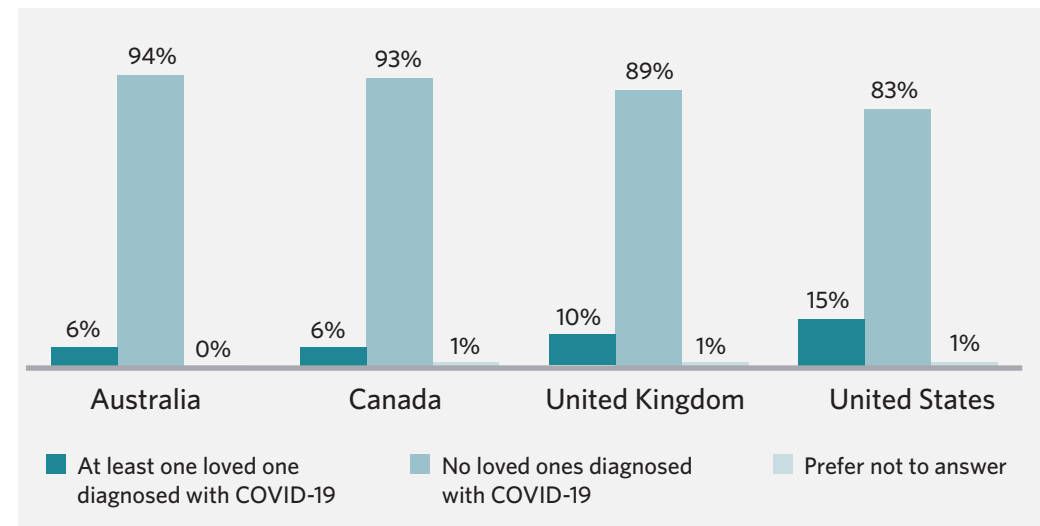
COVID-19 diagnoses

- Among the working population, across all regions in this report, over ninety per cent of respondents report not having been diagnosed with COVID-19.
- Respondents from the United States were most likely to report a personal COVID-19 diagnosis (6 per cent), followed by Australia and the United Kingdom (4 per cent), and Canada (3 per cent).
- The regions with the lowest COVID-19 diagnosis of a loved one are Australia and Canada (both at 6 per cent). Ten per cent of respondents in the United Kingdom report having a loved one diagnosed with COVID-19, followed by 15 per cent in the United States.

Percentage reporting a personal COVID-19 diagnosis



Percentage for whom a loved one has been diagnosed with COVID-19





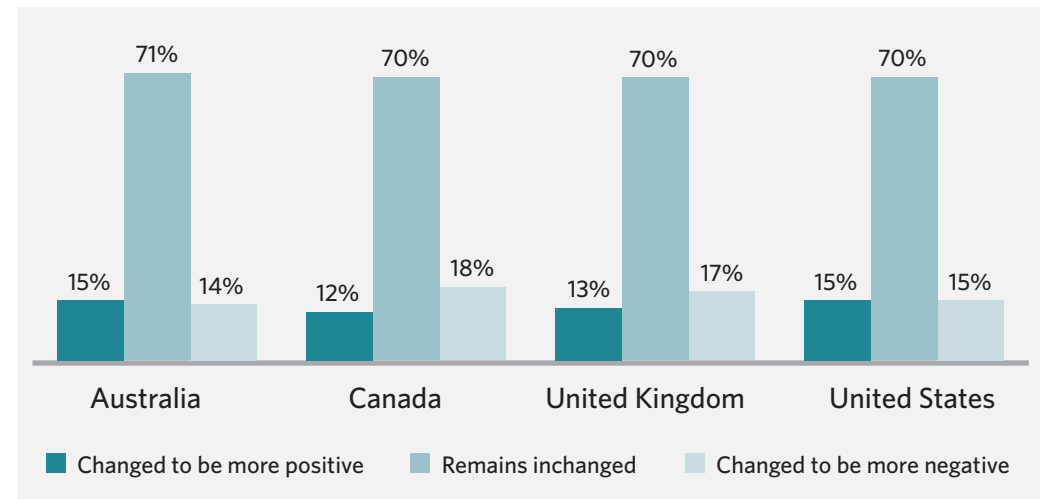
Employees and the workplace

Employees' perception of their employer compared to before the pandemic

The COVID-19 pandemic has compelled many employers and employees to reconsider how they conduct their business, not only with those for whom they provide goods or service, but also with their employees. Individuals were asked how they view their employer compared to before the pandemic.

- Among all regions, between twelve and fifteen per cent of individuals report a more positive view of their employers when compared to before the COVID-19 pandemic.
- Across all regions, at least seventy per cent of employees continue to view their employers the same as before the pandemic.
- Respondents in Canada report the highest rate of negative change (18 per cent), followed by the United Kingdom (17 per cent), the United States (15 per cent), and Australia (14 per cent).

How employees view their employer compared to pre-pandemic





Job or career change

Personal and work-related concerns have arisen because of the prolonged COVID-19 pandemic leading individuals to consider the future of their professional and personal lives. Survey participants were asked whether the COVID-19 pandemic has led them to consider a job or career change.

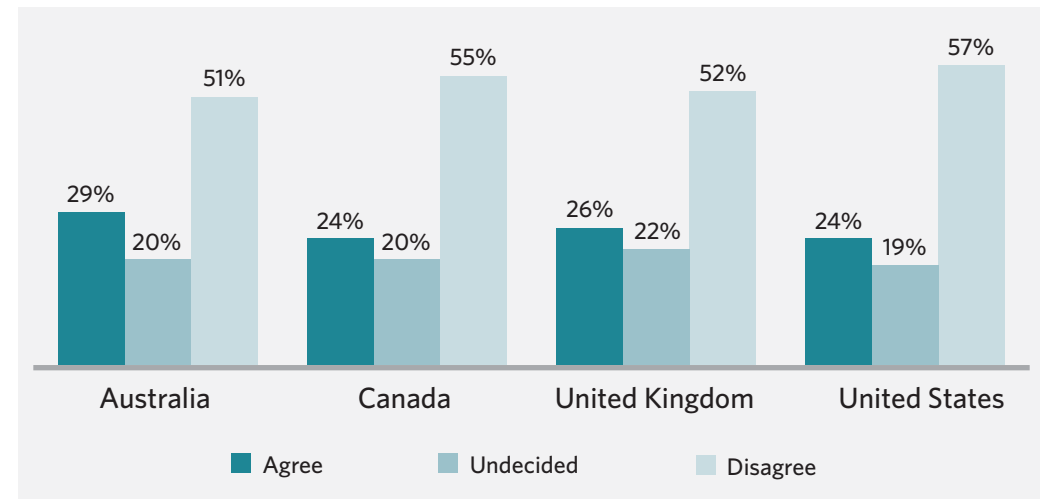
- Across all regions, approximately one-quarter (24 to 29 per cent) of respondents indicate that the COVID-19 pandemic led them to consider a job or career change, with the highest percentage observed in Australia (29 per cent).
- More than half of individuals are not considering a change while approximately twenty per cent are undecided.

Health and safety

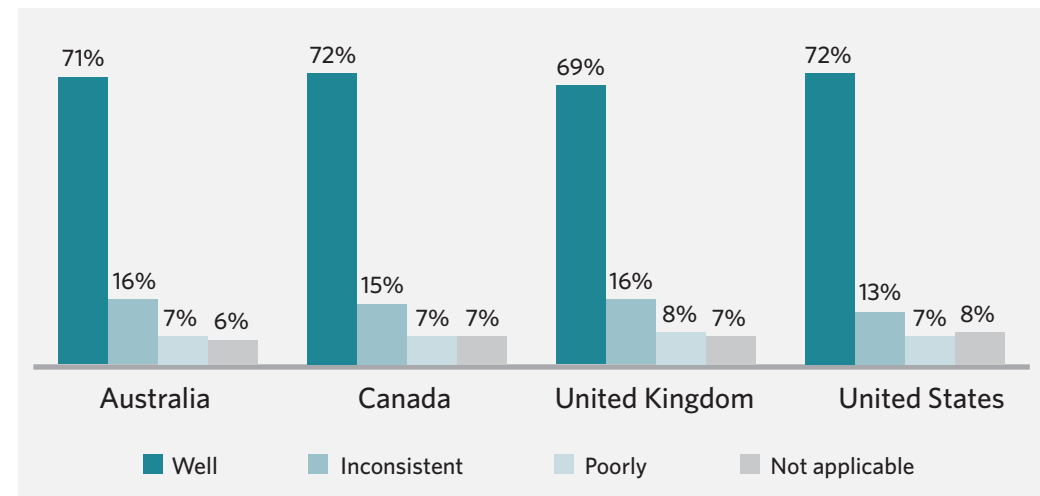
Workplace health and safety has risen to primary importance since the onset of the COVID-19 pandemic. Individuals were asked to consider how their employers are handling health and safety when compared to before the pandemic.

- Approximately seventy per cent (between 69 and 72 per cent) of individuals across all geographies report that their employers are handling health and safety well.
- Less than ten per cent report that their employers are handling health and safety poorly.

The COVID-19 pandemic led to consideration of a job/career change



Employer handling of health & safety





Employee communications

Businesses and communities are in a state of constant change as they respond to the effects of the COVID-19 pandemic. Communicating with employees during this period of uncertainty is vital to ensure continued confidence, continuity, and engagement. Individuals were asked to consider how their employers are handling employee communications when compared to before the COVID-19 pandemic.

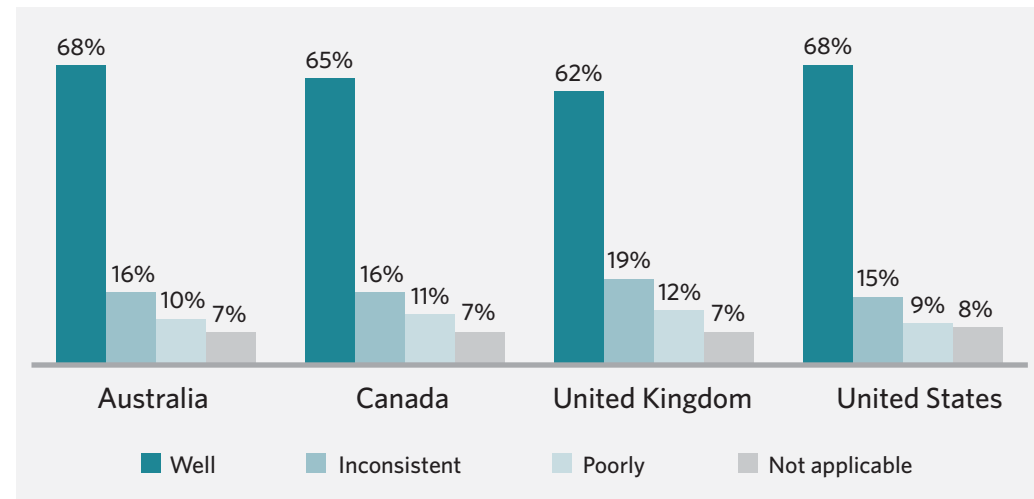
- Across all geographies, over sixty per cent (between 62 and 68 per cent) of respondents report that their employers are handling communications to employees well.

Use of technology

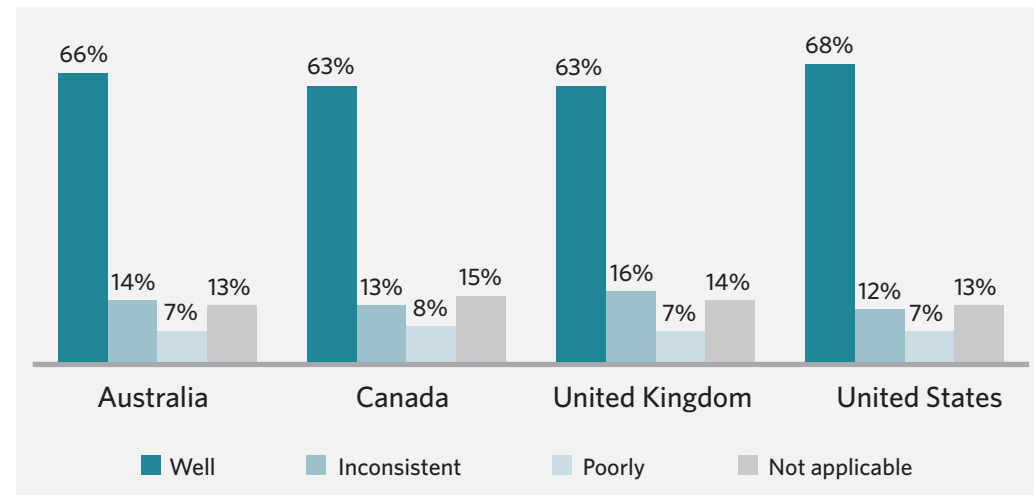
One of the many consequences of the COVID-19 pandemic is the closing or reduction of in-person workplaces. With a dispersed and remote workforce, employers rely on technology to ensure business continuity and connectedness. Individuals were asked to consider how their employers are handling the use of technology when compared to before the COVID-19 pandemic.

- Approximately two-thirds of respondents, across all regions, report that their employers are handling the use of technology well.

Employer handling of communications to employees



Employer handling of technology used by employees



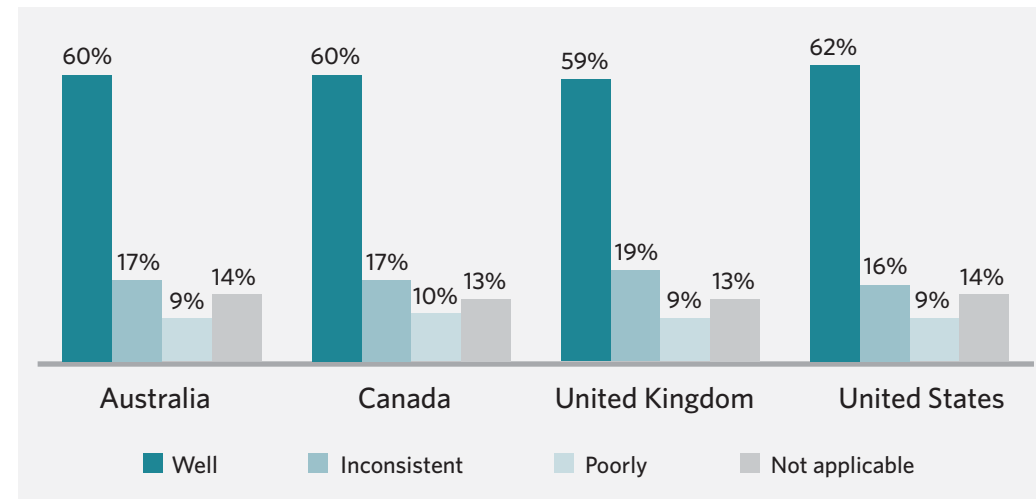


Changes to the way in which business is being conducted

The effects of the COVID-19 pandemic on businesses are varied and, in many instances, are tied to their industry sector. Business models have been modified to respond to changes in demand and to adhere to health and safety protocols. Individuals were asked to consider how their employers are handling changes to the way business is being conducted.

- Approximately 60 per cent of respondents report that their employer is handling changes to the way in which business is being conducted well.

Employer handling of changes to the way business is conducted

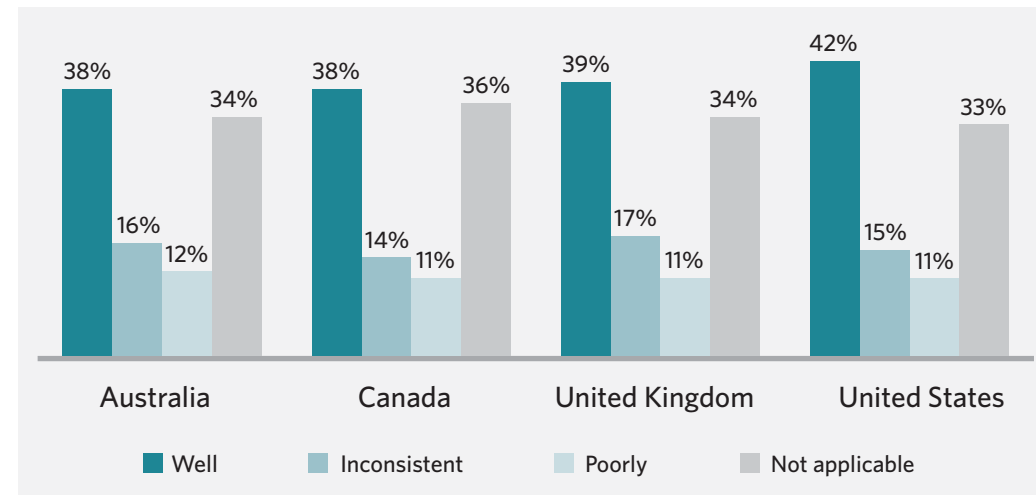


Employer handling of changes to pay and/or hours

Some employers were forced to reduce salaries, hours, or lay-off employees because of impacts to their business from the COVID-19 pandemic. Individuals were asked to consider how their employers handled reductions in employee pay or hours since the pandemic. Between sixty-four and sixty-seven per cent of respondents report that the impact of employee reductions in pay or hours applies to them.

- In the United States, over forty-per cent of respondents indicate that their employers are handling reductions to pay and/or hours well. This is compared to thirty-nine per cent in the United Kingdom, and thirty-eight per cent in each of Australia and Canada reporting the same.

Employer handling of reducing employee pay and/or hours





While some businesses are struggling, other employers are experiencing increased demand for their business. This is resulting in increased pay and/or hours for their employees. Survey participants were asked to consider how their employers are handling increases in pay and/or hours. Between sixty and sixty-six per cent of respondents report that increases in employee pay or hours apply to them.

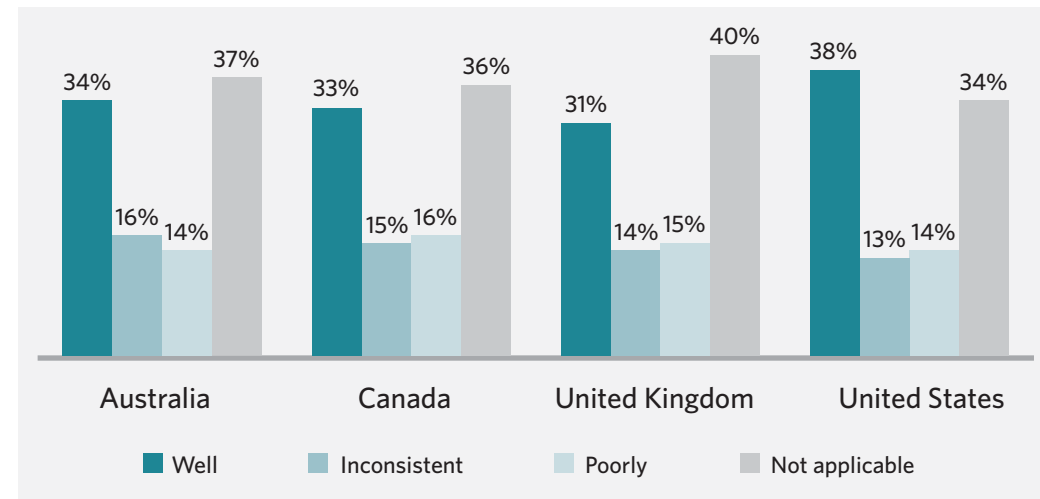
- Approximately one-third of respondents report that their employers are handling increases in employee pay and/or hours well, while approximately fifteen per cent report that their employers are handling this issue poorly.

Flexible work

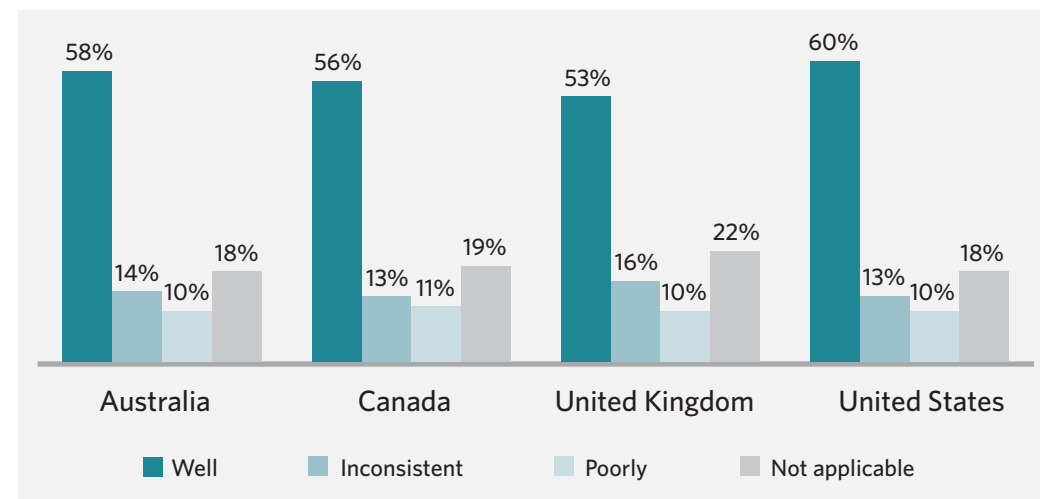
As the pandemic continues, the need for flexibility is critical. Employees need time for self-care, to attend to children or to other family members, and to address their daily tasks in a fluid, and sometimes complex environment. Individuals were asked to consider how their employers are handling flexible work hours when compared to before the pandemic. Between seventy-eight and eighty-two per cent of respondents report that the issue of flexible work hours applies to them.

- More than half of respondents in all regions (between 53 to 60 per cent) report that their employers are handling flexible work hours well.

Employer handling of increasing employee pay and/or hours



Employer handling of flexible work hours





Work from home

In addition to flexible work hours, work from home has been driven by the COVID-19 pandemic. Survey participants were asked to consider how their employers are handling work from home policies during the pandemic when compared to before the COVID-19 pandemic. Between sixty-eight and seventy-three per cent of respondents report that work from home applies to their workplace.

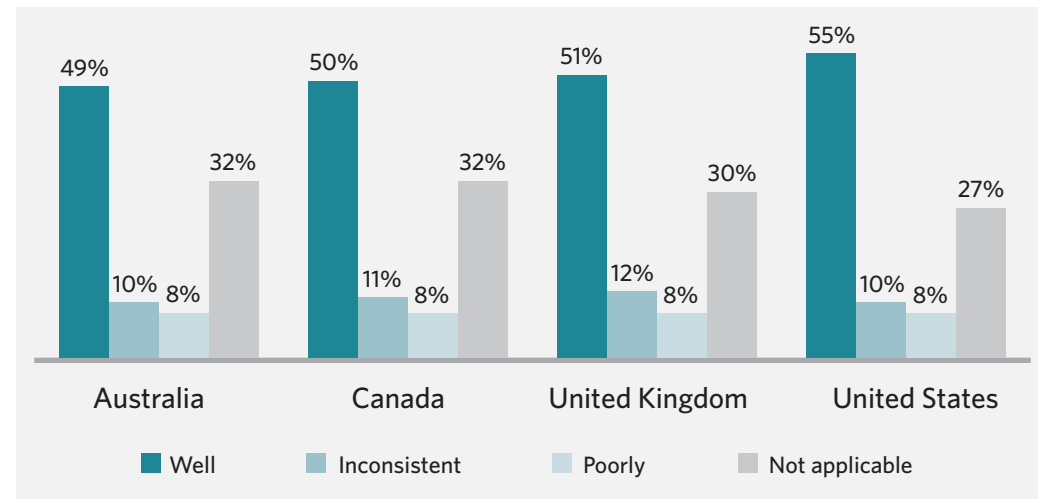
- Approximately half of respondents, across all regions, report that their employers are handling work from home policies well, while eight percent, in all regions, report that their employers are handling this issue poorly.

Promoting resources for employees

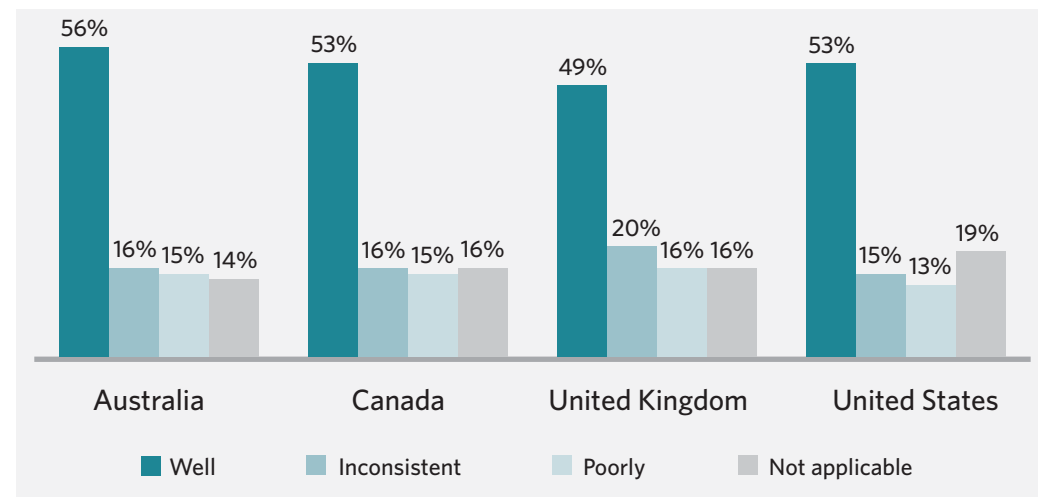
As employees come under increased strain due to the COVID-19 pandemic, many employers are reminding their people of the support and resources available to them to support or improve their wellbeing. Individuals were asked to consider how their employers are handling the promotion of resources when compared to before the pandemic.

- In Australia, fifty-six per cent of respondents report that their employers are handling the promotion of resources well. This is followed by fifty-three per cent in both Canada and the United States, and by forty-nine per cent of individuals reporting the same in the United Kingdom.

Employer handling of working from home



Employer handling of promoting resources for employees





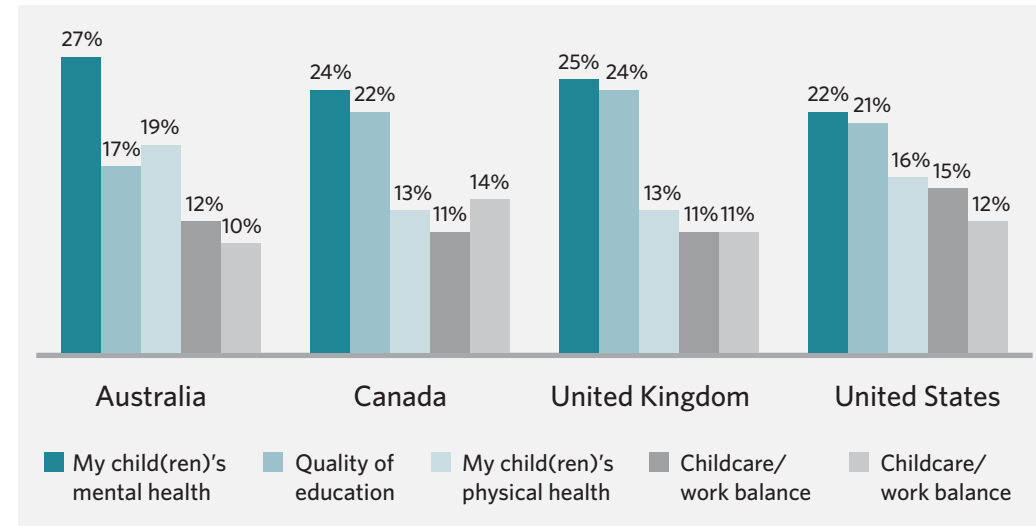
Parental concerns during the COVID-19 pandemic

Parents with children under 18 years

Since the pandemic, parents of children under 18 years are finding themselves balancing work and their children's personal and educational needs while daycares and schools have been under restrictions. Survey participants with children under 18 were asked about their fears and concerns regarding their children.

- Across all geographies, the greatest fear or concern reported by parents is the mental health of their child(ren), with approximately one-quarter identifying this concern.
- Parents also commonly identified quality of education, the physical health of their child(ren), childcare/work balance, and the safety of attending school in person as their top concerns for children under 18 years.

Greatest fear/concern related to children under 18 years old



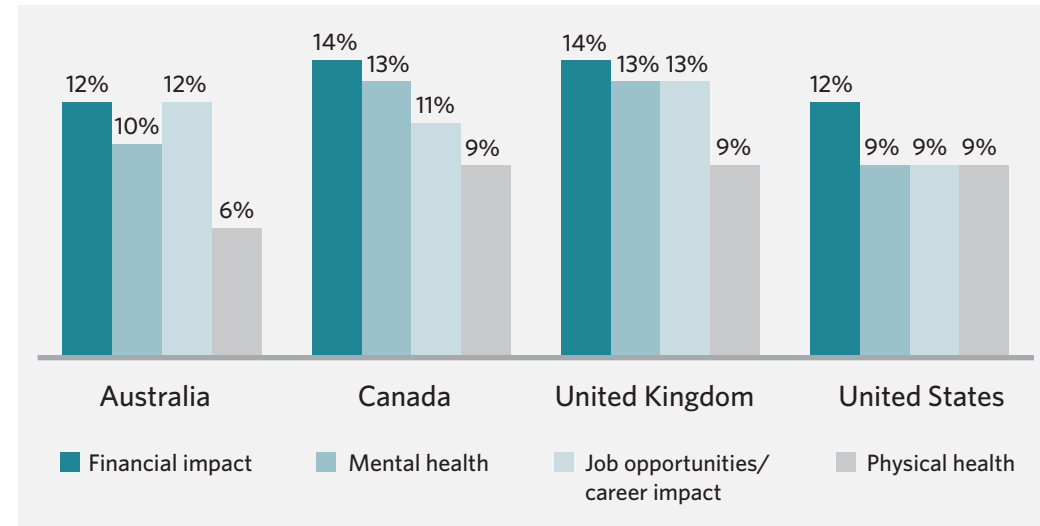


Parents of children between 18 and 30 years

Children under 18 years present a decidedly separate set of concerns for parents than adult children. Survey participants with children between 18 and 30 years were asked about their fears and concerns regarding their adult children.

- In all geographies, the most reported concerns related to children aged 18-30 include the financial impact of the pandemic, mental health, job opportunities/career impact, and physical health.

Top four reported Greatest concerns/fears related to children aged 18 - 30





Overview of the Mental Health Index™

The mental health and wellbeing of a population is essential to overall health and work productivity. The Mental Health Index™ provides a measure of the current mental health status of employed adults in a given geography, compared to the benchmarks collected in the years of 2017, 2018 and 2019. The increases and decreases in the Index are intended to predict cost and productivity risks, and inform the need for investment in mental health supports by business and government.

The Mental Health Index™ report has three main parts:

1. The overall Mental Health Index™ (MHI), which is a measure of change compared to the benchmark of mental health and risk.
2. A Mental Stress Change (MStressChg) score, which measures the level of reported mental stress, compared to the prior month.
3. A spotlight section that reflects the specific impact of current issues in the community.

Methodology

The data for this report was collected through online surveys of representative groups of 5,000 residents of the United States, 3,000 residents in Canada, 2,000 residents of the United Kingdom, and 1,000 residents in Australia. All those surveyed are currently employed or were employed within the prior six months. The same respondents participate each month to remove sampling bias. The respondents were asked to consider the prior two weeks when answering each question. The Mental Health Index™ is published monthly, starting April 2020. The benchmark data was collected in 2017, 2018 and 2019. The data for November 2020 was collected from October 25 to November 5, 2020 for all regions.

Calculations

To create the Mental Health Index™, the first step leverages a response scoring system turning individual responses to each question into a point value. Higher point values are associated with better mental health and less mental health risk. Each individual's scores are added and then divided by the total number of possible points to get a score out of 100. The raw score is the mathematical mean of the individual scores.



To demonstrate change, the current month's scores are then compared to the benchmark and the prior month. The benchmark is comprised of data from 2017, 2018 and 2019. This was a period of relative social stability and steady economic growth. **The change relative to the benchmark is the Mental Health Index™. A score of zero in the Mental Health Index™ reflects no change, positive scores reflect improvement, and negative scores reflect decline.**

A Mental Stress Change score is also reported given that increasing and prolonged mental stress is a potential contributor to changes in mental health. It is reported separately and is not part of the calculation of the Mental Health Index™. The Mental Stress Change score is (percentage reporting less mental stress + percentage reporting the same level of mental stress * 0.5) * -1 + 100. The data compares the current to the prior month. **A Mental Stress Change score of 50 reflects no change in mental stress from the prior month. Scores above 50 reflect an increase in mental stress, scores below 50 reflect a decrease in mental stress.** The range is from zero to 100. A succession of scores over 50, month over month, reflects high risk.

Additional data and analyses

Demographic breakdown of sub-scores, and specific cross-correlational and custom analyses are available upon request. Benchmarking against the national results or any sub-group, is available upon request. Contact MHI@morneaushepell.com

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