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## **Executive summary**

May marks the third month since the World Health Organization declared COVID-19 a global pandemic. Like most countries worldwide, Australia has been on lockdown with states of emergency in place across the country to stem the spread of COVID-19. While Australia has reported over 7,000 cases of COVID-19 since the outbreak began, the daily number of cases has dropped steadily and remained consistently low since last month. The country has reported a total of 103 COVID-19 related deaths.<sup>1</sup>

Throughout the lockdown, a range of employment-related and economic stimulus measures have been in place to support individuals and organizations. While the majority of Australians remain opposed to an easing of restrictions until the virus is contained,<sup>2</sup> measures to ease the lockdown and relax social measures are being introduced gradually. The Australian government has announced a three-step plan to remove baseline restrictions to help reopen the economy as safely as possible, including the gradual reopening of shops, public parks, and more freedom regarding meeting with family and friends.<sup>3</sup> Each Australian state is easing restrictions at their own pace. By the start of the month, the federal government was advocating the return of children to the classroom with physical distancing measures in place. With education falling under the jurisdiction of state governments, many school children continue to remain at home. A worldwide travel ban has remained in place that prevents all non-Australian citizens and non-residents from entering Australia. The resultant and cumulative effect of the COVID-19 pandemic continues to have a negative impact on the mental health status of Australians.



<sup>1</sup> World Health Organization, https://covid19.who.int/region/wpro/country/au

<sup>2</sup> Teneo, May 7, Coronavirus update

<sup>3</sup> Prime Minister of Australia, Media Statement, May 8, 2020, https://www.pm.gov.au/media/update-coronavirus-measures-08may20





The overall Mental Health Index<sup>™</sup> for May 2020 is -15 points. This index represents the deviation from the benchmark of 75, where a negative score indicates poorer mental health relative to the benchmark, and a positive score indicates better mental health.

The benchmark reflects mental health data from 2017, 2018 and 2019. A score of -15 points reflects a population whose mental health is similar to the most distressed first percentile of the benchmark<sup>4</sup> population. The lowest Mental Health Index<sup>™</sup> sub-score is for the risk measure of anxiety (-17.1 points), followed by depression (-16.6), work productivity (-15.6), optimism (-15.1), and isolation (-13.4). In spite of this, there was relatively little change in self-ratings of general psychological health (-5.7); however, this measure lags behind the other sub-scores. As well, the financial score was below the benchmark value at -2.9 points, suggesting the impact of economic change had not yet greatly depleted emergency savings. The most improved risk measure was optimism. That said, those without emergency savings have experienced a more significant decrease in mental health (-25.5) than the overall group. As well, people with no emergency fund have uniformly low scores on the Mental Health Index<sup>™</sup>.

A change in hours or salary is reported by thirty-four per cent of individuals when compared to the prior month. Six per cent of respondents are unemployed<sup>5</sup> and sixty per cent are employed with no change in hours or salary. As household income decreases, the Mental Health Index™ scores for individuals with reduced salary or fewer hours tend to be closer to those that are unemployed. Additionally, as household income increases, a higher percentage of people are continuing to work with no change in hours or salary than those in households with lower incomes. In general, households in the lower income bracket (<\$60,000/annum) are experiencing a greater mental health impact than households with >\$60,000/annum income. Regardless of employment status, there is a lower mental health score for females (-16.7) when compared to males (-12.2). Further, the younger the age group, the lower the Mental Health Index™ score.



The overall Mental Health Index<sup>™</sup> for May 2020 is -15 points

The raw score for the Mental Health benchmark is 75/100. The May 2020 score is 60/100.

<sup>5</sup> Participants need to have been employed within the prior six months to be included.



Although the May Mental Health Index™ scores are below the benchmark, most sectors have seen an improvement, or a slight decrease in their score, when compared to last month. While individuals in Food Services are still impacted the most this month in terms of their mental health, those employed in Wholesale Trade have had the greatest decline in mental health since last month and individuals in Public Administration have seen the greatest improvement. Individuals in Health Care and Social Services show evidence of improvement this month (-14.7) when compared to last month (-16.2) despite the strain and risk associated with professions in this sector. A potential reason for the improvement in Health Care and Social Services may be the level of public support for their work and the risk associated with it. Social support is known to be a strong moderator of stress.

Individuals who have access to an Employee Assistance Program (EAP) either directly or through their partner, have a better Mental Health Index<sup>™</sup> score (-12.6) when compared to individuals without access (-16.4). This is an indication of the value of support, as the availability of EAP demonstrates support from the employer.

**Mental Stress Change** 

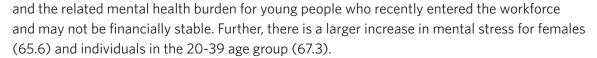
The Mental Stress Change score for May 2020 is 64.3. This reflects a continued increase in mental stress compared to the prior month. The current score indicates that 35 per cent of the population is experiencing more mental stress compared to the prior month, with a small proportion experiencing less. For the second consecutive month, the Mental Stress Change score reflects increased mental stress in the population overall. Considering geography, the greatest increase in stress month over month was for respondents living in South Australia (65.6), followed by Queensland (65.4), Victoria (65.0), New South Wales (63.0) and Western Australia (61.7).

The greatest increase in mental stress is seen in respondents with 3 or more children (78.3) and those with 5 or more adults in their household (75.0). A great increase was also seen in employed people with reduced salary (72.9) or reduced hours (70.7) compared to employed people with no change to salary or hours (60.0) and unemployed people (66.9). Among unemployed Australians, younger respondents have a dramatic and significant increase in mental health stress relative to older ones. This might indicate increased financial uncertainty

While there are modest improvements in the Mental Health Index™ sub-scores this month when compared to the prior month, the overall score remains below benchmark







The mental health of individuals across industries can differ depending upon market and cultural circumstances. The most favourable mental stress changes observed in Public Administration (59.3), Arts, Entertainment and Recreation (59.6), and Transportation and Warehousing (61). The least favourable mental stress changes are found in Administrative and Support services (74.5), Educational Services (67.9), and Real Estate, Rental and Leasing (67.5). Every industry has reported an increase in mental stress for two consecutive months.

There are a wide range of concerns and fears related to the pandemic, but the level of concern has dropped compared with the prior month. The most pervasive concern having an impact on mental health continues to be the financial impact of the pandemic (57 per cent), followed by the fear of a loved one passing away (32 per cent), the fear of getting ill (30 per cent), and the uncertainty related to how the virus will impact family and relationships (21 per cent).

A significant majority of those surveyed (73 per cent) indicate that the COVID-19 pandemic specifically has had a negative impact on their mental health. About half of the total (42 per cent) believe that although they feel this impact, they also feel that they will be able to cope; 31 per cent indicate greater concern, with 14 per cent of the total indicating a very negative impact or crisis. Overall, the younger the individual, the greater the level of negative impact as a result of the COVID-19 pandemic. Those with children are also more likely than those without to have experienced a more negative impact.

Ninety-five per cent indicate that they have had some personal disruption as a result of the COVID-19 pandemic. At this point, the largest proportion of respondents (24 per cent) believe that the disruption to them personally will be over in 2021 which is consistent with the prior month; 18 per cent believe that it will be over by June 2020; 36 per cent believe it will be over in either July, August or September 2020; and 19 per cent believe it will be over in either October, November or December 2020. Those who believe that the personal disruption of the pandemic will last longer are more likely to have the greatest negative mental health impact as a result of the pandemic.

The two key drivers of the Mental Health Index ™remain financial risk and isolation.

The two key drivers of the Mental Health Index™ remain finances risk and isolation







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



For a comparison of MHI for Australia, Canada, the United Kingdom and the United States, click the button.







### 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<sup>™</sup> 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<sup>™</sup> report has three main parts:

- 1. The overall Mental Health Index<sup>™</sup> (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: For the current and immediately foreseeable future, the measures in this section relate to the mental health impact of the COVID-19 pandemic.

### Methodology

The data for this report was collected through an online survey of 1,000 Australians who are living in Australia and are currently employed or who were employed within the prior six months. Participants were selected to be representative of the age, gender, industry and geographic distribution in Australia. 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<sup>TM</sup> is published monthly, starting in April 2020.

Collected through an online survey of 1,000 Australians





The benchmark data was collected in 2017, 2018 and 2019. The data for the current report was collected between April 30 to May 11, 2020. The benchmark data was collected in 2017, 2018 and 2019. The data for the current report was collected between April 30 to May 11, 2020.

### **Calculations**

To create the Mental Health Index<sup>™</sup>, 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 above 50, month over month, reflects high risk.







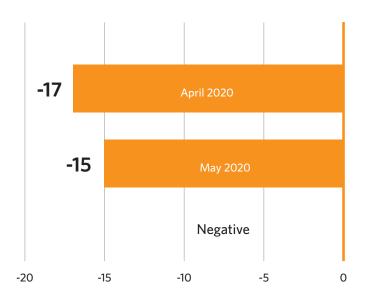
### The Mental Health Index™

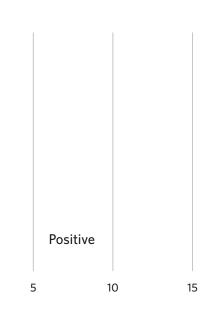
The Mental Health Index<sup>™</sup> (MHI) is a measure of deviation from the benchmark<sup>6</sup> of mental health and risk. While there have been modest improvements in anxiety and financial risk scores, there has been an increased feeling of isolation. The Mental Health Index<sup>™</sup> remains unchanged from last month.

### MHI

Current month April 2020	-15
Last month:	-17

Mental Health Index <sup>™</sup> sub-scores <sup>7</sup>	Current month	Last month
Anxiety	-17.1	-20.3
Optimism	-15.1	-19.5
Depression	-16.6	-18.7
Work productivity	-15.6	-17.0
Isolation	-13.4	-16.0
Psychological health	-5.7	-6.4
Financial risk	-2.9	-3.9





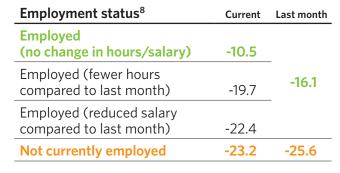
The overall Mental Health Index $^{\text{TM}}$  remains below the benchmark at -15 points. The current score is equivalent to the first percentile of the benchmark.



The benchmark reflects data collected in 2017, 2018 and 2019.

<sup>7</sup> The demographic breakdown of sub-scores are available upon request.





Age group	Current	Last month
Age 20-29	-21.2	-22.7
Age 30-39	-19.3	-21.5
Age 40-49	-12.4	-14.6
Age 50-59	-11.4	-13.5
Age 60-69	-7.9	-8.6

Number of children	Current	Last month
No children in household	-14.0	-17.1
1 child	-16.8	-17.0
2 children	-14.4	-16.1
3 children or more	-14.1	-19.1

State	Current	Last month
New South Wales	-15.1	-17.5
Victoria	-14.1	-16.1
Queensland	-15.0	-16.7
South Australia	-16.5	-18.7
Western Australia	-11.2	-16.8

<sup>8</sup> The prior month's question asked whether the respondent was employed or not; additional employment qualifiers were added to the May 2020 survey.

Gender	Current	Last month
Male	-12.2	-13.5
Female	-16.7	-19.9

Income	Current	Last month
Household income <\$30K/annum	-25.0	-27.6
\$30K to <\$60K/annum	-18.8	-19.5
\$60K to <\$100K	-16.9	-19.3
\$100K to \$150K	-11.6	-14.1
\$150K and over	-7.5	-9.5

Number of adults in household	Current	Last month
One adult in household	-17.9	-20.2
2 adults	-13.2	-15.9
3 adults	-15.4	-16.2
4 adults	-13.3	-18.2
5 adults or more	-16.3	-16.6

EAP access	Current	Last month
Yes	-12.6	n/a
No	-16.4	n/a
I don't know	-14.5	n/a

EAP usage in 2020 for those with access	Current	Last month
Yes	-24.7	n/a
No	-11.1	n/a

Numbers highlighted in **orange** are the most negative scores in the group. Numbers highlighted in **green** are the least negative scores in the group.

### Available upon request:

Industry scores, Specific cross-correlational and custom analyses







# The Mental Health Index™ (industry)

The mental health of those in different industries can differ immensely depending upon market and cultural circumstances. The highest mental health scores are observed in Utilities (-6.1), and Mining and Oil and Gas Extraction (-9.3). The lowest mental health scores are found in Accommodation and Food Services (-16.8), Arts, Entertainment and Recreation (-15.5), and Real Estate, Rental and Leasing (-14.3). Improvements from last month are shown in the table below:

Industry	May 2020 Mental Health Index™	April 2020 Mental Health Index™	Improvement
Public Administration	-8.1	-12.8	4.7
Professional, Scientific and Technical Services	-11.1	-15.7	4.6
Retail Trade	-17	-21.5	4.5
Transportation and Warehousing	-13.1	-17.3	4.2
Arts, Entertainment and Recreation	-17.1	-20.7	3.7
Finance and Insurance	-13.1	-16.2	3.1
Construction	-11.1	-14	2.9
Manufacturing	-17.2	-19.4	2.3
Health Care and Social Assistance	-14.7	-16.2	1.5
Other	-14.2	-15.6	1.4
Other services (except Public Administration)	-16.6	-16.5	-0.1
Educational Services	-17.4	-17	-0.4
Food Services	-22.4	-21.7	-0.7
Administrative and Support services	-16.9	-16	-0.8
Wholesale Trade	-18.8	-16.4	-2.3







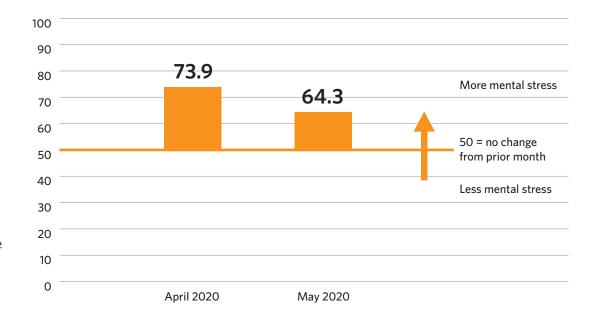
## The Mental Stress Change score

The Mental Stress Change (MStressChg) score is a measure of the level of reported mental stress, compared to the prior month.

### **Mental Stress Change**

Current month May 2020	64.3
Last month:	73.9

The Mental Stress Change score for May 2020 is 64.3. This reflects a significant increase in mental stress compared to the prior month. The current score indicates that 35 per cent of the population is experiencing more mental stress compared to the prior month, with a small proportion experiencing less. An increase in the Mental Stress Change in both April and May, when compared to the benchmark, indicates a significant accumulation of strain in the population.



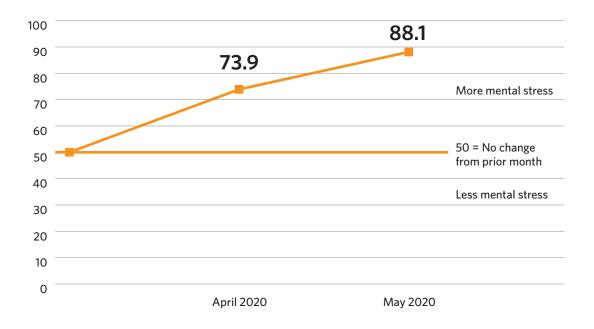






## The Mental Stress Change (cumulative)

The Mental Stress Change (MStressChg) score 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.







Employment status <sup>9</sup>	Current	Last month
Employed (no change in hours/salary)	60.0	_
Employed (fewer hours compared to last month)	70.7	73.4
Employed (reduced salary compared to last month)	72.9	
Not currently employed	66.9	78.3
Age group	Current	Last month
Age 20-29	67.3	76.5
Age 30-39	67.3	76.6
Age 40-49	62.7	71.5
Age 50-59	61.7	72.5
Age 60-69	63.3	71.2
Number of children	Current	Last month
No children in household	62.5	73.4
1 child	67.0	70.7
2 children	63.6	78.4
3 children or more	78.3	77.8
State	Current	Last month
New South Wales	63.0	75.8
Victoria	65.0	73.0
Queensland	65.4	73.4
South Australia	65.6	73.4
Western Australia	61.7	72.8

9	The prior month's question asked whether the respondent was
	employed or not; additional employment qualifiers were added
	to the May 2020 survey.

Gender	Current	Last month
Male	62.6	68.9
Female	65.6	78.1

Income	Current	Last month
Household income <\$30K/annum	65.9	74.1
\$30K to <\$60K/annum	64.1	73.7
\$60K to <\$100K	65.6	72.8
\$100K to \$150K	64.0	76.1
\$150K and over	62.5	74.5

Number of adults in household	Current	Last month
One adult in household	63.7	71.0
2 adults	63.8	74.2
3 adults	64.4	77.4
4 adults	66.3	71.6
5 adults or more	75.0	77.1

EAP access	Current	Last month
Yes	64.3	n/a
No	65.6	n/a
I don't know	61.0	n/a

EAP usage in 2020		
for those with access	Current	Last month
Yes	71.3	n/a
No	63.4	n/a

Numbers highlighted in **orange** are the most negative scores in the group. Numbers highlighted in **green** are the least negative scores in the group.

### Available upon request:

Industry scores, Specific cross-correlational and custom analyses









# The Mental Stress Change (industry)

The mental stress of those in different industries can differ immensely depending upon market and cultural circumstances. The most favourable mental stress changes observed in Agriculture, Forestry, Fishing and Hunting (60.0), Management of Companies and Enterprises (62.0), and Utilities (62.5). The least favourable mental stress changes are found in Arts, Entertainment and Recreation (73.2), Real Estate, Rental and Leasing (72.8), and Educational Services (72.3). Improvements from last month are shown in the table below:

Industry	May 2020 Mental Stress Change	April 2020 Mental Stress Change
Public Administration	59.3	72.5
Arts, Entertainment and Recreation	59.6	83.3
Transportation and Warehousing	61.0	75.0
Wholesale Trade	61.0	72.2
Other services (except Public Administration)	61.3	68.8
Professional, Scientific and Technical Services	63.6	74.3
Retail Trade	63.6	76.2
Other	63.8	66.0
Health Care and Social Assistance	64.2	70.4
Food Services	64.5	81.0
Finance and Insurance	64.6	76.1
Construction	65.7	62.0
Manufacturing	66.9	72.2
Real Estate, Rental and Leasing	67.5	x *
Educational Services	67.9	78.0
Administrative and Support services	74.5	84.0

over 50, May is the second consecutive month with an increase in mental stress

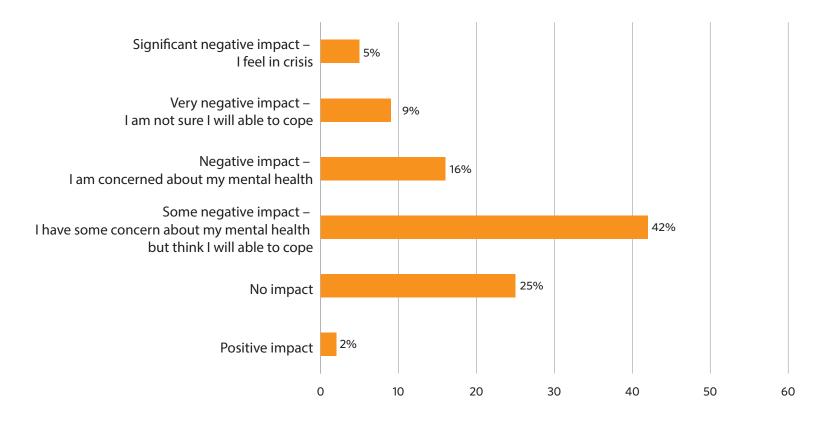
With all scores being



<sup>\*</sup> Industries with an "x" do not meet the minimum threshold for reporting.



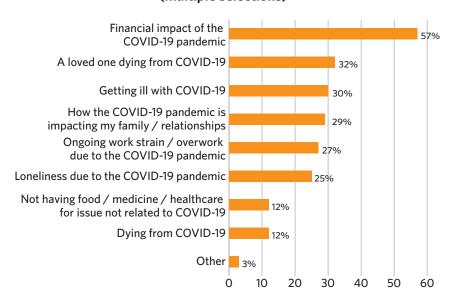
# The impact of the COVID-19 pandemic



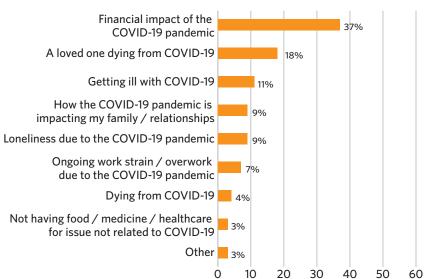
A significant majority (73 per cent) indicate that the COVID-19 pandemic specifically has had a negative impact on their mental health. About half of the total (42 per cent) believe that although they feel a negative impact, they also feel that they will be able to cope; 31 per cent indicate greater concern, with 14 per cent of the total indicating a very negative impact or crisis. While the impact of the COVID-19 pandemic is high, there has been a slight increase over the prior month in the percentage of people who believe that the COVID-19 pandemic has had no impact on their mental health.



# Contributors to the mental health impact of the COVID-19 pandemic (multiple selections)<sup>10</sup>



# The single greatest contributor to the mental health impact of the COVID-19 pandemic<sup>10</sup>

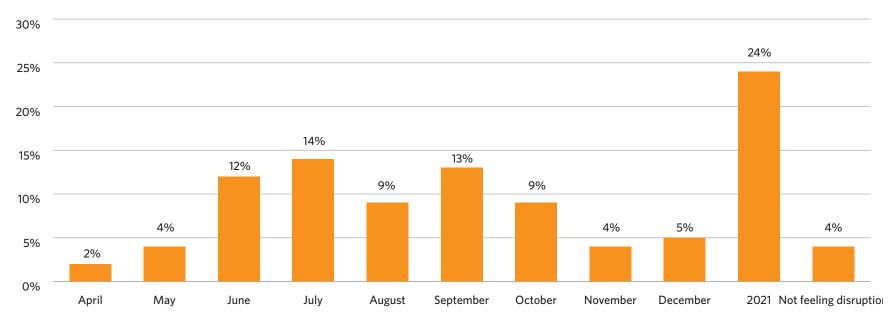


Where there was a mental health impact as a result of the COVID-19 pandemic, the top concerns affecting mental health remain unchanged compared to the prior month although the percentage of people reporting the top concerns has declined marginally, with the most significant reduction relating to the fear of a loved one dying from COVID-19.<sup>10</sup>



<sup>10</sup> The charts reflect data from 726 people who made a selection.

### Considering the COVID-19 pandemic, when do you think that most of the disruption to you personally, will be over?

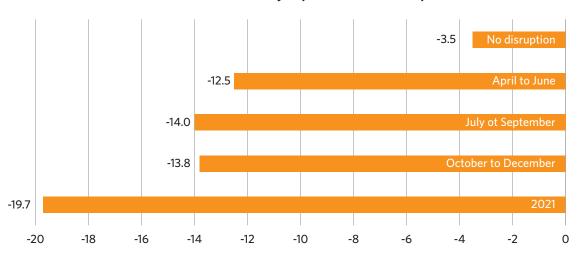


Expectations of the end to the disruption by the COVID-19 pandemic remained stable, with most respondents expecting the disruption to last into next year. Compared to the prior month, there was a slight increase in predictions of 2021 (24 per cent, up from 21 per cent).





### Mental Health Index by expected end of disruption



As of May 2020, the most prevalent belief is that the personal disruption, as a result of the pandemic, will last until 2021. The longer the disruption is believed to last, the more negative the Mental Health Index<sup>TM</sup> score.







The current scores for The Mental Health Index<sup>™</sup> are a clear warning regarding the mental health impact of the pandemic. The index shows a significant decrease in mental health in Australia. We also see a significant increase in mental stress compared to the prior month and a definitive link to issues related to the COVID-19 pandemic. While the physical health risk of COVID-19 is the focus of much attention, the mental health impact requires similar attention and action. Well after the risk of infection reduces, the mental health impact may remain. This has implications for the quality of life of individuals, the stability of families, the risk of health and disability costs for organizations as well as the level of participation in the economy, which is a concern for government, given its impact on the speed of economic recovery.

### To address this situation, action is required on at least three levels:

- 1. **Individuals** need to attend to the impact of the pandemic on their mental health. While some strain would be expected as a result of such a massive change, feeling overwhelmed and unable to cope, or feeling stuck and unable to adapt, are clear warning signs requiring support from a trusted confidante or a counselling professional.
- 2. **Businesses** need to attend to the risk among employees. The Mental Health Index<sup>™</sup> measures the mental health risk and status of the working population. The current scores suggest a risk to the longer-term wellbeing of employees, which may impact business productivity, health costs and disability absence. Businesses would do well to increase the focus on mental health through communication that increases the awareness of mental health warning signs, campaigns to reduce the stigma of seeking mental health support, and the promotion of health plans and public resources.
- 3. **Governments** need to attend to the mental health of the population. A population under strain is less likely to participate fully in the economy. The current focus on health and safety needs to expand to include a significant focus on mental health. This should include clear messages regarding coping strategies and the promotion of public resources.

The Mental Health Index<sup>™</sup> is published monthly, and measures trends over time.



For a comparison of MHI for Australia, Canada, the United Kingdom and the United States, click the button.





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