

The Mental Health Index™ report

Australia, November 2020



LifeWorks
by Morneau Shepell

**MORNEAU
SHEPELL** 



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November highlights

For eight consecutive months, the mental health of Australians is significantly lower than prior to the COVID-19 pandemic. After the initial significant decline measured in April 2020, there were increases in May and June. There was, however, a reversal of this trend with a decline in July and again in August, followed by a modest improvement in September, and a further increase in October. November marks a slight decrease when compared to the prior month and in spite of increases since September, the level of mental health in November remains concerning as it indicates that **the working population is currently as distressed as the most distressed one per cent of working Australians, prior to 2020.**

The proportion of individuals reporting more stress than the prior month (21 per cent) is at its lowest level. However, the proportion of individuals reporting less mental stress is only 10 per cent. The majority (70 per cent) indicate the same level of stress when compared to the prior month, however, given the escalation in stress each month since the pandemic, this reflects an elevated level of cumulative stress for this group as well. With recent increases in cases in many regions of the country, and the resulting restrictions, this strain will likely continue.

Since April, general psychological health scores have fluctuated. The score increased to a high of -3.6 in June and fell to near its low in August. Since August, general psychological health has continually improved to its current score of -4.3 in November. Despite this improvement, the general psychological health of Australians continues to reside well below the pre-pandemic benchmark.

Work productivity has increased from its lowest point (-17.0) in April 2020 to its high (-12.3) in November.

Financial risk has shown improvement since April 2020 apart from a moderate decline in July. **In November, the financial risk score improves 1.8 points from October to 4.4, its highest score since the inception of the Index.** The financial risk score in November is 8.3 points higher than where it started in April 2020.

Regional mental health scores in Victoria and South Australia continue improvements observed since August. Western Australia, Queensland, and New South Wales have declines in mental health scores when compared to October.

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.



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.

Fifteen per cent of individuals report a more positive view of their employers whereas fourteen per cent of respondents view their employer more negatively when compared to before the COVID-19 pandemic.

Over one-quarter (twenty-nine per cent) of respondents indicate that the COVID-19 pandemic led them to consider a job or career change. Individuals under the age of 40 are more than twice as likely to consider a job or career change when compared to those over the age of 50.

Workplace health and safety has risen to primary importance since the onset of the COVID-19 pandemic. **Seventy-one per cent of respondents believe that their employers are handling health and safety well.** Respondents from lower income households are less likely to report that employers are handling the health and safety risks of the pandemic well than those in higher income households.

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. **Sixty-six per cent of respondents report that their employers are handling the use of technology well,** whereas seven per cent report that their employers are handling the use of technology poorly.

Some employers were forced to reduce salaries, hours, or lay-off employees because of impacts to their business from the COVID-19 pandemic. **Thirty-eight per cent of respondents report that their employers are handling reductions to employee pay and hours well,** whereas twelve per cent report that their employers are handling this issue poorly. Respondents from households with annual incomes less than \$30,000 are least likely to report that their employers are handling reductions in pay or hours well.

Business models have been modified to respond to changes in demand and to adhere to health and safety protocols. **Sixty per cent of respondents report that their employer is handling changes to the way in which business is conducted well,** whereas nine per cent report that their employer is handling changes to the way business is being conducted poorly.



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. **Fifty-eight per cent of respondents report that their employers are handling flexible work hours well**, while ten per cent indicate that their employer is handling this issue poorly.

Respondents from households with an annual income less than \$30,000 are least likely to report that employers are handling flexible work hours well, when compared to individuals from households with an annual income of \$150,000 or more.

In addition to flexible work hours, work from home has been driven by the COVID-19 pandemic. **Forty-nine per cent of respondents report that their employers are handling work from home policies well**, whereas eight per cent indicate that their employers are handling work from home poorly. Respondents from households with an annual income less than \$30,000 are least likely to report that employers handling work from home well when compared individuals from households with an annual income \$150,000 or more.

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 maintain or improve their wellbeing. **Fifty-six per cent of respondents report that their employers are handling the promotion of resources well**, whereas fifteen per cent indicate that their employers are handling this poorly.

Containing rising COVID-19 cases has forced restrictions across the country. Gyms and other recreational facilities have been required to close or to significantly reduce capacity. Previous findings (September 2020) show that over one-quarter (29 per cent) of individuals indicate that the pandemic has made them less likely to participate in health care than in 2019.

Fourteen per cent of individuals report that their physical health has worsened since the onset of the pandemic and this group has a mental health score that is significantly lower than average (-25.2).

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. The top concerns or fears that parents have regarding their children during the pandemic are the quality of education (34 per cent), followed by the mental health of their children (32 per cent) and the physical health of their children (28 per cent).



Parents who report concerns about their child(ren)'s mental health have the lowest mental health score (-21.3), followed by parents with concerns over childcare/work balance (-18.6), and then those with concerns over their child(ren)'s social development (-18.0).

While children's education quality is the most reported concern, **children's mental health is the greatest concern (27 per cent) among parents of children under 18 years**, and the mental health score of this group is lowest at -23.8.

Children under 18 years present a decidedly separate set of concerns for parents than adult children. The most reported concerns regarding children aged 18 to 30 years are job opportunities/career impact (49 per cent), the financial impact of the pandemic (48 per cent), and mental health (41 per cent). **Among parents of adult children, the lowest mental health score is observed among parents who are most concerned about their adult children's mental health** (-19.6), followed by concern about isolation (-18.1), and their children's physical health (-16.7). 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.

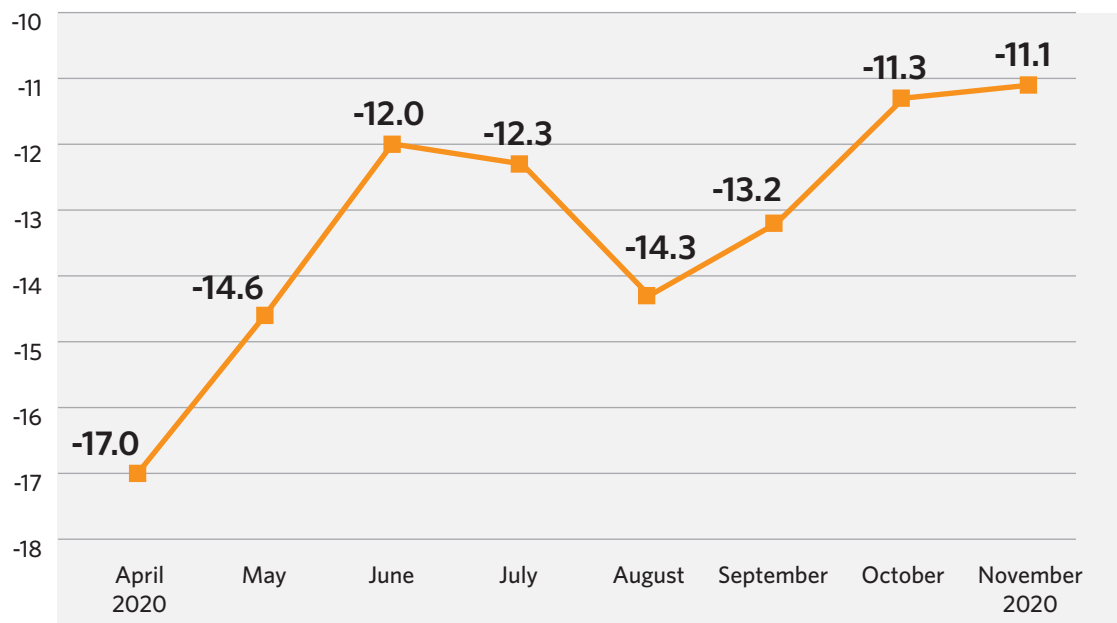


The Mental Health Index™

The Mental Health Index™ (MHI) is a measure of deviation from the benchmark¹ of mental health and risk. **The overall Mental Health Index™ for November 2020 is -11.1 points.**

An 11-point decrease from the pre COVID-19 benchmark reflects a population whose mental health is similar to the most distressed one per cent of the benchmark population.

Current month November 2020:	-11	October 2020:	-11
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November marks the eighth consecutive month where the Mental Health Index™ reflects strained mental health in the Australian population

¹ The benchmark reflects data collected in 2017, 2018 and 2019.



Mental Health Index™ sub-scores

The lowest Mental Health Index™ sub-score is for the risk measure of anxiety (-13.0), followed by optimism (-12.8), work productivity (-12.3), depression (-12.3), and isolation (-11.1). The risk measure with the best mental health score is financial risk (4.4), followed by general psychological health (-4.3).

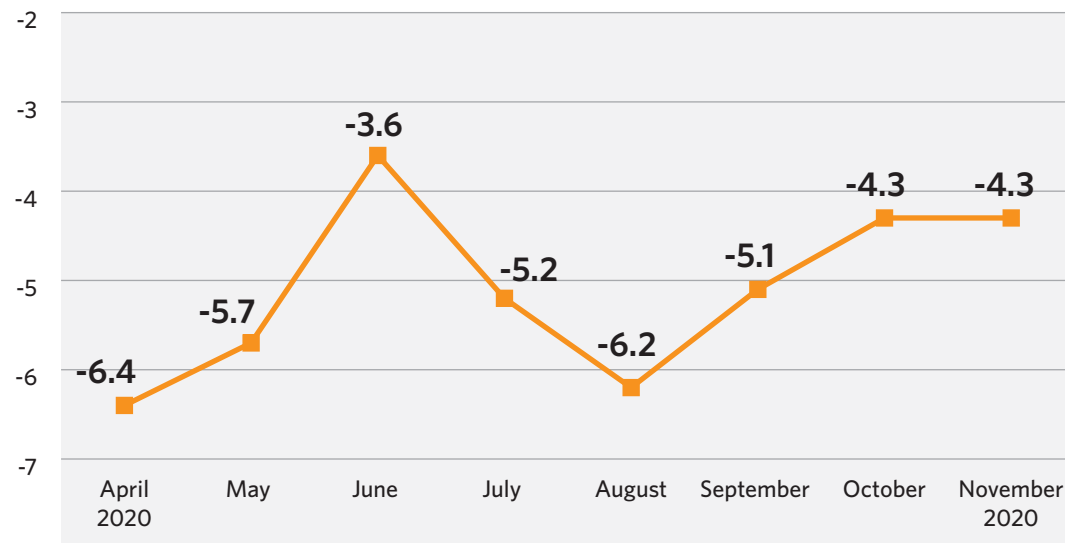
- The greatest decline this month is observed in the optimism score which dropped 0.7 points from October.
- Improvements in work productivity, depression, and isolation are observed when compared to the prior month.
- The financial risk score improved by 1.8 points from October to November, taking it to its highest value (4.4) since the inception of the Index. The financial risk score continues to be the strongest of all sub-scores as is above the pre-2020 benchmark.

MHI sub-scores ²	November 2020	October 2020
Anxiety	-13.0	-12.5
Optimism	-12.8	-12.1
Work productivity	-12.3	-13.8
Depression	-12.3	-12.7
Isolation	-11.1	-11.4
Psychological health	-4.3	-4.3
Financial risk	4.4	2.6

² The demographic breakdown of sub-scores are available upon request.



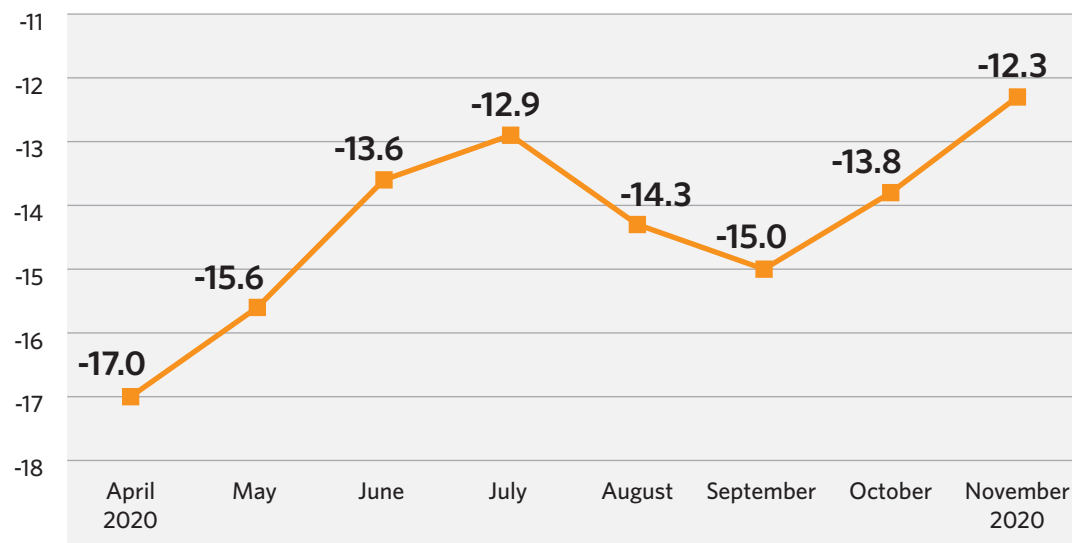
General psychological health



General psychological health

The lowest point in the general psychological health score was observed in April 2020. The score increased to a high of -3.6 in June and fell to near its low in August. Since August, general psychological health has continually improved to its current score of -4.3 in November. Despite this improvement, the general psychological health of Australians continues to reside well below the pre-pandemic benchmark.

Work Productivity

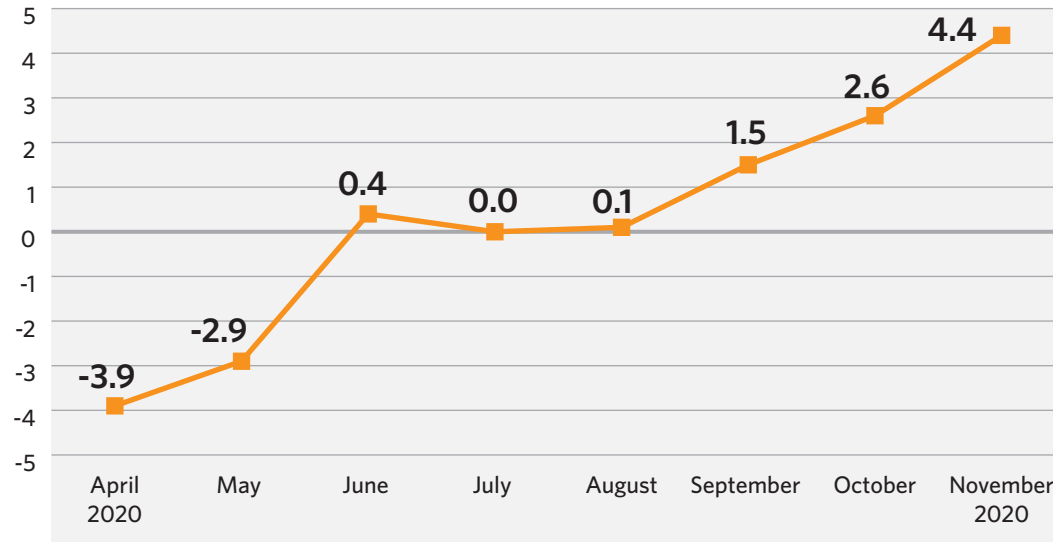


Work productivity

September saw declines in scores before improving from September to November. In November, Australia recorded its highest work productivity score (-12.3) since April 2020.



Financial Risk



Financial risk

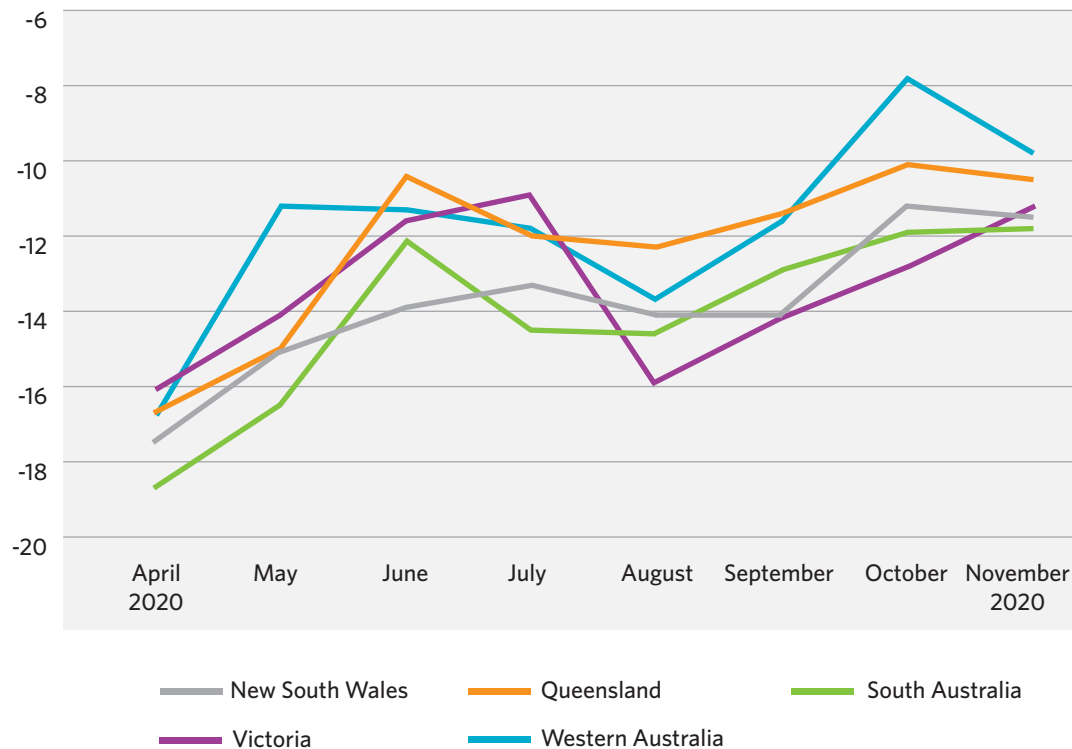
Financial risk has shown improvement since April 2020 apart from a moderate decline in July. In November, the financial risk score improves 1.8 points from October to 4.4, its highest score since the inception of the Index. The financial risk score in November is 8.3 points higher than where it started in April 2020. The financial risk score of Australians, when compared to other sub-scale scores, remains the strongest and has been at or above the pre-2020 benchmark since July 2020.



The Mental Health Index™ (regional)

Regional mental health scores since April have shown general improvement until June or July; however, all regions showed declines from July to August. From August to October, all regions showed considerable improvement in mental health scores. In November, both Victoria and South Australia continue this improvement; however, Western Australia, Queensland, and New South Wales have declines in mental health scores.

Australia state Mental Health Index™ scores





Demographics

- For eight consecutive months, females (-12.7) have a significantly lower mental health score than males (-9.2); we also see that mental health scores improve with age.
- Respondents identifying as South Asian have the lowest mental health score (-17.7), followed by those identifying as East Asian (-12.5).
- Individuals identifying as South East Asian have the highest mental health score (-10.5), followed by respondents identifying as White (-10.7).
- The variance in the mental health score between those with and without children has been observed since April, and results in November continue this trend with a lower score for those with at least one child (-13.0) when compared to those without children (-9.9).

Employment

- Overall, seven per cent of respondents are unemployed. While most individuals remain employed, 21 per cent report reduced hours or reduced salary since April 2020.
- Individuals reporting reduced salary when compared to the prior month (-21.4) have the lowest mental health score, followed by those who report fewer hours when compared to the prior month (-21.0) and those not currently employed (-19.3).
- Individuals working for companies with 5,001 - 10,000 employees have the highest mental health score (-7.5), followed by individuals working for companies with 1,001-5,000 employees (-8.6).
- Respondents who report working for companies with 51-100 employees have the lowest mental health score (-14.0), followed by individuals working for companies with 501-1,000 employees (-13.3).

Emergency savings

- Individuals without emergency savings continue to experience a lower score in mental health (-24.6) than the overall group. Those reporting an emergency fund have an average mental health score of -6.6.



Employment status	November	October
Employed (no change in hours/salary)	-7.5	-8.7
Employed (fewer hours compared to last month)	-21.0	-18.9
Employed (reduced salary compared to last month)	-21.4	-16.3
Not currently employed	-19.3	-17.0
Age group	November	October
Age 20-29	-18.9	-19.0
Age 30-39	-14.3	-15.1
Age 40-49	-10.3	-10.1
Age 50-59	-9.5	-9.6
Age 60-69	-1.9	-2.0
Number of children	November	October
No children in household	-9.9	-10.6
1 child	-13.0	-12.2
2 children	-13.8	-13.5
3 children or more	-9.6	-9.2

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:

Specific cross-correlational and custom analyses

Region	November	October
New South Wales	-11.5	-11.2
Victoria	-11.2	-12.8
Queensland	-10.5	-10.1
South Australia	-11.8	-11.9
Western Australia	-9.8	-7.8

Gender	November	October
Male	-9.2	-9.1
Female	-12.7	-13.2

Income	November	October
Household income <\$30K/annum	-26.7	-26.0
\$30K to <\$60K/annum	-13.9	-13.7
\$60K to <\$100K	-14.1	-13.4
\$100K to <\$150K	-7.8	-9.3
\$150K or more	-3.5	-4.1

Racial identification	November	October
East Asian	-12.5	-15.1
South Asian	-17.7	-21.5
South East Asian	-10.5	-10.2
White	-10.7	-10.3
Other*	-12.5	-13.7

* Included in this category are Arab/Middle Eastern/West Asian, Black, Indigenous/Aboriginal, Latin, South or Central American, Pacific Islander, Mixed (Black and other), Mixed (Other), and Prefer not to answer, as the minimum threshold for reporting was not met for each group.

Employer size	November	October
Self-employed/sole proprietor	-12.8	-10.9
2-50 employees	-10.8	-11.3
51-100 employees	-14.0	-15.3
101-500 employees	-9.2	-11.9
501-1,000 employees	-13.3	-12.0
1,001-5,000 employees	-8.6	-6.1
5,001-10,000 employees	-7.5	-9.4
More than 10,000 employees	-9.5	-8.2



The Mental Health Index™ (industry)

The highest mental health scores in November are observed among those employed in Public Administration (-6.2), Finance and Insurance (-6.2), and Wholesale Trade (-9.2) industries.

Individuals working in Food Services have the lowest average mental health score (-16.1), followed by individuals in Other (-13.9), and Retail Trade (-13.6).

Individuals employed in Finance and Insurance, Educational Services, and Retail Trade have seen the greatest improvement in mental health since last month.

Improvements from the prior month are shown in the table below:

Industry	November 2020	October 2020	Improvement
Finance and Insurance	-6.2	-8.8	2.6
Educational Services	-10.9	-12.8	1.9
Retail Trade	-13.6	-15.1	1.5
Wholesale Trade	-9.2	-10.3	1.1
Construction	-11.3	-12.3	1.0
Other	-13.9	-14.5	0.6
Professional, Scientific and Technical Services	-12.7	-13.0	0.4
Administrative and Support services	-11.2	-10.9	-0.2
Manufacturing	-10.1	-9.6	-0.5
Transportation and Warehousing	-12.9	-12.1	-0.8
Food Services	-16.1	-14.5	-1.6
Health Care and Social Assistance	-11.1	-9.5	-1.6
Public Administration	-6.2	-4.3	-1.8
Other services (except Public Administration)	-12.3	-8.6	-3.7

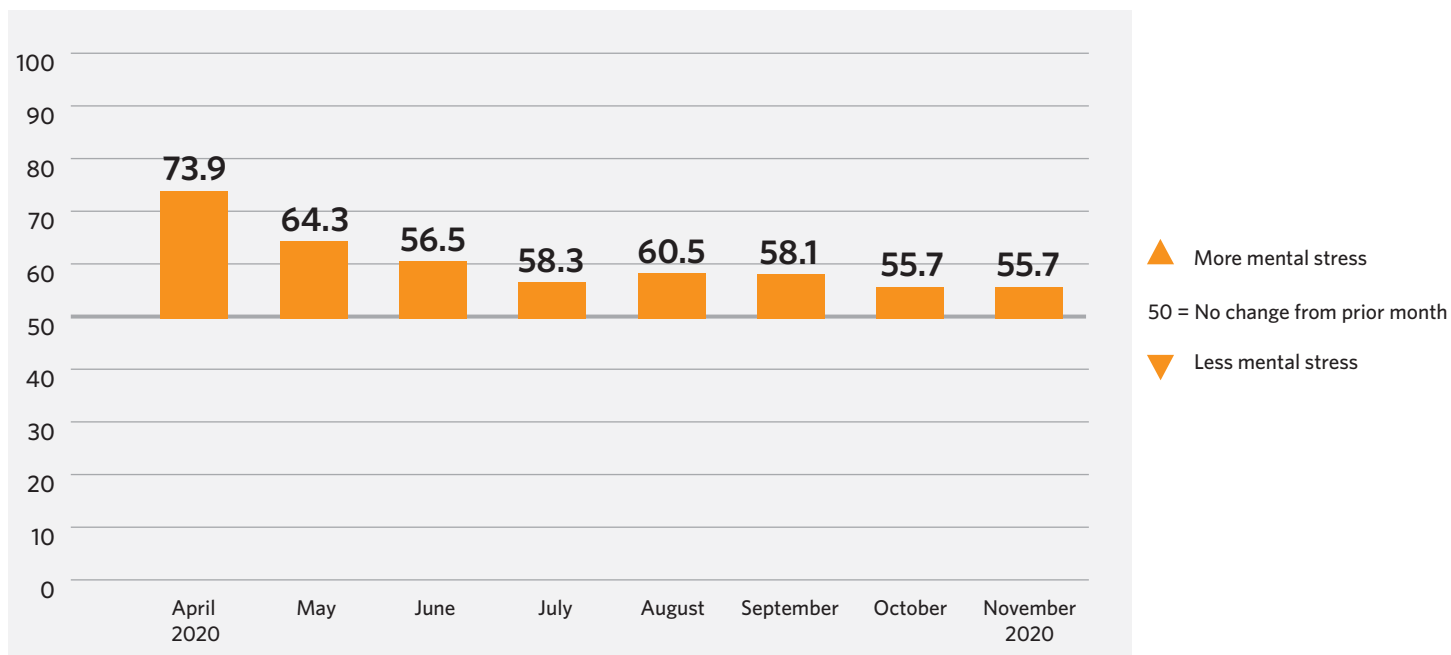


The Mental Stress Change score

The Mental Stress Change Score (MStressChg) is a measure of the level of reported mental stress, compared to the prior month. **The Mental Stress Change score for November 2020 is 55.7.** This reflects a net increase in mental stress compared to the prior month. The steepness of the increase had been declining to June, increased in July and August, and has been trending lower since September.

The current score indicates that 21 per cent of the population is experiencing more mental stress compared to the prior month, with 10 per cent experiencing less. A continued increase in mental stress over the last eight months indicates a significant accumulation of strain in the population.

Current month November 2020:	55.7	October 2020:	55.7
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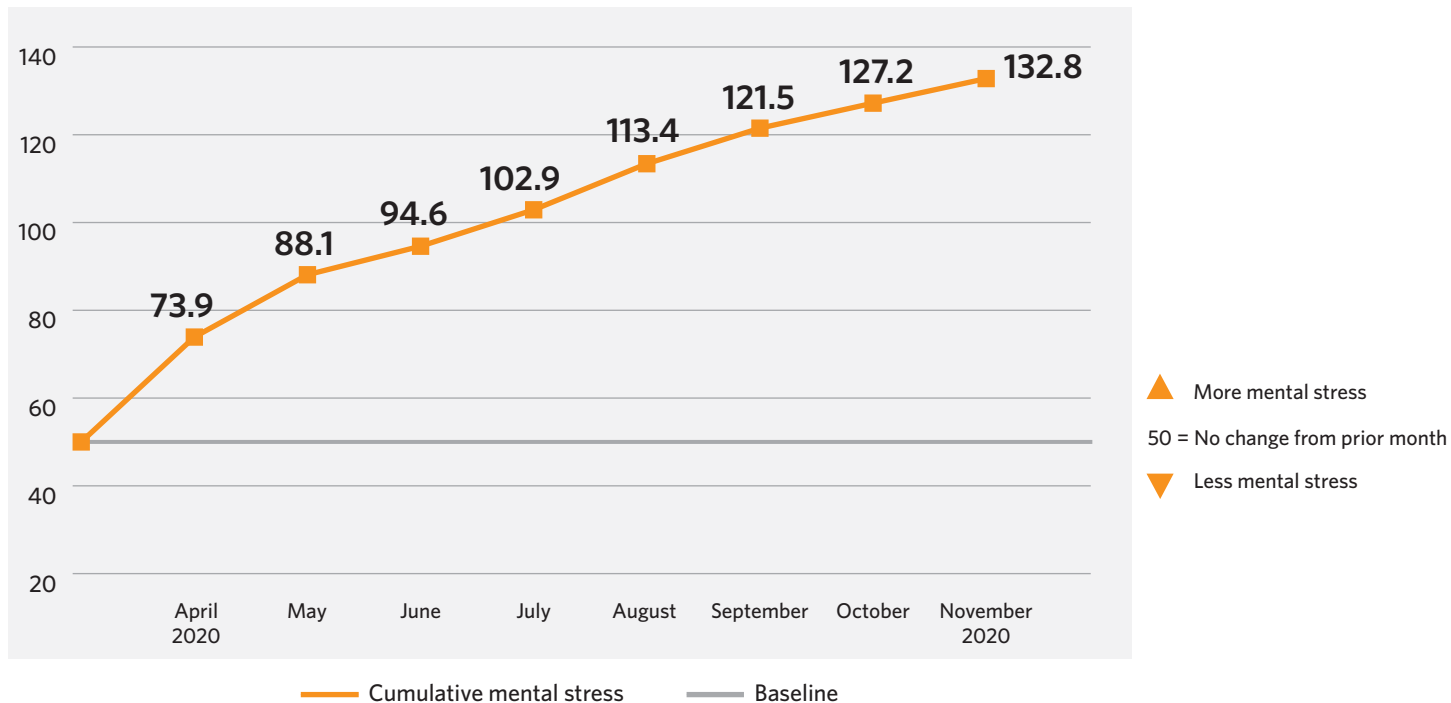


Mental Stress Change (cumulative)

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 continual increase in mental stress demonstrates that Australians are reporting more mental stress month-over-month. To relieve this level of accumulated stress, a sizable portion of the population must start regularly reporting lower stress.

Cumulative MStressChg





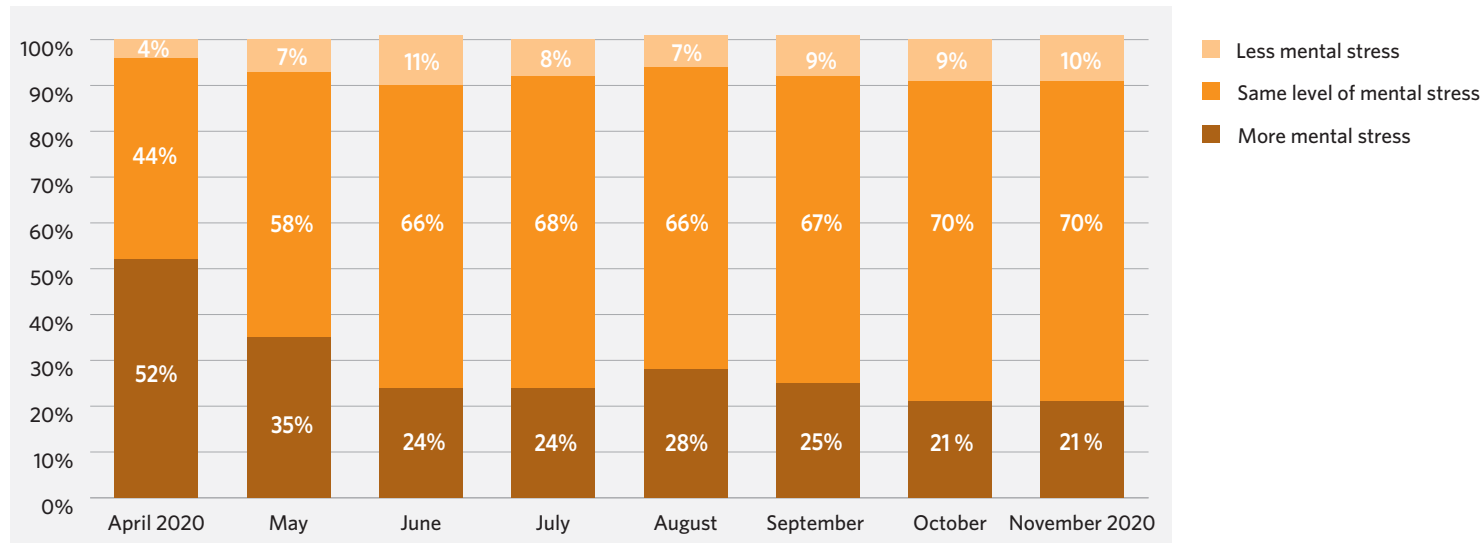
Mental Stress Change (percentages)

Mental Stress Change tracks an individual’s stress changes each month. The percentages of those experiencing more stress, the same level of stress, and less stress for each month of the survey are shown in the graph below.

Over the last eight months, the percentage of those experiencing more mental stress than the previous month has steadily decreased; however, the data shows that those experiencing less mental stress are insufficient to lower the overall Mental Stress Change score to below 50 (the level at which stress is lower than the previous month). As the proportion of individuals reporting the same level of stress or more stress than the previous month continues to significantly outweigh the proportion reporting less mental stress, the population will continue to feel the effects of significantly increased stress and will not be able to reach a more sustainable and health level of stress.

In April, 52 per cent of individuals reported an increase in mental stress. While those reporting increased month-over-month mental stress has decreased to 21 per cent in November 2020, 70 per cent of respondents report the same level of mental stress and only 10 per cent report a decrease in mental stress.

Mental Stress Change by Month





Demographics

- As was reported in prior months, and as evidenced again in November, younger respondents are experiencing a greater increase in mental stress when compared to older respondents.
- Since April 2020, females have larger increases in mental stress when compared with males.
- Respondents identifying as South East Asian have the most favourable mental stress change score (48.4), followed by those identifying as East Asian (53.1), and those identifying as White (55.9).
- Individuals identifying as South Asian have the least favourable mental stress change score (65.3).

Geography

- Considering geography, the greatest increase in stress month over month was for respondents living in Victoria (58.1), followed by South Australia (56.0), and Western Australia (55.7). Respondents living in the provinces where the increase in mental stress was less, still had significant increases. They include New South Wales (54.5) and Queensland (53.9).

Employment

- The greatest increase in mental stress is seen in employed people with reduced hours (64.6), followed by unemployed people (58.5), when compared to employed people with reduced salary (57.8) and employed people with no change to salary or hours (53.3).



Employment status	November	October
Employed (no change in hours/salary)	53.3	53.3
Employed (fewer hours compared to last month)	64.6	63.7
Employed (reduced salary compared to last month)	57.8	63.4
Not currently employed	58.5	55.5

Age group	November	October
Age 20-29	64.5	60.4
Age 30-39	56.1	56.7
Age 40-49	54.0	54.4
Age 50-59	54.2	56.2
Age 60-69	52.1	50.8

Number of children	November	October
No children in household	53.3	54.5
1 child	60.4	57.6
2 children	59.0	57.7
3 children or more	52.7	59.2

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:

Specific cross-correlational and custom analyses

Region	November	October
New South Wales	54.5	54.0
Victoria	58.1	60.0
Queensland	53.9	52.8
South Australia	56.0	52.5
Western Australia	55.7	55.6

Gender	November	October
Male	53.5	54.8
Female	57.4	56.4

Income	November	October
Household income <\$30K/annum	68.2	65.5
\$30K to <\$60K/annum	57.1	54.1
\$60K to <\$100K	55.9	57.8
\$100K to <\$150K	54.4	53.9
\$150K or more	53.5	54.3

Racial identification	November	October
East Asian	53.1	55.3
South Asian	65.3	64.4
South East Asian	48.4	48.2
White	55.9	55.6
Other*	56.3	58.5

* Included in this category are Arab/Middle Eastern/West Asian, Black, Indigenous/Aboriginal, Latin, South or Central American, Pacific Islander, Mixed (Black and other), Mixed (Other), and Prefer not to answer, as the minimum threshold for reporting was not met for each group.

Employer size	November	October
Self-employed/sole proprietor	54.8	54.3
2-50 employees	56.9	55.7
51-100 employees	57.1	60.3
101-500 employees	52.2	59.4
501-1,000 employees	58.8	49.4
1,001-5,000 employees	55.2	52.4
5,001-10,000 employees	56.0	56.8
More than 10,000 employees	54.7	53.3



The Mental Stress Change (industry)

Mental Stress Change scores for Other services (except Public Administration), Educational Services, and Finance and Insurance industries are less steep when compared to the prior month.

Individuals employed in Health Care and Social Assistance have the most significant increase in Mental Stress Change (59.6) followed by individuals employed Public Administration (59.2), and Retail Trade (58.7) industries.

Mental Stress changes from the last two months are shown in the table below:

Industry	November 2020	October 2020
Other services (except Public Administration)	51.9	52.7
Educational Services	52.0	56.6
Finance and Insurance	52.3	51.2
Manufacturing	52.9	56.7
Construction	53.8	52.1
Other	54.5	56.0
Administrative and Support services	54.8	60.2
Professional, Scientific and Technical Services	55.4	58.5
Transportation and Warehousing	56.1	54.8
Food Services	56.3	56.8
Wholesale Trade	57.0	54.7
Retail Trade	58.7	54.6
Public Administration	59.2	57.7
Health Care and Social Assistance	59.6	53.4



Spotlight

Physical health during the COVID-19 pandemic

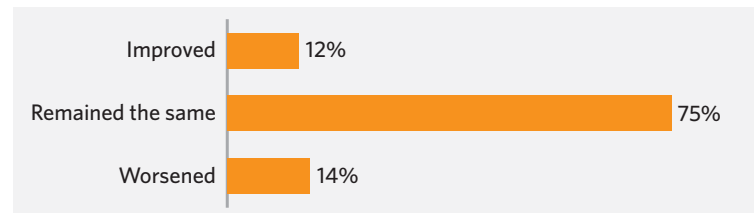
Containing rising COVID-19 cases has forced restrictions across the country. Gyms and other recreational facilities have been required to close or to significantly reduce capacity. Previous findings (September 2020) show that over one-quarter (29 per cent) of individuals indicated that the pandemic has made them less likely to participate in health care than in 2019. Individuals were asked to consider the impact of their physical health since the onset of the COVID-19 pandemic.

- Three-quarters of respondents indicate that their physical health has remained the same since the onset of the pandemic and these individuals have the most favourable mental health score (-8.6).
- The lowest mental health score (-25.2) is observed among the fourteen per cent of individuals who report that their physical health has worsened since the onset of the pandemic.

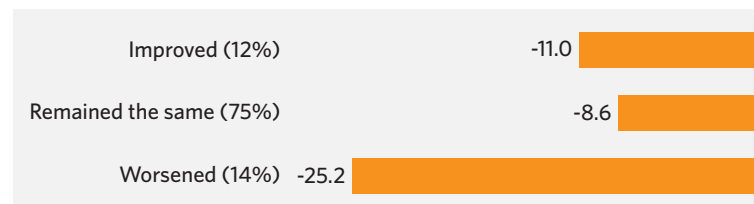
COVID-19 diagnoses

- Ninety-six per cent of respondents have not been diagnosed with COVID-19 and this group has the highest mental health score (-10.5).
- The lowest mental health score (-25.4) is observed among the 4 per cent of respondents who report having been diagnosed with COVID-19.

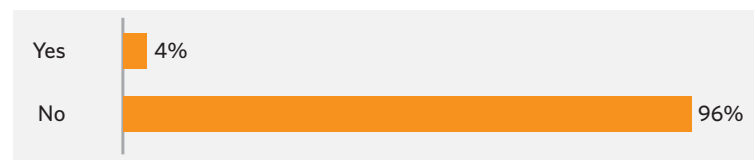
How has your physical health changed since the onset of the pandemic



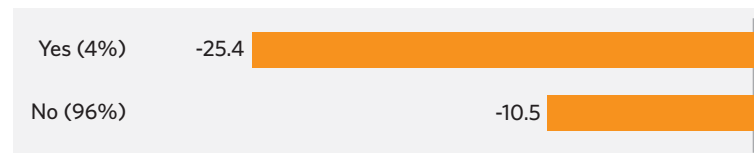
MHI score by how physical health has changed since the onset of the pandemic



Diagnosed with COVID-19



MHI score by those diagnosed with COVID-19





- Six per cent of respondents report having a loved one who has been diagnosed with COVID-19. This group’s mental health score (-22.5) is much lower than those who do not report a loved one having been diagnosed with COVID-19 (-10.4).

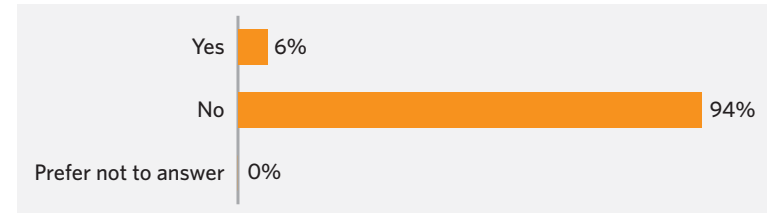
Employees and the workplace

Employees’ perception of their employer compared to before the pandemic

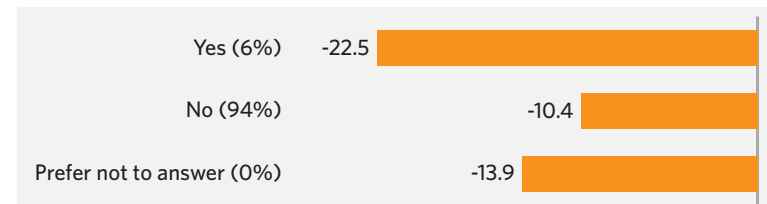
The COVID-19 pandemic has compelled many employers and employees to reconsider how they conduct their business, not only with those for whom they provide goods or service, but also with their employees. Individuals were asked how they view their employer compared to before the pandemic.

- Fifteen per cent of individuals report a more positive view of their employers, whereas fourteen per cent of respondents view their employer more negatively when compared to before the COVID-19 pandemic.
- Individuals working for companies that have 5,001-10,000 employees report a negative perception of the employer when compared to prior to the pandemic.

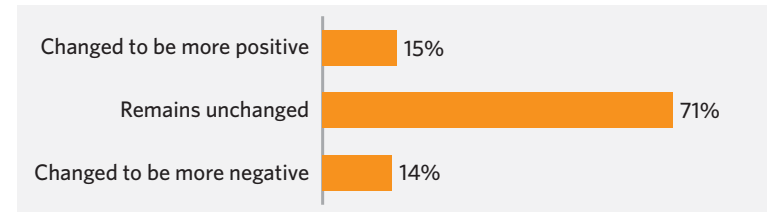
Those with a loved one diagnosed with COVID-19



MHI score by those with a loved one diagnosed with COVID-19



How individuals view their employer compared to before the pandemic





Employees considering 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.

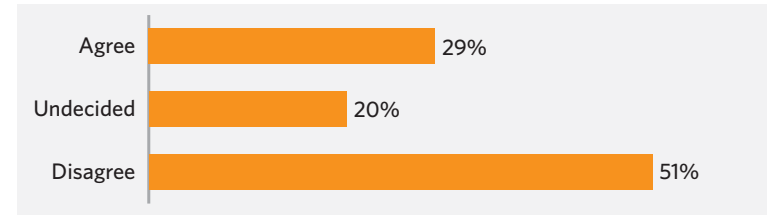
- Over one-quarter (twenty-nine per cent) of respondents indicate that the COVID-19 pandemic led to them considering a job or career change.
- More than half of individuals (fifty-one per cent) are not considering a change while twenty per cent are undecided.
- Individuals under the age of 40 are more than twice as likely to consider a job or career change when compared to those over the age of 50.
- Respondents working for companies with 51-100 employees, 101-500 employees, and 501-1,000 employees are approximately fifty per cent more likely to consider a job or career change over other employer groups.

Workplace handling of changes during the pandemic

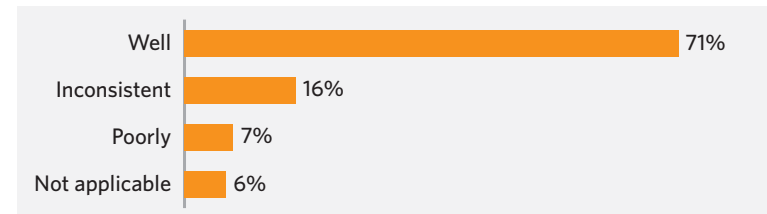
Workplace health and safety has risen to primary importance since the onset of the COVID-19 pandemic. Individuals were asked to consider how their employers are handling health and safety when compared to before the pandemic.

- Seventy-one per cent of respondents believe that their employers are handling health and safety well, whereas seven per cent report that their employers are handling health and safety poorly.
- Respondents from lower income households are less likely to report that employers are handling the health and safety risks of the pandemic well than those in higher income households.

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



Employer handling of health & safety





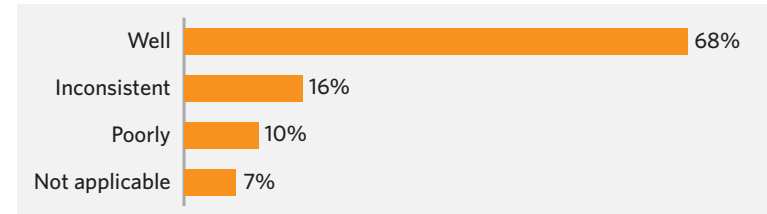
Businesses and communities are in a state of constant change as they respond to the effects of the COVID-19 pandemic. Communicating with employees during this period of uncertainty is vital to ensure continued confidence, continuity, and engagement. Individuals were asked to consider how their employers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

- Sixty-eight per cent of respondents report that their employers are handling communications to employees well, whereas ten per cent report that their employers are handling employee communications poorly.
- Employer size does not influence whether respondents report that their employer is handling employee communications well.

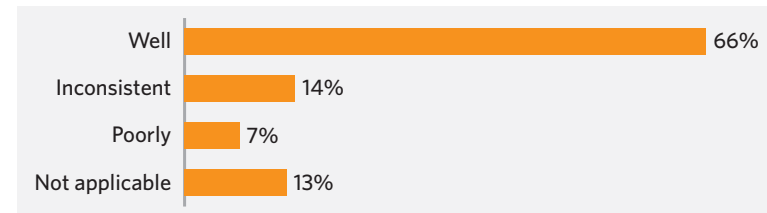
One of the many consequences of the COVID-19 pandemic is the closing or reduction of in-person workplaces. With a dispersed and remote workforce, employers rely on technology to ensure business continuity and connectedness. Individuals were asked to consider how their employers are handling the use of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

- Sixty-six per cent of respondents report that their employers are handling the use of technology well, whereas seven per cent report that their employers are handling the use of technology poorly.
- Respondents from higher income households (\$100,000 annual income or more) are more likely to report that their employer is handling the health and safety risks of the pandemic well.

Employer handling of communications to employees



Employer handling of technology used by employees





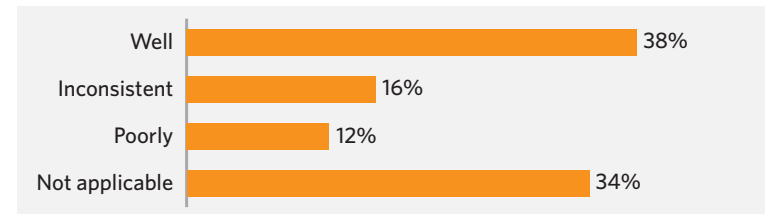
Some employers were forced to reduce salaries, hours, or lay-off employees because of impacts to their business from the COVID-19 pandemic. Individuals were asked to consider how their employers handled reductions in employee pay or hours since the pandemic. Sixty-six per cent of respondents report that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

- Thirty-eight per cent of respondents report that their employers are handling reductions to employee pay and hours well, whereas twelve per cent report that their employers are handling this issue poorly.
- Respondents from households with annual incomes less than \$30,000 are least likely to report that their employers are handling reductions in pay or hours well (32 per cent) when compared to forty-two per cent of individuals from households with an annual income of \$150,000 or more.

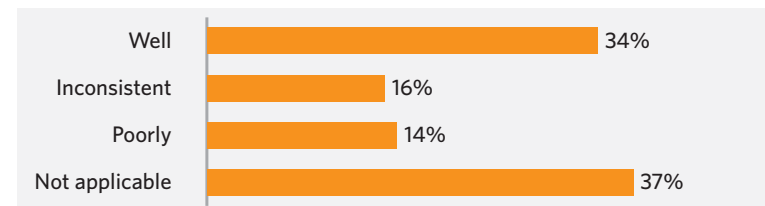
While some businesses are struggling, other employers are experiencing increased demand for their business. This is resulting in increased pay and/or hours for their employees. Survey participants were asked to consider how their employers are handling increases in pay and/or hours. Sixty-three per cent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

- Thirty-four per cent of respondents report that their employers are handling increases in employee pay and/or hours well, whereas fourteen per cent report that their employer is handling this issue poorly.
- Individuals between the ages of 20 and 39 are twice as likely to report that employers are handling increases in pay and/or hours well when compared to those 50 and older.

Employer handling of reducing employee pay and/or hours



Employer handling of increasing employee pay and/or hours





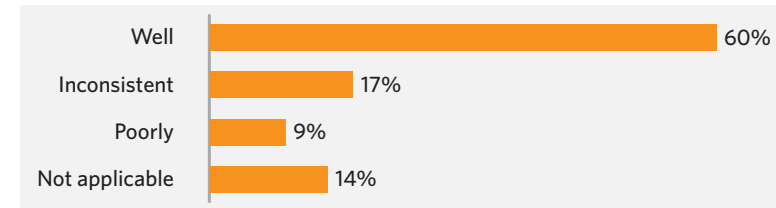
The effects of the COVID-19 pandemic on businesses are varied and, in many instances, are tied to their industry sector. Business models have been modified to respond to changes in demand and to adhere to health and safety protocols. Individuals were asked to consider how their employers are handling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

- Sixty per cent of respondents report that their employer is handling changes to the way in which business is conducted well, whereas nine per cent report that their employer is handling changes to the way business is being conducted poorly.
- Respondents were most likely to report that organizations with 101 to 10,000 employees are handling the changes to the way in which business is conducted well.

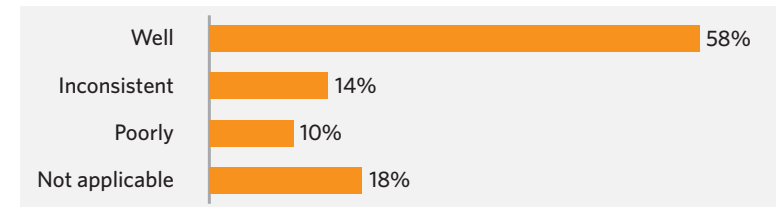
As the pandemic continues, the need for flexibility is critical. Employees need time for self-care, to attend to children or to other family members, and to address their daily tasks in a fluid, and sometimes complex environment. Individuals were asked to consider how their employers are handling flexible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

- Fifty-eight per cent of respondents report that their employers are handling flexible work hours well, while ten per cent indicate that their employer is handling this issue poorly.
- Respondents from households with an annual income less than \$30,000 are least likely to report that employers are handling flexible work hours well (43 per cent) when compared to sixty-three per cent of individuals from households with an annual income of \$150,000 or more.

Employer handling of changes to the way business is conducted



Employer handling of flexible work hours





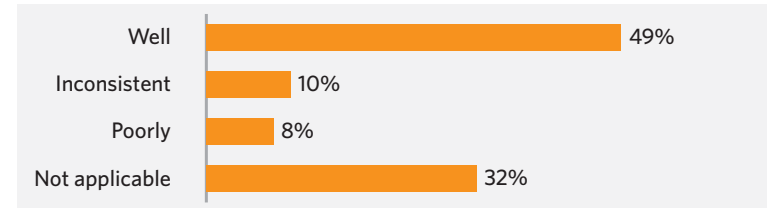
In addition to flexible work hours, work from home has been driven by the COVID-19 pandemic. Survey participants were asked to consider how their employers are handling work from home policies during the pandemic when compared to before the COVID-19 pandemic. Sixty-eight per cent of respondents report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

- Forty-nine per cent of respondents report that their employers are handling work from home policies well, whereas eight per cent indicate that their employers are handling work from home poorly.
- Respondents from households with an annual income less than \$30,000 are least likely to report that employers handling work from home well (30 per cent) when compared to sixty-one per cent of individuals from households with an annual income \$150,000 or more.
- Organizations with 100 to 5,000 employees are handling work from home better than organizations with less than 100 employees or more than 5,000 employees..

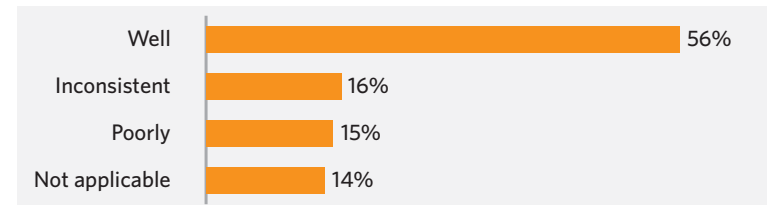
As employees come under increased strain due to the COVID-19 pandemic, many employers are reminding their people of the support and resources available to them to maintain or improve their wellbeing. Individuals were asked to consider how their employers are handling the promotion of resources when compared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

- Fifty-six per cent of respondents report that their employers are handling the promotion of resources well, whereas fifteen per cent indicate that their employers are handling this poorly.

Employer handling of working from home



Employer handling of promoting resources for employees





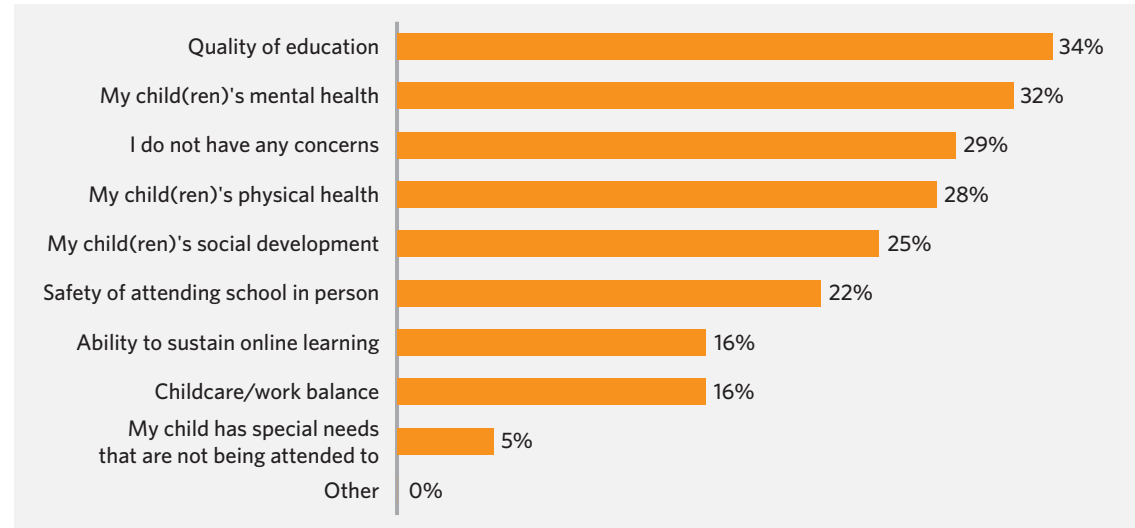
Parental concerns during the COVID-19 pandemic

Parents of children under 18 years old

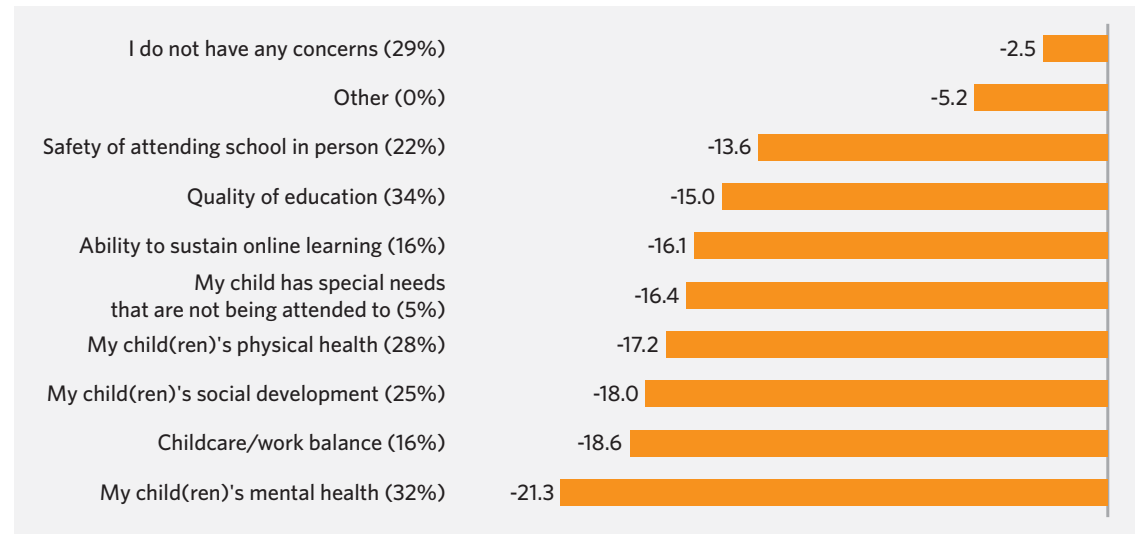
Since the pandemic, parents of children under 18 years are finding themselves balancing work and their children’s personal and educational needs while daycares and schools have been under restrictions. Survey participants with children under 18 were asked about their fears and concerns regarding their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

- The top concerns or fears that parents have regarding their children during the pandemic are the quality of education (34 per cent), the mental health of their children (32 per cent), and the physical health of their children (28 per cent).
- Parents who report concerns about their child(ren)’s mental health have the lowest mental health score (-21.3), followed by parents with concerns over childcare/work balance (-18.6), and those with concerns over their child(ren)’s social development (-18.0).

Current concerns/fears related to children under 18 years old



MHI score by current concerns/fears related to children under 18 years old

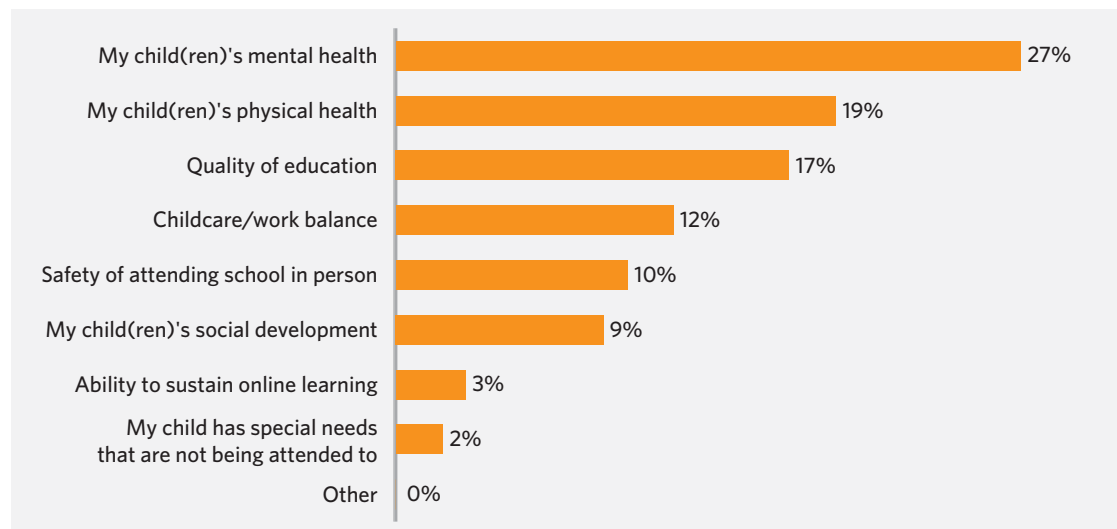




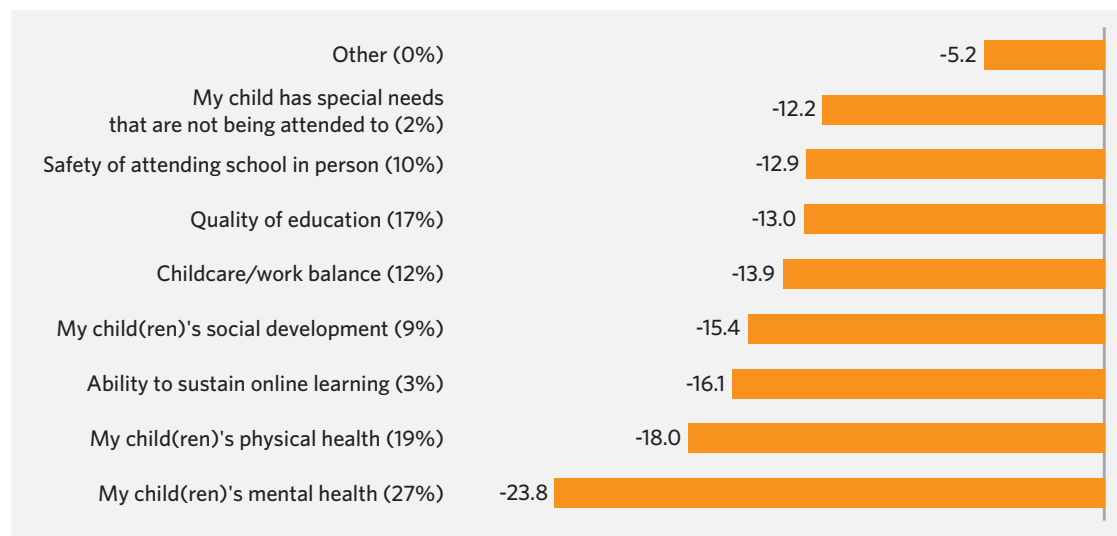
Parents who identified concerns were asked to indicate their greatest concern related to children under 18 years.

- While children’s quality of education is the most reported concern, children’s mental health is the greatest concern (27 per cent) and the mental health of this group is lowest at -23.8.

Greatest concerns/fears related to children under 18 years old



MHI score by greatest concerns/fears related to children under 18 years old



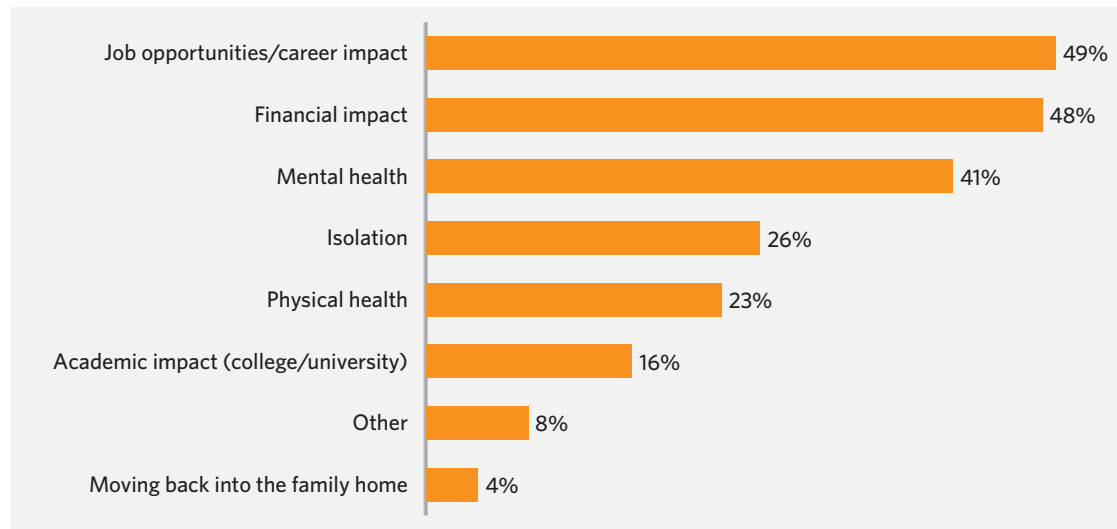


Parents of children between 18 and 30 years old

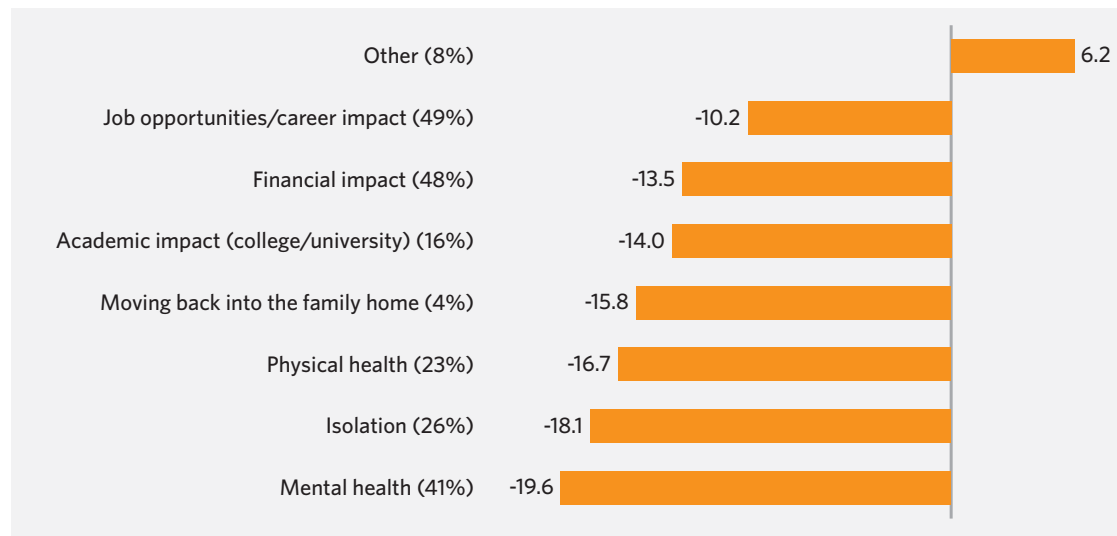
Children under 18 years present a decidedly separate set of concerns for parents than adult children. Survey participants with children between 18 and 30 years were asked about their fears and concerns regarding their adult children.

- The most reported concerns regarding children aged 18 to 30 years include job opportunities/career impact (49 per cent), the financial impact of the pandemic (48 per cent) and mental health (41 per cent).
- The lowest mental health score is observed among parents who are most concerned about their adult children’s mental health (-19.6), followed by concern about isolation (-18.1), and physical health (-16.7).
- As the top drivers of the health of adults continues to be financial risk and isolation, parents are concerned about similar issues among their adult children.

Concerns/fears related to children aged 18-30



MHI score by 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 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™ is published monthly, starting in April 2020. The benchmark data was collected in 2017, 2018 and 2019. The data for the current report was collected between October 25 to November 5, 2020.

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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