The Mental Health Index™ report

Regional Comparison – Australia, Canada, United Kingdom and United States, January 2021

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January highlights

At the start of 2021, COVID-19 restrictions remain in place in many parts of the world. The ongoing impact of the COVID-19 pandemic continues to have a negative effect on the mental health of Americans, Australians, Britons and Canadians, with January marking ten consecutive months of diminished mental health when compared to before the 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 decreases in Canada and the United Kingdom. In November, modest improvements were observed in Australia and in Canada while mental health declined in both the United States and the United Kingdom. In December, the mental health score continued to decline in the Canada and United States while improvements were observed in Australia and the United Kingdom. In January, declines in mental health are observed in the United Kingdom and Australia, whereas the mental health score in Canada remains equal to the prior month and a modest improvement is observed in the United States.

The level of mental health in January continues to be a concern as it indicates that the working population in all four geographies is significantly distressed when compared to mental health scores prior to 2020.

Comparing December 2020 to January 2021, there is a significant increase in mental stress in all regions. The increase in mental stress is greatest in Canada (60.1), followed by the United Kingdom (58.5), the United States (56.7), and Australia (54.4).

The United Kingdom has the highest proportion of individuals with emergency savings (75 per cent), followed by the United States (74 per cent), Canada (72 per cent), and then Australia (70 per cent). Lack of emergency saving predicts a lower score on the Mental Health Index™, regardless of income.

Previous findings in June and August 2020 indicate that the most commonly reported emotions that individuals were experiencing were worry, calm and frustration. Nearly one year into the pandemic, **the most commonly reported emotions continue to be worry, calm, and frustration** across all countries. Males are more likely to report feeling calm whereas females are more likely to report feeling worry.

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.

As individuals across the globe continue to manage their daily lives in a time of pandemic, thoughts of temporary adjustments are moving to what the "new normal" could look like. Many are rethinking their priorities amid the ongoing impact of the pandemic on work, finances, social relationships, physical and mental health. In all countries, **more than half of the respondent group report family as their primary area of focus. Physical health, having fun/enjoying life, and financial security are the next most commonly reported focus areas.**

The impact of the COVID-19 pandemic has been felt in different ways – restricted social lives, the shift to virtual work, illness, or death of loved ones, etc. At the same time, some are reporting inspired changes or unseen benefits because of the pandemic. Across all regions, **personal relationships is the most commonly reported area that has changed positively because of the pandemic.** Financial security, physical health, and job/career are reported as positive impacts; however, each of these areas were picked by twelve per cent or less of the population.

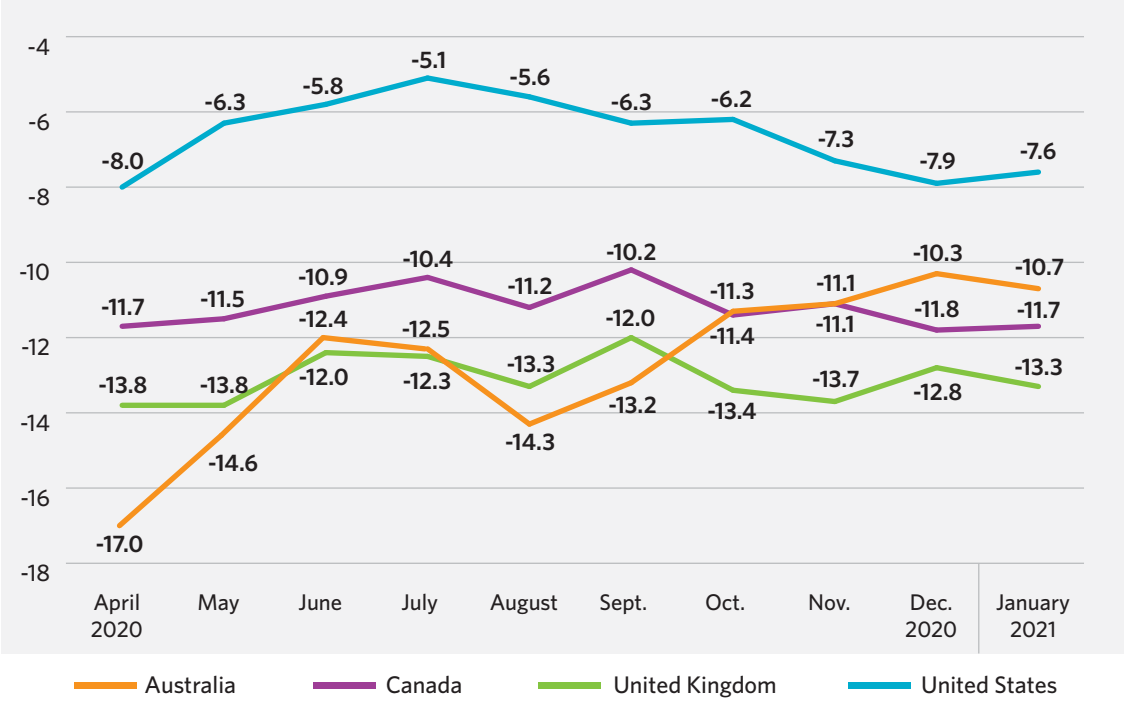
As expected, the impact of the COVID-19 pandemic has been difficult on many. **Across all geographies, the three most commonly reported areas that changed negatively due to the pandemic are social life, financial security, and mental health.**

As people focus on managing through the pandemic, employment remains a critical stabilizer. **Financial risk continues to be one of the strongest drivers of mental health and employment is central to offsetting any financial risk.** Across all geographies, approximately thirty per cent of respondents report some change in their employment due to the pandemic. Approximately one-quarter of respondents in all countries report working fewer hours or receiving reduced pay/salary because of the pandemic.

When compared with previous findings (June 2020), there has been an increase in individuals reporting that they are likely to return to their previous spending habits. In all countries, over half of respondents believe that their spending habits will change once stores and businesses fully open. Approximately one-third of individuals report that they will go back to their prior spending habits. Among those who indicate that they will not return to their pre-pandemic spending habits, infection risk is the most common concern in Canada, the United Kingdom and the United States. In Australia, the most common reason for reporting a change in future spending habits is worry over job/income security. **Across all geographies, at least four in ten respondents indicate that worry over job/income security will change the future spending habits; at least three in ten respondents indicate that a change in income as the reason will impact future spending habits.**

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

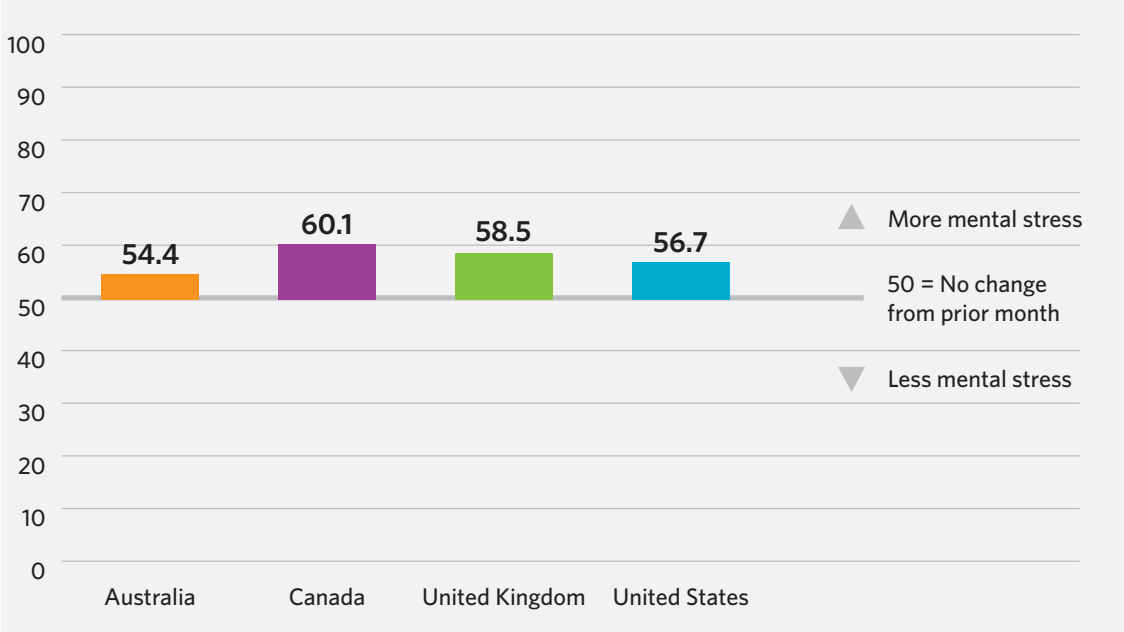
The Mental Health Index™ by region



Overall, the Mental Health Index™ is lowest in the United Kingdom (-13.3), followed by Canada (-11.7), Australia (-10.7), and then the United States (-7.6). Although mental health scores vary across regions, when compared to the pre-2020 benchmark, all regions show evidence of a mental health decline.

In January, declines in mental health are observed in the United Kingdom (-0.5 points) and Australia (-0.4 points); whereas the mental health score in Canada remains equal to the prior month and a modest improvement is observed in the United States (+0.3 points).

The Mental Stress Change score (region)



Comparing December 2020 to January 2021, there is a significant increase in mental stress in all regions. The increase in mental stress is greatest in Canada, followed by the United Kingdom, the United States, and Australia.

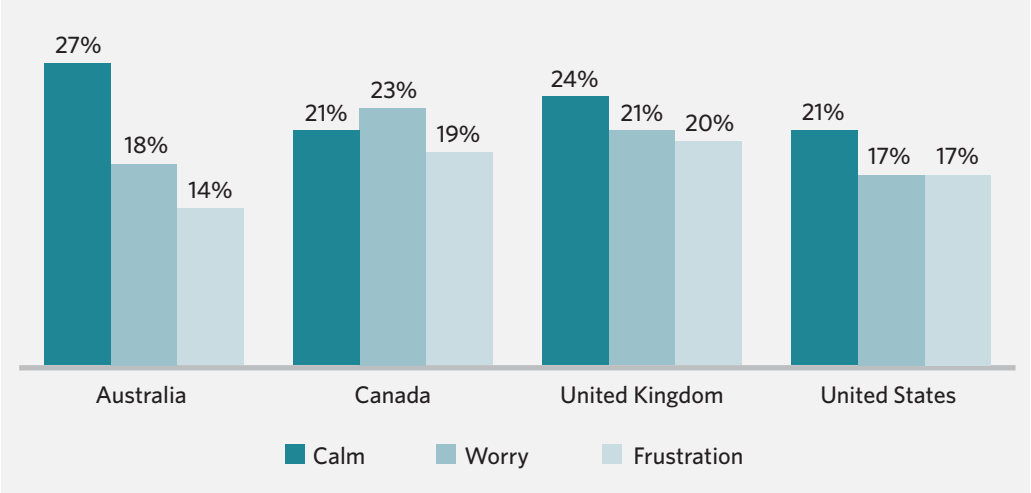
Spotlight

Emotional State

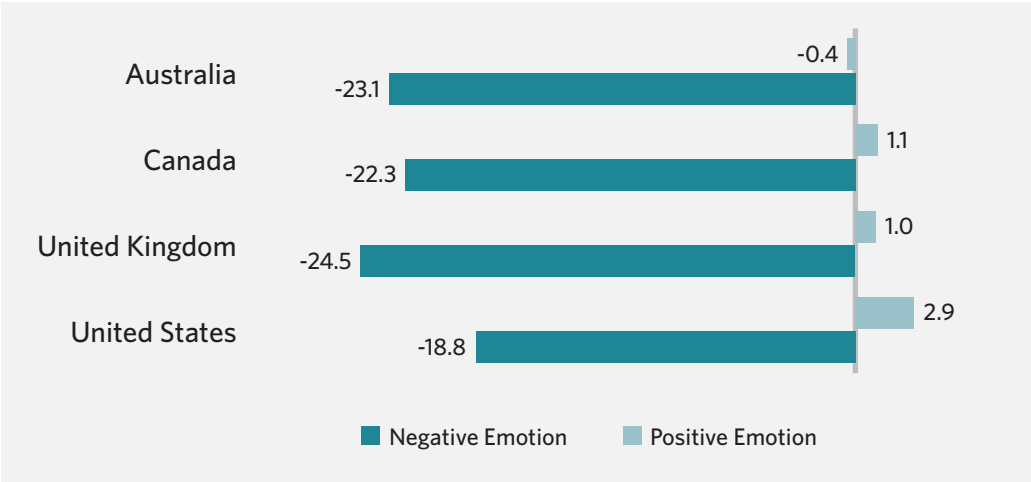
Previous findings in June and August 2020 indicate that the most commonly reported emotions that individuals were experiencing were worry, calm and frustration. Nearly one year into the pandemic, the most commonly reported emotions continue to be worry, calm, and frustration across all countries.

- Calm is the most commonly reported emotion being felt right now in Australia (27 per cent), the United Kingdom (24 per cent), and the United States (21 per cent). In Canada, calm is second most commonly reported emotion (21 per cent) next to worry (23 per cent).
- Consistent with previous months, mental health scores are significantly higher for those reporting positive emotions (calm, hopefulness, gratitude, happiness) when compared with those reporting negative emotions (worry, frustration, helplessness, anger, disbelief/shock).

Top three emotions experienced most often right now



MHI score for positive and negative emotions

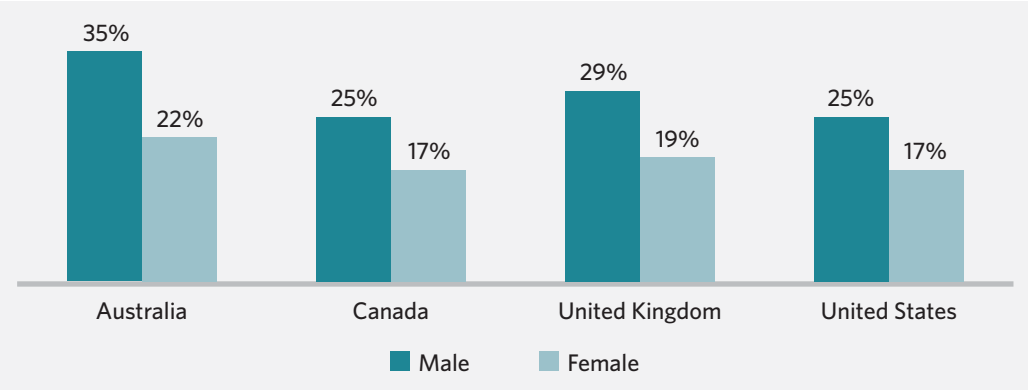


Gender and emotion

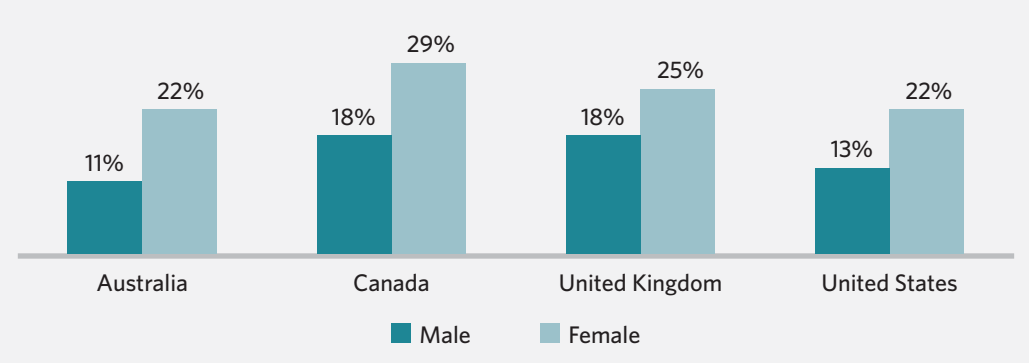
Gender has an effect on the emotion most commonly reported by respondents. In all countries,

- males are more likely to report feeling calm when compared with females.
- females are more likely to report feeling worry when compared with males.
- frustration is equally reported by males and females.

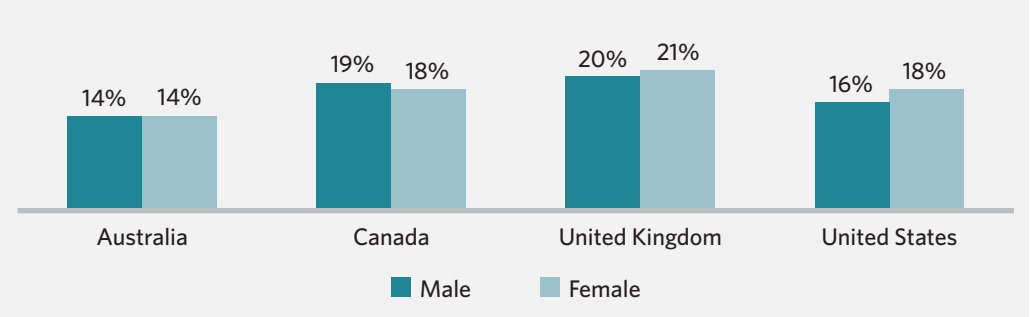
Percentage feeling calm by gender



Percentage feeling worry by gender



Percentage feeling frustration by gender

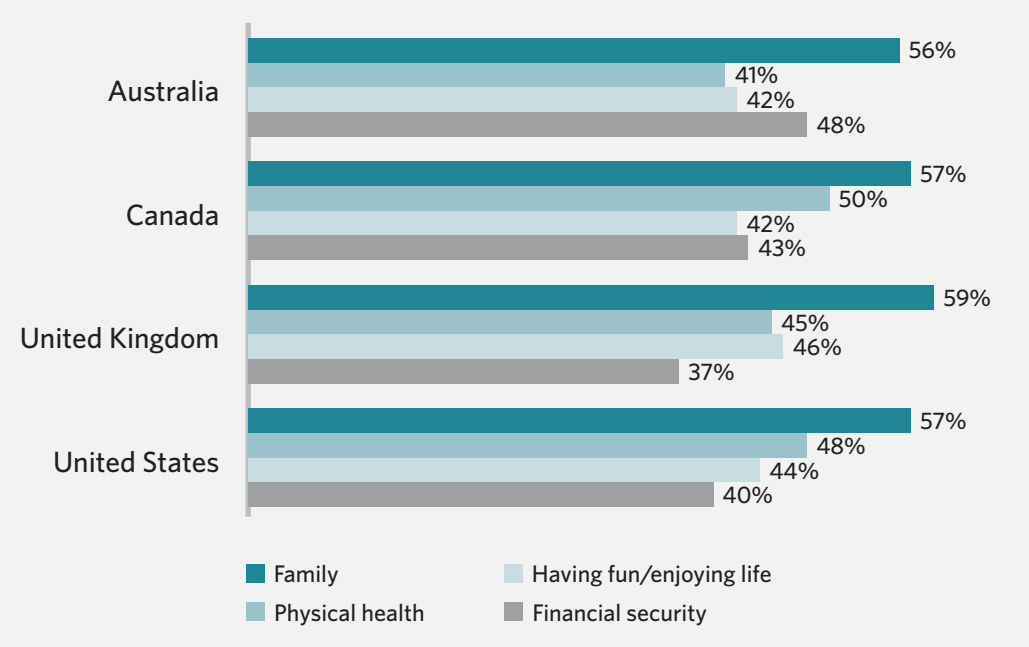


Changing priorities due to the COVID-19 pandemic

As individuals across the globe continue to manage their daily lives in a time of pandemic, thoughts of temporary adjustments are moving to what the "new normal" could look like. Many are rethinking their priorities amid the ongoing impact of the pandemic on work, finances, social relationships, physical and mental health. Respondents were asked to select three areas they would like to focus on when compared to before the pandemic.

- In all countries, more than half of the respondent group selected family as their primary area of focus.
- Physical health, having fun/enjoying life, and financial security are the next most commonly reported focus areas.

Top four areas individuals would like to focus more on



Positive impact of the COVID-19 pandemic

The impact of the COVID-19 pandemic has been felt in different ways – restricted social lives, the shift to virtual work, illness, or death of loved ones, etc. At the same time, some are reporting inspired changes or unseen benefits because of the pandemic. Respondents were asked to indicate the areas that have changed positively because of the pandemic.

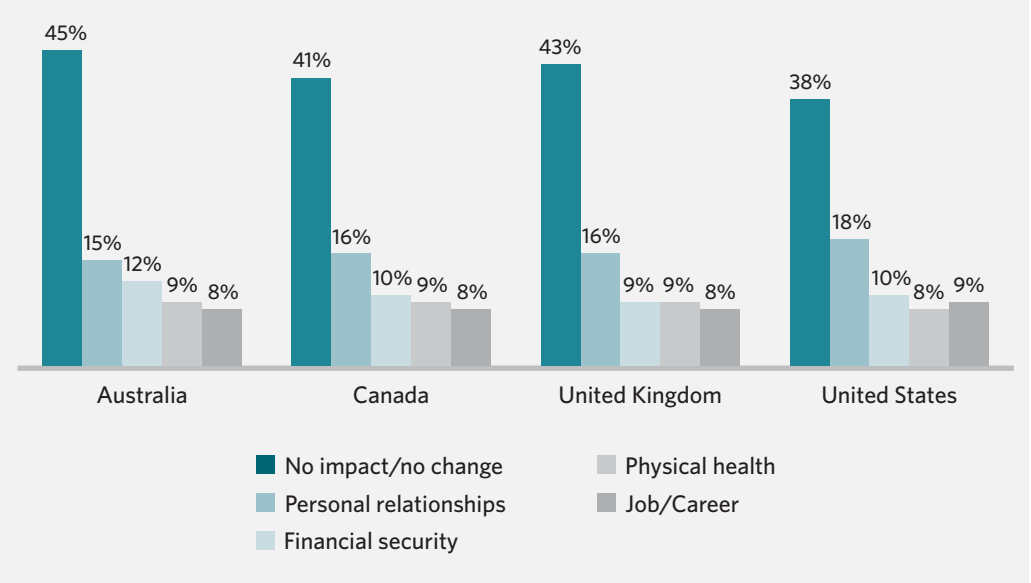
- Across all regions, personal relationships is the most commonly reported area; between fifteen and eighteen per cent of respondents indicate this as a positive impact of the pandemic.
- Financial security, physical health, and job/career are reported as positive impacts; however, each of these areas were picked by twelve per cent or less of the population.

Negative impact of the COVID-19 pandemic

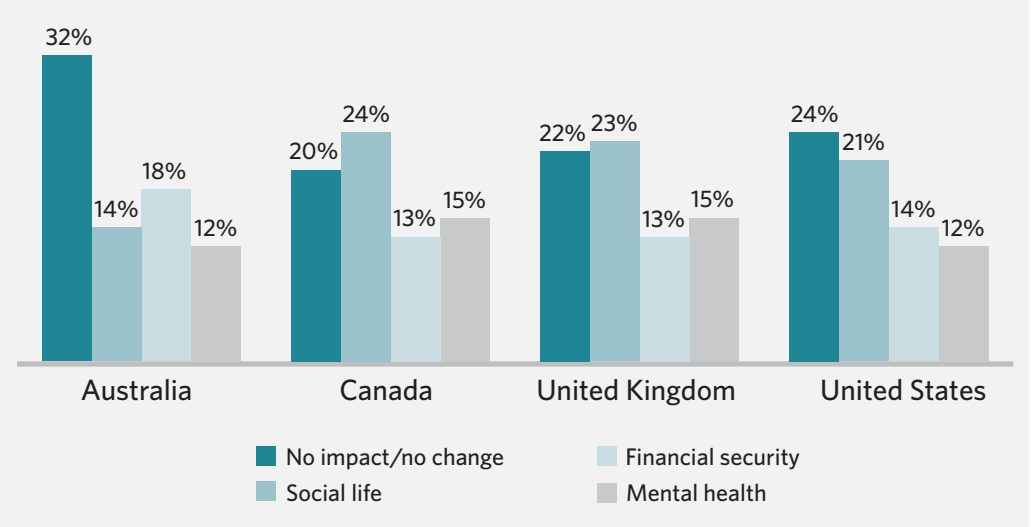
As expected, the impact of the COVID-19 pandemic has been difficult on many. Respondents were asked to indicate the area of their lives that has changed most negatively because of the pandemic.

- Across all geographies, the three most commonly reported areas that changed negatively due to the pandemic are social life, financial security, and mental health.

Top five areas that have changed most positively due to the pandemic



Top four areas that have changed most negatively due to the pandemic

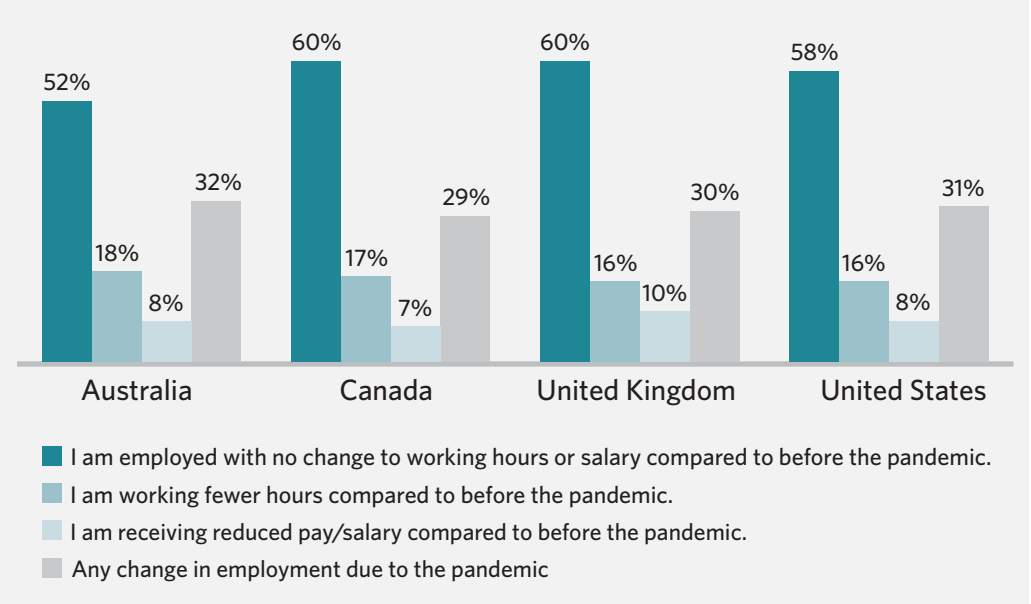


Employment during the pandemic

As people focus on managing through the pandemic, employment remains a critical stabilizer. Financial risk continues to be one of the strongest drivers of mental health and employment is central to offsetting any financial risk. Respondents were asked about their employment situation during the pandemic.

- Respondents in all countries are most likely to report no change in working hours or salary when compared to before the pandemic, with those in Australia least likely to report no changes (52 per cent).
- Across all geographies, approximately thirty per cent of respondents report some change in their employment due to the pandemic.
- Approximately one-quarter of respondents in all countries report working fewer hours or receiving reduced pay/salary because of the pandemic.

Changes in employment due to the pandemic



Spending habits

When compared with previous findings (June 2020), there has been an increase in individuals reporting that they are likely to return to their previous spending habits.

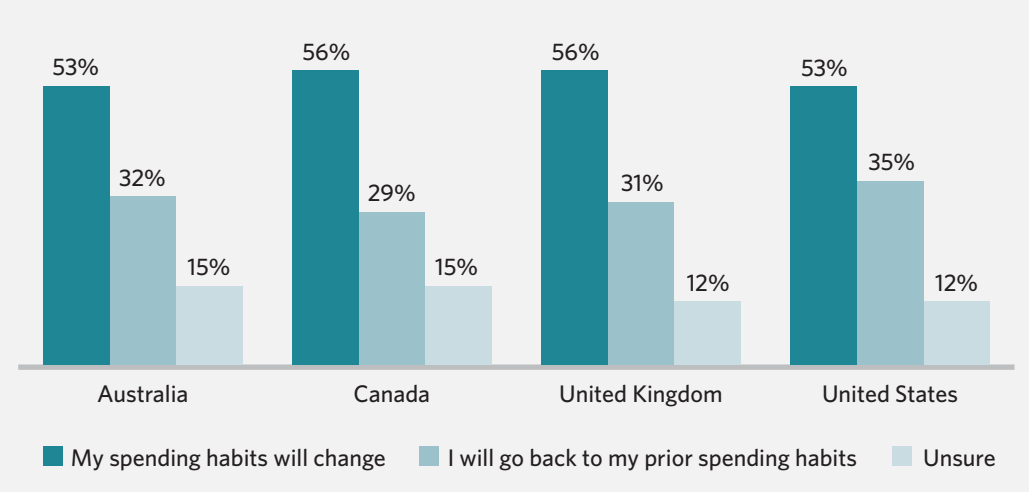
- In all countries, over half of respondents believe that their spending habits will change once stores and businesses fully open.
- Between twenty-nine and thirty-five per cent of individuals report that they will go back to their prior spending habits.

Reasons for not returning to pre-pandemic spending habits

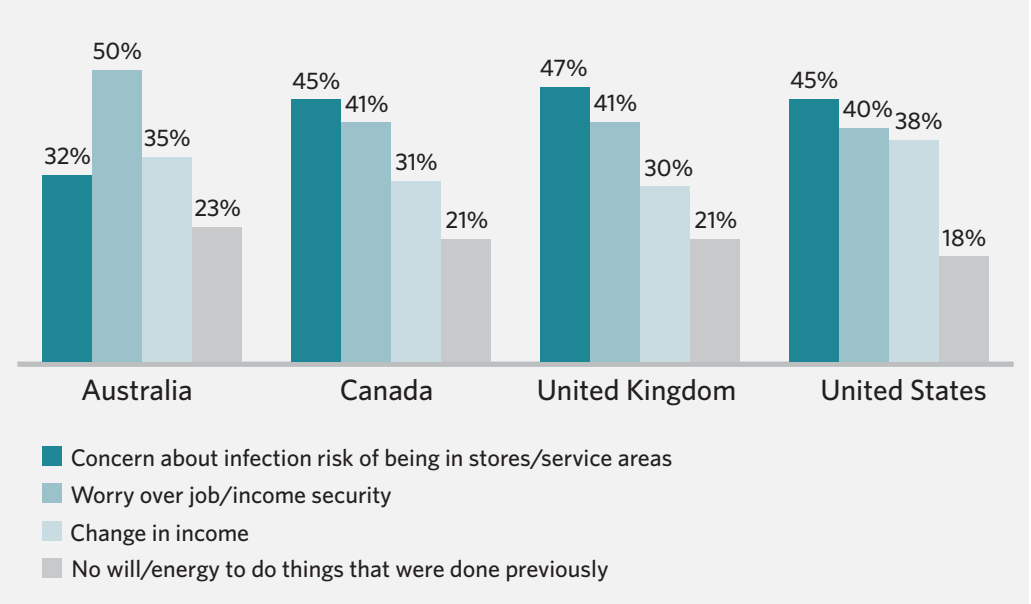
Among those who indicate that they will not return to their pre-pandemic spending habits, four reasons are reported.

- In Canada, the United Kingdom, and the United States, infection risk is the most common concern. In Australia, the most common reason for reporting a change in future spending habits is worry over job/income security.
- Across all geographies, at least four in ten respondents indicate that worry over job/income security will change the future spending habits; at least three in ten respondents indicate that a change in income as the reason will impact future spending habits.

Spending habits once stores and businesses open



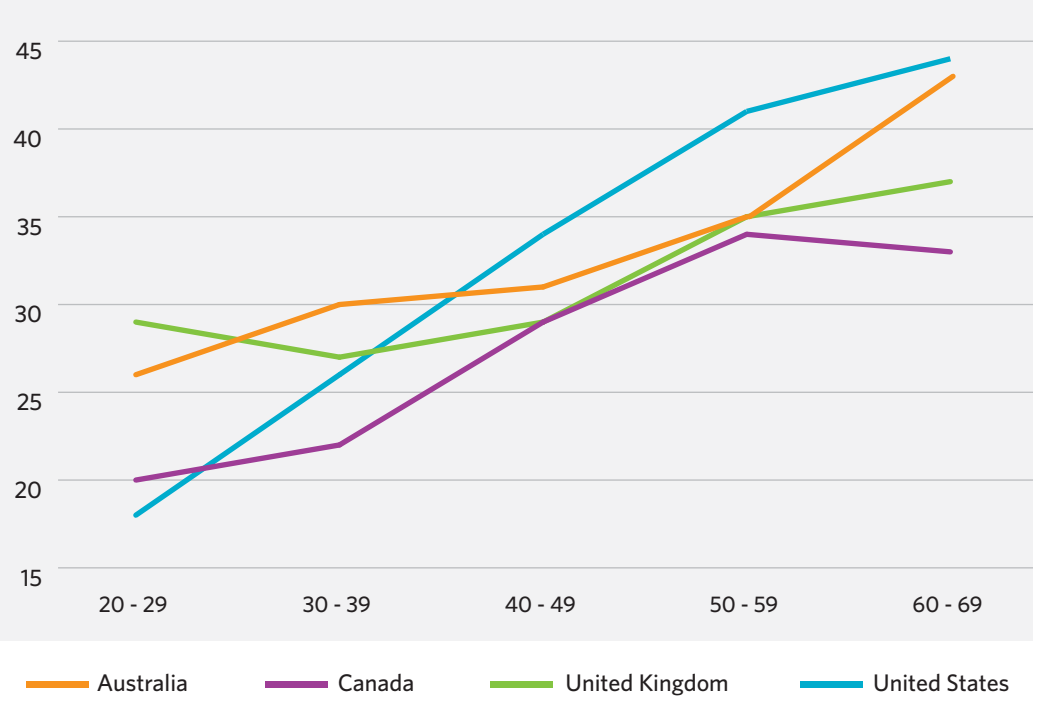
Reported reasons that will cause changes in spending habits



Spending habits and age

In all countries, the percentage of individuals reporting that they will return to their pre-pandemic spending habits increases with age.

Percentage reporting they will go back to pre-pandemic spending habits by age range



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 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 of Australia. All of 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 in April 2020. The benchmark data was collected in 2017, 2018 and 2019. The data for the current report was collected between December 14 to December 23, 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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