

The Mental Health Index™ report

Canada, October 2020



**MORNEAU
SHEPELL** 



Table of contents

October highlights	1
Considerations for Employers	4
The Mental Health Index™	6
Mental Health Index™ sub-scores	7
The Mental Health Index™ (regional)	9
The Mental Health Index™ (industry)	12
The Mental Stress Change score	13
Mental Stress Change (cumulative)	14
Mental Stress Change (percentages)	15
The Mental Stress Change (industry)	18
Spotlight	19
Productivity during the COVID-19 pandemic	19
Effect of organizational activities on work productivity	20
The ongoing COVID-19 pandemic	22
Mental Health Support	25
U.S. Presidential election	26
Action	27
Overview of the Mental Health Index™	28
Methodology	28
Calculations	28
Additional data and analyses	29



October highlights

The mental health of Canadians continues to be much more at risk than prior to the pandemic. After the initial significant decline measured in April 2020, there were modest increases from May to July 2020. There was, however, a reversal of this trend with a **decline in August, a modest improvement in September, and a further decline in October.**

The level of mental health in October remains concerning as it indicates that the working population is currently as distressed as the most distressed one per cent of working Canadians, prior to 2020.

The proportion of individuals reporting more stress than the prior month (28 per cent) is higher in October than it was in July, August and September. As well, the proportion of individuals reporting less mental stress is only 6 per cent, which is the lowest proportion since May 2020. The majority (66 per cent) indicate the same level of stress compared to the prior month, however, given the escalation in stress each month since the pandemic, this reflects a high level of cumulative stress even for this group.

October also continued a reversal of a positive trend in financial risk. From April to August, Canadians had been saving more each month, and more than in 2019. This trend stopped in August and reversed in September and October with Canadians depleting their savings. In spite of this, **financial risk continues to be the strongest sub-score, and is above the pre-2020 benchmark.**

Forty-one per cent indicate that they are putting in more effort at work. Greater effort at work predicted lower mental health scores (-12.0) than those who put in less.

Work productivity scores continue to decline in October. In April, work productivity was -13.4. It increased each month, after May, to -10.8 in September, and then declined to -12.6, which approaches the lowest scores in April and May.

Individuals who have maintained the same level of productivity when compared to before the pandemic have the highest mental health score (-6.2). **Those who report putting in more effort at work when compared to before the pandemic have the lowest mental health score (-12.0).** The additional effort required to maintain productivity is an important indicator of the potential for mental strain and burnout.

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.



In terms of workplace strategies during the pandemic, **employees were most likely to indicate flexible work hours as helpful to their productivity**, followed by technology, ability to work from home and communications.

Nearly half (48 per cent) of respondents report needing some form of mental health support. The most commonly reported source of mental health support is from family members (24 per cent), followed by support from friends or co-workers (20 per cent), and support from a mental health professional (8 per cent). **Nine per cent of individuals report needing support, but have not sought it. This group has, by far, the lowest mental health score (-33.9).**

With news of a second wave in parts of Canada, the seriousness of the pandemic is a dominant question in many parts of the country. **Eighty-six per cent of respondents agree that COVID-19 presents a serious public health risk while 6 per cent do not agree.** Individuals who did not agree that COVID-19 presents a serious public health risk have a considerably higher mental health score (-6.9); seemingly indicating that those who do not believe that COVID-19 presents a serious risk contributes to less mental health strain.

Canadians believe that they are adapting their day-to-day lives within the context of the pandemic. **Eighty-seven per cent of respondents feel that they are personally handling the health and safety risk of COVID-19 well and this group has the highest mental health score (-8.6).** Those who are handling the health and safety risk of the pandemic poorly have a significantly lower mental health score (-38.1).

Many employers are handling the health and safety risk of the pandemic well according to employees. Seventy-eight per cent agree with this position and this group has the highest mental health score (-8.6).

Despite nearly 90 per cent of respondents indicating that they are handling the health and safety risk of the pandemic well, **only 65 per cent feel that their neighbours and community are handling the risk well.** Those who report that the health and safety risk is being managed poorly have the lowest mental health score.

The perceived handling of the health and safety risk of the pandemic is similar when comparing local and federal government. Nearly two thirds (66 per cent) of Canadians believe that their local governments are doing a good job managing the risks of COVID while sixty-three per cent believe that the federal government is handling the risks well.



Provincial mental health scores since April have shown general improvement until July; however, several regions showed declines from July to August. **In October, Alberta, Manitoba, Ontario, Quebec, and the Maritimes report declines in mental health – with the greatest decline found in the Maritimes** (decrease of 3.3 points). British Columbia, Newfoundland and Labrador, and Saskatchewan report improvements in mental health in October.

Full-time students have had the lowest mental health score for five consecutive months when compared to individuals across all industry categories. The academic uncertainty, coupled with mental health and financial concerns related to job opportunities and future economic security, is a tremendous strain that could impact a generation of students.

Another issue that has been at the forefront for Canadians is the impact that the divisive U.S. Presidential election will have on our neighbours to the south and to Canada itself. **Thirty-eight per cent of respondents feel that the election is having a negative impact on their mental health** and this group has the lowest mental health score (-16.7).



Considerations for Employers

The ongoing strain of the pandemic is clearly having an impact on the work productivity of Canadians. In October, the productivity of Canadians is as compromised as it was in April 2020, even after an initial improvement. In the September Mental Health Index™ report, we saw 34 per cent of respondents indicating that they find it more difficult to concentrate on work than before the pandemic; 39 per cent indicating that they feel more mentally and/or physically exhausted at the end of the workday; and 36 per cent indicating that they find it more difficult to feel motivated to do work than before the pandemic.

Another concerning trend is the negative trend in financial risk for the second consecutive month. It is clear that we will be dealing with COVID-19 for some time, and the impact of the pandemic for some time after that. The current trends suggest that the strain is taking its toll. To address this, it is important for organizations to address certain specific issues as well as the mental health risk overall.

1. Work productivity

With the emotional strain of change and uncertainty from the pandemic, work can become more difficult. Forty-one per cent indicate that they need to put more effort into work. The additional risk is that changes in our routines have made it less likely that people have the experiences that provide recovery.

- Employers can bring the risk of burnout to the attention of employees, including the range of causes and strategy. Burnout is not always about work. Strain from caregiving, compassion or frustration can also create the same emotional exhaustion. Burnout occurs when there is insufficient recovery from stress. Recovery for stress is not passive. It requires actions, thoughts and interactions that reset our level of stress. At a minimum, each individual needs a sense of accomplishment, supportive social contact, fun/laughter and physical movement every day.
- Flexibility at work is the workplace strategy that has been the most helpful to employees' productivity. Ensure that people leaders are aware of this and are equipped to support reasonable flexibility.



- It is also important to reinforce the need to reach out for professional support when things feel overwhelming. Those who need help but do not reach out have the lowest mental health scores.

2. Financial wellbeing

Each month since April has shown that financial uncertainty is the strongest driver of mental health. The presence or absence of an emergency fund is a strong predictor of one's mental health index score. The connection between financial and mental wellbeing has long been established.

- Employers can highlight and offer resources to support financial wellbeing. These resources ideally support employees' knowledge as well as their actions with respect to finances. From Morneau Shepell's Mental Health Priorities research, almost half of employees feel that they are managing their finances less well than others with the same income. This is a clear opportunity for education and support.
- Leverage and remind employees of financial consultation in your Employee Assistance or Work Life Program if one is available.
- Financial wellbeing resources and training are a good investment at this time and will have a positive impact on employees.

The methodology and calculations for the Mental Health Index™ and the Mental Stress Change Score are on pages 28 and 29.

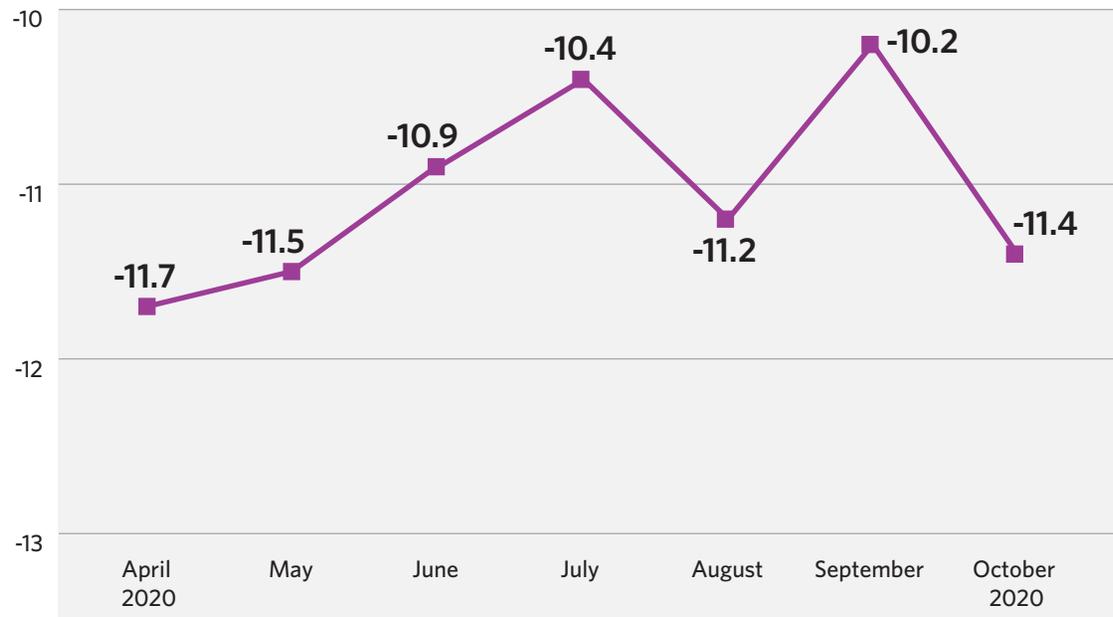


The Mental Health Index™

The Mental Health Index™ (MHI) is a measure of deviation from the benchmark¹ of mental health and risk. **The overall Mental Health Index™ for October 2020 is -11.4 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 October 2020:	-11	September 2020: -10
--------------------------------	------------	---------------------



October marks the seventh consecutive month where the Mental Health Index™ reflects strained mental health in the Canadian 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 (-13.4 points), followed by optimism (-13.0), depression (-12.9), work productivity (-12.6), and isolation (-11.5). The risk measure with the best mental health score is financial risk (2.5), followed by general psychological health (-2.5).

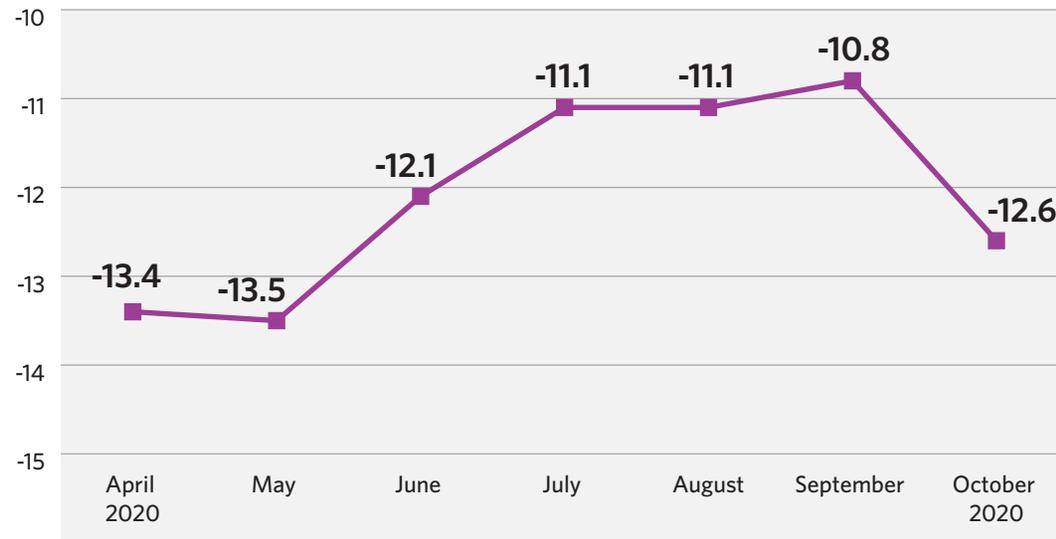
- All mental health sub-scores declined in October when compared to September.
- Of all sub-scores, anxiety, work productivity, and isolation declined the most between September and October.
- The financial risk scores declined in October but overall, continues to be the strongest score and is above the pre-2020 benchmark.

MHI sub-scores ²	October 2020	September 2020
Anxiety	-13.4	-11.5
Optimism	-13.0	-12.3
Depression	-12.9	-11.8
Work productivity	-12.6	-10.8
Isolation	-11.5	-9.7
Psychological health	-2.5	-1.9
Financial risk	2.5	3.1

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



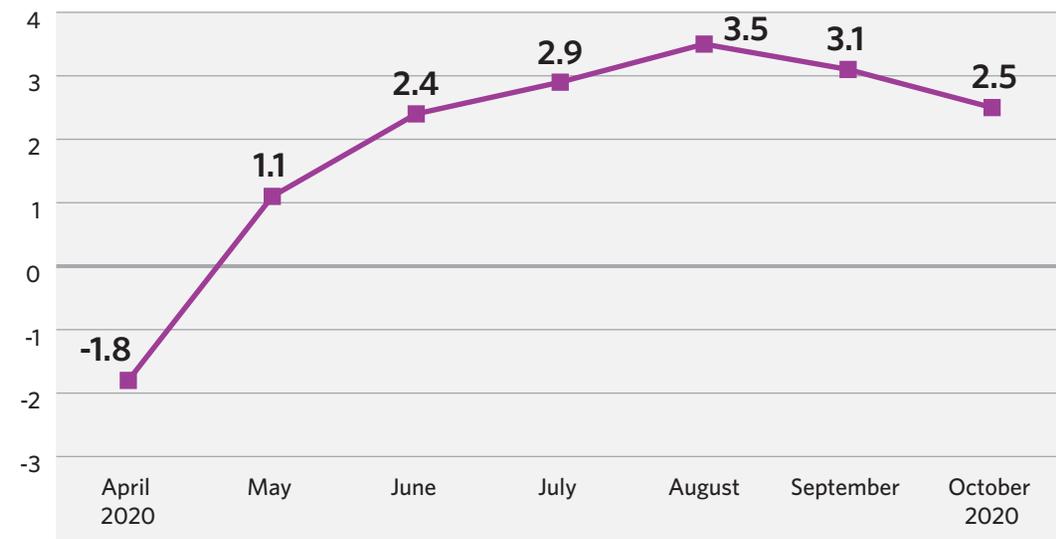
Work Productivity



The work productivity score continues to decline in October. In April, work productivity was -13.4. It increased each month from May to -10.8 in September, and then declined to -12.6 in October, which approaches the lowest scores in April and May.

October also continues a reversal of a positive trend in the financial risk score. From April to August, Canadians had been saving more each month, and more than in 2019. This trend stopped in August and reversed in September and October, with Canadians depleting their savings.

Financial Risk

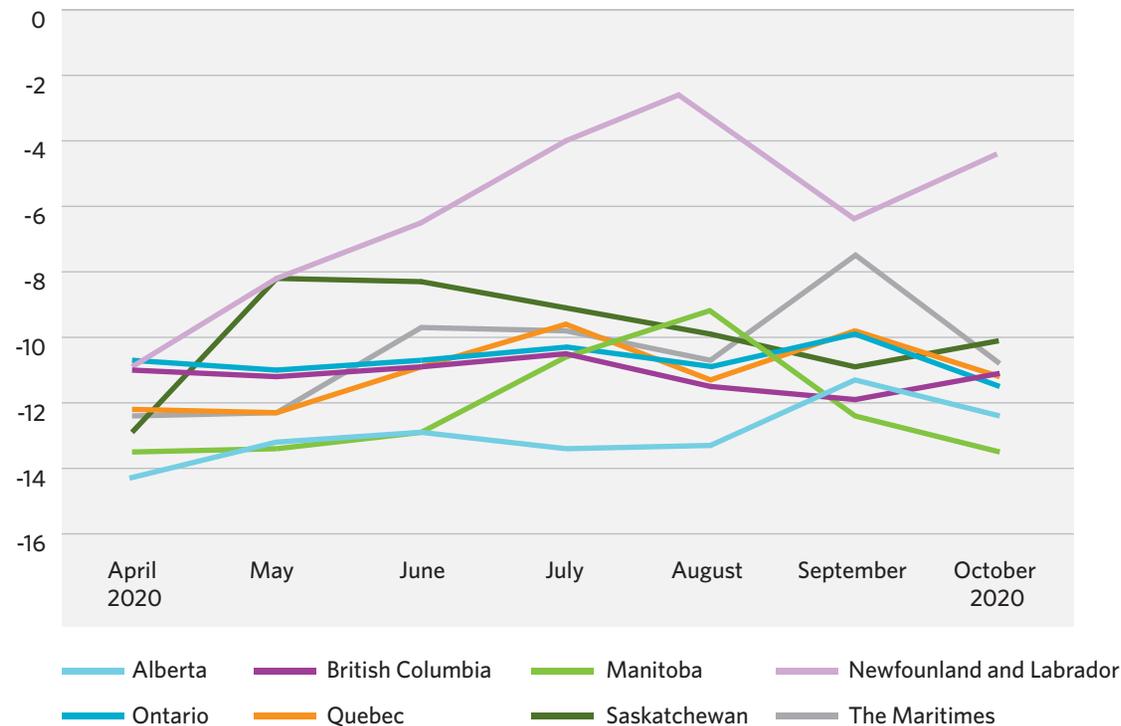




The Mental Health Index™ (regional)

Provincial mental health scores since April have shown general improvement until July; however, several regions showed declines from July to August. In October, Alberta, Manitoba, Ontario, Quebec, and the Maritimes report declines in mental health - with the greatest decline found in the Maritimes (decrease of 3.3 points). British Columbia, Newfoundland and Labrador, and Saskatchewan report improvements in mental health in October.

Canada provincial Mental Health Index™ scores





Demographics

- For seven consecutive months, females (-13.5) have a significantly lower mental health score than males (-9.3); we also see that mental health scores improve with age.
- Respondents identifying as Arab/Middle Eastern/West Asian have the lowest mental health score (-20.5), followed by those identifying as South Asian (-17), and those identifying as Latin, South or Central American (-16.7).
- Individuals identifying as White have the highest mental health score (-10.3), followed by respondents identifying as East Asian (-11.8).
- The variance in the mental health score between those with and without children has been observed since April, and results in October continue this trend with a lower score for those with at least one child (-14.4) when compared to those without children (-10.1).

Employment

- Overall, four per cent of respondents are unemployed. While most individuals remain employed, 17 per cent report reduced hours or reduced salary since April 2020.
- Individuals reporting reduced salary and fewer hours when compared to the prior month have the lowest mental health scores (-19.5), followed by those not currently employed (-15.8).
- Self-employed/sole proprietors have the highest mental health score (-6.5), followed by individuals working for companies with 5,001-10,000 employees (-10.0).
- Respondents who report working for companies with 51-100 employees have the lowest mental health score (-13.6).

Emergency savings

- Individuals without emergency savings continue to experience a lower score in mental health (-25.2) than the overall group. Those reporting an emergency fund have an average mental health score of -6.1.



Employment status	October	September
Employed (no change in hours/salary)	-9.3	-8.3
Employed (fewer hours compared to last month)	-19.5	-15.8
Employed (reduced salary compared to last month)	-19.5	-17.8
Not currently employed	-15.8	-13.7

Age group	October	September
Age 20-29	-22.2	-21.4
Age 30-39	-16.1	-15.0
Age 40-49	-11.6	-11.0
Age 50-59	-8.0	-7.2
Age 60-69	-5.1	-4.0

Number of children	October	September
No children in household	-10.1	-9.1
1 child	-14.4	-13.3
2 children	-13.4	-13.1
3 children or more	-13.0	-8.1

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

Province	October	September
Alberta	-12.4	-11.3
British Columbia	-11.1	-11.9
Manitoba	-13.5	-12.4
Newfoundland and Labrador	-4.4	-6.4
The Maritimes	-10.8	-7.5
Quebec	-11.2	-9.8
Ontario	-11.5	-9.9
Saskatchewan	-10.1	-10.9

Gender	October	September
Male	-9.3	-8.2
Female	-13.5	-12.2

Income	October	September
Household income <\$30K/annum	-19.7	-19.1
\$30K to <\$60K/annum	-14.9	-14.2
\$60K to <\$100K	-13.0	-11.1
\$100K to <\$150K	-8.4	-7.5
\$150K or more	-3.9	-2.0

Racial identification	October	September
Arab/Middle Eastern/ West Asian	-20.5	-18.4
Black	-16.6	-19.5
East Asian	-11.8	-12.1
Indigenous/Aboriginal	-12.9	-12.9
Latin, South or Central American	-16.7	-10.2
South Asian	-17.0	-15.3
South East Asian	-14.3	-11.9
White	-10.3	-9.0
Mixed (Other)	-16.3	-11.7
Prefer not to answer	-9.2	-14.2
Other*	-13.7	-10.8

* Included in this category are Pacific Islander and Mixed (Black and other), as the minimum threshold for reporting was not met for each group.

Employer size	October	September
Self-employed/sole proprietor	-6.5	-4.8
2-50 employees	-11.2	-8.9
51-100 employees	-13.6	-14.0
101-500 employees	-12.7	-11.9
501-1,000 employees	-11.6	-11.8
1,001-5,000 employees	-11.0	-11.2
5,001-10,000 employees	-10.0	-8.0
More than 10,000 employees	-11.0	-9.6



The Mental Health Index™ (industry)

For the fifth consecutive month, full-time students have the lowest mental health score (-26.3). This continues to be significantly lower than the next lowest score, among individuals in Accommodation and Food Services (-18.3), and Information and Cultural Industries (-14.4). The highest mental health scores this month are observed among individuals employed in the Automotive Industry (-5.9), Real Estate, Rental and Leasing (-6.6), and Mining and Oil and Gas Extraction (-6.6). Individuals employed in Agriculture, Forestry, Fishing and Hunting, Management of Companies and Enterprises, and Real Estate, Rental and Leasing have seen the greatest improvement in mental health since last month.

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

Industry	October 2020	September 2020	Improvement
Agriculture, Forestry, Fishing and Hunting	-8.0	-12.4	4.4
Management of Companies and Enterprises	-12.0	-14.8	2.9
Real Estate, Rental and Leasing	-6.6	-8.2	1.6
Arts, Entertainment and Recreation	-12.9	-13.5	0.6
Public Administration	-9.1	-9.5	0.3
Automotive Industry	-5.9	-6.2	0.3
Full-time student	-26.3	-26.5	0.2
Manufacturing	-10.2	-10.3	0.1
Health Care and Social Assistance	-11.2	-11.3	-0.1
Transportation and Warehousing	-11.0	-11.0	0.0
Mining and Oil and Gas Extraction	-6.6	-6.6	0.0
Wholesale Trade	-10.5	-9.9	-0.6
Educational Services	-12.9	-11.3	-1.6
Finance and Insurance	-12.9	-11.2	-1.8
Other services (except Public Administration)	-11.7	-9.8	-1.9
Retail Trade	-11.8	-9.7	-2.2
Construction	-9.4	-7.1	-2.3
Information and Cultural Industries	-14.4	-12.0	-2.5
Professional, Scientific and Technical Services	-10.1	-7.4	-2.7
Other	-10.7	-7.2	-3.6
Utilities	-13.4	-9.9	-3.6
Accommodation and Food Services	-18.3	-14.0	-4.3

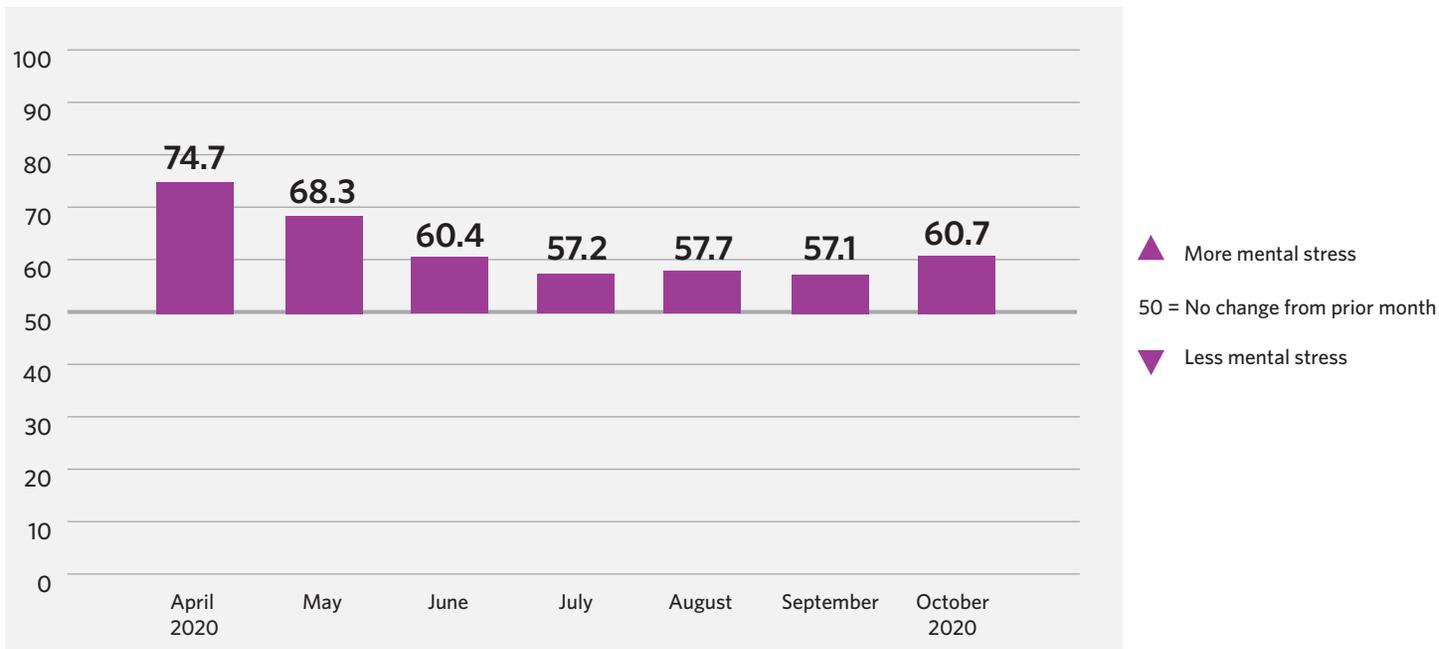


The Mental Stress Change score

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 October 2020 is 60.7.** This reflects an increase in mental stress compared to the prior month. The steepness of the increase had been declining, month-over-month through September, but has increased in October.

The current score indicates that 28 per cent of the population is experiencing more mental stress compared to the prior month, with 6 percent experiencing less. A continued increase in mental stress over the last seven months indicates a significant accumulation of strain in the population.

Current month October 2020:	60.7	September 2020: 57.1
--------------------------------	-------------	----------------------



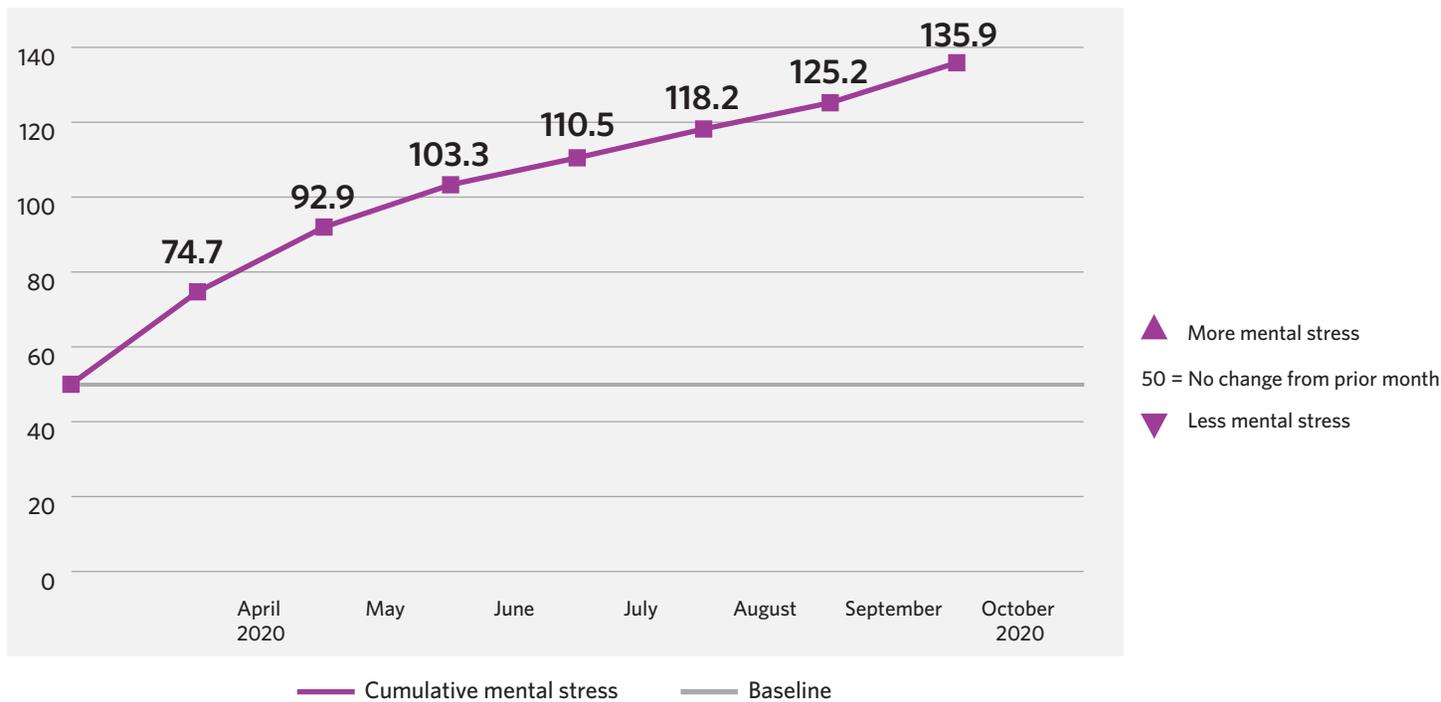


Mental Stress Change (cumulative)

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.

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

Cumulative MStressChg





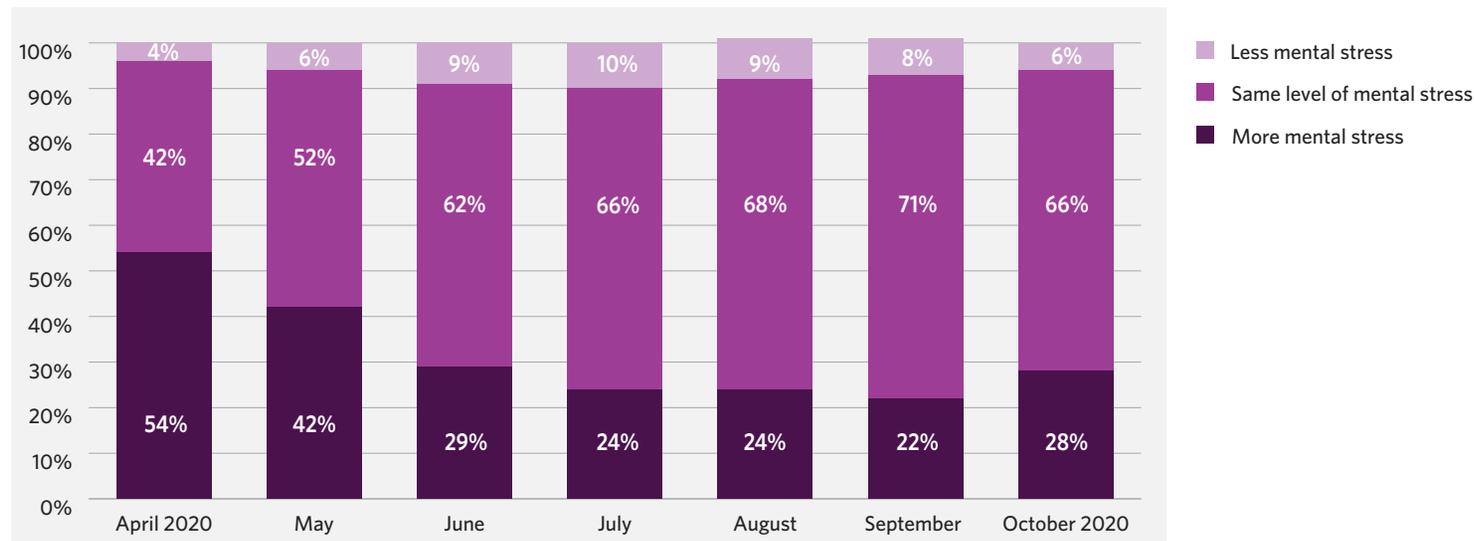
Mental Stress Change (percentages)

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 seven 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 adequately reach a more sustainable and health level of stress.

In April, 54 per cent of individuals reported an increase in mental stress. While those reporting increased month-over-month mental stress has decreased to 28 per cent in October. 66 per cent of respondents report the same level of mental stress and only 6 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 October, 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 Arab/Middle Eastern/West Asian have the least favourable mental stress change score (66.7), followed by those identifying as Indigenous/Aboriginal (66.1), and those identifying as South Asian (66.1).
- Individuals identifying as Black have the most favourable mental stress change score (53.8), followed by respondents identifying as White (60.2), and those identifying as Latin, South or Central American (60.3).

Geography

- Considering geography, the greatest increase in stress month-over-month is for respondents living in Alberta (63.2), followed by Manitoba (62), Quebec (61.5), and Ontario (61.1). Respondents living in the provinces where the increase in mental stress was less, still had significant increases. They include British Columbia (59.9), followed by The Maritimes (57.7), Saskatchewan (55.6), and Newfoundland (53.9).

Employment

- The greatest increase in mental stress is seen in employed people with reduced salary (68.9), followed by employed people with reduced hours (67.1) when compared to unemployed people (61.1) and employed people with no change to salary or hours (59.2).



Employment status	October	September
Employed (no change in hours/salary)	59.2	55.5
Employed (fewer hours compared to last month)	67.1	61.1
Employed (reduced salary compared to last month)	68.9	64.4
Not currently employed	61.1	60.3

Age group	October	September
Age 20-29	65.9	62.0
Age 30-39	62.6	60.4
Age 40-49	61.6	56.5
Age 50-59	59.8	55.9
Age 60-69	56.2	53.6

Number of children	October	September
No children in household	58.9	55.8
1 child	65.0	60.2
2 children	64.0	59.2
3 children or more	62.5	59.3

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

Province	October	September
Alberta	63.2	56.6
British Columbia	59.9	60.0
Manitoba	62.0	58.9
Newfoundland and Labrador	53.9	55.8
The Maritimes	57.7	55.6
Quebec	61.5	55.5
Ontario	61.1	56.9
Saskatchewan	55.6	58.1

Gender	October	September
Male	59.5	55.4
Female	62.0	58.6

Income	October	September
Household income <\$30K/annum	62.4	61.0
\$30K to <\$60K/annum	61.1	57.7
\$60K to <\$100K	61.0	57.6
\$100K to <\$150K	61.5	56.1
\$150K or more	58.0	54.2

Racial identification	October	September
Arab/Middle Eastern/West Asian	66.7	62.0
Black	53.8	63.0
East Asian	62.1	58.3
Indigenous/Aboriginal	66.1	59.1
Latin, South or Central American	60.3	59.1
South Asian	66.1	61.6
South East Asian	61.2	57.4
White	60.2	56.3
Mixed (Other)	63.2	60.0
Prefer not to answer	60.9	54.2
Other*	56.5	55.6

* Included in this category are Pacific Islander and Mixed (Black and other), as the minimum threshold for reporting was not met for each group.

Employer size	October	September
Self-employed/sole proprietor	55.7	54.3
2-50 employees	61.4	55.2
51-100 employees	59.8	58.0
101-500 employees	60.5	59.9
501-1,000 employees	64.4	59.4
1,001-5,000 employees	60.2	59.2
5,001-10,000 employees	60.0	56.0
More than 10,000 employees	61.3	55.8



The Mental Stress Change (industry)

Mental Stress Change scores for the Automotive Industry, Mining and Oil and Gas Extraction, and Agriculture, Forestry, Fishing and Hunting industries are less steep compared to the prior month.

Individuals working in Management of Companies and Enterprises have the most significant increase in Mental Stress Change score (70) followed by individuals employed Accommodation and Food Services (66.2), and Educational Services (65.1).

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

Industry	October 2020	September 2020
Automotive Industry	51.9	56.1
Mining and Oil and Gas Extraction	56.0	52.0
Agriculture, Forestry, Fishing and Hunting	56.9	54.4
Real Estate, Rental and Leasing	58.3	54.0
Manufacturing	58.5	55.8
Transportation and Warehousing	58.9	59.1
Professional, Scientific and Technical Services	58.9	55.1
Public Administration	59.1	56.6
Construction	59.8	55.1
Other	59.8	51.3
Utilities	60.0	61.4
Retail Trade	60.3	56.6
Arts, Entertainment and Recreation	60.9	57.9
Wholesale Trade	60.9	58.8
Finance and Insurance	61.0	58.8
Other services (except Public Administration)	61.2	56.0
Information and Cultural Industries	61.9	57.5
Health Care and Social Assistance	62.4	58.0
Full-time student	65.0	61.3
Educational Services	65.1	60.3
Accommodation and Food Services	66.2	60.7
Management of Companies and Enterprises	70.0	60.7



Spotlight

Productivity during the COVID-19 pandemic

Comparing productivity to before the pandemic

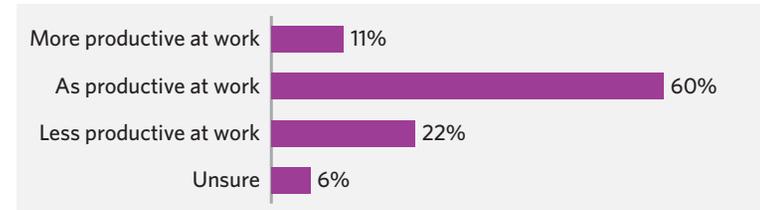
The COVID-19 pandemic has brought considerable changes to many workplaces. Individuals were asked to consider their work productivity when compared to prior the pandemic.

- Twenty-two per cent of respondents indicate that they are less productive compared to before the pandemic and these individuals have a mental health score of -22.0.
- Sixty per cent of respondents indicate that they are as productive at work as they were before the pandemic and this group has the highest mental health score (-6.2).
- Individuals who report being more productive at work comprise 11 per cent of the respondent group and have a mental health score of -10.1.
- The six per cent who are unclear about their productivity have a mental health score nearing the group reporting less productivity at work (-20.6).

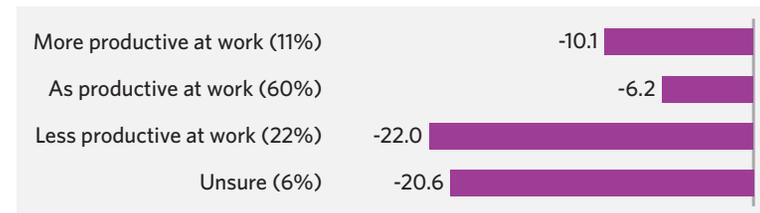
Comparing effort at work to before the pandemic

- Forty-one per cent of respondents report that they are putting in more effort at work and these individuals have the lowest mental health score (-12.0).
- The highest mental health score is observed among 35 per cent of individuals who report putting in less effort at work (-9.3).

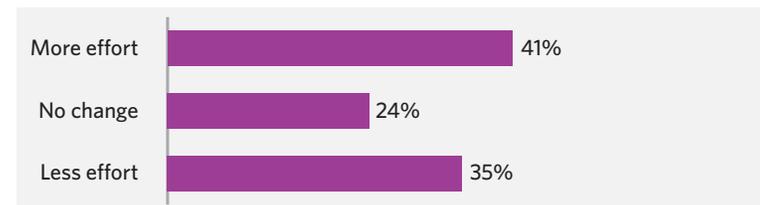
Productivity: compared to before the pandemic



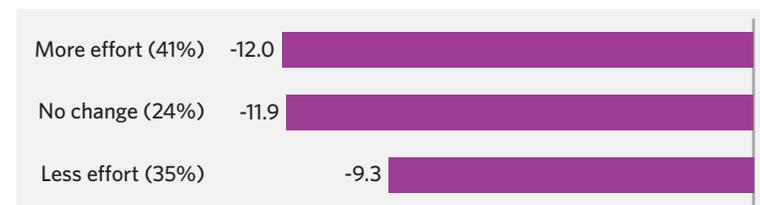
MHI score by the productivity comparison to a pre-pandemic state



Effort at work



MHI score by effort at work





Effect of organizational activities on work productivity

Employer communications

Communications are vital tools for distributing information to employees about the organizational response to the pandemic.

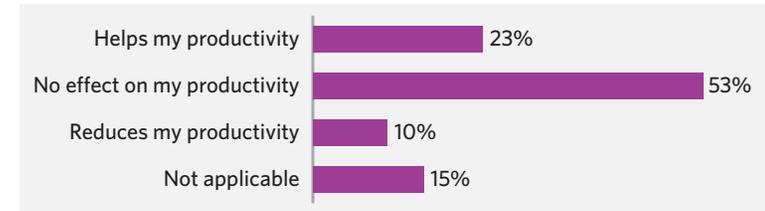
- Twenty-three per cent of respondents indicate that communications to employees help their productivity and this group has the highest mental health score (-9.9).
- More than half of individuals (53%) indicate that communications have no effect on their productivity and their mental health score is -10.1.

Use of technology

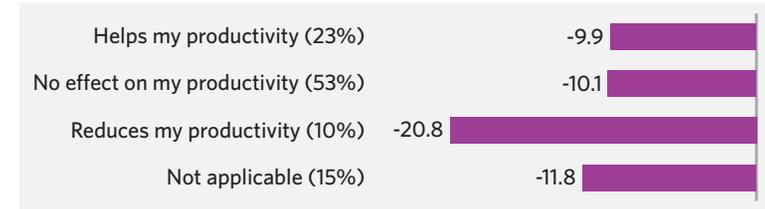
With many employees working remotely, the use of technology is critical to maintain productivity and to optimize engagement with a dispersed workforce.

- Thirty per cent of respondents report that technology helps their productivity and this group has the highest mental health score (-9.1).
- The lowest mental health score (-21.6) is observed among 8 per cent of individuals reporting that use of technology reduces their productivity.

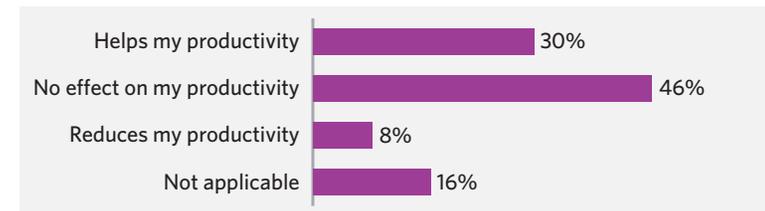
Impact of organization communications to employees



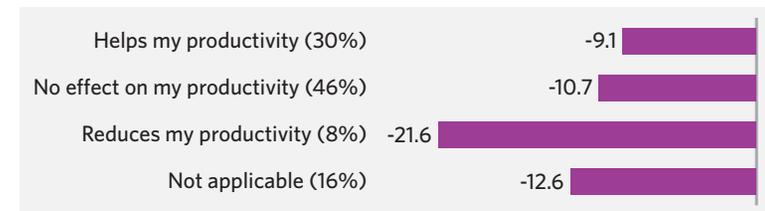
MHI score by the productivity comparison to a pre-pandemic state



Impact of technology used by employees



MHI score by impact of technology used by employees





Flexible work hours

Flexible work hours are reported among 77 per cent of respondents.

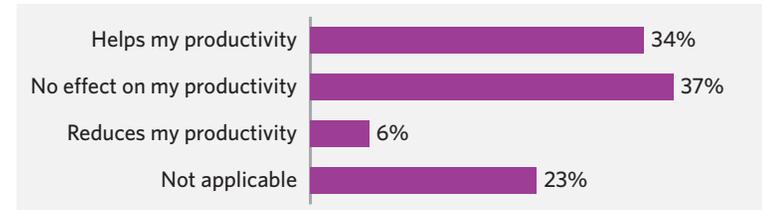
- Thirty-four per cent of respondents indicate that flexible work hours helps their productivity and their mental health score is -11.0.
- Six per cent of individuals report that flexible work hours reduces their productivity and this group has the lowest mental health score (-22.4).

Ability to work from home

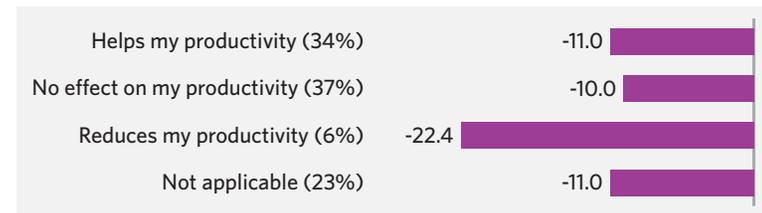
Sixty-five per cent of respondents report that the ability to work from home is applicable to them.

- Twenty-nine per cent of individuals report that the ability to work from home helps their productivity. This group has a mental health score of -11.0.
- The lowest mental health score (-19.9) is observed among 9 per cent of respondents reporting that the ability to work from home reduces their productivity.

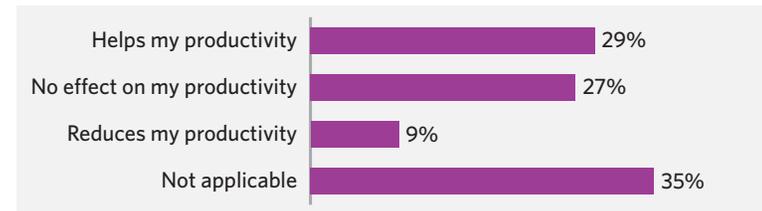
Impact of flexible work hours



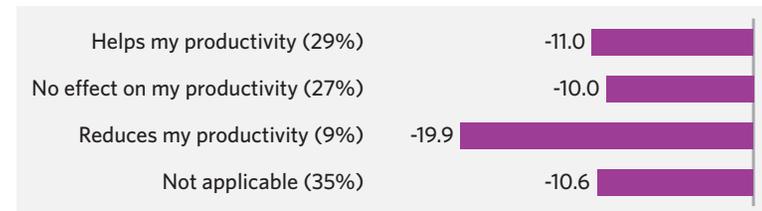
MHI score by impact of flexible work hours



Impact of the ability to work from home



MHI score by impact of the ability to work from home





The ongoing COVID-19 pandemic

With news of a second wave in parts of Canada, the seriousness of the pandemic is a persistent media item. Respondents were asked whether they feel that COVID-19 presents a serious public health risk.

- Eighty-six per cent of respondents agree that COVID-19 presents a serious public health risk and this group has a mental health score of -11.3.
- The lowest mental health score (-14.7) is observed among 6 per cent of individuals that are undecided about whether or not COVID-19 presents a serious public health risk.
- Individuals who did not agree that COVID-19 presents a serious public health risk have a considerably higher mental health score (-6.9). It seems that the belief that COVID-19 does not present a serious risk is contributing to less mental health strain and results in a higher mental health score when compared to those who agree or are undecided about the public health risk.

Personal handling of the health and safety risk of the pandemic

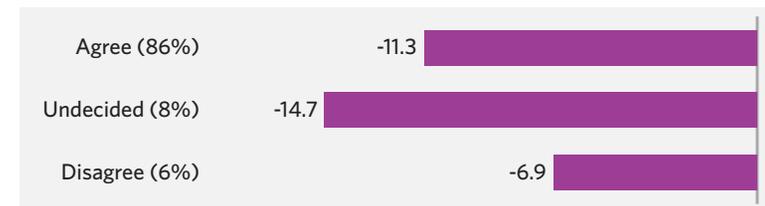
Canadians are adapting their day-to-day lives within the context of the pandemic.

- Eighty-seven per cent of respondents feel that they are personally handling the health and safety risk of COVID-19 well and this group has the highest mental health score (-8.6).
- Three per cent of individuals are handling the health and safety risk of the pandemic poorly and their mental health score is significantly lower (-38.1).

Agreement that COVID-19 presents a serious public health risk



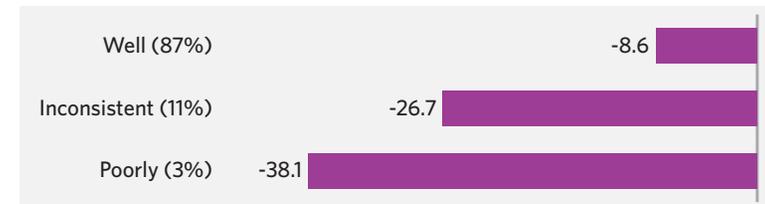
MHI score by agreement that COVID-19 presents a serious public health risk



How respondents feel they are personally handling the health & safety risk of COVID-19



MHI score by how respondents feel they are personally handling the health & safety risk of COVID-19

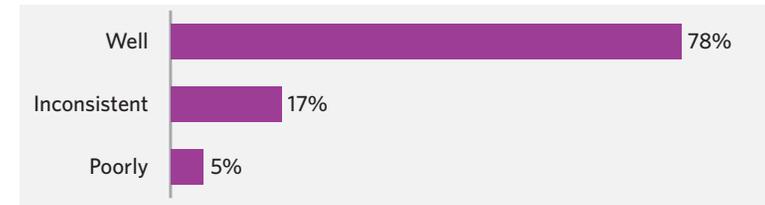




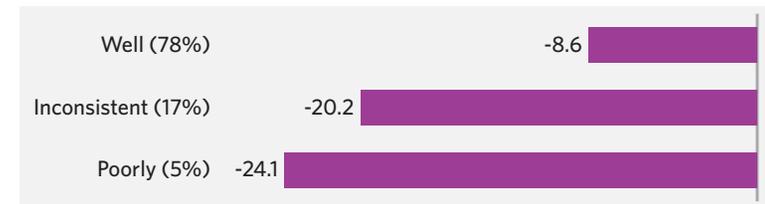
Workplace handling of the health and safety risk of the pandemic

- Nearly 80 per cent of respondents feel that their workplace is handling the health and safety risk of the pandemic well and this group has the highest mental health score (-8.6).
- Five per cent of individuals feel that their workplace is handling the health and safety risk poorly and the mental health risk for this group is lowest at -24.1.

How respondents feel their workplace is handling the health & safety risk of COVID-19



MHI score by how respondents feel their workplace is handling the health & safety risk of COVID-19

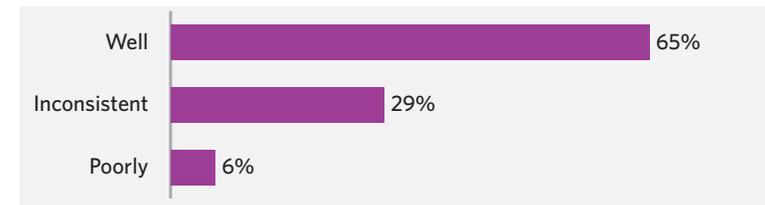


Community handling of the health and safety risk of the pandemic

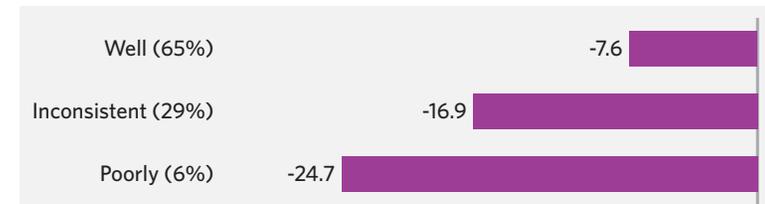
Despite nearly 90 per cent of respondents indicating that they are handling the health and safety risk of the pandemic well, only 65 per cent feel that their neighbours and community are handling the risk well.

- Six per cent of respondents feel that their neighbours and community are handling the pandemic health and safety risk poorly, and the mental health score of this group is lowest (-24.7) when compared with the mental health score of individuals who feel that their neighbours and community are handling the health and safety risk of COVID-19 well (-7.6).

How respondents feel their neighbours and community are handling the health & safety risk of COVID-19



MHI score by how respondents feel their neighbours and community are handling the health & safety risk of COVID-19





Local government handling of the health and safety risk of the pandemic

There is a division of opinion regarding policies and practices on the handling of the health and safety risk of the COVID-19 between local and federal government.

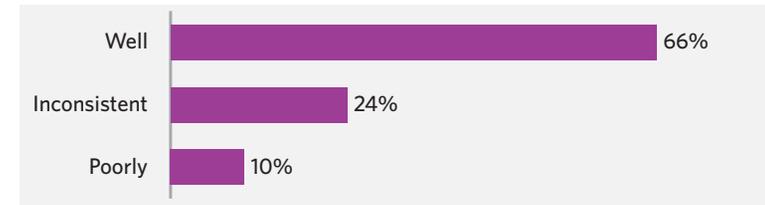
- Sixty-six per cent of respondents feel that their local government is handling the health and safety risk of COVID-19 well, and this group has the highest mental health score (-8.5).
- Ten per cent of individuals who feel that their local government is handling the health and safety risk of COVID-19 poorly have the lowest mental health score (-18.3).

Federal government handling of the health and safety risk of the pandemic

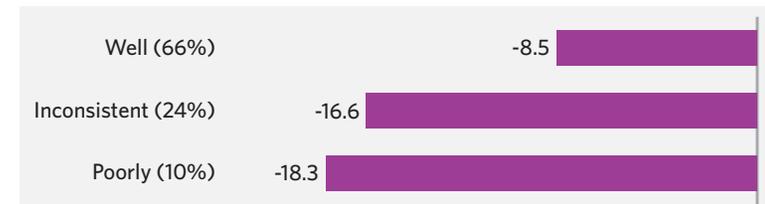
Similar to how well people feel local governments are handling the health and safety risk of the pandemic, 63 per cent of respondents feel that the federal government is handling the health and safety risk of the pandemic well.

- Thirteen per cent feel the federal government is handling the health and safety risk of the COVID-19 pandemic poorly and this group has the lowest mental health score (-15.3).
- Perceived inconsistency in the way that the federal government is handling the health and safety risk of the COVID-19 pandemic also results in a low mental health score (-14.9).

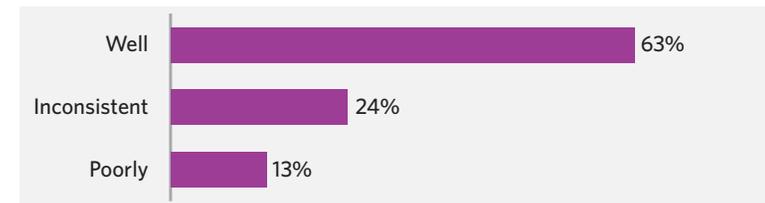
How respondents feel their local government is handling the health & safety risk of COVID-19



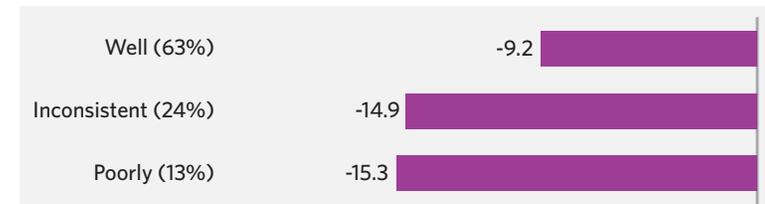
MHI score by how respondents feel their local government is handling the health & safety risk of COVID-19



How respondents feel the federal government is handling the health & safety risk of COVID-19



MHI score by how respondents feel the federal government is handling the health & safety risk of COVID-19



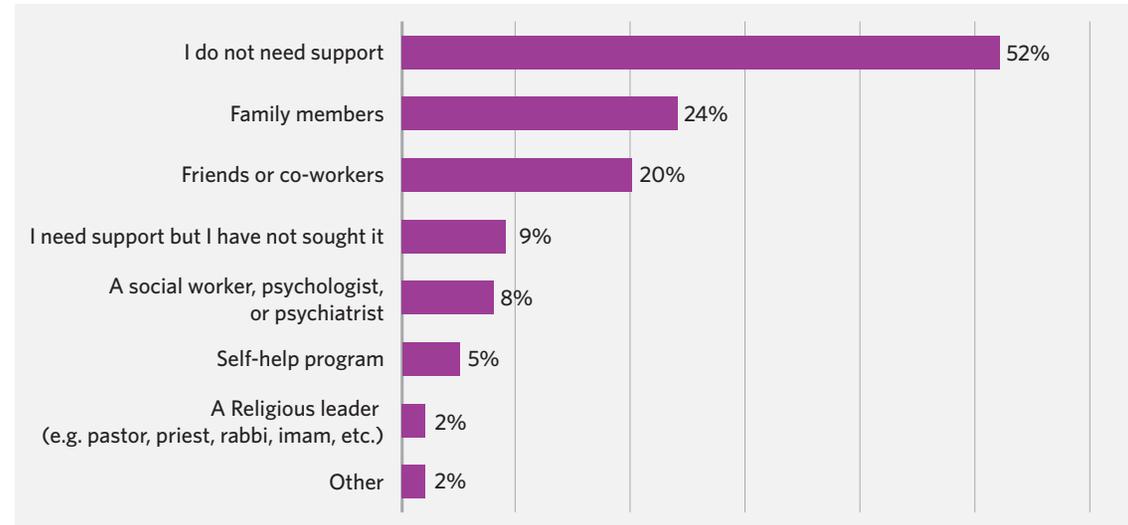


Mental Health Support

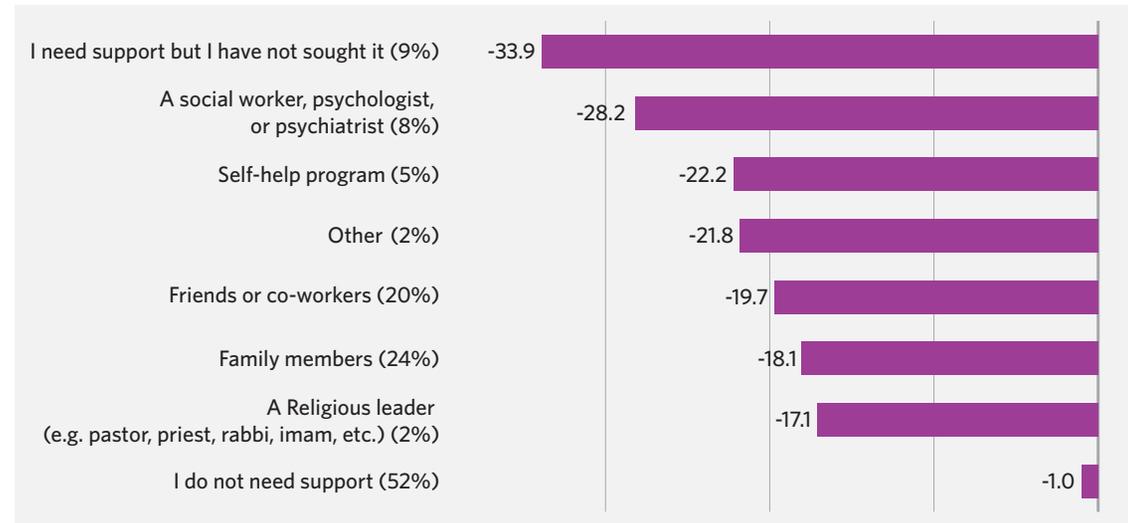
Since April, the mental health of Canadians has been strained when compared to the 3-year period prior to the pandemic.

- Nearly half (48 per cent) of respondents report needing some form of mental health support.
- The most commonly reported source of mental health support is from family members (24 per cent), followed by support from friends or co-workers (20 per cent), and support from a mental health professional (8 per cent).
- Nine per cent of individuals report needing support, but have not sought it. This group has, by far, the lowest mental health score (-33.9).
- Respondents who sought support from a religious leader have the highest mental health score (-17.1), followed by those who sought support from family members (-18.1).

Reported sources of mental health support



MHI score by reported sources of mental health support



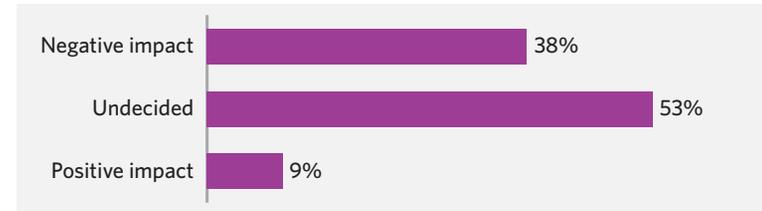


U.S. Presidential election

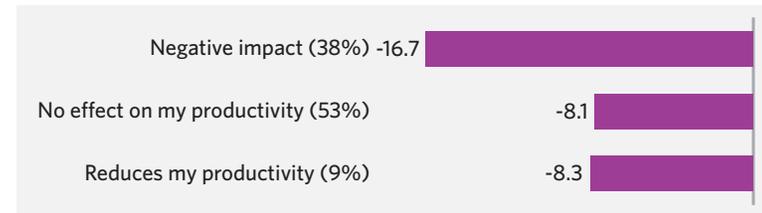
In the midst of a global pandemic and with COVID-19 case numbers on the rise, the mental health of the Canadian population is strained. Another issue that has been at the forefront for Canadians is the impact that the divisive U.S. Presidential election will have on our neighbours to the south and to Canada itself.

- Thirty-eight per cent of respondents feel that the election is having a negative impact on their mental health and this group has the lowest mental health score (-16.7).

Impact the U.S. Presidential election is having on mental health



MHI score by impact the upcoming U.S. election is having on mental health





Action

To address the prolonged impact of strained mental health, action is required on at least three levels:

- 1. Individuals** need to attend to the impact of the pandemic, and other stressors, on their mental health. While some strain would be expected as a result of prolonged and sustained change, feeling overwhelmed and unable to cope, or feeling stuck and unable to adapt, are clear warning signs requiring support from a trusted confidant or a counselling professional.
- 2. Businesses** need to attend to the risk among employees. The Mental Health Index™ 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. Business 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.



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:

4. The overall Mental Health Index™ (MHI), which is a measure of change compared to the benchmark of mental health and risk.
5. A Mental Stress Change (MStressChg) score, which measures the level of reported mental stress, compared to the prior month.
6. 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 3,000 Canadians who are living in Canada 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 Canada. 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 September 28 to October 19, 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

Morneau Shepell is a leading provider of technology-enabled HR services that deliver an integrated approach to employee wellbeing through our cloud-based platform. Our focus is providing world-class solutions to our clients to support the mental, physical, social and financial wellbeing of their people. By improving lives, we improve business. Our approach spans services in employee and family assistance, health and wellness, recognition, pension and benefits administration, retirement consulting, actuarial and investment services. Morneau Shepell employs approximately 6,000 employees who work with some 24,000 client organizations that use our services in 162 countries. Morneau Shepell inc. is a publicly traded company on the Toronto Stock Exchange (TSX: MSI). For more information, visit morneaushepell.com.

