



**“The Recession’s Impact on the Mental Health
of Workers and their Families: A Global
Perspective”**

Speaking notes for

Louise Bradley

Chief Operating Officer

Mental Health Commission of Canada

to

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Good evening, ladies and gentlemen. I want to thank the Institute for providing me this opportunity to speak to you tonight.

And I want to commend the Institute for organizing such a timely and highly relevant conference.

The current economic recession is a global crisis and it is affecting mental health in a way that has never been seen before.

If we don't pay serious attention and take action, it's going to have dire psychological, social and economic consequences.

Even before the recession hit, our world was already a complex and confusing place for many people. Now, the economic downturn is laying a whole new layer of pressures on people.

In addition to the economic recession, we are seeing what the World Health Organization has called a 'social recession'.¹

Economic recession and social recession are two sides of the same coin.

The social recession hits individuals, their families and whole communities. Their daily lives are turned upside down by the turbulent economy. Their physical and mental health is seriously undermined.

The fallout from this is already becoming clear.

A new poll by the Canadian Medical Association released just a couple of days ago showed that Canadians are worried about both their financial security and their health. Two in five or almost half of Canadians said they are feeling stressed or overwhelmed by financial concerns, and that financial worries are causing them to spend less time, energy and money on staying healthy.²

We know from past recessions that economic crises have a huge impact on mental health – with more psychological distress, increased rates of anxiety, depression and family violence, and even more tragically, a significant spike in suicides.

I've just come from Ottawa where I was participating in an International Roundtable organized by the Mental Health Commission. We invited mental health and public policy experts from Canada, the United States, Europe, New Zealand and Australia to the conference.

¹ "Mental health, resilience and inequalities", by Dr Lynne Friedli, World Health Organization Europe, 2009 – <http://www.euro.who.int/document/e92227.pdf>.

² CMA news releases "Sick economy affecting Canadians' health: CMA", 17 August 2009 – http://www.cma.ca/index.cfm/ci_id/89612/la_id/1.htm.

We looked at: the toll the recession is taking on the mental health of working men and women and their families; what individuals and governments are doing to cope with the upheaval; and what society should be doing in the areas of policy, research and innovation to address the crisis. It was an opportunity to explore what others are doing around the world to help ease the burden of those most acutely affected and tonight I'll share with you some of the information and ideas that emerged during our discussions.

But before telling you more about the outcomes of our International Roundtable, I would like to just briefly provide you some background about the Mental Health Commission's key activities and the challenges we're addressing here in Canada.

The Commission is a non-profit organization, and while we are not a service provider, we are a catalyst with a mandate to focus national attention on mental health. The Commission is funded by the federal government, but operates at arm's length from the government. It has the support of all provincial and territorial governments except Quebec.

The Commission has been tasked with undertaking four key initiatives:

- creating a mental health strategy for Canada – we're the only G8 country without one; however, the Commission is making excellent progress in creating a national strategy;
- conducting 'Mental Health and Homelessness' research demonstration projects;
- developing a 10-year anti-stigma / anti-discrimination initiative, which we're calling 'Opening Minds'; and
- establishing a Knowledge Exchange Centre, which will be a Web-based resource that will have the dual role of (a) providing the general public with approved, reliable information and (b) facilitating the exchange of information amongst researchers, academics and scientists.
- a fifth goal/objective is the Partners for Mental Health Program

We also have eight advisory committees that are working on 24 research projects. If you would like to learn more about the Commission and our work, I invite you to visit our website at www.mentalhealthcommission.ca. And now some facts:

The day to day mental health challenges we're addressing are enormous in scale but now, due to the recession, they are even more so.

This year, over seven million Canadians will experience a mental illness. Just imagine – that is one person in five. These are your colleagues, neighbours and, as many of you in this room know, even our family members. And, with the current recession and state of economic instability, that number is higher.

As for Canada's workforce, one out of every four to five employees is affected by mental health issues every year! That's 20 to 25 percent of our labour force and it's important to keep in mind that in addition to those individuals their families are also being affected.

No other illness has such an impact. We know, for instance, that one in two people will experience a mental health issue of some degree at least once in their lifetime.

In the workplace, we're seeing the full spectrum of mental health issues.

We're also seeing the economic impact in the form of short-term to long-term disability.

Together, mental illness and addiction are significant causes of disability in Canada, the United States and Western Europe.

Of the 10 leading causes of disability worldwide, *five* are related, in one way or another, to mental disorders such as anxiety and depression.

The economic price tag of mental illness in the workplace is staggering:

- Mental illness alone costs the Canadian economy an estimated \$33 *billion* a year. That's about one third of Ontario's annual budget.
- Many employees with mental health issues are not being treated at all. Can you imagine their level of productivity? Mental health issues are the cause of nearly half the time off that employees take for ALL illnesses during the year.
- There is even greater time lost in the form of 'presenteeism'. Not absenteeism – presenteeism. Presenteeism describes people who show up for work but can't function or do their jobs. Presenteeism costs companies 1.5 times more than absenteeism. To put that into perspective:
- According to a recent survey of 450 Canadian organizations, mental illness results in 35 *million* workdays lost every year in Canada, and yet the same survey showed that only 13 per cent of senior executives have a strong awareness of the impact of mental health on their organizations.³
- Disability from mental illness represents anywhere from four to 12 per cent of payroll costs in Canada.
- And mental health claims, especially for depression, have overtaken heart disease as the fastest growing category of disability costs in Canada.

How could it not be in the interest of all organizations to improve the mental health of their employees? Greater employee sustainability means greater organizational and business sustainability – a very important consideration in these troubled times.

The economic recession and rising unemployment has only added to the pressures both inside and outside the workplace.

In Canada, between the peak in employment in October 2008 and June this year, over 400,000 Canadians have lost their jobs and according to Statistics Canada that was predominantly among two groups – young people; and men aged 25 to 54.⁴

We know that having a viable, steady income contributes to stability and wellness.

³ The survey was conducted by Mercer in conjunction with The Canadian Alliance on Mental Illness and Mental Health (CAMIMH) and released in July 2008 – <http://www.mercer.ca/summary.htm?siteLanguage=1009&idContent=1313345&eu=null>.

⁴ Source: Labour Force Survey, Statistics Canada published in July 2009 – <http://www.statcan.gc.ca/subjects-sujets/labour-travail/lfs-epa/lfs-epa-eng.htm>.

We also know that if people are unemployed, it can be very difficult to carry on and see a purpose in life, particularly if they are older and their prospects of finding work may not be very good.

Some examples:

- Research in New Zealand has shown that being unemployed significantly increases the risk of death by suicide.
- The suicide rate in South Korea nearly doubled during the Asian financial crisis 10 years ago, with experts blaming the increase on stress caused by job and income losses.
- Here in Canada and elsewhere we've been reading about many cases of murder-suicides.

Over 20 years ago, a Canadian Mental Health Association report noted that unemployment leads to a rise in mental health problems, increased hospitalization and suicide. And this is no less the case today.

Even before the economic downturn, Canadians cited finances as their top source of stress more frequently than any other issue. And now, Canadian communities are seeing more layoffs, downsizing, underemployment and early retirement.

In April this year, The Canadian College of Family Physicians surveyed their members on the effects of the recession.⁵

They asked family physicians this question: "Since the recession began, have any of your patients presented with stress-related problems that you and/or they attribute to the economy?"

About 88 per cent – almost nine out of 10 – of family physicians responded 'yes'.

One doctor stated that "depression seems to be running rampant".

Another said: "Job losses are increasing (the) intensity of pre-existing problems in (patients') lives, resulting in relationship breakdowns, anxiety, depressions and uncontrolled anger." So it is no wonder that we are seeing a growing number of women seeking the services of shelters.

And all of the above has a domino effect on the people in these patients' lives.

For every worker, there are also colleagues, spouses, children and friends who also feel the impact.

To understand how this can play out, we need look no further than Windsor, Ontario.

This auto town was hit early and hard by the recession and last year alone demand for mental health services jumped 50 per cent. There is anecdotal evidence that this increase has continued unabated as the local economy continues to suffer.

Many families had both partners working in the auto industry and are now laid off. Many who have not been laid off are afraid they will be or will lose their pensions.

⁵ Source: The College of Family Physicians of Canada, *e-news*, May 2009 – http://www.cfpc.ca/English/cfpc/communications/Web%20newsletter/QOM/results04_09/default.asp?s=1.

There is an unusually high number of men seeking support and we're hearing common themes coming from health care providers in primary care settings.

For example, a male client makes an appointment with his physician, ostensibly about his arm. In the privacy of the appointment, he begins sobbing, saying he is unemployed and his wife is leaving him. Community health centre teams are reporting this as a regular occurrence.

The very sad and heartbreaking part of this is that in these situations, the hidden casualties are children.

When there are job losses or money woes, parents can be anxious, depressed or irritable and children tend to feel responsible – they blame themselves.

Children worry and take on grown up problems. And to make matters worse, parents are reluctant to talk to their kids about the situation although mental health experts are telling us that's exactly what they should be doing.

And this is showing up in Windsor.

The number of children and adolescents in Windsor who are suicidal has nearly tripled since the downturn.

Windsor Regional Children's Centre has seen an influx of kids with no previous mental health problems who are suddenly experiencing severe anxiety, depression or acting out.

And the conditions of children with pre-existing mental health conditions are worsened by new stress.

When children are anxious, their schoolwork suffers, sleep patterns are disrupted and they get sick, physically *and* mentally. To make matters worse, they are reluctant to reach out to their parents, who are already stressed out. The whole family suffers and their level of health is greatly diminished.

If we don't find a way to support the parents, children who are now well adjusted will begin having problems.

West of here in Durham Region, in the City of Oshawa, a new clientele is emerging: people in job-related crisis.

Requests for family and individual counseling have risen.

A vicious cycle and downward spiral has developed:

- People who have been laid off are losing access to their company employee assistance programs - at the very time they need it the most.
- They are turning to community mental health programs like those offered by the CMHA, which are already overloaded.
- Corporate donations to the United Way have dropped off and it has less funding to offer agencies.
- The CMHA and other mental health services have less capacity to support the unemployed and therefore there is an increase in the need for services at the same time they are decreasing.

At this week's International Roundtable in Ottawa, we looked at what is happening around the world. As the day and a half progressed we took small comfort in the fact that there are many commonalities and that means facing many of the same challenges.

I will now try and distill eight hours of presentations from mental health experts from six different countries and the discussions that followed.

A delegate from Europe said the economic crisis signals a need to (a) move away from the sort of short-term thinking that caused the crisis in the first place and (b) strengthen those resources that are of greatest strategic importance for not only overcoming the crisis but to actually thrive in the future.

One of the resources we should be strengthening is human capital because knowledge societies and knowledge economies need strong mental capital. We need to invest in retraining and education.

We also learned that even though we're starting to see some glimmers of hope for an economic recovery, we need to plan for long-term action. It takes a long time to regain lost jobs. For example, in the last recession in Australia, it took more than 14 years for employment levels to recover to pre-recession levels. Elevator up – stairs one at a time down.

In the United States, the psychological impact of the economic crisis on individuals and families was compared to the aftermath of a disaster like Hurricane Katrina – where businesses and jobs were lost and people were forced from their homes. In October 2008, the American Psychological Association reported that 30 per cent of Americans rated their average stress levels as “extreme”.

There is very solid research correlating personal financial stress with an increase in mental health problems. The UK's Office for Science reports that those in debt have two to three times the rate of depression compared to the general population, and three times the rate of psychosis, double the rate of alcohol dependence, and four times the rate of drug dependence.

Social agencies around the world are seeing a group coming through their doors they have never seen before. These are members of the middle class who have never needed to seek this type of help before. These agencies aren't equipped to help them. To make matters worse, these people are using up all of their personal financial assets before seeking help.

There is also data that shows that people who until recently had been identified as having good mental health are slipping and their mental health is diminishing. A study by Dr. Corey Keyes of Emory University shows that people with good mental health 10 years ago are now functioning at a level of those we see with mild to moderate mental illnesses. I strongly encourage you to learn more about his fascinating research from articles he has published and one that's soon to be released.

Other studies show that people who have not lost their jobs are also experiencing stress as a result of survivor guilt. They have higher work levels while at the same time fearing that they too will lose their jobs.

To say the least, this is not a rosy picture.

So, at the Roundtable we addressed the question – ‘where do we go from here?’. As in most crises there are opportunities albeit some hidden. So we looked at the economic crisis as an opportunity to improve the delivery of mental health services. And we identified constructive and preventive actions that can be taken to reduce the impact of future economic downturns on workers and their families. These include:

1. As a priority, supporting groups in society that are most vulnerable and at highest risk. One group is the 18 to 25 year old cohort. Society cannot afford to have an entire generation of disillusioned young people.
2. We can also urge employers – both private and public – to step up and put mental health in the workplace at the top of their agenda. And when workers are laid off, we need to ensure that, in addition to unemployment insurance, they also gain easy access to the psychological support. This is something which would benefit employers and employees at any time.
3. Instead of cutting social service budgets in times of economic crisis, we have to fight to maintain them. We aren’t going to see an increase so it is essential to find ways to utilize the funds we do have more creatively.

This was the first meeting of the International Roundtable and our work has just begun.

Firstly, as a group we’re going to maintain a steady dialogue for at least the next three years to share ideas, experiences and best practices. We barely had time to begin this sharing of ideas but we learned enough to know that we can help each other and share a great willingness to do so.

Secondly, we’re going to work within our respective countries to encourage all employers – public and private – to make mental health in the workplace a priority.

With a national mental health strategy, Canada will be in a much stronger position to address mental health issues at every point in the economic cycle. This way, we can avoid a ‘social recession’ even if we can’t avoid an economic recession.

The strategy will be transformative. It will be designed to provide a genuine mental health care system for every man, woman and child in Canada – one that puts people living with mental illness at its centre; one that has a clear focus on their ability to recover; and one that promotes the mental health and wellbeing of everyone living in Canada.

At the Roundtable this week, a presenter quoted President Obama, who in an interview with the *Washington Post* last month said that: “We must continue to clean up the wreckage of this recession, but it is time to rebuild something better in its place”

In Canada as in so many countries around the world, my colleagues in the mental health profession and I hope we can build a better mental health system – one based on prevention and providing those in need today the best possible care.

If I can leave you with just one thought tonight, we need to do this because it is both the right thing to do morally and it makes the best economic sense.

Thank you very much for your kind attention this evening and I wish you great success with the remainder of your conference.