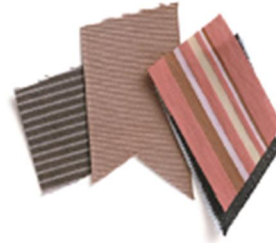


1 April 2019

Michael Brennan  
Chair  
Productivity Commission  
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DIVERSITY  
COUNCIL  
AUSTRALIA

By email: [mental.health@pc.gov.au](mailto:mental.health@pc.gov.au)

## Mental Health

Dear Mr Brennan

Thank you for the opportunity to provide a submission in response to the Productivity Commission's inquiry into the role of improving mental health to support economic participation and enhancing productivity and economic growth

Diversity Council Australia is the only independent, not-for-profit workplace diversity and inclusion advisor to business in Australia. We have a wealth of experience providing advice to our members on the business benefits of diversity.

Employers play key roles in the mental health of Australians. Mentally healthy workplaces have reduced costs, improved productivity and are valued by employees.

Many DCA members are developing initiatives to support and maintain positive mental health outcomes for their employees as well as helping employees with mental health issues continue to participate in, or return to, work.

Please feel free to contact myself or DCA's Manager, Government Relations, Cathy Brown should you require any further information about this matter.

Yours sincerely

**Lisa Annese**  
**Chief Executive Officer**

# I. ABOUT DIVERSITY COUNCIL AUSTRALIA

## Who we are

Diversity Council Australia (DCA) is the independent not-for-profit peak body leading diversity and inclusion in the workplace. We provide unique research, inspiring events and programs, curated resources and expert advice across all diversity dimensions to a community of member organisations.

## Our mission

In partnership with our members, our mission is to:

- Lead debate on diversity in the public arena;
- Develop and promote the latest diversity research, thinking and practice; and
- Deliver innovative diversity practice resources and services to enable our members to drive business improvement.

## What we do

Over 535 Australian based organisations are members of DCA, many of whom are Australia's business diversity leaders and biggest employers. Some of our founding members include ANZ Bank, AMP, Boral, Coles, IBM Australia, Myer, Orica, Rio Tinto and Westpac.

DCA is not government funded - its income is generated from membership fees, sponsorships and services to business/employers.

DCA works in partnership with members to generate ground breaking evidence-based diversity and inclusion resources that enables Australian organisations to fully leverage the benefits of a diverse talent pool.

- **DCA resources are ahead of the curve.** They establish leading diversity thinking and practice, enabling Australian organisations to re-imagine and reconfigure the way they manage talent in today's dynamic operating environments.
- **DCA resources drive business improvement.** They are high impact, driving business improvement through providing evidence-based guidance on how to fully leverage the benefits of a diverse talent pool.
- **DCA resources are practice focused.** They respond to the information needs of industry leaders and the people they employ.
- **DCA resources speak to the Australian context.** DCA projects generate leading diversity thinking and practice that speaks to Australia's unique and distinctive institutional, cultural and legal frameworks.
- **DCA resources considers all diversity dimensions.** The full spectrum of diversity dimensions are investigated including age, caring responsibilities, cultural background and identity, disability, Aboriginal and/or Torres Strait Islander status, sexual orientation, gender identity, intersex status, and work organisation.

## II. SUMMARY

Employers play key roles in the mental health of Australians. Mentally healthy workplaces have reduced costs, improved productivity and are valued by employees.

Many DCA members are developing initiatives to support and maintain positive mental health outcomes for their employees as well as helping employees with mental health issues continue to participate in, or return to, work.

In 2014 DCA, BCA and beyondblue conducted a survey that explored how common mental health issues were in workplaces, perceptions of mental health, organisational initiatives. This submission updates that work, and provides suggestions about workplace interventions to improve mental health.

Key findings:

- **Mental health issues are prevalent in Australian workplaces:** 83% of respondents reported that mental health issues were common or very common in their organisation.
- **Stigma is still an issue:** Stigma is still perceived to be an issue in workplaces, with no respondents indicating that there was no stigma attached to mental health issues in the workplace. What's more, almost two-thirds (62%) of respondents indicated that stigma about mental health conditions is common or very common in their workplace.
- **About half of workplaces are prioritising mental health:** Over half of respondents (52%) indicated that mental health in the workplace is a priority or high priority for their business.
- **Some organisations are developing a business case for taking action on mental health:** Despite strong economic arguments for taking action on mental health, less than half 39% of respondents indicated that their organisation had developed a business case for taking action on mental health.
- **Workplaces are taking action:** 62% of organisations have carried out initiatives in the last two years that were focused on mental health in their workplace (61.5%) was significantly lower than in 2014 (87%).
- Of those respondents who indicated their workplace was not taking action, more than half indicated a **lack of resources (27%)** or **lack of support from upper management (27%)**.
- **Attributes of a Healthy Workplace:** Respondents were most likely to agree that their workplace provided a trusting, fair & respectful culture (58%) and least likely to agree that their workplace sets tasks that can be accomplished successfully in a reasonable time (43%).

### III. DCA RESPONSE TO THE TERMS OF REFERENCE

DCA recognises that mentally healthy workplaces have reduced costs, improved productivity and are valued by employees. Employers play key roles in the mental health of Australians.

Many DCA members are developing initiatives to support and maintain positive mental health outcomes for their employees as well as helping employees with mental health issues continue to participate in, or return to, work.

Our submission focusses on the key role that *'employers, [and] not-for-profit organisations play ... in the mental health of Australians. Many businesses are developing initiatives to support and maintain positive mental health outcomes for their employees as well as helping employees with mental ill-health continue to participate in, or return to, work.'*

Alongside *'...the role of mental health in supporting economic participation, enhancing productivity and economic growth. It should make recommendations, as necessary, to improve population mental health, so as to realise economic and social participation and productivity benefits over the long term.'*<sup>1</sup>

#### DCA MEMBER CONSULTATION

In 2014 DCA, BCA and beyondblue conducted a survey of more than 100 employers that explored how common mental health issues were in workplaces, perceptions of mental health, organisational initiatives.

In response to the Terms of Reference, DCA updated the survey we did in 2014, and also added questions to explore employer perceptions of how mentally healthy their workplaces are, as well as specific questions the Productivity Commission identified as of particular relevance/interest.

##### Consultation period

The consultation was open to DCA members from 1 March to 14 March 2019. Responses were sought from the DCA membership via direct email and our online network (through LinkedIn).

We had 42 responses to the survey. Responses were anonymous.

##### Industries represented by respondents

Industries represented included: Mining; Manufacturing; Electricity, gas, water and waste services; Construction; Retail trade; Financial and insurance services; Professional, scientific and technical services; Administrative and support services; Public administration and safety; Education and training; and Health care and social assistance

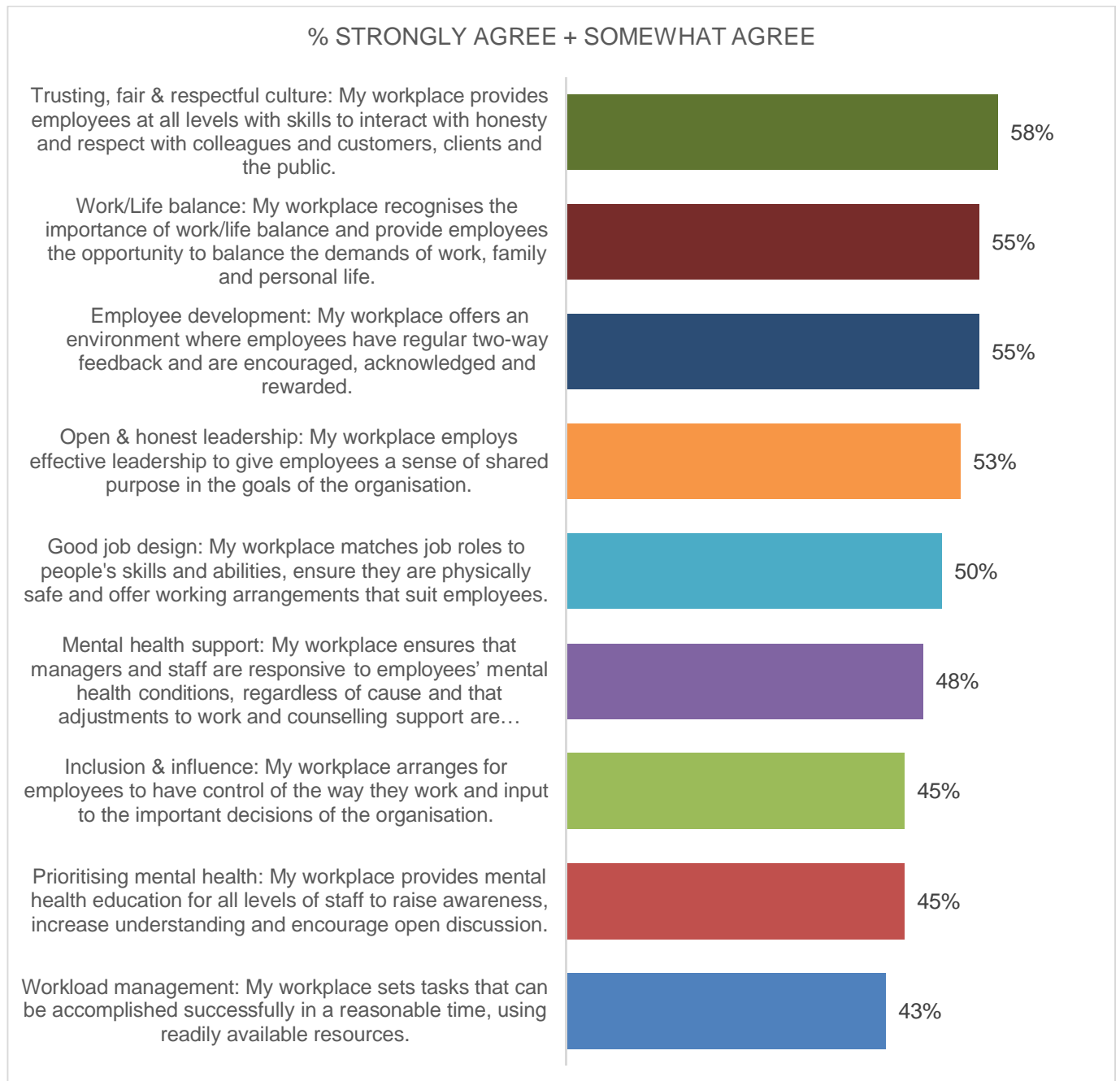
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<sup>1</sup> Productivity Commission, *Inquiry into Mental Health*, Terms of reference, 23 November 2018, <https://www.pc.gov.au/inquiries/current/mental-health/terms-of-reference>.

# ATTRIBUTES OF A MENTALLY HEALTHY WORKPLACE

[Heads Up](#) has identified [Nine Attributes of a Healthy Workplace](#). We asked respondents to indicate if they agreed / disagreed that these attributes were present in their workplace.

Respondents were most likely to agree that their workplace provided a trusting, fair & respectful culture (58%) and least likely to agree that their workplace sets tasks that can be accomplished successfully in a reasonable time (43%).



**FIGURE 1: TO WHAT EXTENT DO YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS ABOUT THE ATTRIBUTES OF YOUR WORKPLACE? DCA SURVEY 2019**

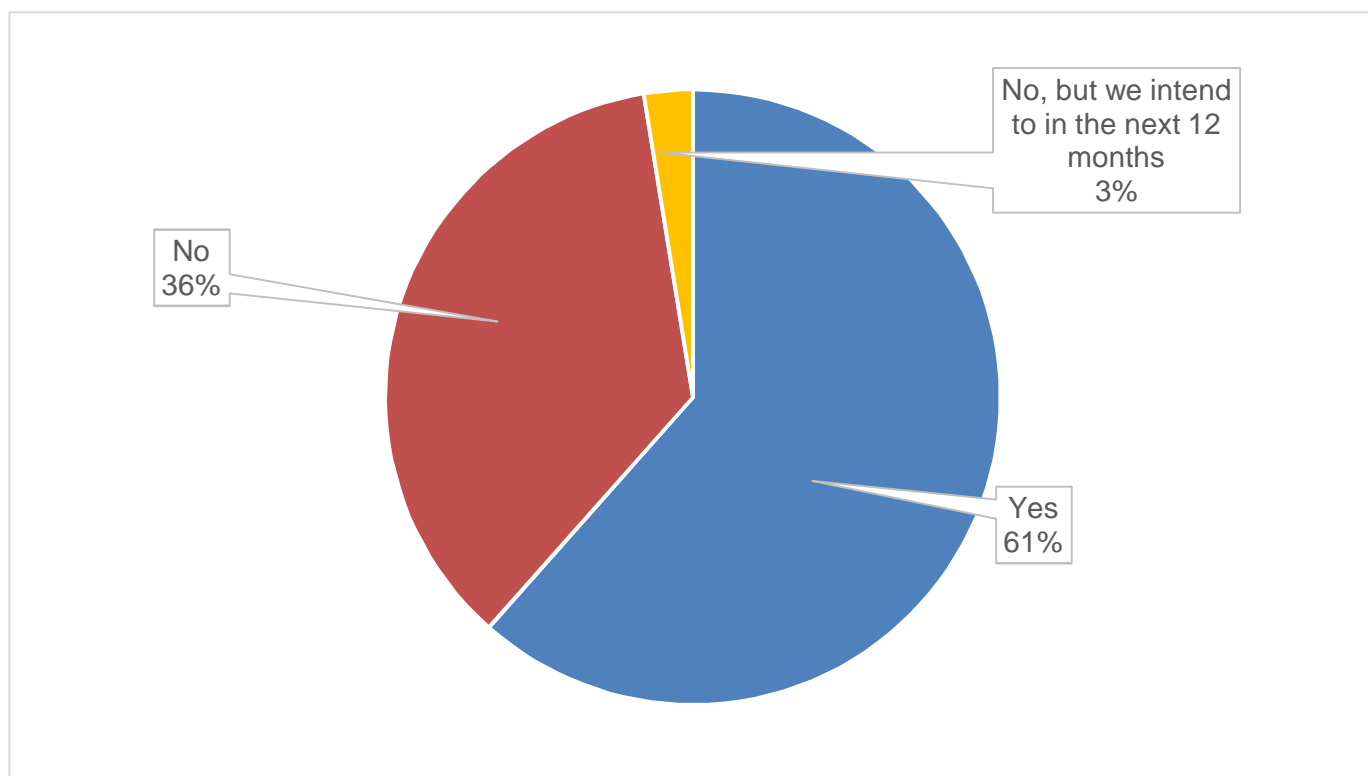
## BUILDING A MENTALLY HEALTHY WORKPLACE

This section of the survey updated the work undertaken by DCA in conjunction with Heads Up, *beyondblue* and the Business Council of Australia in 2014.

**NOTE:** In 2014, over 100 organisations responded to DCA's consultation, so while it is not possible to make direct comparisons, there are some trends that have been noted below.

### Workplace initiatives

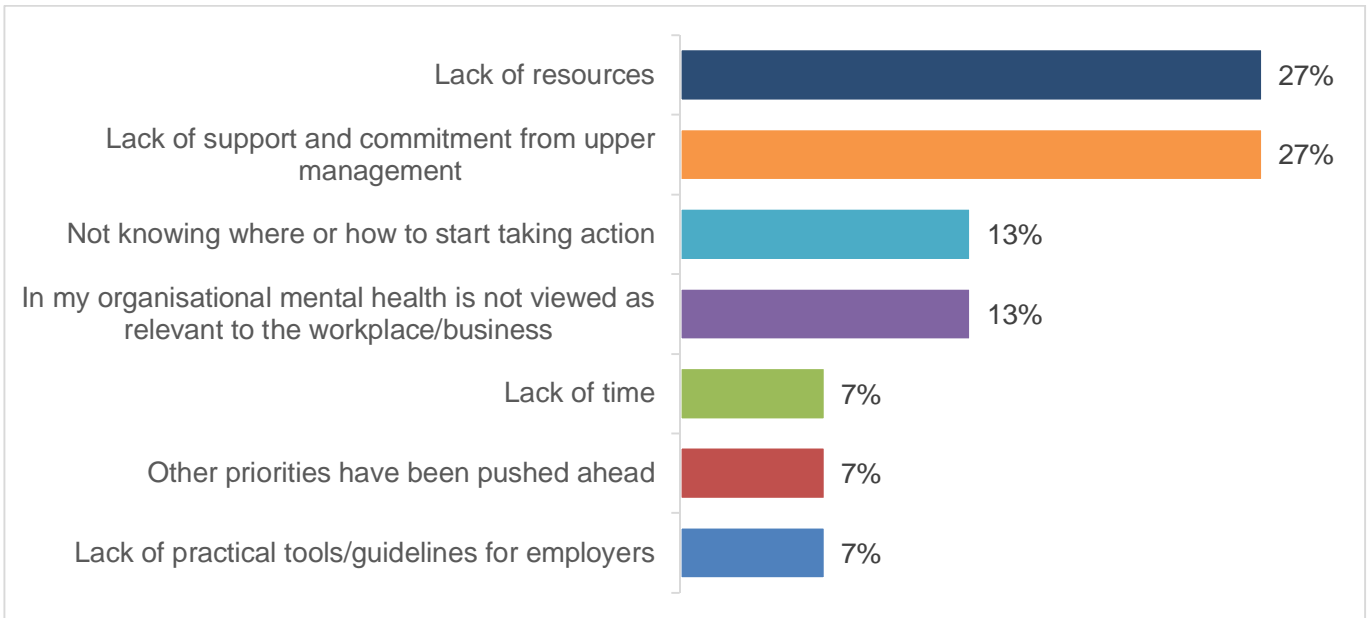
The percentage of organisations who had carried out initiatives in the last two years that were focused on mental health in their workplace (61%)



**FIGURE 2: HAS YOUR ORGANISATION CARRIED OUT ANY INITIATIVES IN THE LAST 2 YEARS FOCUSED ON MENTAL HEALTH IN THE WORKPLACE, DCA SURVEY 2019**

### Why are organisations not currently taking action?

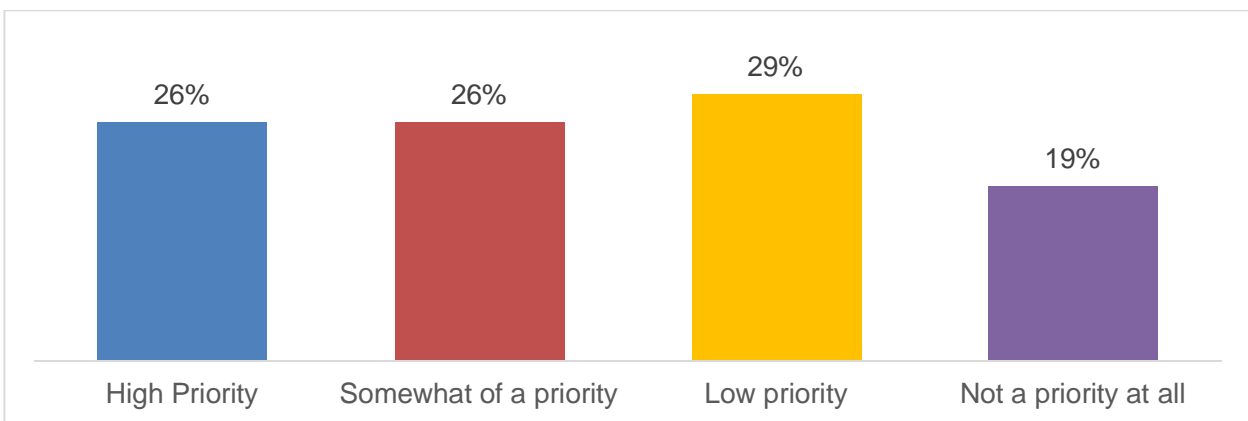
Of those respondents who indicated their workplace was not taking action, more than half indicated a **lack of resources (27%)** or **lack of support from upper management (27%)**. This was followed by not knowing where or how to start taking action (13%) and not viewing mental health as relevant to the workplace/business (13%); and then a lack of practical tools/guidelines for employers (7%), a lack of time (7%) or other issues being prioritised (7%).



**FIGURE 3: WHAT IS YOUR MAIN REASON FOR NOT TAKING ACTION TO-DATE? DCA SURVEY 2019**

### Prioritising mental health

We asked respondents ‘*how much of a priority is mental health in the workplace for your organisation?*’ Over half (52%) indicated that mental health in the workplace is a priority or high priority for their business.



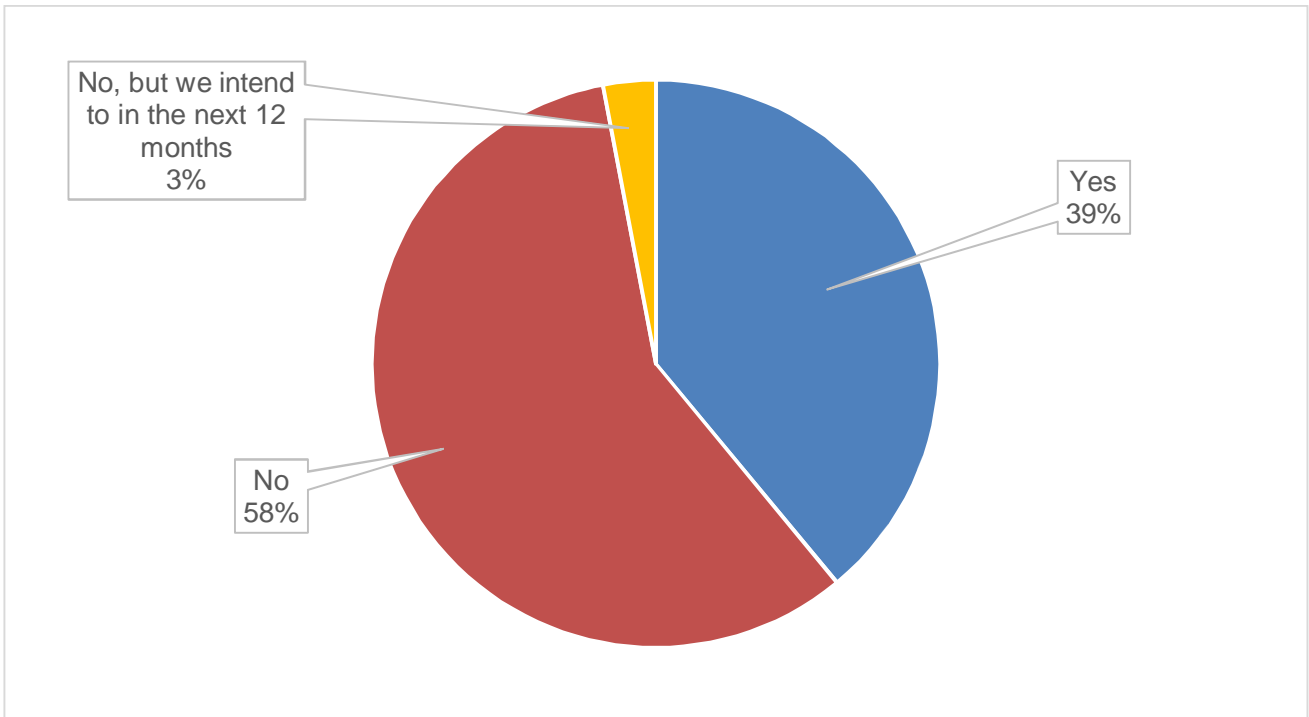
**FIGURE 4: PRIORITISING MENTAL HEALTH AT WORK, DCA SURVEY 2019**

## Developing a Business Case for Taking Action on Mental Health

Mentally healthy workplaces have reduced costs, improved productivity and are valued by employees. Yet, many organisations do not have a business case for taking action on mental health.

Almost 40% of respondents indicated that their organisation had developed a business case for taking action on mental health. This was roughly in line with responses from 2014 (42%).

However, in 2014 a great many more organisations indicated that they intended to take action in the next 12 months (20%) than in 2019 (3%).

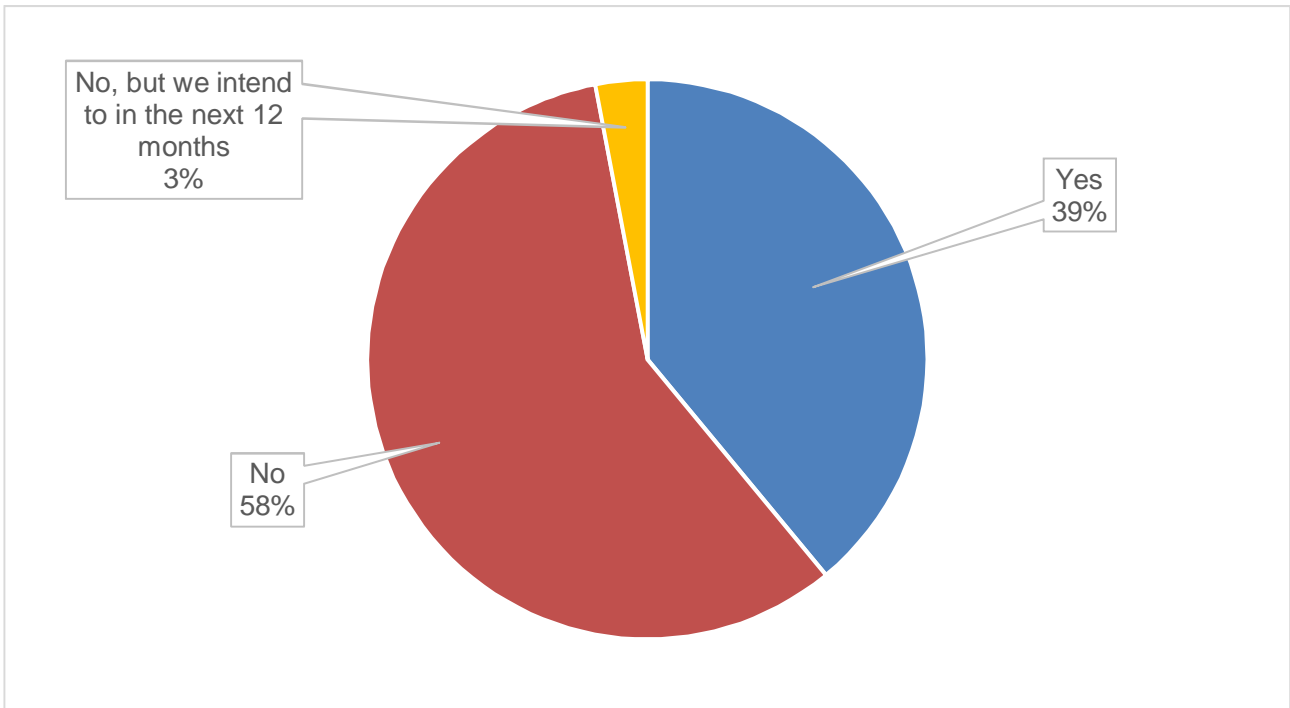


**FIGURE 5: HAS YOUR ORGANISATION DEVELOPED A BUSINESS CASE FOR TAKING ACTION ON MENTAL HEALTH IN THE WORKPLACE? DCA SURVEY 2019**



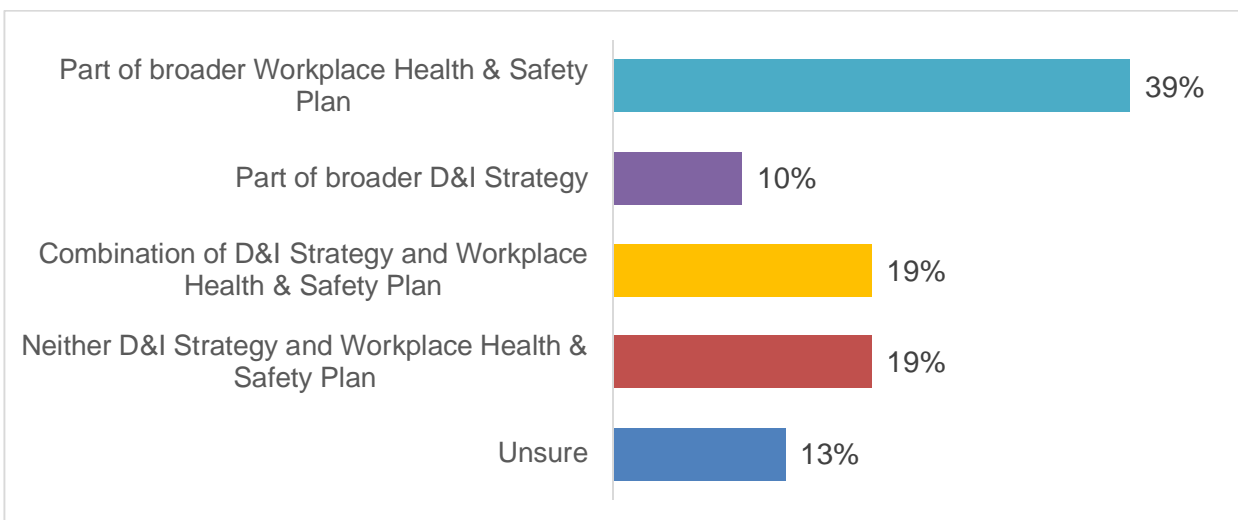
## Mental Health Strategies / Action Plans

Just under 40% of respondents indicated that their organisation had a mental health strategy or action plan. Once again this was roughly in line with responses from 2014 (43%).



**FIGURE 6: DOES YOUR ORGANISATION HAVE A MENTAL HEALTH STRATEGY OR ACTION PLAN? DCA SURVEY 2019**

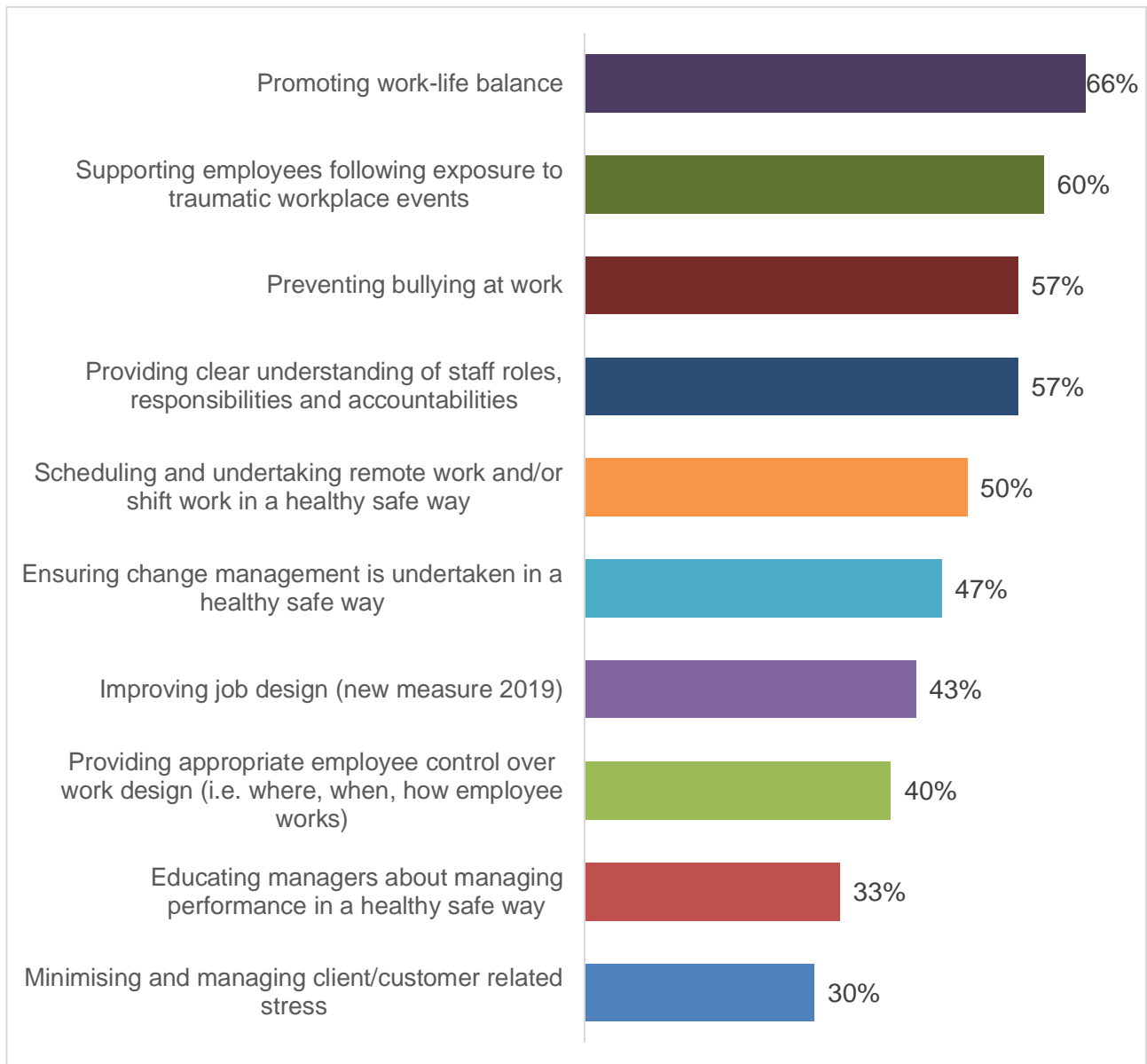
Most commonly (39%), organisations included mental health as part of their broader Workplace Health & Safety Plans.



**FIGURE 7: DOES YOUR ORGANISATION CONSIDER MENTAL HEALTH AS PART OF...? DCA SURVEY 2019**

## Maximising mental health through work-design

According to Heads Up, good job design is a [critical element](#) of a mentally health workplace. We asked respondents about what elements of work-design were present in their workplace.

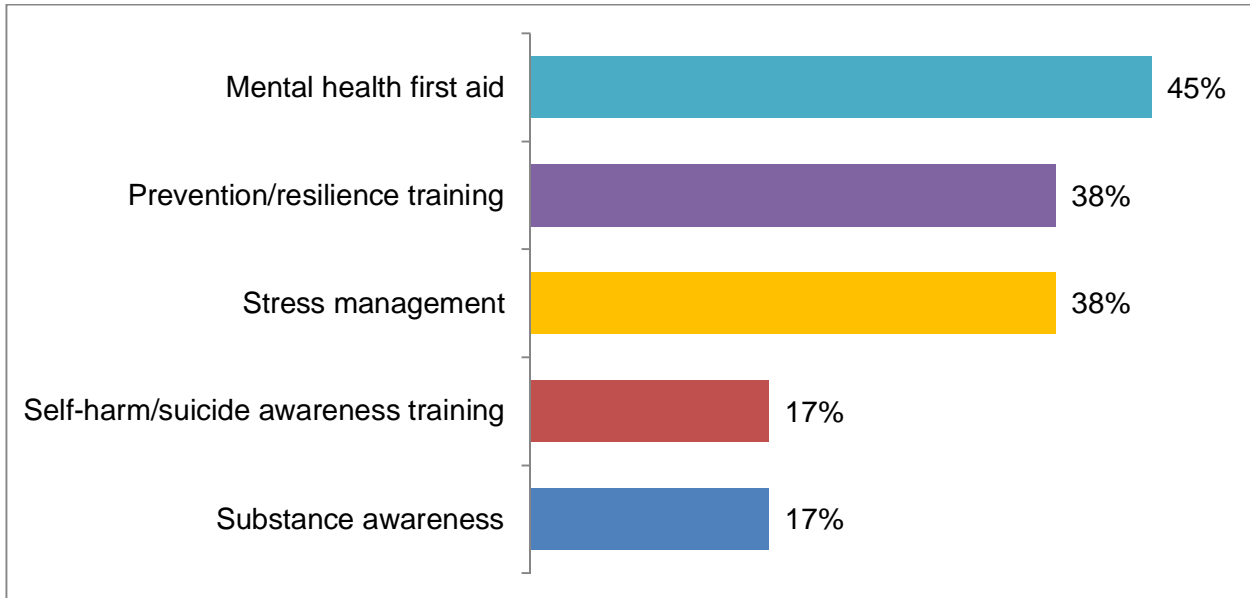


**FIGURE 8: IN THE PAST 2 YEARS, HAS YOUR ORGANISATION CARRIED OUT ANY OF THE FOLLOWING INITIATIVES FOCUSED ON MAXIMISING MENTAL HEALTH THROUGH WORK-DESIGN? DCA SURVEY 2019.**

Most commonly organisations focussed on promoting work-life balance (66%), and supporting employees following traumatic events (60%).

## Training for key staff members (e.g. Workplace Equity Advisors, Workplace Health & Safety Advisors, Diversity or HR Advisors)

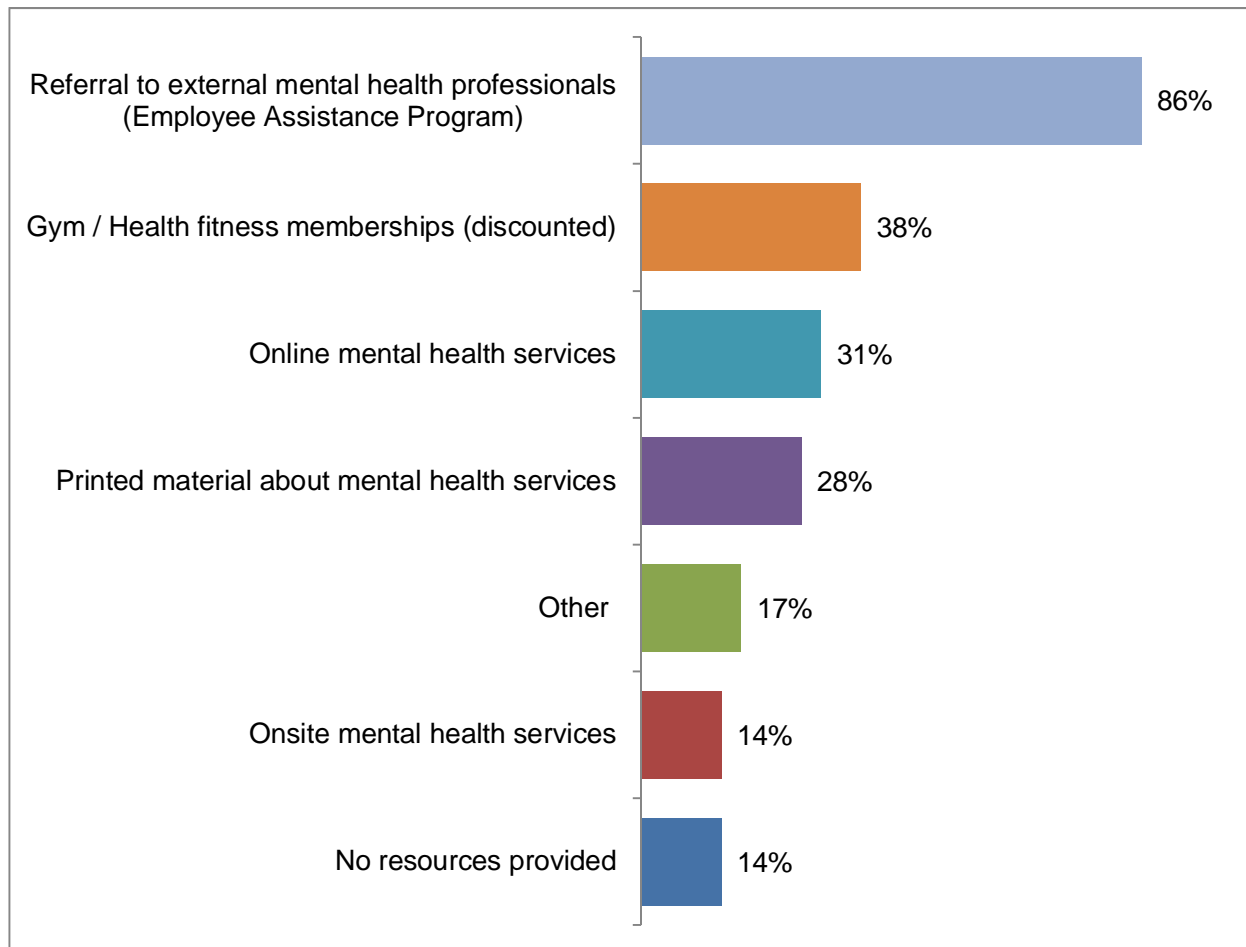
Respondents indicated the most common form of training to assist employees in dealing with mental health issues was mental health first aid (45%), followed by prevention/resilience training (38%) and stress management (38%).



**FIGURE 9: HAS YOUR ORGANISATION PROVIDED ANY OF THE FOLLOWING SPECIFIC TYPES OF TRAINING TO KEY STAFF MEMBERS? DCA SURVEY 2019**

## Resources/support services provided to employees

The most common support provided to employees included referral to external mental health professionals (86%), followed by discounted gym / health memberships (38%).

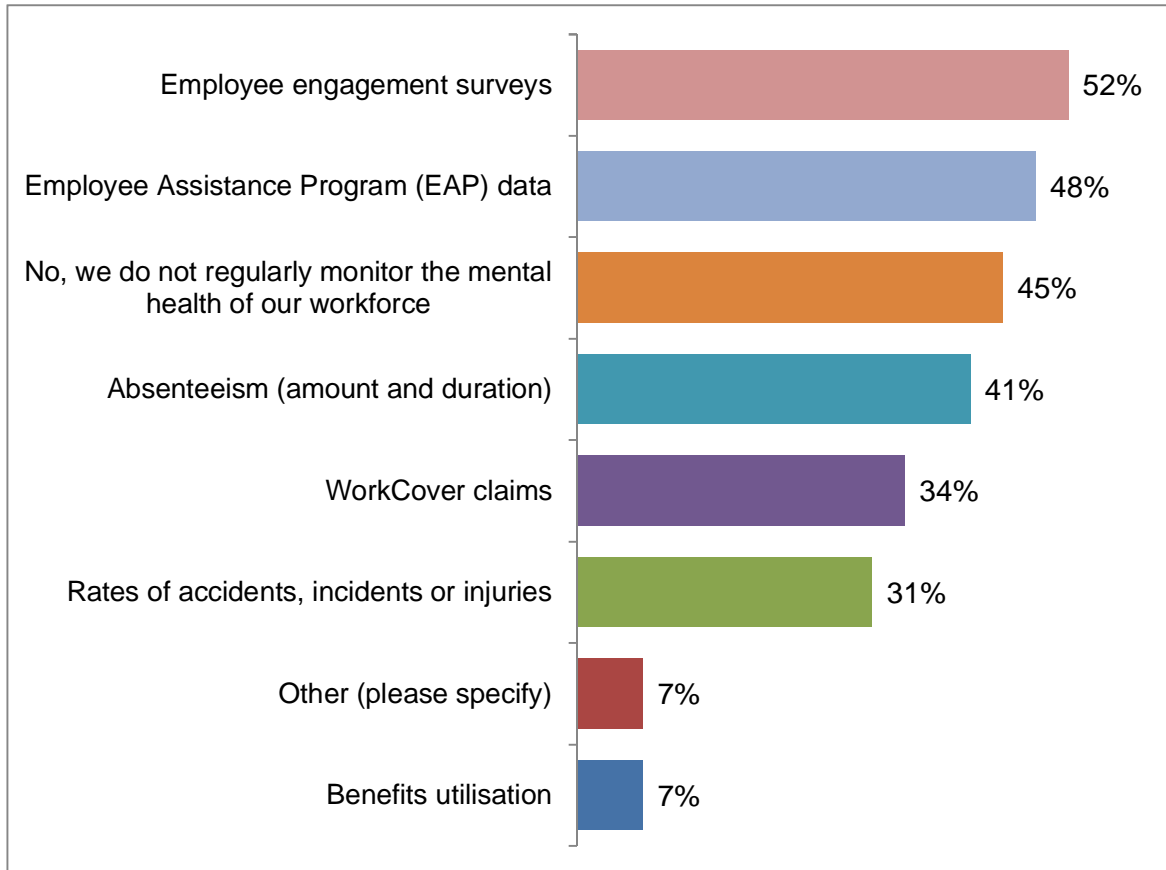


**FIGURE 10: WHAT MENTAL HEALTH-RELATED RESOURCES/SUPPORT SERVICES DOES YOUR ORGANISATION PROVIDE TO YOUR EMPLOYEES? DCA SURVEY 2019**

## How do organisations monitor the mental health of their workforce?

Roughly half (52%) of respondents indicated that they use employee engagement surveys to monitor the mental health of their workforce, followed by EAP data (48%).

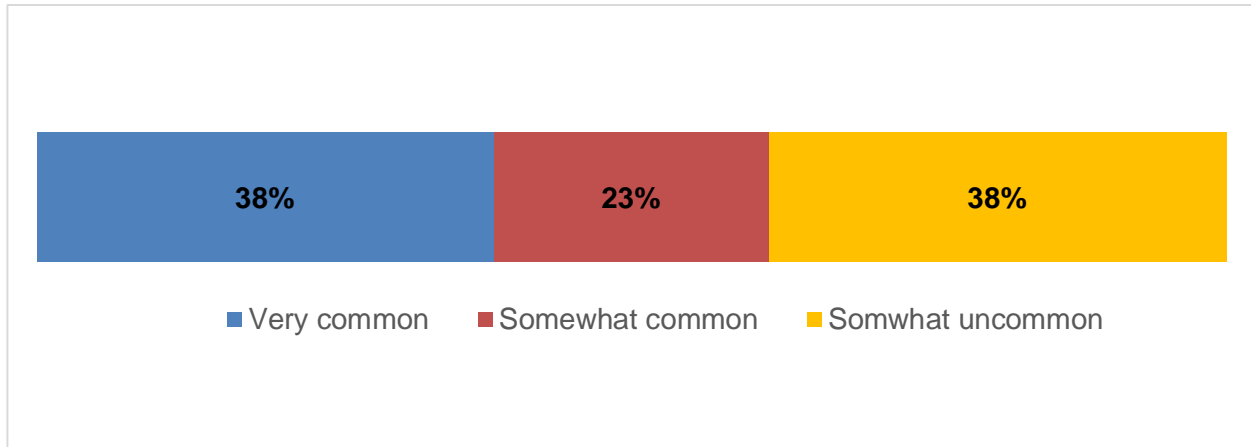
Just under half of respondents (45%) indicated that do not monitor the mental health of their employees, followed by two-fifths (41%) who monitor absenteeism.



**FIGURE 11: DOES YOUR ORGANISATION USE ANY OF THE FOLLOWING INDICATORS/MECHANISMS TO REGULARLY MONITOR THE MENTAL HEALTH OF YOUR WORKFORCE? DCA SURVEY 2019**

## Prevalence in the workplace

The perception of prevalence of mental health issues has stayed roughly consistent since 2014. **83% of respondents reported that mental health issues were common or very common** in their organisation (compared to 86% in 2014, of which 25% were very common).

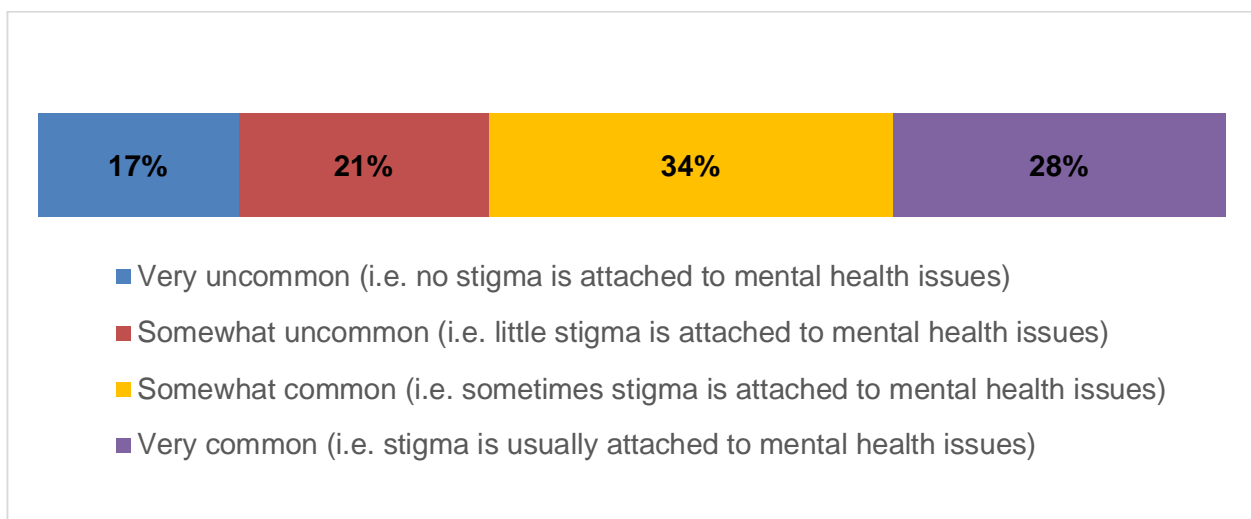


**FIGURE 12: HOW COMMON DO YOU PERCEIVE MENTAL HEALTH ISSUES ARE IN YOUR ORGANISATION? DCA SURVEY 2019**

## Stigma attached to mental health

Stigma is still perceived to be an issue in workplaces, with **no respondents indicating that there was no stigma attached to mental health issues in the workplace.**

However, the percentage of respondents indicating that stigma was common or very common (62%) was lower than 2014 (74% of respondents indicated that stigma was common or very common).



**FIGURE 13: HOW COMMON DO YOU PERCEIVE STIGMA ABOUT MENTAL HEALTH TO BE IN YOUR ORGANISATION? DCA SURVEY 2019**

## QUESTIONS FROM THE ISSUES PAPER

How could employment outcomes for people experiencing mental ill-health be further improved?

**Nineteen respondents** provided an answer for this question, which could be summarised under the following themes.

### Recruitment

- Encourage a different default starting position when recruiting – from ‘No’ to ‘Why Not?’
- Support line managers during recruitment processes

### Prevention

- Provide sustainable workloads and psychologically safe jobs
- Cultivate health workplace cultures
- Focus on developing leadership capabilities – generally and specifically to preventing and responding to mental health issues at work
- Raising awareness of the avoidable business costs of mental health at work
- Improving job design and flexibility
- Improving workspace design (e.g., minimising exclusively open plan design)
- Accessible, timely and relevant support pathways
- Ability to access external providers outside of EAP

### Retention

- Importance of people with mental health issues maintaining connections to the workplace while ill

### Illustrative Respondent Quotes

*Support for Line Managers during the recruitment process*

*All businesses to look at their roles from a point of view of "why not?" instead of "no"*

*The more people with mental ill-health issues are able to continue to participate in the workforce, the shorter their recovery times.*

...

*Employers be aware, have compassion, look at what workloads you have on employees.*

...

*... investment in capability development in healthy leadership and management skills, designing psycho-socially safe jobs, creating healthy workplace cultures.*

*Modification of work place design (eg negative impacts of open plan) and flexibility in work place (allow work from home).*

*Holistic approach to mental health through education, accessible, timely and relevant support pathways including external providers outside of EAP.*

...

*Access to free training & resource material. Legislation & education of senior managers about the cost of mental illness to the business*

What types of workplace interventions do you recommend this inquiry explore as options to facilitate more mentally healthy workplaces? What are some of the advantages and disadvantages of the interventions; how would these be distributed between employers, workers and the wider community; and what evidence exists to support your views?

**Fourteen respondents** provided an answer to this question. Respondents made a number of suggestions including:

**Fit-For-Purpose Training:**

*Mental health first aid should be as compulsory as physical first aid e.g. in an office block, have at least 1-2 people trained per floor / employee group. This means better responses to incidents and potentially less interruption in someone's life and also an employer's business, and hopefully better treatment and recovery.*

...

*Training needs to be practical, relevant and resonate with employees. Unfortunately many training providers falling short on workplace education and awareness content. The gap is focusing more on "how". In my reviews and surveys many participants are overwhelmed with stats and information but not enough on practical approach responses.*

**Auditing Employee Assistance Program (EAP) Providers** to ensure they provide services appropriate to the employees in a given workplace:

*EAP provider audit. Not all EAP's have the service capability to service remote regions appropriately. Many employees have negative experiences as a result of poor response times, poor engagement and lack of trust. I conducted a comprehensive review across a tier 1 mining and manufacturing company. As a result changed providers that were fit for service for our risk profile.*

....

*EAP providers need to be audited to ensure they are meeting service requirements especially in terms of remote, cultural and critical incident response. Ensuring cultural provisions and approach are considered particularly in the Indigenous context where indigenous employment workforce or organisations with Indigenous targets including LGBTIQ. Taking an evidence and risk based approach to ensure effectiveness of program.*



## **Support In Addition to EAP**

Others suggested that workplaces could be providing support in addition to EAP services, specifically:

*Onsite, in-house support - EAPs are fine as a band aid but not ongoing and people are limited to 6 consultations per issue. The advantages of intervention, when handled compassionately and discreetly, are obvious - reduced absenteeism, employee retention, increased productivity, inclusiveness, Employer of Choice status, etc. Disadvantages are equally obvious - heavy-handed intervention such as 'pensioning them out' is a disincentive for other employees to ask for help or admit to illness and increases absenteeism, sick leave and employees leaving. I have seen the 'pensioning out' thing first hand, it is not a pretty sight and leaves employees devastated and distressed.*

## **Improving Workers Compensation System**

Another issue raised by two respondents was how the current workers compensation system worked for mental health claims:

*The WorkCover system is especially inappropriate for supporting injured workers with work related mental health conditions return to work. Unlike causes of physical injuries, the causes of psychological injuries usually remain unaddressed e.g. the bully or harasser is still there, job design issues have not been fixed, or the culture remains toxic. However WorkCover agents and OR providers are incentivised to return the injured worker to a workplace to be re-injured by the same hazards. Mental health injuries require mental health hazard assessments of the workplace to determine whether it's safe for an injured worker to return.*

## **Awareness Raising**

Given the perceptions about prevalence of mental health issues at work, awareness raising was suggested as a way of opening up dialogue about these issues:

*Have a one day or week mental health awareness project to make people aware and be able to speak up and support on another.*

## **Improving Workplace Design**

One respondent raised how workplace design could actually be exacerbating issues for some people:

*The negative impacts of open plan on employees suffering from mental health issues.*

Finally, one respondent suggested mental health leave, and work design:

*Mental Health leave, work distribution, the ability to raise a concern.*

## IV. DCA'S RESEARCH

### The Anna McPhee Memorial Oration on Diversity and Inclusion: Mental Health in Australia, Hon Julia Gillard AO

In July 2018, The Hon Julia Gillard AC, delivered [DCA's Anna McPhee Memorial Oration](#), as the Chair of beyondblue on her vision for mental health in Australia.

Ms Gillard spoke to mental health as a workplace issue as one in five working Australians are affected at any given time by mental health challenges.

According to KPMG's 2018 report Investing to Save, mental ill health cost the Australian economy almost \$60 billion a year in direct and indirect costs, lost productivity, and job turnover. Which equated to more than 4% of Australia's GDP.

Ms Gillard noted that while some people with experience of ill mental health are locked out of meaningful employment, the vast majority of Australians affected by mental health issues are not only working but value work and are highly productive, 'too often, all employers see is a diagnosis, not the value of the richness of experience these people bring'. In her address, Ms Gillard asked employers to look past the lens of deficit and risk in which employers often view mental health in the workplace.

As evidence and research suggests, diversity enriches a workplace, and the filtering out of people with mental illness at the recruitment stage is a lost opportunity. Creating mentally healthy workplaces free of stigma, will go a long way to addressing these issues.

Ms Gillard, however, raised that there is a large gap between what leaders think and what their staff think is happening in regards to organisations addressing mental health in the workplace. In 2015, beyondblue surveyed more than 1,000 employees from all kinds of workplaces, sectors, and across the nation. They found 71% of CEOs and senior leaders believed that they were committed to promoting the mental health of their staff, but only 37% of their staff agreed.

DCA agrees that creating a mentally healthy workplace is no different to other key business improvement projects. As Ms Gillard stated, it requires a clear strategy, unwavering leadership, adequate resourcing, an action plan and KPIs and a culture of continuous review and improvement.

However, one of the most powerful things a leader can do to promote a mentally healthy workplace is to lead by example and talk openly about mental health.

Mental health should be a key concern for workplaces, across Australia and across industries, engagement surveys show mental health is at the forefront of staff concerns. A mentally healthy workplace was found to be second only in salary in what matters most to employees by beyondblue in 2014.

Ms Gillard concluded that mental health in the workplace is typically considered an either/or deal in terms of profitability or social responsibility, however she stressed that when organisations invest in their workplace, you look after your people and they look after you. 'It's not an either/or, it's a both/and'.

## Heads Up on Mental Health in the Workplace (2014)

In 2014, DCA, Business Council Australia and beyondblue conducted a survey of more than 100 employers from a range of sectors, [Heads Up on Mental Health in the Workplace](#). In this study we found 86% of organisations reported mental health issues were common or very common in the workplace. Nearly three quarters of organisations felt that there was still stigma perceived about mental health issues.

This is despite the fact that 86% of organisations had carried out initiatives to address mental health in their workplace and 77% say mental health is a priority for their business.

Key results of organisations revealed that:

- 86% said that mental health issues were common or very common in their organisation.
- 77% said that mental health in the workplace is a priority or high priority for their business.
- 62% have developed a business case around mental health in their organisation or are in the process of developing one.
- 74% said stigma is commonly or very commonly attached to mental health issues and 49% of those reporting stigma were undertaking strategies to address it.
- The top mental health initiative reported was preventing bullying in the workplace (97%) and the second top (91%) was providing access to psychological support services e.g. Employee Assistance Programs. The third most popular initiative was promoting work life balance (91%).
- The least popular initiatives were improving job design to maximise mental health (25%) and improving employment access to people with mental health issues (30%).

## V. APPENDIX

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