



business ... the economy

## **CHARTER FOR MENTAL HEALTH IN THE KNOWLEDGE ECONOMY**

GLOBAL BUSINESS AND ECONOMIC ROUNDTABLE  
On Addiction and Mental Health

*Resident at GPC International, Toronto Canada*

*Affiliated with the Centre for Addiction and Mental Health  
A World Health Organization Center of Excellence*

**Special Meeting**  
**Hosted by**  
**TD Bank Financial Group**

**November 14, 2002 – 8:30 am to 12 noon**  
**54<sup>th</sup> Floor Boardroom, TD Tower**  
**Toronto-Dominion Centre**  
**55 King Street West**  
**Toronto, Canada**

*This Special Meeting of the Roundtable is convened in association with the Canadian Chamber of Commerce and the Institute for Work & Health. Special thanks to the Roundtable's Trustee, Torys and the Industrial Accident Prevention Association*

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## ***THE CHARTER ON MENTAL HEALTH IN THE KNOWLEDGE ECONOMY***

### ***Clear and Present Danger***

- Depression and heart disease are on a course to become the leading causes of work years lost in the global economy by 2020 through human disability and premature death.

### ***Principles of Action***

- *The mental health of the working population and their families are important to the successful workings of the 21<sup>st</sup> century economy.*
- *Mental illness and addictions, therefore, are a business issue with a direct link to the capacity of people at every level of every organization to do what employers need them to do in an information or knowledge economy.*
- *The capacity of the work force to think, to be creative, to have productive relationships and to be innovative is vital to any corporation's competitive success.*
- *Economic and social investments will help contain the rise of mental disorders and their impact on economic performance.*

### ***Corporate Objectives***

Four objectives constitute a pathway to promote and protect the mental health of the work force of the knowledge economy:

1. *To prevent mental disability by promoting the earlier detection and treatment of mental health problems at work.*
2. *To reduce absenteeism and downtime costs by neutralizing or eliminating the known top ten sources of workplace stress.*
3. *To improve substantially the awareness, knowledge and understanding of addiction and mental health issues among executives, managers, employees and co-workers.*
4. *To support public and corporate education to eliminate stigma, a significant barrier to the identification and treatment of these conditions and therefore the costs which they generate.*

Submitted this date, November 14, 2002

**DISCUSSION**  
**The Business Case for Addiction and Mental Health**  
**By Bill Wilkerson**

The business case for mental health and addictions – and thus the origins of the Charter – begin with the recent revelation that disability not life expectancy is the premiere public health concern of the 21<sup>st</sup> century.

Depression is the leading source of human disability. In the years to come, it threatens to disable more people in their prime working years than AIDS, cancer, traffic accidents and war combined.

But where is this topic on the health, business and economic agenda of nations, the research and funding priority lists of governments, the awareness scale of the public and its leaders?

Depression is the mighty eye of a world mental health storm – unheralded, largely ignored and pervasive in its impact on the productive lives of hundreds of millions of people and the organizations they work for – large and small alike.

The Charter, therefore, advises business leaders to do what is within their power to reverse current trends in the rise and rates of mental disability. The principal weapon with which to do so is the early detection and effective treatment of mental problems before they become disabling.

The Charter is not an unreachable star. For one thing, it is grounded in the experience of companies who have already made a decent start in grappling with mental health problems in their workforce.

The Charter is not a set of rules. The subject is complex. The Charter is not a pipedream. Mental illness will happen but it need not do so at the expense of human dignity and the massing of disability on such a scale.

The Charter will be accompanied by “Vision 2020: A Game Plan for Addiction and Mental Health.” This offers ideas, approaches and further information as an aide to giving the general precepts of the Charter meaning and life.

Basically, the Charter:

- Asks business leaders to do now what we know now – and that is:
  - i) Prevent mental disability through the early detection of mental health problems at that stage – the problem not disabling stage.

- ii) Facilitate the recovery and return-to-work of employees off the job due to the effects of depression, anxiety disorders and addictions – and the physical health conditions with which they interact.

*People with mental health problems can and do recover; they can and do continue to contribute to their workplace and community.*

The Charter specifically asks business to endorse a slate of principles for action on mental health in the knowledge economy.

### Clear and Present Danger

The Charter also sets out a short-list of objectives to protect the economy against a scenario foreseen in the landmark "Global Burden of Disease" study, that is:

- Serious depression and heart disease, according to that study, will be the leading sources of work years lost through disability and premature death in the global economy.

This is the destiny held out by an unchecked world mental health crisis. But unchecked it need not be.

### Surging Disability

The Charter recognizes mental health and addictions as a business and economic concern which merits the attention of corporate leaders. And when using the term mental health, the Charter at all times implicitly includes substance abuse and addictions. This must be understood.

There is ample evidence that the mental health of the working population is under assault by surging rates of disability triggered mainly by depression, anxiety disorders and addictions.

These conditions are the Charter's specific focus – conditions which often go hand-in-hand and which have a biological basis. Depression has been linked to coronary heart disease, recovery from cancer and impairment of the human immune system.

Studies indicate that depression increases the risk of a second and fatal heart attack fivefold among individuals recovering from a first – and, further:

- 25 – 30 per cent of post-stroke patients suffer from a major depressive disorder.
- 20 – 25 per cent of cancer patients suffer from major depression at some point in their illness.

- Upwards of 50 per cent of people with chronic fatigue syndrome have major depressive disorders.

*(These facts underscore the linkage between mental and physical health concerns and thus explode the myth that our minds and bodies are separate entities, that mental illness is somehow a function of character or personal weakness.)*

### Historical Trends

Mental health issues are framed by an historically-significant transition occurring in the global community on two levels:

- One, the transition from communicable disease and life expectancy as primary concerns of public health to the rise of non-communicable chronic disorders as a source of disability and early death.
- Two, the transition from the old industrial economy of manual skills and repetitive assemblies to a knowledge-based economy where innovation is king.

*(A McKinsey Study in the United States says 75 per cent of new jobs require cerebral not manual skills. Brainwork is now the principal occupation of the majority of people in old and new economy companies alike.)*

Consider that:

1. The “thought content” of products and services has competitive value. The minds and not the backs of employees now do the heavy lifting for business.
2. Yet, the work force is under the pressure of excessively high rates of mental distraction, downtime and disability. Mental health problems are replacing low back pain and soft tissue injury as the prime source of sick leave and short-term disability.

The pairing of these two phenomena defines the essential conundrum we face.

Harvard University, the World Bank and World Health Organization have documented an “unheralded crisis in world mental health” and call for global action by economic and health policymakers, commercial organizations and governments.

This Charter is one modest attempt to heed that call.

### Economy of Mental Performance

The economy of innovation and information – which, by another name, is the economy of mental performance – puts a premium on emotional resilience, relationships such as teamwork, perspective and “thinking through” problems and opportunities (as one TV car commercial puts it). All of which are anchored by the status of the mental health of the workforce.

The purpose of this Charter, therefore, is to encourage business leaders to develop a clear understanding of these matters in terms relevant to the economy and to the organizations for which they have responsibility – and to act on this knowledge in the spirit of enlightened self-interest and appropriate social responsibility.

### Facts and Faces

In summary, the Charter views mental health in the work force as having business and economic value put at risk by:

1. The rising rates of psychiatric illness and its links to physical chronic health problems.
2. The concentration of these disorders on the working population and especially those in their prime working years.
3. The phenomenon of workplace stress.
4. The need for well-defined research into mental health and work issues.

Further:

- In any given workplace, somewhere between five and ten per cent suffer serious and acute problems with depression, anxiety, substance abuse or some combination of these. Another 10 – 15 per cent will experience lesser degrees of these disorders. This produces the generally accepted yearly prevalence rate of 20 per cent.
- Lifetime prevalence rates are higher and, according to WHO estimates, could run as high as 37 per cent of the population in Canada and 48 per cent in the U.S.
- The face of mental illness is getting younger. For example, the average age of onset:
  - Anxiety disorders – age 12 in Canada and 15 in the U.S.
  - Depression – age 21 in Canada and 23 in the U.S.
  - Substance abuse – in both countries – age 18.

- As a component of the global burden of disease, depression is projected to grow 50 per cent over the next 15 years – faster, even, than cardiovascular disease.
- By 2020, Harvard projects that heart disease, major depression and traffic accidents will be the top three sources of work years lost in the global economy through disability and early death.
- This 2020 scenario means that the world’s most prolific sources of death and disability – heart disease and depression – will converge into a simple, unprecedented powerful source of human suffering and economic cost.
- By 2020, suicide and violence, according to present trends, will take their place among the top ten causes of disability and early death in the global economy.
- These issues viciously target our future. Adolescent children. Teenage suicide in Canada alone is among the highest in the world.

### Economic Costs Confirmed

The Roundtable’s Scientific Advisory Committee – an independent panel of work and health experts – has now completed a review of the economic costs of depression, anxiety and substance abuse.

The Committee puts the cost of productivity losses alone – based on prevalence and the impact of clinical depression, anxiety and substance abuse in the Canadian workplace – at around \$11 billion a year.

At the same time, the Advisory Committee believes this is a conservative estimate because it is based only on clinically recognizable levels of these disorders. That is, those conditions that would qualify under criteria established by the American Psychiatric Association.

When other “syndromes and manifestations” are included – among them, burn-out, employee disengagement at work and excessive (as opposed to pathological) substance abuse, the losses could be three times this conservative estimate – or \$33 billion a year.

The Committee goes on to say this: “These estimates do not include costs related to health care or social service systems.”

The Committee says:

*“A calculation of the transfer of costs from the workplace to these health and social service systems (which are themselves workplaces subject to the same mental health and addiction problems as any other) has not been made.*

*“However, should such an attempt be made, it would need to be balanced with an effort to calculate the transfer of health benefits (in the broadest sense) from the workplace to society at large.*

*“For just as some workplaces can be a source of burden for society through the unnecessary production of harm, so too can other workplaces be a source of relief for society through enlightened governance practices that foster health and wellbeing.”*

### Treatment Costs

Meanwhile, a report for Health Canada says the (direct) costs of treatment for depression and “distress” is \$6 billion a year in Canada. Other sources chronicle the costs of addictions alone at \$11 billion a year.

In the U.S., studies done for National Institute for Mental Health estimate the cost of depression in that country to be \$50 billion (US) a year (including both treatment and economic costs) and studies put the total costs of all forms of mental health disorders and addictions in the U.S. at \$275 billion (US) a year.

From a business standpoint, a notable feature of all these estimates is the predominance of costs borne by employers and employees through payroll-related expenses. That is, anywhere from fifty per cent to two-thirds of the total costs – across the board – have been identified as relating to lost productivity and impacts on the experience of work and economic output.

### Huge Unfunded Liability

Which means this.

- On a North American basis, the business and economic portion of the dollar cost of mental health and addictions could approach a staggering \$150 - \$200 billion a year – in effect a large unfunded liability.
- Further, mental health problems now represent the largest single driver of short-term (mostly) and long-term disability insurance claims and payments among employees of some of the country’s major employers.

More than 30 per cent of all claims, climbing steadily and in one recent period, 100 per cent of the claims examined by one person at the Worker Safety and Insurance Board (WSIB) were related to mental health.

### The Intensity of Work

The workplace has intensified. In an analysis for the Roundtable, the leading provider of employee and family assistance services, Warren Shepell Consultants Corp. reports that:

- Workplace stress continues to be the number one contributor to work-related “issues.”
- But a change is happening – work-related conflict and harassment have become more prominent growing from 25 per cent to nearly 34 per cent of the “presenting problems” which employees bring to Warren Shepell counselors.
- The evidence is persuasive. Stress severity is rising exponentially – with “high stress” levels increasing from 36 per cent of all stress reported in 1999 to 45.5 per cent last year.

### Facing the Future

In her keynote address to the Roundtable’s November 14<sup>th</sup> meeting, Nancy Hughes Anthony, President and CEO of the Canadian Chamber of Commerce says “mental disorders are attacking our future – our children.”

Ms. Hughes Anthony cites the early ages of onset for anxiety (12), depression (21) and substance abuse (18) in Canada and concludes –

*“This means that a large number of people enter the work force already bearing the burden of undetected and untreated mental health problems. “This is a burden they need not shoulder alone. But often do.”*

### Where From Here

The Charter will be taken to business in Canada and the U.S. as well as Europe to raise awareness of these matters and to engender a *positive* response through *positive* action.

“Vision 2020 – Business Game Plan for Mental Health” will be available on the Roundtable’s web site to provide ideas and approaches in support of the Charter.

The Roundtable will survey 20 North American and 20 European corporations in 2003 to marshal and promote best practices to advance the Charter’s four main objectives.

Through these and other steps, a new front will be opened in an ancient war against mental illness.

The enemy in this war bears five weapons:

- Very high prevalence rates.
- Very low rates of detection and treatment.
- Uncontrolled, embedded costs.
- Terrific complexity.
- Misinformation and stigma.

The Charter's basic purpose is to help all the players in this action disarm the enemy and displace its weaponry with:

- Reduced rates of mental disability.
- Higher rates of early detection and effective treatment.
- Reduced costs.
- And greater understanding and control of the subject in all quarters.

In this light, those who support and advocate the Charter for Mental Health in the Knowledge Economy will, in effect, promote a simple ideal through which:

- The acceptance and treatment of depression, anxiety, substance abuse and their cohorts is routine not rare.
- The incidence of mental disability is rare not routine.
- Suicide is less common and the eyes of a child never close on tomorrow because she lost hope today.
- Twelve-year old kids are less anxious and more carefree and the "second-hand smoke" of toxic stress at work taken home is reduced at source.
- Mental illness will happen – but not at the cost of human dignity.

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*A Word About The Roundtable*

The Global Business and Economic Roundtable on Addiction and Mental Health is an experiment begun in 1998. The Roundtable is not a funded organization. It has no employees, no regular payroll, no paid office space and no territorial or competitive ambition.

The Roundtable is a network of senior people in business, health and education and:

Enjoys the very tangible benefits of its affiliation with the Centre for Addiction and Mental Health;

Enjoys the goodwill of GPC International where it has been housed pro bono for nearly three years;

Enjoys the pro bono services of the international law firm Torys, which acts as the Roundtable's trustee;

On top of all this, the Roundtable enjoys the donated expertise, personal commitment and volunteered blood, sweat but no tears of some of the finest people on this planet.

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Please refer: [www.mentalhealthroundtable.ca](http://www.mentalhealthroundtable.ca)