Staff mental health issues may be costing employers billions

Finance
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Australia's mining and finance giants are being urged to publish more information about how they support the mental health of their staff, with a new report finding these industries lag their overseas peers.

While most companies have measures to support the mental well-being of their staff – such as flexible workplace policies – a new study has found there is little disclosure on the effectiveness of these programs. The research, commissioned by the Australian Council of Superannuation Investors, found about a third of big financial and mining companies on the ASX 200 published information about the impacts of the mental health programs.

In stark contrast to the wide disclosure of physical health outcomes – such as workplace accidents – the report by research group CAER found there was room for improvement when it came to mental welfare. For instance, it said there was low disclosure of absenteeism, even though this can be related to mental health claims and is estimated to cost employers billions of dollars a year.

In finance, where there are higher-than-average rates of self-stated mental health problems, the report said a third of companies surveyed published data on staff turnover and 25 per cent had figures on workforce satisfaction.

Just under 60 per cent of financial firms practised "good" or "moderate" disclosure in these areas, compared with 87 per cent of companies in Britain.

The mining industry has also attracted research into workforce mental health because of the strain on personal lives in the fly-in, fly-out workforce model. While more than half of miners had wellbeing programs, a minority disclosed details on turnover, worker satisfaction, absenteeism and overtime.

It comes as some investors put more pressure on companies to focus on the financial and economic costs of mental health that can lead to increased insurance claims and lower productivity.,

ACSI chief executive Louise Davidson said providing more information in this area was important for helping investors assess environmental, social and corporate governance issues: "A lack of reliable and comparable disclosure of corporate performance, beyond that contained in traditional financial reporting, can undermine effective communication of these longer-term measures of business success by company boards to their owners."