



VicHealth

# Access to Economic Resources

as a determinant of mental health and wellbeing

MENTAL HEALTH & WELLBEING UNIT



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These research summaries have been developed to assist in the dissemination of data on the impact of mental health problems and links between a variety of factors and mental health and wellbeing. The data was gathered with support from the Sydney Health Projects Group to assist the development of the VicHealth Mental Health Promotion Plan 2005-2007.

The research summaries include data relevant to the burden of disease associated with mental illness and mental health problems, and the three factors influencing mental health and wellbeing that VicHealth focuses on in the Plan: social inclusion; freedom from discrimination and violence; and access to economic resources.

It should be noted that data included in these research summaries has been drawn from evidence reviews and independent studies, however not all data has been exposed to systematic review. Therefore an extensive reference list, which will allow users to follow up data sources, is also included.

### Research summaries in this series:

1. Burden of disease due to mental illness and mental health problems
2. Social inclusion as a determinant of mental health and wellbeing
3. Discrimination and violence as determinants of mental health and wellbeing
4. Access to economic resources as a determinant of mental health and wellbeing

## Key definitions & concepts

### Access to economic resources

Access to economic resources includes:

- access to work and meaningful engagement;
- access to education;
- access to adequate housing; and
- access to adequate financial resources.

Employment status does not simply mean employed versus unemployed, but a continuum ranging from adequate employment (e.g. secure, appropriately paid, good job satisfaction) to inadequate employment, to unemployment.

(Dooley, Prause & Ham-Rowbottom, 2000).

## Access to economic resources indicators : A snapshot

In 2000, one in every eight Australians lived in income poverty. If poverty is assessed after housing costs have been accounted for, one in five adults aged 25-44 years are were living in poverty (Harding et al., Lloyd & Greenwell 2001).

While income inequality has increased in many developed countries, the rate of increase in Australia has been particularly marked, being exceeded by only three other developed countries - the United States, the United Kingdom and Ireland (Ziguras 2002).

The unemployment rate in 2004 was 5.3% (ABS 2004) . This does not include part-time workers who would like to work more hours, those who have stopped looking for work because they do not believe they will be successful and those who face barriers to working such as lack of child care. The unemployment rate is considerably higher for young people, recently arrived migrants, Indigenous Australians, young and older workers and people with disabilities (Brotherhood of St Laurence 2002).

Children in low income families have nearly five times less spent on their education per week than those in high income households.

## **The link between access to economic resources and mental health & wellbeing: International data**

Adverse social conditions (being poor, unemployed and underprivileged) are important determinants of mental health (Petticrew et al. in WHO 2004), with research showing strong correlations between social class (and other forms of social stratification) and mental health - particularly psychiatric disorders such as schizophrenia and personality disorders, but also anxiety, depression and substance abuse (Bradley and Corwyn, 2002; Muntaner et al, 2000; Power et al 2000; Henderson et al 1998).

A recent systematic review of large adult population studies in Canada, USA, Australia, UK and the Netherlands showed clearly that there are consistent associations between prevalence of mental disorders and a range of indicators of less privileged social position. (Petticrew et al. in press).

Mental health is relatively poor among those with low education levels, low-status occupations, and low incomes (Schwabe and Kodras 2000; WHO 2000; Astbury 2001) and among unemployed people or those with job insecurity (Creed, Machin & Hicks 1999, Power et al 2000).

Occupying a low social rank limits access to material and psychosocial resources, and affects individuals' ability to exercise autonomy and decision making over severe life events. Both of these have consistently been found to be associated with an increased risk of depression (WHO 2000).

Continuing anxiety, insecurity, low self-esteem, social isolation and lack of control over work and home life can have powerful effects on health. Such psychosocial risks accumulate during life and increase the chances of poor mental health and premature death. The lower people are in the social hierarchy of industrialised countries, the more common these problems become (Wilkinson & Marmot 2003).

Evidence from industrialised countries demonstrates an association between poverty and risk for common mental disorders. From an epidemiological perspective, poverty means low socioeconomic status (measured by social or income class), unemployment, poor housing and low levels of education, (Patel & Kleinman 2003).

Depression is 1.5 to 2 times more prevalent among the low income groups of a population. Poverty could therefore be considered a significant contributor to mental disorders, and vice-versa (WHO 2003).

Research identifies the phenomena of the clustering of problems in communities, such as social pathologies (substance abuse, violence, abuse of women and children), exacerbating conditions (unemployment, poverty, limited education, stressful work conditions, discrimination), and health problems (physical and mental). The fundamental causes of this clustering have been linked to resources like money, power, prestige and social connections (Cullen & Whiteford 2001).

Women's increased risks of adverse mental health outcomes are attributed to a wide range of significant adverse consequences disproportionately experienced by women: poverty; discrimination; violence; socio-economic disadvantage; low social status; and traditional female gender roles (Astbury, 2001; Patel et al, 1999).

Ethnographic research in India suggests that programs aimed at improving literacy, in particular targeting adult illiterates, may have tangible benefits in promoting mental health (Hosman & Llopis, in press).

Economists have demonstrated that economic factors such as income and labour market status, are prime contributors to the psychological health of individuals (Shields & Price 2001).

A study on the effects of two types of adverse job changes (unemployment and inadequate employment) showed both were associated with increased depression. Those at increased risk of depression included women, the less educated, those with lower self-esteem, those with children, and those with less job satisfaction (Dooley, Prause & Ham-Rowbottom, 2000).

In a sample of USA women living in poverty, not working and receiving welfare was associated with negative cognitive and behavioural outcomes for children, lower maternal mental health, less social support and more avoidant coping strategies (Hosman & Llopis, in press).

A study of 2000 people in Finland found that poor economic situation or unemployment may markedly impair mental health and that impact of these factors varied between men and women (Sohlman 2004).

Children living in low SES households and disadvantaged neighbourhoods suffer more anxiety, depression, substance abuse and delinquent behaviour, and poor adaptive functioning. Children living in low SES circumstances are also more likely to be exposed to multiple adverse events and experiences (acute and chronic) which have a cumulative negative effect on their long-term mental health (Power et al, 2000; Bradley & Corwyn, 2002; McMunn et al, 2001).

Homelessness and inadequate housing conditions are associated with poor mental health (Mittelmark et al. in press).

Evaluation research provides evidence of positive mental health outcomes related to housing improvement programs. Participants in these studies reported reductions in anxiety and depression and self-reported reductions in mental health problems. A number of other housing related factors have been linked to variations in mental health, most notably housing tenure, housing design, moving house and neighbourhood characteristics (Petticrew et al. in press).

### **The link between access to economic resources and mental health & wellbeing: Australian data**

The WA Aboriginal Child Health Survey report highlights the significant role of education in enabling access to employment and income. Higher education “is associated with better parenting skills (particularly mothers’) and better academic and mental health outcomes” for children. The survey identifies that education and income can have significant benefits for improving the material circumstances relevant to a child’s development, particularly their language, cognitive and intellectual capacities (Zubrick et al 2004).

Najman’s longitudinal child health study found family income during pregnancy predicts child cognitive development and mental health at ages 5 and 14 years. The study suggests the inter-generational transmission of health inequalities with grandfather’s occupational status being associated with child mental health at 14 (Najman et al 2004).

Unemployment, particularly long-term unemployment, involves costs to the individual, the economy and the community. At the individual level, people who are unemployed experience reduced incomes and may be at greater risk of experiencing depression and ill health. Furthermore, the burden of unemployment is unequally distributed as it tends to be concentrated within particular regions and amongst particular population groups, such as recent migrants, young people and Indigenous Australians (ABS 2003a).

Unemployed people experience higher levels of depression, anxiety and distress as well as lower self esteem and confidence (McLelland et al 1998).

In the 2001 National Health Survey 3.6% of the adult population reported a “very high” level of psychological distress. A higher prevalence of psychological distress was reported by those who spoke a language other than English at home (5.5%), adults in one-parent families with dependent children (7.2%) and adults who were unemployed (9.8%). Rates for adults residing in socioeconomically disadvantaged areas (7%), were significantly higher than those living in the least disadvantaged areas (2.1%) (ABS 2003b).

The Victorian Population Health Survey data identifies adults more likely to be categorised as experiencing psychological distress (Kessler 10 scores greater than or equal to 22) were those persons with lower education levels; those unemployed or not in the labour force; those in non-professional occupations; those who did not have private health insurance coverage; those with lower income levels; those living in rented dwellings (DHS 2003; DHS 2004) and those born overseas (DHS 2004).

**For more information visit [www.vichealth.vic.gov.au/MHWU/](http://www.vichealth.vic.gov.au/MHWU/)**

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