

Taking the Pulse of the Nation

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Melbourne Institute's Survey of the Impact of COVID-19 in Australia

2021 Survey Results*: Wave 27 (15-21 February) and Wave 28 (1-4 March)**

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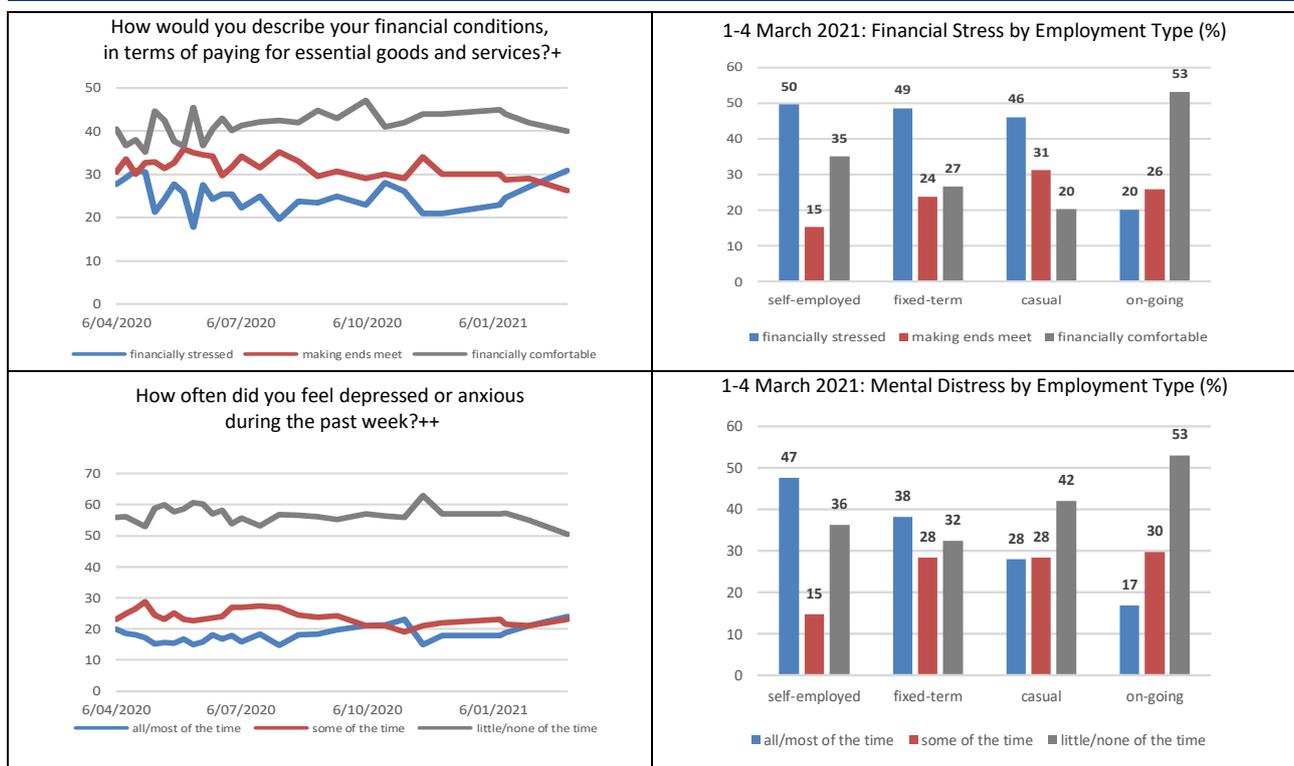
Australia is well on the road to recovery. The official ABS national accounts released on 3 March 2021, reported that real GDP rebounded strongly by 3.1 per cent in the December quarter of 2020, after growing by 3.4 per cent in the September quarter. Furthermore, the proportion working from home has dropped from 50 per cent to 43 per cent, and the appetite to continue working from home has also dropped to 81 per cent from 87 per cent in the previous survey.

Despite these signs of some return to normality, there are disturbing increases in the proportions of people reporting financial stress and experiencing mental distress.

The proportion of survey participants reporting financial stress (in terms of paying for essential goods and services) has crept up to 31 per cent and it now exceeds the proportion making ends meet (26 per cent). Additionally, the proportion experiencing mental distress (i.e. feeling depressed and anxious most of the time) is now at 24 per cent, a record high for the survey.

Job insecurity has been suggested as a possible cause of financial stress and mental distress. Figure 2 shows that about half of the self-employed are financially stressed and mentally distressed. At the other end of the spectrum, those employed on a continuing basis have the lowest proportion of employees who self-report being financially stressed or mentally distressed. Not surprisingly, the group most vulnerable to adverse income shocks (being financially stressed or just making ends meet) are those on fixed-term contracts (73 per cent) and those on casual contracts (77 per cent).

Figure 1: Financial stress and mental distress (28 waves of surveys, 6 April 2020 to 4 March 2021, %)



* The survey contains responses from 1200 persons, aged 18 years and over. The sample is stratified by gender, age and location to be representative of the Australian population. The proportion in the "don't know/refused" category is very small and has been excluded from the figures.

** Report prepared by Professor Guay Lim.

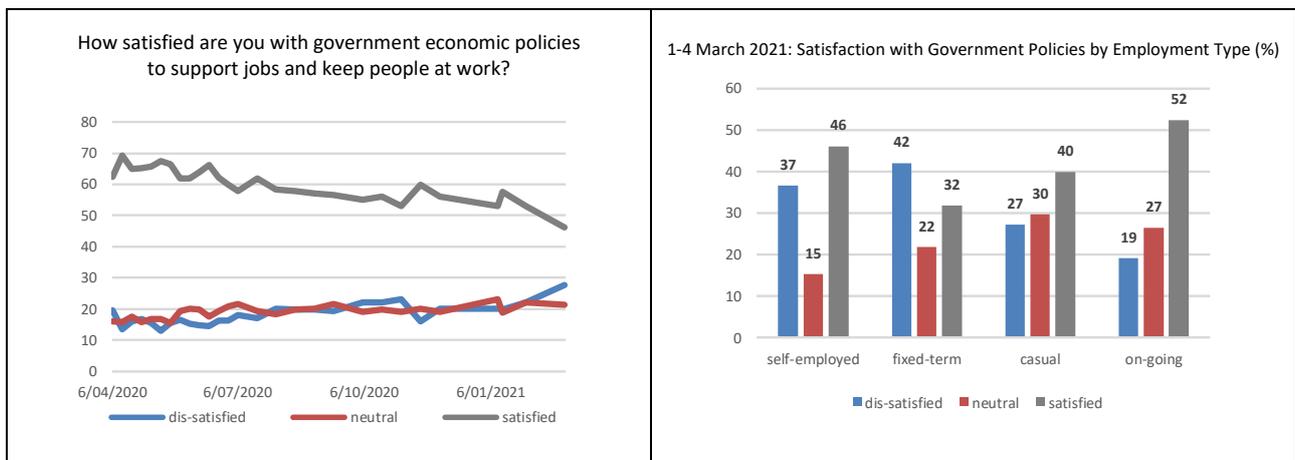
+ Financial stress refers to the situation of having difficulties paying for essential goods and services, while financial vulnerability refers to being in financial stress or making ends meet.

++ The question about feeling depressed is about assessing symptoms/experiences and not about assessing the presence of a clinical diagnosis or disorder. The responses are calibrated on a 5-point scale covering: all, most, some, little, none of the time.

The proportion of Australians satisfied with government policies is at a record low.

The latest survey also showed that the proportion of Australians satisfied with government policies to support jobs and keep people at work is the lowest on record for this survey (46 per cent in March 2021 compared to 62 per cent in April 2020). The proportion dissatisfied has also crept up, and at 28 per cent is now above the proportion who are neither satisfied or dissatisfied (21 per cent). Among the States, the proportion expressing dissatisfaction is highest in QLD (30 per cent) and lowest in SA (26 per cent), while the proportion expressing satisfaction is highest in SA (55 per cent) and lowest in VIC (40 per cent). In Wave 28, it also appears that those employed on a continuing basis have the lowest proportion of workers who are dissatisfied with policy, while those on fixed-term contracts have the highest proportion who are dissatisfied.

Figure 2: Satisfaction with government policies (6 April 2020 to 4 March 2021, proportions, %)+



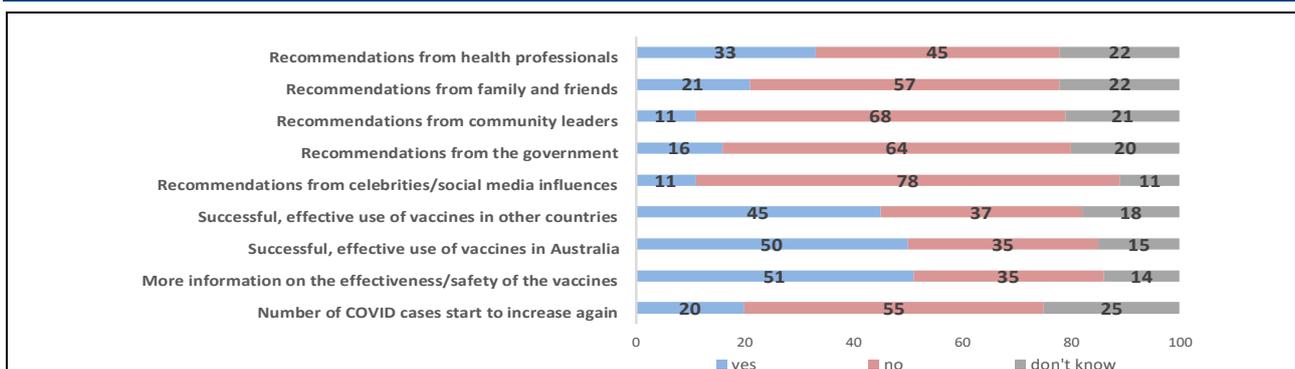
About one in three Australians are unwilling to be vaccinated and at most half of them would be convinced by more evidence of vaccine effectiveness.

The rollout of the COVID-19 vaccine in Australia began on Sunday 21 February, and Prime Minister Scott Morrison was among those in the first group to be vaccinated. To date, no one in our sample reported that they have had the vaccine, however, the proportion of Australians willing to be vaccinated has increased from 66 per cent in early February to 70 per cent in the first week of March.

The findings indicated that one in three Australians were still reluctant or unwilling to be vaccinated. In wave 28, we asked this group what would persuade them to be vaccinated. Figure 1 shows the percentage responses to the nine suggestions.

The survey shows that it would be difficult to change the minds of those distrustful of the vaccine as about 50 per cent at most will be convinced by more information about the vaccine’s effectiveness and by evidence of successful, effective use of the vaccine in Australia and/or overseas. Recommendations from health professionals, from the government and others were not viewed as credible means of persuasion. It looks like there will be an uphill battle ahead to allay concerns and improve participation in the vaccination process to achieve herd immunity.

Figure 3: Responses to the question: What will persuade you to be vaccinated? (%)



Note: This is only asked for the group who answered that they are unwilling to be vaccinated or don't know.

Melbourne Institute: Applied Economic & Social Research

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About the survey

These results have been drawn from *Taking the Pulse of the Nation* - Melbourne Institute's survey of the impact of COVID-19. The aim of the weekly survey is to track changes in the economic and social wellbeing of Australians living through the effects of the coronavirus pandemic whilst adapting to various changes in Federal and State government policies.

The survey contains responses from 1200 persons, aged 18 years and over each week. The sample is stratified by gender, age and location to be representative of the Australian population.

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