THE CATALYST

New Literacies for New Times

Money and mental health are intrinsically linked—and those connections only grow sharper in times of uncertainty. What do we need to do to cope?

By: Fateema Sayani | Posted: October 7, 2025

When we first launched the Money and Mental Health series in 2023, we underlined the link between our pockets and our perspectives. Then, the focus was the housing crisis and the rising cost of living—issues that remain just as pressing in 2025. Add to that fresh anxieties about artificial intelligence and tariffs reshaping both the job market and our bank accounts.

To better understand the issues, *The Catalyst* is examining four themes over four weeks, emphasizing the tools needed for individuals to cope with their money worries and mental health challenges. We speak to experts on the two topics—and sometimes, those people are one and the same.

In some jurisdictions, financial therapists are certified in both wealth-building and the emotional aspects of budgeting, or to support linked issues such as gambling. Elsewhere, some financial professionals have jumped into therapeutic practice – and many mental health clinicians are incorporating financial issues into their practices.

In Canada, Jessica Moorhouse touches on the emotional aspects of money in her book *Everything but Money: The Hidden Barriers Between You and Financial Freedom* (Collins, 2024), which offers hopeful and helpful tips. The author and Certified Financial Counsellor is known as a millennial money expert, which, she says, used to connote “young person,” but not so much now as that cohort edges into their 40s. Their entry into and through adulthood has always been beset by challenges.

“It can feel like we’re having the same conversations,” she says. “It’s hard to pinpoint a time when things were not chaotic – it’s a generation that is getting used to a state of constant change with a baseline of anxiety.”



Jessica Moorhouse, author and Certified Financial Counsellor, focuses on wallets and well-being and what happens when they collide.

In recent years, there has been a global pandemic, rising costs of living, stagnating wages, geopolitical uncertainty, and tariffs, to name a few things. “We’ve been consistently talking about inconsistency since 2020,” Moorhouse notes, saying that millennials, in particular, are primed to wonder when the next big global shift is going to hit them.

For Gen Z, these experiences are baked in, and they have an extensive associated vocabulary, Moorhouse says. Consider the term “Menty B,” used widely on social media. “This is freaky to have shorthand slang for a mental breakdown,” she says. “That’s a concern – that it’s just normal to have anxiety, or to not be able to get up in the morning. There is a sense that you’re supposed to laugh it off, make a TikTok, and go to work.”

It carries a sense of solidarity among a generation struggling with financial disillusionment. They believe the system is broken because wages are not keeping up with the cost of living, and housing prices are too high.

It’s a heavy burden. Research indicates that economic conditions and related factors, including unemployment and poverty, can significantly impact suicide rates. Moorhouse highlights a study from the UK-based Money and Mental Health Policy Institute, which shows that 46 percent of people in debt have a mental health issue, and 86 percent of survey participants said their financial situation worsened their mental health problems and led to increased stress and anxiety. Likewise, 18 percent of individuals with mental health issues fall into debt, with 72 percent reporting that their mental health problems worsened their financial situation, creating a never-ending cycle.

Serena Dawson (a pseudonym), 19, observes some of these issues within her social circle. She lives in a major city in Ontario and is taking a gap year while working multiple jobs. She and many of her friends consider retirement a myth because of the astronomical cost of living and wages that don't cover shelter expenses in nearly every city in Canada; they feel that policymakers are unaware of how to reform the system to benefit young people.

"Most young adults have at least three jobs, and I know people with up to six jobs," she says. "One job doesn't provide enough to meet basic needs, so people supplement with additional part-time jobs, contract work, and operating side hustles such as baking businesses out of their homes."

Working all the time with competing commitments leaves little time for socializing or sleep, she says. "The toll on mental health is heavy. Conversations about anxiety, depression, and chronic health issues are everyday occurrences."

Hustle, anxiety, repeat

The usual antidote to economic woes has traditionally been self-improvement. However, for many, traditional paths to advancement — like higher education — no longer feel worthwhile. Degrees don't always guarantee jobs or stability, raising doubts about whether the investment pays off.

This confluence of conditions is something seemingly distinct to Generation Z. *Psychology Today* characterized this generation's grief as one about unattainable developmental milestones, such as starting a family, owning a home, or retiring with financial stability.

"The disappearance of additional cultural anchor points, such as affordable education, a shared sense of truth, and community cohesion, only deepens the distress."

For millennials, there was a different framing of their challenges with putting bread on the table.

"It was annoying to see the characterization that we're lazy, avocado-toast-over spenders," Moorhouse says. "We have three jobs! If we weren't going to figure it out, we wouldn't have three jobs – we would just give up."

In this regard, traditional financial advice falls flat. This generation and those that follow are inheriting a different set of rules than their parents or grandparents did.

"Boomers, especially, did have a lot of privilege and gains on their homes," Moorhouse notes, "and they took it as a baseline – as if everyone can afford a house or get a job at an executive level without advanced degrees. There was a big shift after that generation. You just can't get that anymore."

From debt to despair and back again – rethinking financial advice

The idea for this series grew out of young people's perspectives—those finishing high school, launching careers, or trying to find footing in a shifting economy. Their common refrain: **financial dystopia and distress**. Stable jobs, home ownership, and retirement feel out of reach, with early setbacks snowballing into lifelong hurdles. Economists call this "scarring." We ask: What are the

mental health impacts, and what policy shifts are needed?

Whether you view **artificial intelligence** as an opportunity or an extinction event, its propulsion marks an inflection point in our society, and its impacts on the job market are playing out in real time. How do we build resilience—personally and collectively—while weaving psychological health and safety into economic policy?

As the world changes, what **advice and tips** do we need now? How can financial literacy be connected to emotional awareness as linked concepts? We ask practitioners and people with lived experience for their strategies.

Watch for the entire series published in October and November 2025 for Financial Literacy Month in *The Catalyst*, the magazine of the Mental Health Commission of Canada. Follow us on LinkedIn to see new articles and resources.

Further reading: Housing First – What's Next?

Resource: Mental Health and the High Cost of Living Policy Brief

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