

## ***‘Caring for Older Australians’***

### **Submission to the Productivity Commission from the Hearing Care Industry Association**

**21 March 2011**

#### **Background**

The National Health and Hospitals Reform Commission (NHHRC) considered that significant reform is needed to Australia’s aged care system if it is to meet the challenges of an older and increasingly diverse population.

Taking into account the findings of the NHHRC, the Government’s proposition for a National Health and Hospitals Network, and other recent reviews, the Productivity Commission was appointed to develop detailed options for redesigning Australia’s aged care system to ensure it can meet future challenges.

On January 21<sup>st</sup> 2011, the Productivity Commission released its draft report – *Caring For Older Australians* – which will provide the Federal Government with key advice on the direction of aged care in Australia.

The Minister for Mental Health and Ageing, the Hon Mark Butler MP, says of the report that “the truest tests of a decent society is how it treats its seniors, those citizens who’ve worked hard for years, paid taxes and raised families; and who, in their old age, need some care and support from the community they helped to build.”

Members of the public are invited to examine the draft report and make written submissions by 21 March 2011.

#### **Introduction**

The HCIA believes that keeping people in the workforce for longer will lessen the burden on the aged care system in the future. For that reason we believe that an area of great concern, and one that warrants the attention of Government, is the employment outcomes for people between the ages of 45 and 65 who are suffering from hearing loss.

Reasons for this are both macro and micro – as it affects both national productivity and individual quality of life. These impacts, the need for reform and the benefits of such reform are detailed below.

Details about the HCIA and its members are outlined below but in short the HCIA represents the major hearing healthcare retailers in Australia. It was formed to better inform policy development and to provide a public voice on hearing related matters and to raise the profile of hearing issues in Australia.

HCIA members have clinics in over 440 locations around the country. They employ over 500 professional staff and service many thousands of hearing impaired Australians every day.

## **The Impact of Hearing Loss in Australia**

A report published by Access Economics in 2006 found the following;

- In 2005 – over 3.55m Australians suffered from hearing loss and nearly half of them were of working age
- Employment rates for hearing impaired people between the ages of 45 and 65 are lower than for comparable people in the rest of the population (20.5% lower for men and 16.5% lower for women)
- The direct financial cost of hearing loss was \$11.5b – the largest component of this being productivity loss.

HCIA believes that an area of great concern, and one that warrants the attention of Government, is the employment outcomes for people between the ages of 45 and 65 who suffer from hearing loss. These people have substantially lower participation in the workforce – i.e. more than half of them in this age group with a hearing problem are not in paid work, compared to less than a third of those without hearing loss.

This would strongly suggest that hearing impairment has a very substantial and unrecognised effect on workforce productivity.

In Australia hearing services are provided to special needs groups and to people of pensionable age. The average age of people accessing hearing services under the Office of Hearing Services Voucher Program is 79 years.....yet half the people with hearing loss are under the age of 65 years of age.

## **Lessening the Burden of Aged Care in Australia by Reforming Hearing Benefits for the 45 – 64 Age Group**

If Australia were to move to world's best practice, it should examine uncoupling access to hearing services and the pension age so that people in the 45 to 64 age group could access hearing services at a time when they are highly motivated to do so and thus remain as productive as they can be, for as long as they can.

Hearing is a critical sense for effective communication in the workplace. Most employment situations require verbal communication in order to effectively engage with co-workers or the public and effective hearing is critical to ensure safety on the job.

Without aided hearing, the hearing impaired person can be expected to suffer losses in remuneration due to underemployment; may make mistakes on the job; experience higher rates of unemployment and in general, experience an overall reduction in quality of life which may also impact negatively on job performance.

**HCIA calls on government to;**

- **Lower the age of entry to the program offered by the Department of Health and Ageing, and**
- **Consider how those aged between 21 and 65 might have access to hearing services (using similar criteria to that used to gain access to a pension).**

## **Conclusion**

Hearing loss strongly affects an individual's quality of life. Current benefits and programs are targeted at people of pensionable age and ignore the more than 1.75m people aged between 45 – 64 years, affected by hearing loss.

Provision of access to hearing services to this age group would make a significant difference to their workforce participation, social inclusion and financial wellbeing. Creating greater opportunities and economic potential for people with hearing loss whilst they are still wanting and able to work and actively participate in society and the community will not only improve individual quality of life, but could lower the burden on the aged care system as this group reaches pensionable age.

We urge the Government to consider uncoupling access to hearing services and the pension age so that people in the 45 to 64 age group can access hearing services at a time when they are highly motivated to do so and thus remain as productive as they can be, for as long as they can.

**Donna Staunton**  
**CEO**  
**Hearing Care Industry Association**

## About the HCIA

HCIA is the Hearing Care Industry Association. Its vision is to serve the Australian community by facilitating the delivery of world-class hearing healthcare to all Australians. HCIA has at the core of its mission its clients and aims to help all Australians who are suffering from hearing loss achieve a better quality of life.

HCIA represents hearing healthcare retailers and provides a unified voice to all stakeholders, including Government, the bureaucracy, the media, other professional bodies, and the public.

## Directors and Members

**Andrew Campbell** | HCIA Member | Andrew is General Manager of Bay Audio, a hearing healthcare organisation based in South East Queensland. Its parent company, Bay Audiology, is the largest audiology retailer in New Zealand. [www.bayaudio.com.au](http://www.bayaudio.com.au)

**Craig Curtis** | HCIA Director | Craig is Chief Executive Officer of Widex Australia, a world leader in the development and production of high-tech hearing aids. [www.widex.com.au](http://www.widex.com.au)

**John Gimpel** | HCIA Director | Managing Director, Connect Hearing. John has worked in senior executive positions in allied healthcare in both Australia and New Zealand for over 22 years. [www.connecthearing.com.au](http://www.connecthearing.com.au)

**Jason Gowie** | HCIA Director | General Manager, AudioClinic. Jason has over 20 years experience working in the Healthcare & Financial Services Industries across Australia & New Zealand. He has held General Management positions with a number of large multi-national companies and has a personal interest in the hearing industry stemming from his mother and sister having suffered hearing loss from a young age. [www.audioclinic.com.au](http://www.audioclinic.com.au)

**John Pappalardo** | HCIA Chairman and Director | Chief Executive Officer, National Hearing Care. John is an experienced Executive who has worked for a number of ASX Top 100 companies. [www.nhc.com.au](http://www.nhc.com.au)

**Nina Quinn** | HCIA Member | Nina is Chief Executive Officer of The Neurosensory Unit. [www.qha.com.au](http://www.qha.com.au)

**Ashley Wilson** | HCIA Director | Managing Director, HearingLife Australia. Ashley has over 31 years of hearing care industry experience. He is Managing Director of HearingLife Australia. [www.hearinglife.com.au](http://www.hearinglife.com.au)