



## 2010 Productivity Commission Disability Inquiry

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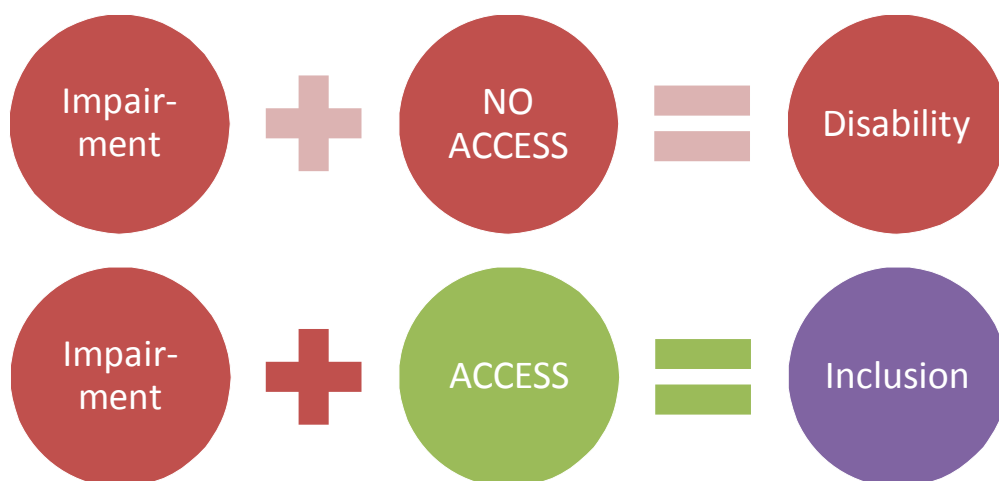
### **About Access Innovation Media**

Access Innovation Media (Ai-Media) is a social enterprise founded in 2003 dedicated to realising a big vision: The End of Disability.

We develop and deliver innovative **access solutions** that deliver **inclusion** for people with impairment; and related services for those without impairment.

Our current focus is on delivering word accurate speech to text solutions in real time using our recently launched Ai-Live™ technology – permitting deaf and hearing impaired Australians equal access to education, employment and participation opportunities.<sup>1</sup>

### **Ai-Media's Vision: The End of Disability**



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Impairment is a fact of life. Disability is not. Many submissions to the *Shut Out* report<sup>2</sup> note that society disables far more than physical impairments do. Ai-Media contends that it is community understanding of the nexus between impairment, disability, access and inclusion that is the key to transforming the impact of disability; and unlocking the productive capability of this lost sector of the economy.

Until we live in a society that is structured to support everyone's relatedness, Australian taxpayers will continue to suffer under the ever-increasing burden of transfer payments to growing numbers of people excluded from full economic participation by reason of disability.

Ai-Media welcomes the Productivity Commission's inquiry into disability reform as an opportunity to tackle these long term intergenerational challenges. We hope that the inquiry will be the catalyst for a whole-of-government and whole-of-community response to address the complex web of exclusion that for so long so many have seen as someone else's problem.

It is time to allow in the sunlight on issues that can no longer be swept under the carpet.

The remainder of this submission deals with the issues of how best to structure economic incentives to achieve inclusion for people historically suffering disability. Because of our focus, we will use deafness as an illustrative example of general principles that might be brought to bear in the design of an NDIS.

## Guiding Principles & Assumptions

### Pricing mechanism to redress market failure

1. Externalities and market failure mean there are currently fewer incentives to redress disability than is socially optimal.

2. An efficient NDIS should – at its core – put a price (and a value) on avoiding the experience of disability for an individual on a whole-of-life basis; and fund solutions based on their effectiveness at delivering whole-of-life inclusion. **The costs of action must be weighed against the costs of inaction.** Bringing these future costs of inaction into the equation is necessary to redress market failure; and ensure cost-effective solutions can be funded now.
3. As government ultimately bears the majority of the costs of exclusion, government is best placed to invest in, and evaluate the effectiveness of, inclusive solutions. While government should not be seeking to “pick winners” or advocate for particular solutions, an evidence-based approach to the measurement of the cost-effectiveness of alternative approaches will be critical in determining appropriate individualised funding arrangements. **An independent statutory authority that could *regularly* evaluate the options in light of technology improvements would be appropriate.**
4. To ensure the integrity of the system, **service providers should be accredited** to perform certain services, and subject to regular review by the authority.
5. As the benefits of inclusion accrue to all in society, **funding the NDIS should be across as broad a base as possible.**

## Focus on access and inclusion

1. As is widely acknowledged in the *Shut Out!* report and the Disability Investment Group report, the difference between the experience of disability and that of inclusion for people with impairment is access. A lack of access to education, employment and social participation opportunities is the root cause of much of social exclusion.
2. While many effective care and support services deliver access, in some instances care and support services deal with *symptoms* of exclusion; often the result of a lack of access in the past.
3. Prevention also has a role to play and is generally far more cost-effective than remediating solutions (seatbelts, quit smoking, turn down iPods). Many prevention initiatives are about ensuring *access* to information.
4. Where access services (and prevention campaigns) obviate the need for future care and support, these should be included within activities supported by the NDIS.

## Eligibility

1. Arbitrary medical definitions of “severe” and “profound” should not deny eligibility to those who nevertheless suffer effective exclusion because of their level of impairment.
2. The cost-effectiveness of providing access for those with mild or moderate impairment can be as high (if not higher) than for those with severe or profound impairment.
3. The general principle should be the effectiveness of delivering inclusion for each dollar invested in access.

## Technology

1. Technology will continue to make transformational solutions available at ever more affordable rates. Alternate technologies can compete on a value-for-money basis.
2. The NDIS should support private investment in long term continued innovation at delivering inclusive solutions.
3. Social innovation practices can inform the design principles of the NDIS.

As the Prime Minister noted earlier this year, in her release of the Government’s Social Inclusion Strategy, “[i]t is about recognising the impact that disadvantage has on the lives and the life chances of so many Australians... But even more than changing the way government works, social inclusion is about learning to mobilise our whole community. To harness the potential of new technology for social benefit.”<sup>3</sup>

## Example: The hidden costs of deafness

According to Access Economics the **costs of excluding** people from the productive economy because of **deafness alone** exceed **\$12 billion per annum**.<sup>4</sup>

*Shut Out!* notes that while there is no way to measure the exact social and economic cost of failing to ensure young people with disabilities have every opportunity to learn, it is certain that failing to provide them with education limits their potential to lead productive, independent adult lives.<sup>5</sup> **Deaf children are 2.4 times less likely to complete high school** than their hearing counterparts and **160,000 people are out of work** simply because they cannot hear; and many of these are on the Disability Support Pension because we don’t have a system that facilitates their inclusion in the workplace.<sup>6</sup>

Ai-Media estimates that the cost of providing access to education and employment for all deaf and hearing impaired Australians through real time captioning would be around \$600m per year – **about 5% of the costs of exclusion.**

Advances in technology – and business innovation – have enabled access solutions to be delivered that were not technically possible or economically feasible last year.

Creating economic incentives to deliver social innovation is the best way to begin to tackle the generational imperative of reducing the costs of social exclusion – while building a broader and stronger revenue base into the future.

The modest costs of acting must be compared with the overwhelming costs of continued inaction.

“Achieving this vision means tackling the most entrenched forms of disadvantage in Australia today, expanding the range of opportunities available to everyone and strengthening resilience and responsibility.”<sup>7</sup>

### **Support for other submissions**

In addition to this submission, Ai-Media endorses the submissions to the Productivity Commission made by:

- NDS (National Disability Services); and
- The Deafness Forum of Australia

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<sup>1</sup> See [www.ai-live.com](http://www.ai-live.com)

<sup>2</sup> Commonwealth of Australia (2009) *Shut Out: The Experience of People with Disabilities and their Families in Australia*.

<sup>3</sup> [http://www.deewr.gov.au/Ministers/Gillard/Media/Speeches/Pages/Article\\_100128\\_164123.aspx](http://www.deewr.gov.au/Ministers/Gillard/Media/Speeches/Pages/Article_100128_164123.aspx)

<sup>4</sup> Access Economics (2006) *Listen Hear – The Economic Impact and Cost of hearing loss in Australia*.

<sup>5</sup> Commonwealth of Australia (2009) *Shut Out: The Experience of People with Disabilities and their Families in Australia*.

<sup>6</sup> Access Economics (2006) *Listen Hear – The Economic Impact and Cost of hearing loss in Australia*.

<sup>7</sup> J Gillard, A Stronger, Fairer Australia – A New Social Inclusion Strategy Jan 2010  
<http://www.socialinclusion.gov.au/Resources/Pages/Resources.aspx>