An interview with ADIA national president Trevor Martin

Sales of dental equipment in Australia have faltered this year, according to a report by the Australian Dental Industry Association (ADIA). "The dental market in Australia has declined for the second consecutive year. Is this still the effect of the global financial crisis or are there other reasons for this negative performance?"

Trevor Martin: The overall decline was actually quite small but significant in a sector that had grown by around 6 to 8 per cent annually for more than two decades. The decline is a result of the crisis, but not necessarily for the reasons that people think. The Australian government introduced a number of incentives in the early days of the financial crisis to sustain the economy. This saw dental practices making new investments in equipment, particularly large equipment, which drove growth and underpinned sales to record highs. The overall decline is actually coming off that peak.

That said, both the data and anecdotal evidence from ADIA members confirm that the market has softened in the past 18 months. It’s certainly a competitive place to do business, with conditions tougher than they were a few years ago. That’s why ADIA is delivering a range of support programmes and tools, such as the "Australian Dental Industry Intelligence Report", that allow member businesses to make informed decisions about the direction of their business to help them face the future with confidence.

According to the Bureau of Statistics in Canberra, the Australian economy is growing rapidly and is about to overtake Spain as the 12th largest economy in the world. Do you expect any impact on the dental industry from this development? Australia’s economic growth needs to be put into context. It is true that we are relatively well positioned internationally, with GDP growth at more than 5 per cent, unemployment at slightly above 5 per cent, and the federal government’s budget flat and for this reason ADIA expects that the dental industry will grow in the short term, but at a rate lower than the long-term average.

The Australian government recently agreed to a $4 billion dental care package. Could this benefit the sales of dental equipment? The Australian government’s announcement is welcome and addresses some very real impediments to dental and oral health care. That being said, the expert analysis commissioned by ADIA shows that the impact of the announcement on sales of dental products will be negligible, as the government’s new programmes are only repackaging existing spending.

Indeed, government expenditure on dental and oral health care services will actually decrease in the current financial year, with the new measures not being implemented until 2015. The dental service industry in your country is growing by 2.5 per cent. Are Australian dentists becoming lazy investors? That is not how ADIA would describe them.

The dental profession in Australia is an early adopter of new technologies like dental CAD/CAM. Have Australian dentists followed the trend? The dental profession in Australia is an early adopter of new technologies and this continues to drive sales in key product areas. The uptake of products that utilise CAD/CAM technology is a good example of Australian dentistry picking up, and some might say leading, the trend.

One of ADIA’s roles is to work with regulators such as the Therapeutic Goods Administration to ensure that dentists and the broader community have access to new products and technologies within a reasonable time frame.

In your opinion, what are the general prospects for the dental industry in Australia in the years to come, and what will ADIA’s contribution be in this regard? You have identified one of the priorities for the Australian dental profession and allied oral health care professionals with the latest products from Australia and overseas. Through the ADX Sydney dental exhibition, ADIA also provides member businesses with the platform to establish and strengthen their relationship with key customer and client groups. However, our focus is on more than just trade shows. The strategic plan endorsed by the ADIA board sets a clear direction for the future. As an organisation, we are investing in the personnel and infrastructure to provide member businesses with the tools to grow.

In your opinion, what are the general prospects for the dental industry in Australia in the years to come, and what will ADIA’s contribution be in this regard? Setting aside the current sluggish environment, ADIA believes that Australia’s dental industry has a strong future.

Our member businesses, individually and collectively, are committed to providing dentists and allied oral health care professionals with the latest products from Australia and overseas. Through the ADX Sydney dental exhibition, ADIA also provides member businesses with the platform to establish and strengthen their relationship with key customer and client groups.

However, our focus is on more than just trade shows. The strategic plan endorsed by the ADIA board sets a clear direction for the future. As an organisation, we are investing in the personnel and infrastructure to provide member businesses with the tools to grow. Whether it’s verifiable sales data or programmes to upskill the industry’s workforce, we are firmly committed to engaging with our member businesses to assist them in understanding and influencing changes to the commercial, technical and regulatory environment to help them to achieve their objectives.

Thank you very much for this interview.