

Burwood East Vic 3151

14/02/2011

**The Manager,
Inquiry regarding Caring for the Aged.
Productivity Commission
GPO Box 1428
Canberra, ACT,2601**

Dear Sir or Madam,

Draft Report Caring for older Australians - Response

The context of this report suggests that even though most of the residents of retirement villages fall within the scope of the multiple ranges that are old age, the accommodation arrangement itself is not considered a part of the system of caring for older Australians.

I refer to page 7 which suggests that depending on circumstances you may be older at 60, 65, 65, at retiring age and or 70. Having lived in a village for a number of years and visited perhaps 60 villages in that time I would estimate the average of inmates as above 75 years of age. Of course there are a few who can afford to get out of the real world at 55, but the majority appear to tend to enter somewhere between 70 and 75 years of age and at an estimate the average residency would be for 10 years. Since one of the aims of going into a village is to provide women with a socially supportive environment, they tend to be the majority and of course also live longer. Also the financial requirements to enter a village are such that principally the more affluent, better educated and therefore healthier come in and so have above average life expectancies.

Turning to Page five, figure 1.1, it is apparent that approximately 46 to 57% of typical residents will need assistance. That could be higher than for a similar demographic in the general community.

Yet the report does not treat the retirement village environment as needing to be considered as part of the scope to be covered by *CARING FOR OLDER AUSTRALIANS*.

As a person concerned that prospective residents are tricked into the often poor standard of retirement villages, particularly financially, with their deceptive contracts, to camouflage the real costs from almost every potential resident. Prospects are willing to sign an unfair and competition limiting contract for the rest of their "independent life". While the majority in villagers are apathetic or ignorant, there is also a percentage who opt out after a year or two. There are also many who suffer in silence because there is no way out with the contract they signed, as on a pension they cannot afford to pay the ransom inherent in present contracts to escape to seek a better alternative.

The only body you have referenced in any way related to retirement residence is the Retirement Village Association, the **lobbying association for the owners and operators**. That organisation's members have as their reason for existence making money out of older

Australians. They do this very, very successfully. Should you wish to get a more balanced picture about the needs of aged retirement village residents please feel free to contact any of the State Residents of Retirement Villages Associations. Additionally the writer is well informed having served on the committee of the RRVV for several years.

A visit to the United States will show that the system over there has significant advantages.

- The majority of residents pay a straight monthly rental lease. They are **without a devious contract with high front end charges that the operators have been able to foist on uninformed Australians** so that they can then short deliver since the residents generally are trapped by their contracts.
- Many if not most villages in the United States are integrated retirement and aged care communities with care and medical facilities available to all residents. This is a much more efficient way of handling older human beings.
- Furthermore should one partner move from one phase to the next in the same community, the location is such that the remaining resident is generally able to visit the one in care.

Would you please consider the above when you prepare the final report?

Yours faithfully,

Charles Adams
RV resident.