



18 September 2018

The Hon Marlene Kairouz MP
Minister for Consumer Affairs, Gaming and Liquor Regulation
Level 26
121 Exhibition Street
Melbourne VIC 3000

Dear Minister

Royal Commission into Aged Care Quality and Safety

We write in relation to the recently announced Royal Commission into the aged care sector.

This Royal Commission can provide an invaluable opportunity to shine a light on misconduct in aged care, and the reforms needed to ensure aged care residents are adequately protected. However, we consider that other types of retirement housing are also worthy of inquiry.

Hundreds of thousands of older Australians currently live in purpose-built retirement housing, such as retirement villages, residential parks, and land lease communities. Last years' Four Corners investigation into retirement village operator Aveo lifted the lid on several systemic problems within the sector. However, the problems in this industry are not confined to Aveo.

Our organisations have supported thousands of retirement housing residents who have been treated unfairly by retirement housing operators. We have seen harmful practices across the industry, including excessive fees, inadequate staff training, poor dispute resolution, heavy-handed management and poor-quality housing. We also regularly see unfair contract terms and management practices that can undermine the autonomy and dignity of residents. State-based law reform has failed to remedy these issues.

We strongly urge that retirement housing, including retirement villages, residential parks and land lease communities, be included in the Commission's Terms of Reference. Retirement housing residents and their families deserve to have their stories heard, and for the Commission to consider reforms needed to address the unfairness they have experienced.

Many retirement housing providers are now delivering in-home aged care packages, which has raised concerns about complex contracts, high costs and the levels of care provided.¹ Some retirement housing operators have also transitioned entire retirement housing communities to aged care facilities without the consent of existing residents. These are issues also worthy of consideration by the Commission.

Other key areas of concern that should be considered in detail by the Royal Commission in relation to retirement housing include:

- Excessive and unfair fees, particularly exit fees;
- Inadequate access to justice, including external dispute resolution;
- Lack of mandatory minimum training and accreditation standards;
- Unfair contract terms and complexity of contracts; and
- The adequacy of retirement housing regulation.

We strongly support the statement in the Prime Minister's media release that the Commission's inquiry will not impact any existing or planned action to improve the standards and quality of care being provided in aged care facilities.

There is still much uncertainty about the structure of the Royal Commission, and how it will proceed. However, we hope that the lived experiences of aged care and retirement housing residents and their families will be at the heart of the Commission's approach.

We would be grateful for the opportunity to meet with your office to discuss the terms of reference and the Commission's proposed approach in further detail.

Please contact Denise Boyd, Director of Policy & Campaigns on deniseb@consumeraction.org.au or 03 9670 5088 at any time for more information or to arrange a meeting.

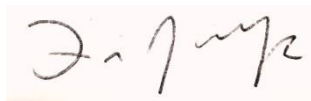
Yours faithfully



Gerard Brody
Chief Executive Officer
Consumer Action Law Centre



Ronda Held
Chief Executive Officer
COTA Victoria



Fiona York
Executive Officer
Housing for the Aged Action Group



Lawrie Robertson
President
Residents of Retirement Villages Victoria

ⁱ Adele Ferguson and Sarah Danckert, Sydney Morning Herald, *Aveo's new Freedom Aged Care program comes at a high cost*, 21 July 2017, available at: <https://www.smh.com.au/business/aveos-new-freedom-aged-care-program-comes-at-a-high-cost-20170721-gxfw1b.html>.