



Speech by

Mike Horan

MEMBER FOR TOOWOOMBA SOUTH

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RETIREMENT VILLAGES AMENDMENT BILL

Mr HORAN (Toowoomba South—NPA) (6.01 pm): At the outset I want to declare a pecuniary interest because I am a director of a retirement village, and that is listed in the Members' Register of Interests. I am very pleased to speak to this bill, because I think the care of our elderly is one of the most important things in our society. In the past couple of years I have been through this process with both my mother and my mother-in-law—that is, the process of my mother living in a retirement village and having to move to a nursing home. We went through the process of selling out, moving on, paying bonds and then likewise helping my wife with my mother-in-law. So I have been through it, and I know how important it is to the elderly people themselves.

I think the overriding ethos is to have quality care so that those who have worked so hard all of their life can be safe and they can be healthy. The financial arrangements can be clear and easily understood by elderly people and their families. It is normally done in association with families, so they all need to know what those arrangements are.

In my personal experience, I found great satisfaction in my mother's case that she was able to enjoy her time in a nursing home. I thought she would never agree to go in because she is a very independent person, but she took part in things. It was the quality of that particular nursing home in Brisbane that impressed me. Yes, it cost us as a family, but that did not matter because we were able to afford it and it was good to see that my mother was looked after. I think everybody here would agree with the principle in this bill of seeing everybody happy and secure. Behind that, the financial arrangements will be very clear, very fair, very open and very honest.

In my electorate, I have seven retirement villages ranging from not-for-profit organisations, to operations responsible to shareholders and which therefore have to make a profit, to straightforward retirement villages, to others that have a mix of retirement, assisted living and, in some cases, a nursing home component as well. It is very comforting for people to know that there is an avenue for them to get to a nursing home. That is often one of the great worries of people in retirement villages. What is the avenue to a nursing home? Is there one associated with the retirement village or located on the retirement village? It is not always possible to get a nursing home on a retirement village site, but sometimes an association with another one can help. Very often even those in a retirement village that has a nursing home have no guarantee that they will be able to go into that nursing home if a need arises suddenly, because it depends on whether or not there is a bed vacancy. Sometimes if it is a sudden need through illness, they have to go to a nursing home somewhere else.

I know from fellow directors of the retirement village that I am associated with that one of the things that is very important to us is people's quality of life. We have been very fortunate to have the University of the Third Age in our village. About 700 people from all over Toowoomba come to the village. It brings a great feeling that this village is not isolated but is part of the community. People from the village can apply to become a member of the University of the Third Age, though it is difficult at times to get in because it is so popular. We have put that into the old sergeants mess that was on the site—it was an Air Force base—and it is very popular. As I said, some 700 people attend. We also have a local RSL club which meets there every Friday night and on Anzac Day, and that provides another avenue for interaction. It brings that sense

of community life to the place. Adjacent to the property is a shopping centre with seven shops, so people are able to walk to the shops. That, again, brings a community feel. We also have the Darling Downs Family History Society located on one of the buildings on the site, with a number of computers for people to look up their family history.

I think that is important. I have always felt that retirement villages should not be isolated. As much as possible they should be within the community. It is sometimes difficult to get the space to have them within the community, but I have often thought that retirement villages on the edge of the CBD would be good because people are involved in all the activities that are on and it is not far to travel. In our particular case, there is a bus stop at the door and it is about three kilometres from the centre of the CBD, the hospital and so on.

My village is administered by the Toowoomba Ladies Benevolent Society, which also runs Brodribb retirement village and independent living and nursing home in the town. It is a wonderful organisation that was started in approximately 1890. It was the first organisation to provide for the care of elderly women on mainland Queensland. There was Eventide on Stradbroke island at the time, but the Toowoomba Ladies Benevolent Society provided care for elderly homeless women in the old Brodribb Home and also provided care for pregnant girls. It was a pioneering organisation of its kind and it provides the management of this particular village.

As I have said, it is very important for the elderly to have this clarity. I note from our shadow minister that we are supporting the bill, but there is an issue about the retrospectivity which I did want to speak about. In running a retirement village, whether it is a not-for-profit organisation which has to make a surplus in order to be viable or whether it is a for-profit company which has a responsibility to shareholders, extensive legal documentation is required to be completed with the department of fair trading, particularly through the public interest disclosure, or PID. That is essential so that both sides know exactly what all the details are. It has to be updated every time there is a change in the financial arrangements of the village. It is monitored and audited by the department of fair trading to ensure that is there. I think that is wonderful. Basically, as I understand it, it is a legal document and every resident has undertaken this. It is recommended to any new resident that their solicitor go through it and check it out and that their family go through it, because it sets everything out. That PID is there and it is binding.

An operator, regardless of whether they are not-for-profit or for-profit, has to operate a viable organisation under the law. To do that, they have to budget properly and set out how they maintain that viability. It is not good law to use retrospectivity in a case such as this. I think that everybody would agree that if the bill changes the arrangements—and there will be new arrangements in place from today—then people can make adjustments so that an operation remains viable.

However, a retrospective arrangement, where legal arrangements have been entered into through the public interest disclosure, where there has been agreement from both sides and it has been set out under the full auspices and umbrella of the department of fair trading, means we suddenly forget all of that legal documentation, signed off on by everybody, and we change it and move forward. Fundamentally, it is morally and legally wrong to retrospectively change things that have been agreed to, that have been processed through the department of fair trading and that are now the rule or the law. To change that and to state that it no longer applies is just bad law, bad government and is morally and legally wrong.

I understand that Aged Care Queensland has raised a serious issue. There has been long consultation over approximately two years, but a number of changes to this legislation were not in the final draft that they saw. However, I think that whatever disagreements they may have with a number of issues that were not in the final draft, everybody can live with changes from the point of this legislation, provided they are undertaken fairly, morally and legally.

The very important point relating to this legislation is the issue of retrospectivity. I do not think that it is fair. People talk about operators, and let us bear in mind that the operators are not-for-profit and/or for-profit and both of those have to remain viable. It is important that both types remain viable for their residents' sake, and that the clarity that exists legally in the PID and which is undertaken through the department remains in place. A legal agreement has been in place and to suddenly change it and state that, retrospectively, it will all be wiped out, makes a mockery and a joke of the public interest document. It is a very important and very complex document. It is essential to the good and ethical running of the operation, and to honesty and clarity in allowing people to know exactly what they are buying, what the arrangements are upon their exit, and what all of the other arrangements are in the operation of that particular village.

A matter that I want to comment upon that was discussed between the government and Aged Care Queensland in developing this bill is the matter of the per unit voting system. In the draft, a per unit voting system was prescribed and, in the bill, the per unit voting system remains. However, the residents may, by special resolution, vote to introduce instead a per person system.

When one looks at the make-up of the population of most of these villages, one finds a preponderance or a greater percentage of single women who have been widowed. All of the units in a

village have a value. If a unit housing a married couple has two votes and a unit housing a widow has one vote, I think it is intrinsically unfair to the single people—whether it is a widow or a widower. Intrinsically, if you give two votes to a particular unit that houses a married couple, it discriminates against the one-person unit. Mostly, that is the preponderance in the villages. I would think that most of them are single people because one spouse has died. I would like the minister to comment on that because it is important to be careful not to discriminate. Basically, the place is made up of units and each unit has a value.

One thing that I have noticed—and I mentioned this in my earlier remarks—is the security of having a nursing home associated with a village or some pathway towards a nursing home for residents of a village. I think it is always in issue whether or not there are enough nursing home beds in a town.

Toowoomba seems to be very much a regional centre and people gravitate to our city. They may have lived in western Queensland and, whilst they might like to stay in the town that they grew up in, in many cases their grandchildren are attending school in Toowoomba or their family has moved to Toowoomba or to south-east Queensland and they want to move to a village where their relatives can visit them. That means that places such as Toowoomba, with the number of retirement villages there, have a very, very strong need for nursing home beds that perhaps does not always fit the exact formula or mould used by the federal government. Perhaps it is X number of beds per so many people aged over 60—or over 70 or 80. I forget what the formula is, but I remember that when I was the minister for health there was a formula.

However, it is very difficult to apply that formula to a city such as Toowoomba and probably to cities such as Townsville and Rockhampton, which people suddenly move to as they age, become vulnerable or one partner dies. They move to regional centres and into the growing number of retirement villages that are located there. It is important to have more nursing home beds available. It is good for a village to be able to have a nursing home on it, or near it, or a pathway to it. I think something that many families do not understand is that it does not guarantee a placement. If an elderly person gets sick very quickly and urgently needs to be placed in a nursing home, it often has to be the one that has a vacancy at the time.

Another matter of concern to those involved in the industry is that people can set up a retirement village without going through the hoops of a public interest document and all the regulations and laws and accountability that are required by calling it a relocatable village. There are relocatable villages with brick houses on them.

Ms Keech: They are regulated under the manufactured homes legislation, which is completely different legislation.

Mr HORAN: Yes.

Ms Keech: They are regulated by the Office of Fair Trading.

Mr HORAN: I appreciate the minister's comment on that, and the extent to which the people in the village are very similar, if not the same in some cases, as a normal retirement village. However, they have different arrangements governing them because they are called relocatable. In some places they are relocatable and could be picked up and in other cases they are brick buildings that have some form of gap within them that ostensibly still allows them to be picked up. It is most important that retirement villages have an absolute commitment to the care, safety and happiness of their residents. Whether a village is run by a for-profit organisation or a not-for-profit organisation, that has to be its No. 1 priority.

As I said, we support this bill. I applaud anything that enables the elderly and their families to see with clarity what they have to pay, for example, with exit fees. Different villages have different arrangements. Some have participation in what is called capital gain. Others do not have participation in capital gain but it is less costly to get into a unit. The term 'capital gain' is sometimes a misnomer because it is actually the deferred management fees that are charged on the value of the place at the time of going in and the value at the time of going out. Whilst it is not strictly a true capital gain, it is about deferred management fees being charged on a particular value.

The No. 1 responsibility of for-profit organisations is to their residents, but they also have a responsibility to their shareholders who have provided the funds to build the facility which, hopefully, provides happiness, safety and security for people.

I do not think many elderly people would want to be involved in arguments with managers et cetera. Therefore, it is important that the legislation we pass makes it clear and simple. As I said, it is important that the legislation drives this industry towards providing a good quality of life for elderly people. However, I do reiterate those very serious concerns about retrospectivity.