

TRANSCRIPT

STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES

Inquiry into the retirement housing sector

Melbourne — 28 September 2016

Members

Mr Edward O’Donohue — Chair

Ms Nina Springle — Deputy Chair

Ms Margaret Fitzherbert

Mr Daniel Mulino

Ms Fiona Patten

Mrs Inga Peulich

Mr Adem Somyurek

Ms Jaclyn Symes

Participating Members

Ms Colleen Hartland

Mr Gordon Rich-Phillips

Staff

Acting secretary: Mr Patrick O’Brien

Witness

Ms Elsie Teer.

Ms TEER — My name is Elsie Teer. My comments are following up on some of the financial things that we probably do not understand could come further down the track. The complexity of the retirement village model — that is, that the land is owned by the owner of the village and the house is owned by the individual — means that this then is not seen as the individual having an asset if they go to the bank to get a loan to purchase some whitegoods or replace their car or buy some mobility aids, whatever they may need, nor can it be used in the reverse mortgage scheme for exactly the same reason. So this really disadvantages older people, many of whom may be living on a fixed income, and they have actually locked themselves into a purchase that is not seen as an asset.

The CHAIR — Thank you very much.

Witness withdrew.