

Mr T Izzard

Submission No. 142
Date Received

House of Representatives
Legal Committee
The Hon Chairperson

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BY: LALA

Dated 30th July 2007

The Hon Chairperson

Dear Sir/Madam

I tender my submission to you that an urgent review of the legislation that controls Retirement Villages non profit and for profit Companies in Western Australia and all States and Territories in Australia.

I'm unaware that there is any Federal Legislation in regard to person/persons that enters into a contract to take up residency on a contractual basis in a Retirement Villages. In the event of the Company/Companies becoming insolvent, the current Acts in Western Australia do not give security of tenure in regard to this long term Lease. The individual Lease Holder cannot take out a caveat to secure the tenure of the Lease. Should the Lease Holder attempt this approach the Company demands of the Lease Holder to remove the said caveat, which in the State of Western Australia would go to the Supreme Court of WA that would mean a huge financial legal bill for the Lease Holder.

In the West Australian Acts which are The Retirement Villages Act the Caravan Parks and Camping Act 1995, Residential Tenancies Act 1987 and also Residential Parks (Long stay tenants) Act 2006. These Acts do not in my consideration protect any person entering into a contractual Lease Hold agreement currently at sixty years. The said Companies do not allow any caveat to protect the tenure of the lease. In the event of said Companies becoming insolvent there is no protection for the Lease Holder under these Acts. I consider that this to be grossly unfair, in consideration of the ages of the Lease Holder forty five and over, this would cause immense financial distress for all concerned including the Government of the day.

I also consider that any Company Australian or Foreign who trade as Life Style Villages Government Legislation under the appropriate Acts the Company/Companies must place in trust a sum of money with a Government Body in the event of them becoming insolvent, the Trust money to be determined by Government Legislation If the Government of the day does not take into consideration the problems that I have identified this could cause a far greater problem with far reaching consequence for all people who have unwittingly entered into contracts in good faith.

This could be remedied by the establishment of a Deposit Guarantee Scheme that would ensure the repayment of the principle that they have outlaid in entering into a contract of purchasing a home within the scheme.

In the event of any new Act/Acts they should be written so as to enable the Lay person to fully understand the said Act/s

T. D. A Izzard