

ENGAGING THE FINANCIAL SECTOR

Presented by

**STEPHEN BOYLEN
DIRECTOR PLANNING AND POLICY
OFFICE FOR SENIORS INTERESTS AND VOLUNTEERING**

at

THE FINANCIAL ABUSE OF OLDER ADULTS SEMINAR

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Abusive situations within families make it difficult for an older person to stand up for their own rights.

We know that older people who are being abused often experience an element of shame and lack of self worth.

We also know that those who are victims are often unlikely or unwilling to prosecute the perpetrators with whom they have an emotional bond.

And finally, we know from international, national and Western Australia research that financial abuse is the most common type of elder abuse.

It is extremely difficult, if not impossible, for an older person to regain their former financial situation if they fall prey to abusive or exploitative situations.

With the ageing of our population there is likely to be an increase in the number of older people who could find themselves in this sort of situation.

It is therefore imperative that we identify ways to prevent the abuse from happening in the first place, wherever possible.

This is why the Office for Seniors Interests and Volunteering has commenced a strategy to address financial abuse of older people – and this has included commencing discussions with representatives of the banking and finance sector in Western Australia.

We know that in the United States, a number of banking institutions have adopted initiatives to address financial abuse of their older customers – and we believe that the Western Australian sector will see the benefits of developing preventative initiatives for their older customers.

Last November, the then Minister for Seniors, the Hon David Templeman MLA hosted a breakfast for representatives of the banking and finance sector.

The keynote speaker was Dr Alexandre Kalache, head to the Active Ageing and the Lifecourse Unit at the World Health Organisation who provided a very personal insight into financial abuse of older people by telling the story of his great aunt who was herself a victim.

We also heard from Michelle Scott, WA's Public Advocate, who spoke earlier today – and Mr Colin Neave, the Australian Banking and Financial Services Ombudsman who talked about the responsibility of the industry in terms of undue influence; simple strategies that can be adopted – such as good lines of communication between staff; and he shared an interesting term with us “inheritance impatience” – which so aptly describes many of the situations we have heard about doesn't it?

The aim of that breakfast was to raise the industry's awareness about the issue. We provided all invitees with background information about elder abuse and we were delighted with the level of interest and understanding about the issue amongst the representatives we met that day.

Tomorrow, the Hon Sue Ellery MLC, Minister for Seniors and Volunteering will host a roundtable meeting with the sector to discuss what the Western Australian Government can do to assist that industry to respond to the issue of financial abuse of older people.

We recognise that we are limited in what we can do to support the industry – as the Australian Government has responsibility for legislation relating to the industry.

However, we believe we can support the sector in at least a couple of ways that could really make a difference to the security of older people's finances.

This could include banks and financial institutions taking an active role by providing training and developing processes to help minimise the risk of financial abuse of older people.

Initiatives could include:

- staff training about the issue so they recognise situations of abuse or risks for their customers;
- the development of protocols for staff so they know what they can do if they recognise abuse and understand issues relating to decision making disabilities; and
- training about enduring powers of attorney and powers of attorney and raising the importance of these instruments when discussing financial planning and retirement matters with customers.

The industry could also play a role in preventing elder abuse through:

- the distribution of generic information about elder abuse to raise awareness among their customers;
- encouraging head offices to include information about the issue on their websites with links to useful sites; or
- making information such as pamphlets about financial abuse available to customers at bank branches.

We have also held some discussions with the Australian Banking Association to identify ways that that organisation can help to promote the importance of banks being involved in elder abuse prevention. Their response has been very positive and encouraging.

I know that the Office of the Public Advocate has already provided training to some financial institutions on enduring powers of attorney and powers of attorney and I'm sure there will be more requests following the meeting tomorrow.

One outcome that we would like to achieve is the development of a training kit for banking staff.

Ideally this would be accompanied by an ongoing training program so that all banking and finance personnel are aware of the importance of elder abuse prevention and recognise and respond appropriately.

We cannot expect the financial sector to take this issue on in isolation – a partnership is required.

This partnership will involve all of us here – government, non-government and the community – letting the financial sector know how important this issue is and what resources, referral routes and other skills and knowledge we have to offer.

Abuse and exploitation of older people can only be dealt with when it is not a secret.

The more the community is aware of the issue, the greater the chances are of reducing this type of behaviour.

I urge you all to encourage awareness raising and training within your own work places and to share skills and knowledge to ensure that we all recognise abusive situations and respond appropriately to support the abused person – or better still – prevent abuse happening in the first place.

Thank you.