

## Melbourne

168 Exhibition Street,  
Melbourne, 3000  
03 9667 6444

## Glen Waverley

Suite 22, 2nd floor,  
40 Montclair Avenue  
Glen Waverley, 3150  
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## Dandenong

Shop 4, 157 Lonsdale Street  
(corner of Foster Street)  
Dandenong, 3175  
03 9667 6444

## Bendigo

74 Pall Mall  
Bendigo, 3550  
1300 138 672  
(cost of a local call)

## Did you know that State Trustees:

- raised **\$83,500 for Alzheimer's Australia Vic** through its annual Charity Ball in 2011
- continues to **raise awareness about the issue of financial elder abuse** through commissioning research into financial elder abuse in conjunction with Monash University.
- continues to **participate** in a number of submissions and legislative reviews to **influence laws that affect our clients** such as Parliamentary Enquiry into Powers of Attorney, Guardianship Laws Review and Federal Regulation of Trustees Companies.
- retrieved **\$779,460 of overseas pension entitlements** for clients, who have previously lived or worked overseas
- conducts a series of **educational seminars** to health professionals and community workers across Victoria
- prepared **1,836 Enduring Powers of Attorney (EPAs)**
- was nominated as **sole or co-executor in 81% of Wills** prepared by State Trustees

\* figures are based on 2009/10 performance figures and are subject to changes such as variations in market value



## Any concerns?

State Trustees is committed to customer service – and all concerns are very important to us.

If someone has experienced a problem in dealing with State Trustees, or would like to suggest ways to improve our customer service or products and services, please contact us. Our Client Relations Manager, Anthony Hughes is responsible for ensuring that all customer concerns are investigated in an independent and timely manner:

Tel: (03) 9667 6200  
Fax: (03) 9667 6404  
Email: clientrelations@statetrustees.com.au  
Address: 168 Exhibition Street,  
Melbourne, Victoria, 3000

State Trustees is subject to the Ombudsman Act 1973. If you believe your concern has not been satisfactorily dealt with, you can also contact the Ombudsman Victoria at:

Address: Level 9, 459 Collins Street,  
Melbourne, Victoria, 3000  
Telephone: (03) 9613 6222  
or 1800 806 314 (toll free from  
outside the metropolitan area)

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Questions? Concerns? Call State Trustees' Client Concerns Manager on 03 9667 6200

Helping Victorians with their financial needs so they can make the most of their opportunities since 1939

## Financial Elder Abuse – The Silent Crime

By Tony Fitzgerald

Paul, 87, was slowly succumbing to dementia. He had no relatives, but treated neighbours Sue and Barry, a middle-aged couple, like family.



It is sad and disturbing that many cases of financial abuse are perpetrated by family members and others close to the victim

A social worker who met Paul during one of his frequent stays in hospital became concerned that Sue and Barry were taking advantage of him. She learned he was giving the couple \$500 every day and they were operating his bank accounts.

Paul also told the social worker, after he left hospital and temporarily regained his mental capacity, that Sue and Barry had withdrawn \$13,000 from his bank account and taken the title to his home. They had also secured Paul's signature to change his Will in their favour and transferred ownership of Paul's car to Sue's daughter.

After the social worker intervened through the Victorian Civil and Administrative Tribunal (VCAT), State Trustees was able to step in to help, and discovered more evidence of a systematic raid on Paul's assets in Australia and overseas. State Trustees is working with Victoria Police to recover the stolen assets.

'Paul' is not his real name, but the details are typical of a disturbing and increasing trend in our community. State Trustees, an organisation that manages the estates and financial affairs of thousands Victorians, is coming across an increasing number of cases of financial abuse of older people.

It is sad and disturbing that many cases of financial abuse are perpetrated by family members and others close to the victim, not by unscrupulous professional advisers or snake-oil salesmen.

This week State Trustees released the fourth in a series of reports it commissioned from Monash University on the Protecting Elders Assets Study.

The fourth report reveals how non-English speaking Australians are at even higher risk of financial elder abuse due to their dependency on others for translation, transactions and services related to their finances.

The four reports highlight the distressing irony that older people do not believe it will happen to them, and that children are in fact the most common perpetrators of financial elder abuse, unlike in Paul's case.

Today's older people are the richest in history. Successive property booms have produced substantial wealth in the family home alone. Successive share surges have produced substantial wealth for people with modest share portfolios purchases half a century ago.

The first of the baby boomers turned 65 this year, so the proportion of elderly in the population will begin to increase dramatically. This generation will produce the biggest transfer of wealth between generations that the world has seen.

Unfortunately, people in some families are not prepared to wait until death does them part.

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## From the Managing Director

Welcome to the June edition of Your State Trustee for 2011, our biannual newsletter that keeps Members of Parliament and their staff up to date with our news and activities. You are welcome to use any of the information in this newsletter for your own electorate publication or website.

Our cover story features an opinion piece I wrote on the worrying trend of financial elder abuse in our community which featured in The Age recently.

Over the page, we feature a profile on one of our Personal Financial Consultants, Ray Galea. Ray works in our Intensive Needs Team and is responsible for looking after the financial and legal affairs of some of our most vulnerable clients.

Page 2 features an overview of the Budget Briefing session State Trustees recently hosted in Bendigo.

Our last article addresses a worthwhile community program for disabled migrants; one of eight community initiatives across Victoria to receive a grant of up to \$5000 program from State Trustees.

We hope you enjoy this edition.  
Regards,

Tony Fitzgerald

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Sibling rivalry can play a part in care and comfort sliding into abuse. There have been cases where one son or daughter has devoted considerable time to caring for the parent, while a sibling has stayed away. The carer sibling then feels entitled and persuades the parent to change the Will.

Financial elder abuse can range from misusing an ATM or credit card, to taking money or property, forcing or forging an older person's signature or persuading them to change their Will, contracts or powers of attorney through deception or undue influence. Some adult children see their parents or their grandparents as their only chance of entering the property market – and they want to do it now.

Surprisingly little is known about the incidence of elder abuse. State Trustees has engaged Monash University to investigate the data and the nature of the problem. Early results show there is an urgent need for new data collection systems among the many agencies which come into contact with older people.

Based on international studies and the limited information available locally, the study found up to 5 per cent of people aged 65 or over will experience financial abuse at some time.

Data collected by the Monash group indicates that older women were more likely to be victims of financial abuse than men and the most likely perpetrators were sons, followed by daughters, then guardians, followed by other family members.

The data also indicated that high rates of dementia were making large numbers of our elders vulnerable. There was evidence that powers of attorney were being used to

deprive older people of their financial assets.

As part of the research, the Monash team analysed data from the case files of 70 people whose legal and financial affairs have been transferred to State Trustees by a VCAT order after financial mismanagement. These cases may not be typical of financial elder abuse in the community, because our clients are generally those with a legal disability through dementia, intellectual impairment, mental disorder and/or brain injury.

However the analysis provides some useful insights into how financial abuse occurs. Common problems included misappropriation of funds from bank and other accounts, the proceeds of the sale of assets being used to benefit others, payment of other people's debts, the redirection of pension payments to people appointed under a power of attorney, the purchase of the older person's home at less than market value, and removal of cash from safety deposit boxes.

The baby-boomer generation has been the luckiest generation in history. It has enjoyed relative world peace, universal education, the most dynamic period of technological development, great affluence, increased leisure time and no economic depressions. They are living longer than any previous generation.

**Unless the community comes to grips with the problem of financial elder abuse, many of the so-called lucky generation may spend their final years being ripped off by those closest to them. And many will not even realise it is happening to them.**

## Employee Profile: Ray Galea, Personal Financial Consultant

Every night over 14,000 people sleep rough on Melbourne's streets or stay in transitional accommodation\*. For many, it's a lonely and frightening existence – each morning Ray Galea gains a rare insight into their worlds.

Ray Galea is a Personal Financial Consultant in State Trustees' Intensive Needs Team – a group of consultants responsible for managing the financial and legal affairs of up to 160 of Melbourne's most financially, physically or socially vulnerable people. Approximately 20% of the Intensive Needs clients have no regular or permanent form of accommodation.

An average day for Ray involves meeting with his clients to discuss their financial requirements and liaising with other Government and community support agencies, such as homeless shelters, to help clients connect with complementary welfare services.

State Trustees' Intensive Needs Team is often the last available service with whom these vulnerable Melbourne residents engage and,

as such, is often the last avenue that can link these people to the support they need.

"Surprisingly, it's not the lack of shelter or access to basic necessities that presents the biggest problem to our clients; it's the lack of connectedness and feeling of belonging to a family or local community. It can be a very lonely and frightening existence," Ray said.

"Some of the stories they share are pretty confronting – incidents of violence, drug abuse and sexual assault are not uncommon," Ray said.

**State Trustees' Intensive Needs Team won a Melbourne Award in 2009 for its outstanding contribution to the community.**



Personal Financial Consultant, Ray Galea.

\*Source: 1-3 ABS, 2050.0 Australian Census Analytic Program: Counting the Homeless, 2001.

## Community grants

Migrants with a disability were the beneficiaries of a \$5000 community grant from State Trustees. The community grant will fund **OPA! You Can Do I Can Do**, Spectrum Migrant Resource Centre's weekly dancing group for adults from culturally and linguistically diverse (CALD) backgrounds.

"Many CALD people with disabilities have limited connections to mainstream disability support services, particularly if they have trouble speaking English. OPA! was created in 2009 to provide an opportunity for participants to learn new skills, keep healthy and build ongoing friendships," General Manager of Aged & Disability Services, Nirmala Abraham, said.

"Our broader mission is to work with migrants and refugees to successfully settle and participate in all aspects of community life through delivering culturally appropriate services and recreational activities," Ms Abraham said.

The Spectrum Migrant Resource Centre is one of eight community organisations across Victoria that received a grant of up to \$5000 from State Trustees. The Community Grants Program supports projects which help older people, those with physical and intellectual disabilities, mental illness or people dealing with bereavement.

"Now in its ninth year, the grants program has helped close to 100 community groups across Victoria continue their vital and often unsung work," State Trustees' Managing Director, Tony Fitzgerald, said.



Pictured from left:

- Cr Alec Sandner, City of Greater Bendigo
- Grant Hehir, Secretary, Department of Treasury & Finance
- Penny Armytage, Secretary, Department of Justice
- Mike Hirst, Managing Director & Chief Executive Officer Bendigo and Adelaide Bank
- Tony Fitzgerald, Managing Director, State Trustees

## Bendigo budget briefing

State Trustees had the pleasure of sponsoring the Institute of Public Administration Australia's (IPAA) annual budget briefing in Bendigo in May.

Keynote speaker, Grant Hehir, Secretary of the Victorian Department of Treasury and Finance, provided local businesses and community stakeholders with a rundown of the Budget, specifically how it relates to the local Bendigo and surrounding areas.

Mike Hurst, Managing Director and Chief Executive Officer, Bendigo and Adelaide Bank, then provided commentary on the budget from a local perspective.

The event provided guests with an early opportunity to learn how the Victorian State Budget will shape government and business economic performance in the coming year.

The IPAA State Budget briefings were established in 1997 to provide an early firsthand overview of the State Budget and implications for the year ahead. Since 2008 IPAA has been delivering the budget briefing regionally.

"IPAA have once again followed up on their commitment of taking the program beyond the Melbourne CBD by hosting this year's briefing in the City of Greater Bendigo," Mr Fitzgerald said.

## Events

### Looking forward to: State Trustees connected11<sup>®</sup> Art Exhibition

State Trustees' annual art exhibition connected will be held between 12–21 August, 2011.

The highly celebrated art event is open to new and emerging Victorian artists with a disability or an experience of mental illness.

**connected** first began in 2003, featuring the works of 22 artists. Now, **connected** has steadily grown into a well known fixture in the Victorian art scene calendar, with **connected10** featuring 215 works including paintings, photographs, ceramics, 3D work, animation and poetry.

The exhibition will be held at: **No Vacancy Gallery, QV Building, Melbourne.** For more information visit [www.statetrustees.com.au/connected](http://www.statetrustees.com.au/connected)

### Just enjoyed: Charity Ball

The State Trustees Charity Ball 2011 was held on Saturday 25 June at Sofitel Melbourne on Collins.

The night was a huge success, with \$83,500 raised for charity partner Alzheimer's Australia Victoria. The funds will support a volunteer training program.

"We are thrilled to have exceeded last year's fundraising total of \$68,500. The success of the evening would not have been possible without the tremendous support of our sponsors, suppliers, employees and guests – a big thank you to all for their generous contributions," State Trustees' Managing Director, Tony Fitzgerald, said.

Over 450 guests, including Treasurer, Kim Wells, Minister for Health and Ageing, David Davis, Professor Colin Masters, Alzheimer's Australia Victoria CEO, Maree McCabe and Alzheimer's Australia National President, Ita Buttrose, were treated to an eclectic line-up of comedy, live music and fine food and wine.