



## THE HON JUSTINE ELLIOT MP

### Minister for Ageing

#### MEDIA RELEASE

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#### **\$150 million – 1,455 nursing home beds and community care packages for older Australians in areas of high need – election commitment**

Almost 1,350 (1,348) new nursing home beds and 107 community care places are set to be allocated in areas of high need – as part of the Australian Government's Zero Real Interest Loans and Associated Places Round.

**Minister for Ageing, Mrs Justine Elliot announced that there would be in total 1,455 beds and community care packages nationally.**

Mrs Elliot announced Stage One of the Australian Government's \$300 million two-part election commitment today.

The round announced includes 375 beds and community care packages in Western Australia (\$46.6 million) and 154 bed and packages in Tasmania (\$16.07 million). WA and Tasmania were previously under-subscribed in last-year's ACAR (Aged Care Approvals Round) process.

In addition, NSW received 293 beds and packages (\$30.1 million); Victoria received 246 beds (\$19.7 million); Queensland received 259 bed and packages (\$24.7 million) and South Australia received 128 beds (\$12.8 million).

#### Summary of offers - 2008 Loans Round

State/territory	No of residential aged care places	No of community care places	Loan amount recommended
New South Wales	248	45	\$30,110,000
Victoria	246	-	\$19,690,000
Queensland	249	10	\$24,730,000
Western Australia	347	28	\$46,600,000
South Australia	128	-	\$12,800,000
Tasmania	130	24	\$16,070,000
<b>Recommendations</b>	<b>1,348</b>	<b>107</b>	<b>\$150,000,000</b>

The aged care providers will obtain the loans and the Federal Government will cover the cost of the interest on those loans. This is expected to be about \$11.5 million over the forward estimates.

"This is about providing nursing home beds for our nation's older frail and aged through low-cost finance in areas where they were previously unlikely to be established," Mrs Elliot said.

“This is about tackling the challenges of the 21<sup>st</sup> century and our nation’s ageing population.”

The applications were assessed independently by Department of Health and Ageing. It also worked closely with a probity adviser on the assessment and negotiation process.

The loans were an election commitment and the Government has pledged to cover the cost of the interest on the loans.

Following a review of the first stage of the loans, Stage Two would provide the remaining \$150 million in loans and the balance of the places.

The review will examine the effectiveness of the first round and nominate areas for refinement such as new areas of high need and definitions.

Applicants needed to have a sound financial base and proven experience in residential aged care, as well as a willingness to provide aged care services in areas of high need.

Successful applicants have been offered a loan to build or expand nursing homes and respite facilities to which only CPI is applied.

Details of the offers made to the recommended applicants will be published on the Department of Health and Ageing website at [www.health.gov.au](http://www.health.gov.au)

### **An ageing Australia – the facts**

Australians have the second longest life expectancy in the world.

An Australian born today can expect to reach 81.4 years of age. New research shows that, by mid-century, Australians could expect to live to their mid-to late 80s.

Currently, there are some 2.8 million Australians – about 13 per cent of the population – aged 65 and over. This number is expected to triple over the next 40 years. The number of people aged over 80 years will almost double in the next 20 years.

Over the next four years, the Australian Government is investing more than \$40 billion; \$28.6 billion of that on nursing homes alone.

There are almost 3,000 nursing homes with more than 170,000 beds.

“No Australian Government has committed more funding to aged and community care than the Rudd Labor Government,” Mrs Elliot said.

**For more information, contact Mrs Elliot's office on (02) 6277 7280**