



## THE HON JUSTINE ELLIOT MP

### Minister for Ageing

#### MEDIA RELEASE

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#### **Australian Government's Zero Real Interest Loans Program – 115 Applications Received**

Australian Government has provided a progress report on its Zero Real Interest Loans program to help create hostel and nursing home places in areas of high need.

The Department of Health and Ageing has received **115 applications** – at the time of applications closing on June 6.

Minister for Ageing, Mrs Justine Elliot gave the update in an address to the Aged and Community Care Victoria Annual State Congress in Melbourne.

Earlier this year, the Australian Government set up a \$300 million zero real interest loans program to help create 2,500 permanent residential aged care places in areas designated as "high need". This was an election commitment.

The three-part delivery plan comprises:

- **Stage One: An initial \$150 million zero real interest loans for up to 1,250 residential aged care places provided by the Commonwealth;**
- A review\* and evaluation after this first round – to determine the implementation arrangements for the remaining 1,250 places; and
- Stage Two: providing the second set of 1,250 places - \$150 million zero real interest loans.

Until the applications are assessed, the Department of Health and Ageing will not know whether there will be sufficient quality applications to allocate \$150 million in loans and 1250 places.

Applications will be assessed against the application criteria and conducted independently by the Department of Health and Ageing.

An independent financial adviser will be advising the Department on the financial aspects of the applications. In addition, an independent adviser will assist the Department on probity matters.

Based on the number of applications received and the complexity, the Department expects to have completed the assessment phase by late July. Announcements are scheduled to be made in August.

The loans are part of Australia's plans to prepare for the challenges of the 21<sup>st</sup> century and the nation's long-term needs.

It delivers on the Government's election commitment to provide low-cost finance to help proven providers establish services in areas where they have previously been unlikely to invest.

The zero interest loans mean providers can obtain a loan to build or expand residential aged care and respite facilities to which only the consumer price index will be applied.

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