



AGED CARE INDUSTRY COUNCIL MEDIA RELEASE

Peak Council of Australia's Aged Care Providers



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Aged care building deferrals to put more pressure on hospitals and families

Half of Australia's aged care providers are deferring building works in the wake of government indecision surrounding capital financing, according to an Aged Care Industry Council (ACIC) survey.

ACIC is the peak council of Australia's aged care providers, comprising the two key representative bodies, Aged Care Association Australia (ACAA) and Aged and Community Services Australia (ACSA).

Releasing the 2010 online building survey, ACCA CEO Rod Young said 51 per cent of the 220 respondents indicated they had deferred building work in the past 12 months.

"Of those 41.7 per cent were new works and 58 per cent renovations and extensions with more than half being deferred indefinitely," he said.

"This means there simply won't be enough places in residential care for older Australians who will be forced to stay longer in hospital or cared for at home by their children.

"Neither of these alternatives is acceptable if older people are to have appropriate care and support when they need it most."

ACSA CEO Greg Mundy said: "We can't afford to stand still in aged care. The whole process of building, including financing and planning approval, takes time. Continual delays will exacerbate what is already a looming problem in some areas where there are long waiting lists for residential care.

"Governments plan and budget for all other infrastructure needs but they have failed to provide workable capital raising policies in aged care."

Thirty-one per cent of respondents blamed the inability to service borrowings as a reason for deferring building works and 21.8 per cent cited the cost of finance.

Mr Young and Mr Mundy said zero interest loans or one-off grants were only partial solutions at best in an under-funded industry.

"New facilities won't materialize if providers can't afford to build them.

"This election campaign is an opportunity for all parties to demonstrate their commitment to our ageing population and signal how they intend to address the very real problem of capital investment in aged care."

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