

SE TheNation
HD Port **sale** puts \$1bn into Baird's coffers

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NSW Premier Mike Baird will have \$1 **billion** more than he expected to spend on new infrastructure projects after a consortium paid a knockout price for the Port of Newcastle.

In a deal that also marks a vote of confidence in the state's beleaguered **coal** industry, the consortium of Hastings Funds Management and **Hong Kong**-based shipping **company China Merchants** has agreed to pay \$1.75bn for a 98-year lease on the Port of Newcastle, the world's biggest **coal** export port.

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Mr Baird, who was elevated to Premier from treasurer two weeks ago, has raised **billions** for the state in selling its three main ports, a desalination plant and the state's electricity generators, vowing to recycle the funds into new infrastructure such as the WestConnex road linking Port Botany and Sydney airport to the city's western suburbs.

The "social privatisation" model that includes new owners with large numbers of local superannuation fund members has been an important part of winning public support for the sell-off and could help pave the way for the **sale** of the state's electricity transmission and distribution networks, worth an estimated \$30bn.

Mr Baird described it as a "momentous" result that exceeded the \$700 **million** official estimate and would pave the way for further investment in the Hunter region. He has allocated \$340m of the proceeds to revitalise Newcastle, with a further \$120m committed to develop light rail in the state's second city.

"The people of Newcastle and the Hunter should watch this space for further initiatives in their region," Mr Baird said.

Opposition Leader John Robertson accused Mr Baird of being out of touch with the region because he had allocated only 20 per cent of the gross proceeds towards projects there, and failed to appoint any of its MPs to his cabinet announced last week. "Mr Baird is simply flogging off the port and then short-changing the Hunter," he said.

john durie P17

CO hasfml : Hastings Funds Management Limited | wstpac : Westpac Banking Corporation Limited

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