

SE News
HD **Baird's \$1.7b port sell-off**
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PREMIER Mike Baird has clinched his first big privatisation deal, selling Newcastle Port for \$1.75 **billion** yesterday.

Mr Baird pledged the net proceeds of \$1.5 **billion** would be spent on infrastructure, with one-third directed to rural projects.

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Newcastle will get \$340 **million** to revitalise its CBD, on top of the \$120 **million** already allocated.

The port's new owner is an equal partnership between Hastings Funds Management and **China** Merchants, which has taken a 98-year lease in what Mr Baird described as "an amazing result" which "exceeded expectations".

On being elevated to Premier after Barry O'Farrell tripped up over a \$3000 bottle of Grange Hermitage **wine** at an ICAC hearing, Mr Baird said privatising tired assets would be key to his revitalisation agenda for NSW.

"Today, the state has much more financial flexibility to invest in the infrastructure that we need across NSW that we didn't have before today," Mr Baird yesterday.

"There's obviously more announcements to come but the firepower of NSW just got stronger.

"It reflects a momentous result." The **sale** brings to almost \$7 **billion** the coffers of Restart NSW, the fund dedicated to building roads, railways, bridges and upgrading hospitals and schools.

"The infrastructure we are able to deliver is going to bring relief to communities across this state," Mr Baird said.

The Port of Newcastle is the world's largest **coal** port, exporting 41 per cent of Australia's **coal**.

"For a long time, people have spoken about the need for urban renewal in Newcastle," Mr Baird said.

"Well, today it has become a reality. It is going to be renewed; it is going to be the jewel of the Asia-Pacific." Treasurer Andrew Constance said the **sale** was a strong endorsement of the Hunter's **mining** industry and said the new owners had the management experience and resources needed to make the port's future strong.

Hastings has been involved in other government sales, including the Sydney desalination plant at Kurnell and the Cairns and Mackay airports in Queensland.

As Treasurer, Mr Baird negotiated the \$5.1 **billion sale** for Port Botany and Port Kembla electricity generators to a consortium mostly of super funds and led by Industry Funds Management.

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WORKING CAPITAL * 98-year lease **sold** for \$1.75 **billion**.

* \$1.5 **billion** to be spent on infrastructure.

* 30 per cent of the proceeds go to rural infrastructure.

* \$340 **million** to be spent on revitalising Newcastle CBD.* Port **sold** to Hastings Funds Management and **China** Merchants.

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