



**Mike Baird MP**  
**NSW Treasurer**  
**Minister for Industrial Relation**

**Duncan Gay MLC**  
**Leader of Government Business**  
**LC**  
**Minister for Roads & Ports**

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## **MEDIA RELEASE**

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Tuesday 5 November 2013

### **GREEN LIGHT FOR NEWCASTLE MAKEOVER – NSW GOVERNMENT TO PROCEED WITH LONG-TERM LEASE OF NEWCASTLE PORT**

The NSW Government will proceed with the long-term lease of the Port of Newcastle to fund the revitalisation of central Newcastle and priority infrastructure across NSW, Treasurer Mike Baird and Ports Minister Duncan Gay announced today.

Mr Baird said the government had received and considered the recommendations of the comprehensive scoping study, which confirmed it is in the State's interest to go ahead with the lease of the Port of Newcastle – the world's largest coal exporting port.

"Today is an exciting day for the people of Newcastle, who are one step closer to achieving the much-needed revitalisation of their city centre – a major investment which will be made possible through funds raised by the lease of the Port," said Mr Baird.

"The scoping study has revealed strong initial interest from investors for this transaction, that if successful, will drive economic growth and the renewal of Newcastle by fast-tracking critical infrastructure needs in the region.

"At the same time, this transaction will unlock vital funds for the backlog of critical road, school and hospital projects across NSW."

Mr Baird said an Expressions of Interest process will be launched later this month, with the Government to shortlist qualified parties for the next round of the process.

"As one of the largest ports in Australia, the Port of Newcastle plays a critically important role in the export of coal and the movement of other cargo," said Mr Baird.

"In addition, the Port has tremendous ongoing growth and development potential, and has extensive strategic port-side land available for the future growth of general cargo, dry bulk and bulk liquids."

Mr Gay said the lease will include more than 700 hectares of land owned by the Newcastle Port Corporation (NPC), as well as all road and rail infrastructure and wharves owned by NPC within the port boundary.

“NPC will retain a number of important maritime functions and services, including the Harbour Master, dangerous goods approvals, emergency response and administration of the existing coal chain Capacity Framework Arrangements,” said Mr Gay.

“Nobbys Head will also be excluded from the lease to ensure ongoing public access to what is an important place for the community,” he added.

Mr Baird said there was strong interest from both Australian and overseas investors for State-owned assets, as demonstrated by the recent long term lease of Port Botany and Port Kembla.

“The sale or lease of targeted State-owned assets allows the Government to focus on core services such as hospitals, transport and schools. At the same time, recycling mature assets on our balance sheet gives us the flexibility to invest in major, new infrastructure projects across the State.”

Mr Baird said some NPC employees would transfer to the new lessee to ensure business continuity.

“Those who transfer to the lessee will do so with a number of important commitments, including a two-year employment guarantee for Enterprise Agreement employees, a transfer payment and transfer of all sick and annual leave entitlements.

“Employees staying with NPC will have an important job in managing those maritime functions which will remain with the State.

“As with all of our transactions, the NSW Government is focused on selecting the most suitably qualified party or parties to lease the Port of Newcastle and the transaction will only proceed if it is of net benefit to taxpayers,” Mr Baird said.

The NSW Government expects to finalise the long term lease of the Port of Newcastle by the middle of next year following indicative and final bid phases.

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