



Mike Baird MP

NSW Treasurer
Minister for Industrial Relations

MEDIA RELEASE

Thursday 13 March 2014

BAIRD AND HOCKEY TO HOST FORUM ON INFRASTRUCTURE AND SUPERANNUATION

The NSW and Commonwealth governments will launch an initiative to mobilise Australia's \$1.8 trillion in retirement savings to turbocharge the nation's infrastructure, Treasurer Mike Baird announced last night.

Mr Baird used a keynote speech to Infrastructure Partnerships Australia to announce that he and Federal Treasurer Joe Hockey will host a Forum on Superannuation and Infrastructure in Sydney in mid-2014.

The Forum will bring together representatives from major superannuation funds, investment institutions and industry groups and regulators to discuss barriers to greater investment in infrastructure by super funds.

"Australian super funds are more heavily invested in growth assets than most of their international counterparts," Mr Baird said today.

"About half of local funds' investments are in equities.

"Meanwhile, at around 6 per cent, the exposure to infrastructure is relatively low.

"There is a potential synergy between superannuation and infrastructure that we need to exploit if we are going to address the nation's massive infrastructure backlog, which Infrastructure Australia has put at around \$300 billion.

"While our \$5.07 billion sale of 99-year leases over Port Botany and Port Kembla to a consortium of Australian and offshore pension funds last year demonstrated what can be done, we also need to investigate alternative products such as project bonds and debt financing models.

"At the same time, we need to hear from the industry about any internal barriers that inhibit deeper investment in these defensive, long-term assets.

"I'm delighted to join with Joe Hockey in an important initiative that, we hope, will break down at least some of the barriers towards increased private investment in the sector."

A podcast of the Treasurer's speech will be available later today at
www.nsw.gov.au.