



**The Hon Mike Baird MP**  
NSW Treasurer  
**The Hon Duncan Gay MP**  
Minister for Roads and Ports

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## **MEDIA RELEASE**

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27 July 2012

### **GREEN LIGHT GIVEN FOR LONG TERM LEASE OF PORT BOTANY AND PORT KEMBLA**

Treasurer Mike Baird and Ports Minister Duncan Gay today confirmed the NSW Government will proceed with the long-term lease of State-owned assets Port Botany and Port Kembla to fund priority infrastructure projects across NSW.

“The Government has received and considered the recommendations of the scoping study and based on this advice, we have decided to proceed with long-term leases on both assets,” said Mr Baird.

“We are facing an immense challenge to fund the backlog of critical infrastructure across NSW and more needs to be done to free-up the vital funds needed to deliver long overdue road, school and hospital projects across NSW.

“Not only will these transactions provide a boost in funds for priority infrastructure, they also provide significant opportunity to enhance the efficiency of the port operations.

The scoping study examined market conditions, needs of key stakeholders, the readiness of the businesses and provided recommendations on the best way forward.

Based on this advice, the transactions will be structured as follows:

- 99-year lease of the Port Botany precinct, as well as the transfer of the Enfield and Cooks River logistics sites currently owned by Sydney Ports Corporation
- Sydney Ports Corporation will retain a significant maritime role in Government ownership, including the role of Harbour Master, the Sydney Harbour sea pilots, maintaining navigation buoys and markers, as well as the Port Jackson wharves and cruise shipping functions.

**Media:**

**Nigel Blunden – 0407 632 931 (Treasurer)**  
**Emma Logan - 0467 741 049 (Minister Gay)**



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- The PBLIS landside logistics regulatory function will be retained by the NSW Government and Sydney Ports Corporation will retain its existing maritime security and emergency response functions.
- Sydney Ports Corporation will also retain the ownership of the ports of Eden and Yamba.
- The Port Kembla transaction will also be based on a 99-year lease of the port.

“Investors will have the opportunity to acquire both ports and we expect there will be strong interest in supporting the development over time, including improved landside logistics chains in South and West Sydney, particularly with regard to rail,” said Mr Gay.

“The public interest would be protected with the future lessee of the port to develop it under the terms of the lease and under a long term planning framework involving ongoing Government oversight.

“A price monitoring regime will also be established to ensure transparency on pricing outcomes, similar to other major Australian capital city ports,” said Mr Gay.

The development of intermodal terminals across South and West Sydney, the Government’s freight strategy to be released later in 2012 would seek to develop Port Kembla as the logical next long term tranche of container capacity after Port Botany.

Proceeds from the transaction will be invested in Restart NSW (with 30 per cent of funds reserved for projects in regional areas), while \$100 million is earmarked for infrastructure projects in the Illawarra which will be determined by Infrastructure NSW later this year.

The transactions are expected to formally commence in the fourth quarter of 2012, with a view to completing the transactions in the first half of 2013.

[ends]

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