

MEDIA RELEASE

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NSW GENERATIONS FUND: SECURING TOMORROW, DELIVERING TODAY

The NSW Government today launched the NSW Generations Fund, a world-first sovereign wealth fund to guard against intergenerational budgetary pressures and keep debt sustainable in the long term, while also delivering for communities today.

The NSW Generations Fund will be seeded with \$3 billion in the 2018-19 Budget. As it grows over time, the fund will unlock capacity in the State's balance sheet. Growth in the NGF will help the Government to maintain a sustainable debt level consistent with a triple-A credit rating.

Treasurer Dominic Perrottet said governments have an obligation to leave finances in a better position for future generations, and the NSW Generations Fund would add to the work the Liberals & Nationals Government has already done to secure the State's finances.

"We owe it to our children to prepare for the challenges they will face in the decades to come, not saddle them with debt – with a Liberals & Nationals Government you can rest assured that commitment will be honoured," Mr Perrottet said.

"The NSW Generations Fund adds a whole new level of resilience to the sturdy financial foundations our Government has already built, to help withstand the budget pressures of an aging population in the coming decades."

The NSW Generations Fund will grow through investment returns and future contributions. Following the proposed 51 per cent sale of WestConnex, the Government intends to place the State's residual interest into the NGF, so ongoing returns on that asset are shared with the whole community.

The NSW Generations Fund will also deliver for people today with up to half of returns on the fund enabling My Community Dividend, a new initiative that empowers citizens to take more control over the way public funding is allocated to local projects.

My Community Dividend will give residents an opportunity to nominate and vote on projects that strengthen and enhance their local communities. To launch the program, \$27.5 million has been allocated in the 2018-19 Budget to fund projects expected to

range in value from \$20,000 to \$200,000.

“My Community Dividend is about empowering the people of NSW to get the projects that matter to them and their communities off the ground,” Mr Perrottet said.

“When it comes to delivering projects that will make the biggest difference to people’s lives, you can’t beat local insight. My Community Dividend puts the power in the people’s hands, and that’s the way it should be.”

The NSW Generations Fund will be managed by NSW Treasury Corporation (TCorp), the State’s financial markets partner with a proven track record in managing the financial assets of NSW. TCorp also manages the NSW Infrastructure Future Fund and the Social and Affordable Housing Fund.

For more information visit:

www.mycommunitydividend.nsw.gov.au

<http://www.generationsfund.nsw.gov.au>

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