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NSW seeks investors

Angus Grigg

NSW Premier Barry O'Farrell aims to convince sovereign wealth funds and private investors to back infrastructure projects in the state when he leads trade missions to China, India and the United Arab Emirates this year.

Mr O'Farrell has already held a preliminary discussion with UAE officials about investing in infrastructure projects and will push the issue when he leads a trade delegation to Dubai and Abu Dhabi in April.

"Australia's resilience and its consistency offers a safe destination," he said yesterday.

"Yes, there have been a couple of problems [with previous projects] but we think with better design and less political interference we can improve that."

The UAE is home to the Abu Dhabi Investment Authority, the world's largest sovereign wealth fund, with \$US627 billion under management.

Mr O'Farrell said he was confident of attracting investors from China and India in an effort to ease the state's infrastructure backlog.

"In both India and China, on trips that have already been taken, there was interest in the sort of infrastructure projects that we have online," he said.

The NSW government is looking for investors to help finance a new convention centre for Sydney and rail lines to the north-west and south-west of the city.

Mr O'Farrell said a new financing model for so called Public Private Partnerships was required to attract investors.

"Whereas 25 years ago there was an expectation that all risk would be born by the private sector, that has changed.

"There are ways to structure projects that perhaps initially have more risk with government and as the project progresses that risk is sold down."

The Premier said the trade mission to the UAE would promote food exports from NSW and showcase the state's construction expertise.

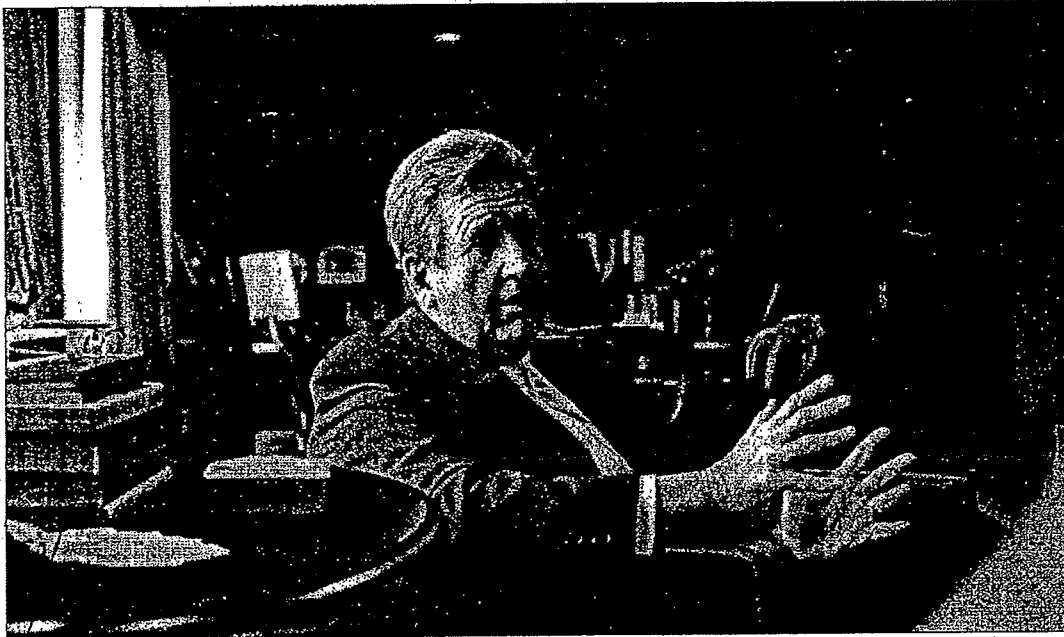
Mr O'Farrell will lead trade missions to China and India later in the year, after taking delegations to both countries soon after being elected last March.

"The natural advantage we have over every other state is our cultural diversity.

"Half of Australia's Mandarin speakers live in this city [Sydney]."

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Tackling corruption . . . Barry O'Farrell in his office at state Parliament, Sydney, yesterday.

Photo: DEAN SEWELL

Top-up for ICAC war chest

Angus Grigg

The NSW corruption watchdog has been given a significant increase in funding for the first time in decades.

NSW Liberal Premier Barry O'Farrell told *The Australian Financial Review* that additional funding had been made available at the end of last year.

"I have spoken to the commissioner [David Ipp, QC] about his resources and I think you will see that there is no shortage of funds available," he said yesterday. "He has asked for additional resources and he has been given them."

Under Mr Ipp, ICAC has aggressively pursued members of the former Labor government.

Funding for the Independent Commission Against Corruption has plunged in real terms since it was established in 1989. Last financial year it received \$20 million, compared with annual funding of \$14 million more than two decades ago.

Since being appointed commissioner by former premier

Nathan Rees in late 2009, Mr Ipp has aggressively targeted political corruption.

Under his leadership, ICAC found Labor's former planning minister, Tony Kelly, had corruptly backdated a letter in an effort to mislead investigators probing the purchase of a former union holiday camp by the government.

ICAC recommended charges be laid against Mr Kelly, who stands to lose his parliamentary pension if found guilty.

ICAC also held a public inquiry into Labor's former minister for mineral resources, Ian Macdonald.

The inquiry heard details of how Mr Macdonald accepted a "remedial massage" from a sex worker known as Tiffanie.

This was said to have been provided by property developer and murder suspect Ron Medich, allegedly in return for setting up meetings with government officials.

The commission, which has the powers of a royal commission, is expected to hold a number of high-

profile inquiries this year. "There will be lots of inquiries to go to this year," said one source. "You will not be bored."

It is understood ICAC will use its extra funding to hire additional staff. It had 125 full-time employees as at June 30 last year. ICAC declined to comment yesterday.

The granting of coal exploration licences by the former Labor government is expected to be an area of focus for the commission this year. Parliament has asked it to investigate the circumstances in which Mr Macdonald granted the Doyles Creek licence in the Hunter Valley to a company associated with former union official John Maitland.

ICAC is also known to be looking into the licence awarded to Cascade Coal near Mudgee in western NSW.

After the licence was awarded, it emerged that former Labor minister Eddie Obeid owned land covered by the exploration area. Mr Obeid previously said he would oppose coalmining in the area.

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