

Tuesday, 17 November 2020

NSW GENERATIONS FUND: SECURING THE FUTURE

The State's sovereign wealth fund is set to grow to more than \$70 billion over the next decade, with the 2020-21 NSW Budget committing to redirect future distributions from State Owned Corporations and mining royalties into the fund.

Treasurer Dominic Perrottet said the NSW Government was committed to ensuring future taxpayers would not be burdened with repaying the cost of responding to the triple crises of drought, bushfires and COVID-19.

"Over the past nine years, we've worked hard to bring expenses back under control following a decade of expense growth averaging well above revenue growth," Mr Perrottet said.

"Our strong fiscal responsibility and financial management put NSW in prime position to respond swiftly and appropriately to stop the spread of COVID-19 and cushion the people of NSW from the economic shocks.

"Redirection of income generated from our State's non-renewable resources into the NSW Generations Fund will help protect our children and grandchildren from shouldering the burden of the greatest economic challenge since the Great Depression."

Without the NGF, NSW's net debt would be \$19 billion greater by the end of the decade, leaving future generations of taxpayers to carry the burden with higher taxes or lower levels of service delivery and infrastructure investment.

Growing the NSW Generations Fund is pivotal to setting up our State with a resilient and prosperous post-pandemic economy that can continue to support the people of NSW and give us the capacity to respond rapidly to future disasters.

The NSW Generations Fund was seeded with \$3 billion in the 2018-19 NSW Budget, which has since grown to \$11 billion. Growth in the NGF supports the maintenance of the State's triple-A credit rating and supports our record-breaking \$107 billion infrastructure investment.

The NSW Generations Fund is managed by NSW Treasury Corporation (TCorp). For more information, visit generationsfund.nsw.gov.au.

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