



**OFFICIAL MINISTERIAL OVERSEAS TRAVEL
Outcomes Report**

The provision of the information below is consistent with the *Guidelines for Official Ministerial Overseas Travel*. This report must be sent to the Premier within 40 working days of return, and published on the relevant department website within 60 working days of the Minister's return. The published version of the report does not need to include the 'next steps / follow up' section or the Premier's signature.

Name of Department / Agency	Department of Treasury and Finance	
Departmental / Agency Contact	Andrew Beaufoy, Office of the Secretary	
Telephone Number	03 9651 1338	
TRAVEL DETAILS		
Minister's Name	Tim Pallas, MP	
Portfolio/s	Treasurer	
Did the Minister's spouse accompany the Minister in an official capacity? If Yes – please outline the role of the spouse in achieving the outcomes of the visit	YES (official capacity) <input type="checkbox"/> YES (private capacity) <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Accompanying Ministerial staff	Chief of Staff	
Countries visited	Hong Kong / China; London, UK; New York, USA; Santiago, Chile.	
Date of travel	16 July 2017	
Number of official travel days (include day of departure and day of return)	14	
Funding source (list Department/s or Agency)	Office of the Treasurer, Department of Treasury and Finance, Victorian Funds Management Corporation	

EXPENSES	\$
<i>Include combined expenses for Minister, accompanying staff and spouse (if accompanying in an official capacity)</i>	
Air fares (including taxes and fees)	\$41,773.01
Accommodation (including taxes and fees)	\$21,984.22
Other expenses (including surface travel and travel allowances)	\$13,121.58
Travel cost for Minister and ministerial staff (<i>and spouse or de facto partner if applicable</i>)	\$51,821.34
Are the above costs final and complete?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

Purpose of travel

The aim of the trip was to:

- i) discuss Victoria's economy and finances, and risks to the global outlook, with the global head offices of major ratings agencies;
- ii) gain insights into global economic and political trends in major trading partner economies that may impact on Victoria's economic position, the Victorian business community and the potential for future investment in Victoria;
- iii) to promote Victoria in the international arena, particularly in major financial centres and other commodity-producing countries, and outline opportunities for investment in Victoria; and
- iv) better understand trends in innovative policy design, particularly in the area of infrastructure development and finance.

Benefits of travel to the State of Victoria

The meetings held throughout the trip lifted the international profile of Victoria and Victorian businesses, as well as improving investment opportunities. Meetings occurred in New York, London, Hong Kong and China, and Santiago.

Ratings Agencies

- Met with the global head office of Moody's and Standard & Poor's in New York, strengthening the relationship with key agencies assessing Victoria's fiscal position.
- Delivered an update on Victoria's strong economic and fiscal outlook.
- Gained greater insight into rating agency views on Victoria's economic and fiscal position and assessment of emerging risks to the global economy.

Funds Managers and Investors

- Met with large funds managers and investors in New York, London, Hong Kong and China, gaining insights into the global economic outlook, and the implications of recent political and economic developments for the Victorian economy.
- This included meetings with firms that manage funds on behalf of the Victorian Funds Management Corporation to discuss developments in global markets and investment trends, including:
 - PIMCO, discussing the impact of Brexit and other major political events on financial and investment markets, and approaches to managing fixed income portfolios in a rising interest rate environment.
 - Macquarie Infrastructure and Real Assets group, discussing recent trends in infrastructure development and finance, including a number of investment opportunities, methodology for benchmarking of financing costs in the renewable energy sector, and developments in Environmental, Social and Governance (ESG) investing.
 - Comprador, the Noble Group, Macquarie and WAG Worldsec Corporate Finance, discussing business challenges and opportunities in South East Asia.
 - Various global asset managers based in New York that manage funds on behalf of VFMC to discuss asset market valuations, investment themes and the evolution of the financial services industry.
 - Major Chinese-based investment firms, discussing Chinese capital outflows, likely future flows of funds and the implications for the Victorian economy, and prevailing methodologies used in China and Hong Kong for business cases relating to new infrastructure investment.

Government and Industry

- Met with the former British Prime Minister Sir John Major, discussing the dynamics behind the Brexit vote, potential impacts on global trade negotiations and the future of the European Union.
- The Chilean Undersecretary of Finance to discuss greater collaboration on economic development advice and technology exports.
- Huawei Technologies Global Headquarters, discussing their relationship as an investor in Australia and as an innovator in the telecommunications sector.
- Ellemby, Barclays, Balfour Beatty, BAE Systems, CTI Corporate Travel, and the in-country executives for Commonwealth Bank of Australia and National Australian Bank in the United Kingdom, discussing opportunities for ongoing two-way investment between Victoria and British companies.
- Chilean water infrastructure management and irrigation stakeholders, to discuss Victoria's success in water resource management reform and investment.
- Discussions with the Chilean business community on the appointment of the Victorian Government Business Office's first full-time director based in South America, and Victorian businesses operating in Chile on ways to expand the Victorian education export market.