

Question on Notice

Portfolio:	Economic Growth
Witness:	Minister for Economic Growth
Committee Member:	Danny O'Brien
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Relevant text:

Tim ADA: Yes. Well, of course I do not have that specific information to hand, but the company of course is – you know, with 20-plus investments as the Treasurer said – actively managing those investments. I do not have that specific figure to hand.

Tim PALLAS: Perhaps I can give you some clarity on this. They are required under their obligations of reporting to produce an annual report that will have to monitor their performance. I think that is due in a few months, and those matters, given that you will be looking at a full reporting period, will be publicly available.

Danny O'BRIEN: Yes, but we have had it for three years. Can you tell me what the return is at the moment?

Tim PALLAS: Well, no, because essentially the reporting process will be able to tell us so that we can monitor the return. All I can say is that –

Danny O'BRIEN: What was it for last year then, Treasurer?

Tim PALLAS: Well, the government is of the view that Breakthrough Victoria will in the long term justify and meet the investment mandate that they have been given.

Danny O'BRIEN: I understand that, but as the Secretary has indicated, there is no point in getting to 10 years and finding that it has only delivered a 4 per cent return. It is too late then. You need to be tracking it.

Tim PALLAS: That is why we have continuous reporting processes for the –

Danny O'BRIEN: But you cannot tell me what so far, after three years, it is actually delivering?

Tim PALLAS: Well, we can go back, and if you are particularly interested in seeing what previous reporting has occurred in this space, we can take you back through those numbers.

Danny O'BRIEN: If you could provide that on notice, Minister, that would be great.

Answer:

Breakthrough Victoria (BV)'s mandate is to invest for impact, seeking to achieve social, environmental and economic benefits over the long-term rather than pursuing quick returns.

BV is committed to achieving a financial return for Victoria. It does this by providing patient, long-term capital that is needed by early-stage and developing innovative companies to grow and become successful. On average, it can take 7-10 years for an early-stage company to mature to the stage where an investor can realise their investment.

BV's returns are disclosed in their annual reports. The latest annual report can be found at: <https://assets.breakthroughvictoria.com/assets/20231101-Breakthrough-Victoria-Annual-Report-2023.pdf>