

The Treasury

Report on Overseas Travel: Hon Grant Robertson Information Release

September 2019

This document has been proactively released by the **Hon Grant Robertson, Minister of Finance** on the Treasury website at

<https://treasury.govt.nz/publications/information-release/finance-portfolio-cabinet-material>.

Cabinet Document Details

Title: **Cabinet Paper CAB-19-SUB-0293: Report on Overseas Travel: Hon Grant Robertson: Travel to World Bank/IMF Spring Meetings**

Date: **17 June 2019**

Creator: Office of the Minister of Finance

Copyright and Licensing

Cabinet material and advice to Ministers from the Treasury and other public service departments are © **Crown copyright** but are licensed for re-use under **Creative Commons Attribution 4.0 International (CC BY 4.0)** [<https://creativecommons.org/licenses/by/4.0/>].

For material created by other parties, copyright is held by them and they must be consulted on the licensing terms that they apply to their material.

Accessibility

The Treasury can provide an alternate HTML version of this material if requested. Please cite this document's title or PDF file name when you email a request to information@treasury.govt.nz.

Office of the Minister of Finance

Chair, Cabinet

REPORT ON OVERSEAS TRAVEL: HON GRANT ROBERTSON: US TRAVEL TO WORLD BANK/IMF SPRING MEETINGS

Proposal

I propose that Cabinet note the report of my visit to the United States from 10 April to 14 April 2019.

Report

1. I attended and represented the New Zealand Government at the 2019 World Bank & International Monetary Fund “Spring Meetings” in Washington DC. I attended in response to an invitation from the Chief Executive of the World Bank, Kristalina Georgieva. This provided an opportunity to opportunity to highlight New Zealand’s wellbeing approach at an international level to a wide and interested audience.
2. As part of the IMF Spring Meetings, I was a featured speaker in the meetings’ flagship human development event, which focuses on the economic and social case for human capital investments. As part of the “Springs” events I was also asked to address the Human Capital Project Ministers’ Conclave, an event led by the Executive Director of UNICEF, Henrietta Fore.
3. At both of these events I shared the progress we have made on the wellbeing approach and the development of the Treasury’s Living Standards Framework. There was significant interest from both IMF and World Bank staff, and Ministers in how this was developing.
4. I also attended the Carbon Pricing Leadership Coalition High Level Assembly, which was attended by the President of the World Bank, the IMF’s Managing Director, and Mark Carney, the Governor of the Bank of England. There I highlighted the need for a ‘Just Transition’ for climate change, and for a high integrity emissions pricing system.
5. As well as attending the IMF and World Bank events, I also undertook a round of bilateral meetings with Senior US government officials. These included:

Deputy Secretary Steve Muzinich (US Treasury) and Assistant Secretary Heath Tarbert
6. The discussion touched a range of areas including the health of the US and global economy, the continuing stimulatory effect of the 2017 US tax cuts, US engagement in the Pacific Region, and continuing the OECD Base Erosion and

Profit Shifting (BEPS) Agenda work. Both the US and NZ Treasuries agreed to closer working in the future.

Dr. Kevin Hassett (Chair of the Council of Economic Advisors), and Chris Liddell (Senior Advisor to the President)

7. I started the meeting by giving a brief update on the wellbeing budget and then sought the Chairman's views on the US and global economy. The Chair discussed a range of issues including the Council's work on economic modelling, Brexit risks, and the inclusive growth agenda. The meeting concluded with a tour of the West Wing of the White House.

Dr. Richard Clarida (Vice-Chair of the US Federal Reserve)

8. Dr. Clarida highlighted the continuing strength of the US economy, stating that growth has now extended for the longest period since the 1850's. The meeting also touched on the RBNZ review, and recent similar activity that had taken place in the US.

Dr. Penny Goldberg (World Bank Chief Economist)

9. Our discussion focussed on trade, export-led growth, and the development of global value chains. Dr. Goldberg highlighted some of the findings of recent World Bank research in this area.

Dr. Tao Zhang (Deputy Managing Director, IMF)

10. Our meeting was a useful opportunity to discuss the IMF's role in the global economy and more specifically in the Pacific Region. Dr Zhang highlighted the current risks to global economic growth, trade tensions and weak financial market conditions, and the relative strength of the NZ economy.

Mr. Pierre Gramegna (Minister of Finance, Luxembourg)

11. This meeting was held to strengthen bilateral ties and to support the development of the double taxation agreement that is being developed between our two countries.
12. In addition to this, I also held a roundtable discussion on the benefits of the Wellbeing Budget with the Brookings Institution, and attended an event hosted by Dr. Larry Summers (former Secretary of the United States' Treasury).

Recommendation

13. I recommend that Cabinet note this report.

Authorised for lodgement

Hon Grant Robertson

Minister of Finance