S&P Global
Ratings

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Victoria (State of)

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Victoria (State of)

This report supplements our research update "Ratings On Australian State of Victoria Affirmed At 'AAA/A-1+'; Outlook Remains Negative," published on Aug. 24, 2016. To provide the most current information, we may cite more recent data than that stated in the previous publication. These differences have been determined not to be sufficiently significant to affect the rating and our main conclusions.

Rationale

Issuer Credit Rating
AAA/Negative/A-1+

The State of Victoria's credit profile reflects our view of the extremely predictable and supportive institutional framework benefiting state governments in Australia, plus the state's very strong financial management and economy, and its exceptional liquidity. The ratings also reflect Victoria's strong budgetary performance and very low contingent liabilities. The state's average budgetary flexibility and moderate debt burden partially offset these strengths.

The negative outlook reflects that on the Commonwealth of Australia because we don't consider that any state or territory in Australia, including Victoria (stand-alone credit profile 'aaa'), can maintain stronger credit characteristics than the sovereign in a stress scenario. This is because of the revenue raising and expenditure responsibility arrangements between the states and the sovereign. We think that Victoria's economy and finances are likely to deteriorate in line with the other Australian states and the Australian sovereign, should a national recession occur.

Victoria's very strong economy is benefiting from the broader national economy's transition toward the service sector along the east coast, from mining activity in the west coast. Victoria has a strong service sector and its gross state product (GSP) per capita was US$55,900 from 2013-2015. Real GSP growth rebounded to about 3% in 2016, after several years of subdued expansion, on the back of strong employment growth, improving consumer spending, and lower exchange and interest rates.

Strengthening employment conditions continue to attract strong migration to the state, fueling demand for dwelling investment and local property prices. This is supporting the state's strong budgetary performance through growing conveyancing duties (up 65% between 2013 and 2016), payroll taxes (up 5% in 2016), and goods and services tax (GST) income.

The government's cash position is also benefiting from the recent High Court ruling in the state's favor in its dispute with the Tatts Group. In addition, the federal government has allowed the state to retain the Commonwealth's funding for the canceled East-West Link project for other infrastructure projects. And the state should receive income from the leasing of the Port of Melbourne Corp. (Port Melbourne) due to be finalized in the year ending June 30, 2017.

Strong population growth is also increasing demand for infrastructure and public services. As a result, the government's 2016-2017 budget signaled a 40% increase in capital expenditure that could rise further. In line with the state's past performance, we consider the government is likely to achieve about 90% of its budgeted capital expenditure, which would represent about 12% of total expenditure between 2015 and 2019.

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In addition, employee expenses are rising, which tend to be relatively inflexible and difficult to reduce, if needed. If costs are not controlled and revenue growth weakens, it could put pressure on the state's budgetary performance and creditworthiness in the medium-to-long term.

We believe the state's very strong financial management will ensure that the budget remains in a sound position despite this increase in expenditure. We forecast its operating surpluses would reach about 8% of operating revenues (after S&P Global Ratings' adjustments) between 2015 and 2019. After-capital accounts are likely to be broadly in balance over the same period, partly due to the leasing of Port Melbourne.

Victoria is willing to use its assets to help fund the state's increased infrastructure program (particularly its rail crossing removal program), rather than relying on traditional debt funding. On March 10, 2016, the government passed legislation to lease Port Melbourne with the proceeds to be used to fund infrastructure and to facilitate repayment of debt. We expect the potential proceeds to reduce Victoria's total tax-supported debt to 70% of operating revenues in 2017 from 79% in 2016, and its interest expenses to less than 4% by 2018.

Australia's institutional framework underpins the ratings on Victoria. We consider the framework to be extremely predictable and supportive, and one of the strongest in the world. Within this system, a degree of structural imbalance exists between a state's revenue powers and expenditure responsibilities. The Commonwealth government raises the bulk of revenues, given that taxation powers are concentrated at the central government. Meanwhile, the states and territories have significant expenditure responsibilities including health and education, which moderates a state's budgetary flexibility. For example, more than 40% of Victoria's consolidated operating revenues come from the Commonwealth.

The leasing of Port Melbourne and the privatization of most of its government businesses, with the exception of its water corporations and a few small entities, support Victoria's very low contingent liabilities.

Liquidity

We consider Victoria's liquidity to be exceptional. This assessment reflects the state's debt servicing ratio of 80%, which comprises cash and liquid assets as a percentage of debt maturities and interest payments over the next 12 months. In addition, the state has strong access to external liquidity and potential Commonwealth support, if needed.

We forecast that Victoria will hold on average about A$6.5 billion of liquid assets (after S&P Global Ratings' haircuts) over the next 12 months to cover upcoming maturities of about A$5.2 billion and interest payments of A$2.8 billion. The government has a self-imposed minimum liquidity ratio of 80%, which is subject to a daily reporting regime.

Nevertheless, Victoria's liquidity has recently temporarily fallen below this threshold in the lead-up to leasing Port Melbourne. The state plans to use the lease proceeds to repay its debt. Therefore, it has deliberately refinanced its recently maturing debt in the short-term market to avoid penalties associated with early repayment of long-term debt. This deliberate strategy has temporarily increased the proportion of debt maturing within the next 12 months, reducing its liquidity ratio.

Victoria's access to external liquidity is strong, in our view. Similar to Germany and Canada, the Australian states use a well-developed capital market for their funding. The capital markets in Australia are deep and liquid, and we expect

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them to remain so. Victoria's individual characteristics support its access to external liquidity. Victoria has not experienced difficulty in accessing Australian and international markets, and our expectation is that this will continue. We also expect the Commonwealth to provide support if needed. For example, the Commonwealth guaranteed the debt of Australian state governments during the financial crisis in 2008-2009.

Outlook

The negative outlook reflects that on the Commonwealth of Australia, indicating at least a one-in-three likelihood of a downgrade of both Australia and Victoria within the next 12-24 months. Although we consider deterioration in Victoria's own creditworthiness to be unlikely, such worsening could also lead to a lowering of the ratings on the state.

We could revise the state outlook to stable if a similar action occurs on the Commonwealth and Victoria's individual credit metrics remain consistent with our base-case scenario.

Extremely Predictable And Supportive Institutional Framework

We view the institutional framework in Australia as extremely predictable and supportive, and expect it to remain so (see report titled, "Public Finance System Overview: Australia's Institutional Framework For States and Territories Is One Of The Strongest In The World", published to RatingsDirect, Feb. 12, 2015.)

Very Strong Economy That Is Wealthy And Diverse

We consider the Victorian economy to be very strong in an international context, with GSP per capita of about US$55,900 over the past three years. The economy is wealthy and diverse, and growth is picking up in 2016 after several years of subdued expansion.

Real GSP growth increased to about 3% in 2016, from 1.6% and 1.7% in 2013 and 2014 respectively. This is due to strong employment growth, improving consumer spending, and lower exchange and interest rates. We expect solid dwelling investment due to low interest rates and moderate business investment to further support growth.

Despite the announced high-profile closures of manufacturing plants in the state, we expect the unemployment rate to continue declining. Holden and Ford are closing their car manufacturing plants in 2016, and Toyota in 2017. The unemployment rate was about 5.4% in June 2016, down from 6.2% in June 2014.

In addition, a continuing weaker Australian dollar will support trade-exposed sectors of the economy. At the same time, the government's large capital expenditure program will help drive employment in the construction sector over the next two-to-three years.

Further supporting Victoria's economy is the state's forecast of population increasing at about 1.8% over the forward estimates. Victoria is the second-most populous state in Australia, with a population of more than 5.9 million, or about 25% of the country's. Victoria's demographic profile largely reflects that of Australia and is unlikely to change materially over the next two-to-three years.

Diversified economy

In our view, Victoria's economy is one of the most diversified of the Australian states. Given that the state does not rely on any one sector, its economic growth is likely to be more stable than those with sector concentrations.

The Victorian economy is mainly service related. Its five largest contributors to economic output are: financial and insurance services (11.3% in 2015); professional, scientific and technical services (8.1%); manufacturing (8.0%); healthcare and social assistance (7.5%); and construction (6.4%). Since the early 1990s, the economic concentration in the manufacturing sector has halved from more than 16% of output. Mining is one of the lowest contributors to economic output in Victoria, accounting for just 2.6% of output in 2015 compared with the Australian average of 9.3%.

Export-orientated sectors such as education, agriculture, tourism, and manufacturing worsened because of the persistently high Australian dollar against the U.S. dollar between 2009 and 2014. With the Australian dollar now around US$0.70-US$0.75, the performance of these industries is likely to improve over the next two-to-three years compared with that during the past 12 months.

Fiscal equalization payments somewhat offset state economy

Over the longer term, Australia's institutional arrangements partly offset the trend in the economic outlook, structure, and demographic profile of an Australian state relative to the national average. The Australian government distributes the country's goods and services tax (GST) revenue to the states partly based on the strength of a state's economy over a three-year rolling period. This system aims to equalize the fiscal burden of the states and territories.

Over the shorter term, we note that changes in economic growth can significantly affect Victoria's own-source revenues (primarily conveyance duties). Meanwhile, the broader Australian economy and consumption have helped growth in GST pick up to more than 6% each in 2014 and 2015. Our expectation is that the GST pool will grow broadly in line with the Commonwealth's forecasts over the medium term, which implies moderate growth in taxable household consumption over the next few years.

Very Strong Financial Management Supports Victoria's Creditworthiness

In our opinion, the general standard of financial management in Australia is high, and Victoria's is very strong compared with peers'. This strength across the country reflects a culture of long-term planning and transparency, which includes annual budgets based on accrual accounting. The financial planning also covers government businesses and includes four years of forecasts. State governments also prepare mid-year budget updates and release final financial outcomes within six months of period-end. Given the long-standing nature of these planning and transparency requirements, a change in culture is unlikely.

We consider Victoria's debt management through the Treasury Corp. of Victoria to be prudent and comprehensive. The state raises debt to fund capital and not operating expenditure. Given that most funding is in Australian dollars, the state has no material foreign exchange risk, and it hedges interest rate risk as necessary. We don't expect these long-standing processes to change.

The government aims to manage its finances in a responsible manner while improving public services and providing infrastructure for Victoria's growing population. Victoria's long-term financial management objectives and targets are not particularly onerous and their qualitative nature makes measuring challenging.

The objectives include: improving public services; steadily growing public infrastructure to meet the needs of a growing population; and investing public sector resources in services and infrastructure to maximize economic, social, and environmental benefits. Meanwhile, its targets include: maintaining general government net debt at a sustainable level over the medium term, and generating a net operating surplus consistent with a sustainable level of general government net debt over the medium term.

The government is expanding services, therefore increasing its headcounts in line with its election commitments and incurring higher wage growth. The government's higher revenue growth than it budgeted has offset some of this increased expenditure. While the government expects revenue growth to remain above expenditure growth, any slippage in either the revenues or expenditure forecasts could put pressure on the state's budgetary performance and its creditworthiness in the medium-to-long term. Employee expenses tend to be relatively inflexible and difficult to reduce, if needed.

The state government comprises the Labor Party, which was elected on Nov. 29, 2014. It relies on the Greens party and other minor parties to pass legislation through the legislative council. This is not an unusual arrangement, and at this stage, we do not expect this situation to affect the financial strength of the state.

Australia's Inherent Vertical Fiscal Imbalances Lead To State's Average Budgetary Flexibility

Victoria, along with the other Australian states and territories, has average budgetary flexibility. Victoria's modifiable revenues would comprise about 48% of the adjusted revenue base of its nonfinancial public sector (NFPS) from 2015-2019. We consider own-source taxes; general government sales of goods and services; and other revenues to be modifiable.

The state's capital expenditure would average about 12% of total expenditure from 2015-2019 and we expect it to remain under 15% over the next two-three years, albeit the government has indicated it may increase further. Our forecasts of the state's capital expenditure include a 10% underspend that is consistent with the state's track record.

Institutional framework partly limits revenue flexibility

Under the Australian institutional framework, the Australian government collects about 80% of all revenues, while the states and territories provide politically sensitive services such as health and education. The Commonwealth collects and distributes the GST receipts on behalf of the states.

We consider the Australian states as having only average ability and willingness to increase their own taxes compared with peers. For example, the past two budgets have included minimal revenue measures.

This is not unusual for an Australian state government, and our expectation is that the Victorian government will not introduce any substantial revenue measures over the next two-to-three years. It is highly unlikely, in our view, that any of the Australian states (excluding the Australian Capital Territory, which as a city-state is moving away from transaction taxes) would make wholesale changes to their own-source revenues in isolation of the Commonwealth

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government and their interstate peers. With the Commonwealth government's decision to cancel its white papers on the Reform of the Federation and the Reforms of Australia's Tax System, we think the status quo will continue.

Current transfers from the Commonwealth represent more than 40% of Victoria's revenues and are primarily GST receipts. Victoria is a donor state under Australia's system of equalizing fiscal revenues among the states. It receives about 0.9x of its per capita share of GST revenue, providing it with some additional flexibility when compared with recipient states because it is less reliant on GST income. The distribution calculation takes into account the individual jurisdictions' relative capacity to raise their own revenue and deliver services. We expect Victoria's relativity to remain around current levels.

In its 2016 update, the Commonwealth Grants Commission increased Victoria's share of the GST pool to 22.9% in the year ending June 30, 2017, from 22.4% in fiscal 2016. Victoria's share has been between 22% and 23% over the past few years. This change mainly reflects Victoria's strong population growth requiring infrastructure investment, and higher wage costs.

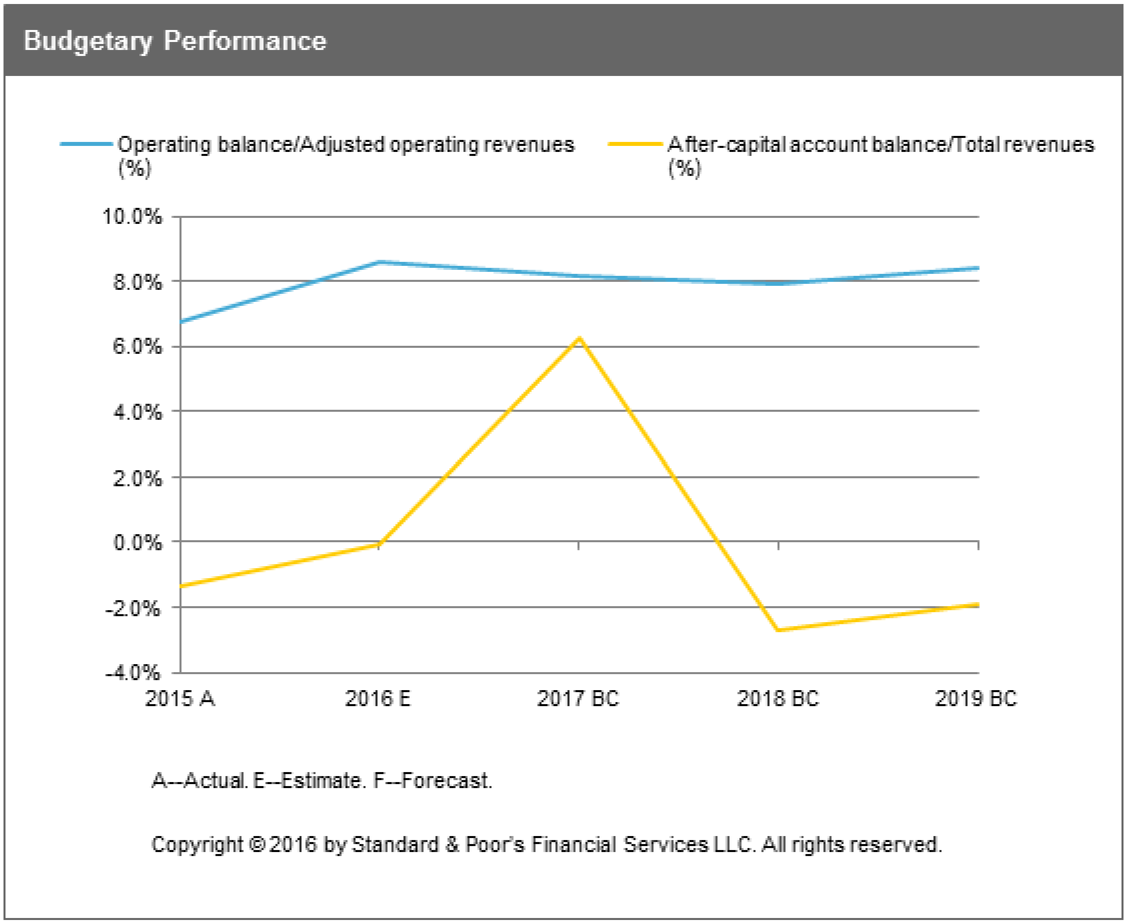
The long-term leasing of Port Melbourne does not strengthen our view of Victoria's budgetary flexibility because the state government has incorporated its forecast proceeds in its budget. Therefore, we consider Victoria's capacity to generate one-off income after the leasing of the port to be limited relative to peers. During the 1990s, the Victorian government sold or privatized the majority of its government-related businesses. The state still owns businesses that are in lower-risk sectors, primarily in water services, the regional rail network, and low-income public housing.

We consider the state's capital expenditure program has moderate flexibility. The state will manage more than 900 projects over the next four years, including key programs such as the removal of railway level crossings. Public-private partnerships (PPPs) will deliver several of the larger ones, which tend to be lumpy in nature and therefore difficult to cancel.

Strong Budgetary Performance With The Port Melbourne Lease Funding New Capital Projects

We expect Victoria's budgetary performance to remain strong and be one of the strongest in Australia. Its operating surpluses for the nonfinancial public sector (NFPS) would average about 8% of adjusted operating revenues between 2015 and 2019. Meanwhile, the long-term lease of Port Melbourne will help the state government balance its after-capital account over the same period (see chart 1).

Chart 1



We expect operating surpluses to rise toward 8.5% in 2016, from about 2.5% in 2013. This reflects strong revenue growth including conveyancing duties (up 65% between 2013 and 2016), payroll taxes (up about 14% since 2013), sale of goods and services (up 28% since 2013), and GST income and grants (up 19% since 2013). Total operating revenue has grown by about 5% per year since 2013, while the government has limited overall operating expenditure growth to about 3.1% over this period.

Victoria's operating surplus should remain strong in fiscal 2017, when it books the Port Melbourne license fees. S&P Global Ratings adjusts other (nonlicense) revenue associated with the long-term lease of Port Melbourne from the state's operating revenue. We consider this revenue to be non-operating in nature and treat it as capital revenue for our analysis.

Public sector wages contribute about 40% of the government's cost base and upcoming workplace bargaining agreements provide potential downside risks to the government's operating position. These agreements include the public service, police, health workers, nurses, and teachers. Wage increases are not capped and the government's wage policy is set at 2.5% per year, with service delivery improvements required for anything between 2.5% and 3%. Wage outcomes above 3% per year can still occur under certain circumstances.

We forecast the state's after-capital account to broadly balance, on average, between 2015 and 2019. Victoria's average after-capital account balance would benefit from rising operating surpluses and a large surplus in fiscal 2017, when it is likely to receive large capital inflows from the long-term lease of Port Melbourne. The state will use the lease proceeds to fund its capital expenditure and repay its borrowings.

Victoria's rising operating surpluses are allowing the government to increase the proportion of capital expenditure it cash funds. Between 2015 and 2019, we estimate that the government will fund about two-thirds of its capital expenditure with operating surpluses, up from just 16% in 2013.

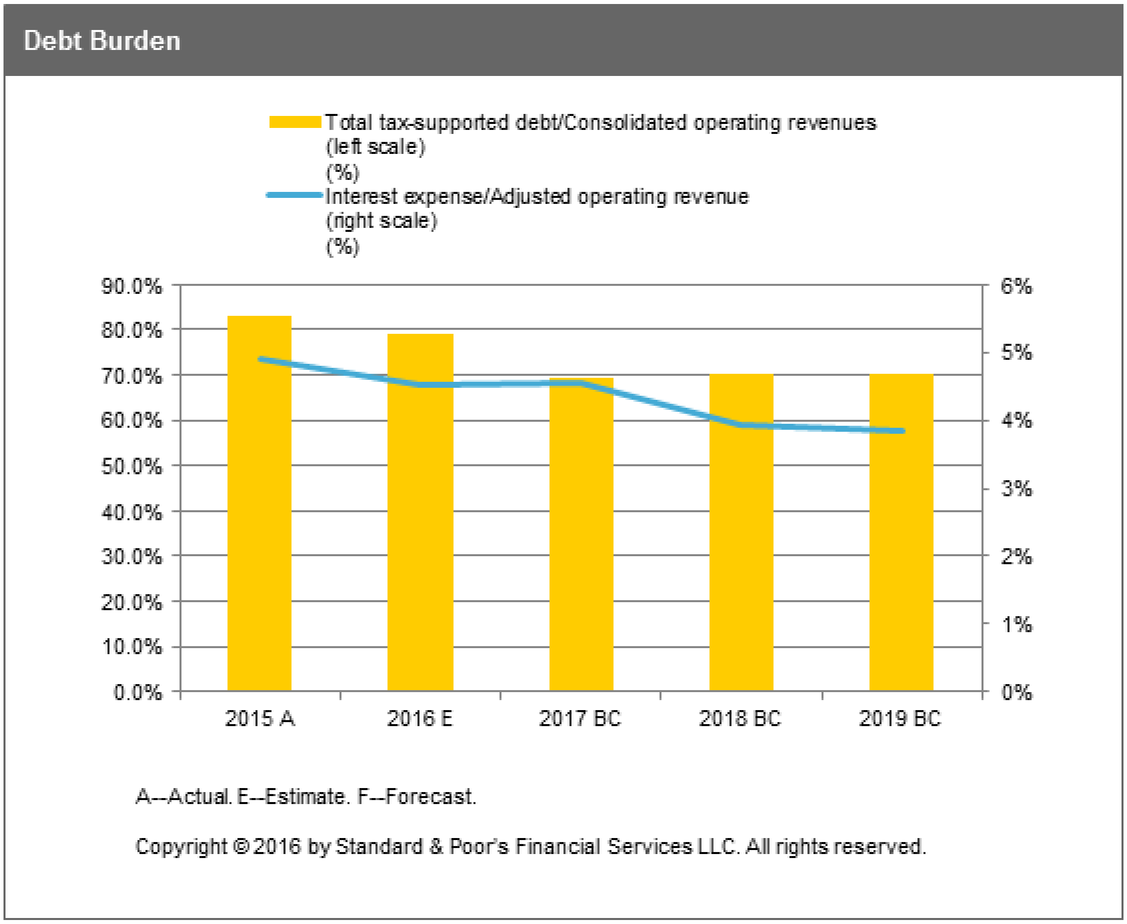
Recognizing the conservatism built into the state's estimates, we have made only small adjustments to the state's forecasts around the leasing of Port Melbourne and the state's capital expenditure. In developing our base case, we have treated (nonlicense) revenue from the long-term lease of Port Melbourne as capital revenue, and assumed that the state will only spend about 90% of its budgeted capital expenditure, in line with historical levels.

Moderate Debt Burden: Debt Is Likely To Fall Following Port Melbourne Lease

Victoria's debt burden is moderate compared with peers', and we do not expect it to weigh on the 'AAA' rating on the state. We forecast its tax-supported debt to be about 70% of adjusted operating revenues in fiscal 2018 after peaking at 89% in fiscal 2013, and its interest expenses to average 4.3% from 2016-2018.

Supporting Victoria's debt burden is our forecast that the after-capital accounts will be in balance, on average. The state will generate a strong surplus of more than 6% in fiscal 2017, when it leases Port Melbourne (which was originally budgeted for fiscal 2016). Total tax-supported debt is likely to fall below 70% of adjusted operating revenues in fiscal 2017 should the state use proceeds from the Port Melbourne lease to repay short-term borrowings. We expect Victoria's debt burden to remain moderate at the NPFS level over the next two-to-three years (see chart 2).

Chart 2



With about 85% of gross debt in the general government sector, Victoria's balance sheet is relatively low risk compared with its peers', which still own large public trading enterprises.

We expect Victoria's interest expenses to reduce from its peak of 5% of adjusted operating revenues in fiscal 2014, to less than 4% in fiscal 2018, when its debt burden reduces.

Lengthening debt tenor further reduces refinancing risks

Treasury Corp. of Victoria (TCV), the Victorian government's central borrowing authority, is responsible for managing the state's borrowing and its exposure to market risk, including its maturity profile. TCV has about 14% of its portfolio maturing in the next 12 months, reflecting its current liquidity policy (see liquidity section for details).

Table 1

Treasury Corp. of Victoria's Gross Debt Maturity Profile In Face Value Terms

	Year end June 30					
Actuals (mil. A$)	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
0-3 months	2,326	929	550	391	1,968	1,838
3-12 months	945	3,159	973	2,733	2,551	3,393
1-5 years	7,188	9,572	9,569	13,882	17,131	14,219

Table 1

Treasury Corp. of Victoria's Gross Debt Maturity Profile In Face Value Terms (cont.)

	Year end June 30					
Actuals (mil. A$)	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
> 5 years	16,860	18,348	23,472	20,989	15,729	17,759
Total	27,319	32,008	34,564	37,995	37,379	37,209

Unfunded superannuation

The Victorian government has a material unfunded superannuation liability. We forecast the state's unfunded superannuation liability to be about 33% of operating revenues at June 30, 2016, based on a discount rate of 5%. We expect the state's unfunded superannuation liability will continue to reduce as a percentage of operating revenues.

Given that Victoria's liability is likely to remain under 50% of operating revenues, we have not adjusted our view of Victoria's overall debt burden to factor in its unfunded superannuation. Further, the government aims to fully fund the liability by 2035, and continues to make annual contributions to the fund.

PPPs will be on state's balance sheet once operational.

Victoria's active participation in the PPP market flows through to the state's debt burden, and is not a contingent liability for the state. The Australian state's conservative approach of treating PPP projects as finance leases and including them on its balance sheets supports the ratings. Five projects are under construction, four are in procurement, and one is coming up for procurement.

Very Low Contingent Liabilities

Victoria's contingent liabilities are very low, in our opinion. The government has privatized most of its government's businesses with the exception of its water corporations and a few small entities.

The state has guarantees, indemnities, and warranties, and legal proceedings and disputes it estimated to be A$628 million in total at April 2016, or about 1% of adjusted revenues. It also has limited exposure to other liabilities, which include its statutory insurance companies. We note that only a small portion, if any, is likely to crystallize at any specific point in time.

We expect Victoria's contingent liabilities to remain stable and include the Victorian WorkCover Authority (VWA) and Transport Accident Commission (TAC). These are close to being, or in some cases are, fully funded.

Given that Australian local governments are legislatively responsible to their respective states, we consider them a contingent liability of the state. However, given the level of state government oversight, we believe that the contingent liability is small.

Ratings Score Snapshot

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Table 2

Ratings Score Snapshot	
Key Rating Factors	
Institutional framework	Extremely predictable and supportive
Economy	Very strong
Financial management	Very Strong
Budgetary flexibility	Average
Budgetary performance	Strong
Liquidity	Exceptional
Debt burden	Moderate
Contingent liabilities	Very low

*S&P Global Ratings' issuer credit ratings on local and regional governments are based on eight main rating factors listed in the table above. Section A of our "Methodology For Rating Non-U.S. Local And Regional Governments," published on June 30, 2014, summarizes how the eight factors are combined to derive the rating.

Key Statistics

Table 3

State of Victoria's Key Statistics For The Nonfinancial Public Sector					
	--Year end June 30--				
Adjusted cash figures	**2015 A**	**2016 E**	**2017 BC**	**2018 BC**	**2019 BC**
Operating revenue					
Tax receipts	18,026	19,600	21,104	20,784	21,861
Sales of goods and services non-modifiable	4,596	4,592	4,753	4,679	4,747
Sales of goods and services modifiable	7,002	7,522	7,602	7,811	7,812
Current grants	11,067	11,604	12,167	12,658	12,431
Goods and Services Tax (GST)	11,984	13,013	13,885	14,609	15,770
Interest income	372	352	358	365	371
Dividends	633	288	622	1,027	453
Other revenue	2,241	2,344	1,786	2,114	2,034
~of which mining royalties	44	51	85	122	118
Total operating revenue	55,965	59,365	62,362	64,169	65,597
Operating expenditure					
Staff costs	19,621	20,890	22,016	23,006	23,916
Payments for goods and services	20,129	21,568	22,382	23,438	23,124
Interest costs	2,743	2,686	2,835	2,530	2,525
Grants	5,749	5,583	6,302	6,323	6,625
Other	3,939	3,527	3,723	3,775	3,882
Total operating expenditure	52,182	54,254	57,258	59,072	60,072
Cash operating balance	3,784	5,111	5,104	5,097	5,526
Net cash from investing	(4,576)	(5,146)	(715)	(6,886)	(6,809)
After-capital account balance (cash surplus/deficit)	(792)	(35)	4,389	(1,789)	(1,283)

Table 3

State of Victoria's Key Statistics For The Nonfinancial Public Sector (cont.)					
	--Year end June 30--				
Adjusted cash figures	**2015 A**	**2016 E**	**2017 BC**	**2018 BC**	**2019 BC**
Balance sheet					
Tax-supported debt	46,406	46,945	43,264	44,943	46,046
Unfunded superannuation liability	19,369	19,520	18,680	17,794	16,822
RATIOS					
Modifiable revenues/Adjusted operating revenues (%)	48.80	49.72	49.03	48.05	48.52
Capital expenditure/Total expenditure (%)	11.23	10.47	13.02	12.73	11.86
Operating balance/Adjusted operating revenues (%)	6.76	8.61	8.18	7.94	8.42
After-capital account balance/Total revenues (%)	(1.37)	(0.06)	6.25	(2.71)	(1.92)
Interest expense/Adjusted operating revenue (%)	4.90	4.52	4.55	3.94	3.85
Total tax-supported debt/Consolidated operating revenues (%)	82.92	79.08	69.38	70.04	70.19
Unfunded superannuation liability/Adjusted operating revenues (%)	34.61	32.88	29.95	27.73	25.64

A--Actual. BC--Base case.

Table 4

State of Victoria's Key Economic Statistics			
Year ended June 30	**2013 (A)**	**2014 (A)**	**2015(A)**
Economic Statistics			
Population	5,735,007	5,838,110	5,940,942
Population growth (%)	1.8	1.8	1.8
GSP per capita (local currency)	60,438	59,965	60,413
Real GSP growth (%)	1.6	1.7	3.0
Unemployment rate (%)	5.6	6.2	5.7

A--Actual. GSP--Gross State Product.

Key Sovereign Statistics

Sovereign Risk Indicators, July 6, 2016. An interactive version is available at http://www.spratings.com/sri

Related Criteria And Research

Related Criteria

- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Criteria - Governments - International Public Finance: Methodology: Rating Non-U.S. Local And Regional Governments Higher Than The Sovereign, Dec. 15, 2014
- Criteria - Governments - International Public Finance: Methodology For Rating Non-U.S. Local And Regional Governments, June 30, 2014
- Criteria - Governments - International Public Finance: Methodology And Assumptions For Analyzing The Liquidity Of Non-U.S. Local And Regional Governments And Related Entities And For Rating Their Commercial Paper

Programs, Oct. 15, 2009

Related Research

- Public Finance System Overview: Australia's Institutional Framework For States And Territories Is One Of The Strongest In The World, Feb. 12, 2015
- International Local And Regional Governments Default And Transition Study: 2012 Saw Defaults Spike, March 28, 2013

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Ratings Detail (As Of August 26, 2016)		
Victoria (State of)		
Issuer Credit Rating		AAA/Negative/A-1+
Issuer Credit Ratings History		
06-Jul-2016	*Foreign Currency*	AAA/Negative/A-1+
16-Feb-2003		AAA/Stable/A-1+
18-May-1999		AA+/Stable/A-1+
06-Jul-2016	*Local Currency*	AAA/Negative/A-1+
22-Apr-1998		AAA/Stable/A-1+
27-Mar-1998		AA+/Watch Pos/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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