

Growth and Financial Stability

Growth and financial stability have been key themes under this year's G20 Finance work stream, with particular focus on addressing global challenges such as the future of work, infrastructure development and tax evasion.

This year, Canada has been an active proponent, among its G20 partners, of lowering tariffs and supporting freer trade as a way for countries around the world to create good, well-paying jobs for the middle class. In support of the G20 Finance work, Canada has made progress on the following key issues.

Mobilizing private finance to reduce the infrastructure deficit

Investment in infrastructure boosts growth and productivity, and is a critical component of development. In recent decades, public and private investment in essential infrastructure, such as transportation, communications and electrical networks, fell short. Canada has actively encouraged mobilizing private finance to support infrastructure development around the world. As a G20 member, Canada advocates for greater coordination among multilateral development banks and a systematic approach to infrastructure development.

The G20 created the Global Infrastructure Hub (GI Hub) to advance infrastructure development worldwide through public-private partnerships. On September 24, 2018, Canada announced a \$20 million investment to establish GI Hub's North American headquarters in Toronto. GI Hub will use \$5 million of the investment to create the Global Centre for Infrastructure Excellence. The Centre will aim to ensure that private investment effectively develops resilient, sustainable infrastructure that benefits everyone.

Addressing the challenges and embracing the opportunities presented by technological change

Every person should have a real and fair opportunity to share in the benefits of technological change. As co-chair (with India) of the Framework Working Group (FWG), Canada has played a leadership role in identifying, understanding and providing policy advice to G20 members and other nations about how to leverage rapid technological change. Together with its G20 partners, Canada has developed policy options to help governments and policymakers strengthen the global economy by embracing new technologies that benefit citizens.

The Government of Canada: helps Canadians acquire the skills they need to compete and succeed, it invests in innovation, science and research; and adapts social policies to better support people transitioning to the new economy.

Enhancing coordination on international taxation issues

International coordination on tax issues helps to ensure that tax systems support rather than impede growth. Canada actively works with its G20 partners to set and promote global standards for

international trade, along with a business environment grounded in tax fairness, transparency and a level playing field.

Canada is committed to multilateral efforts that combat international tax avoidance and evasion, and that require corporations in all sectors to pay appropriate taxes wherever they generate value. To support this objective, the Government of Canada announced an investment of up to \$16.8 million to develop the global Knowledge Sharing Platform for Tax Administrations. The Platform helps countries to meet the challenge of international tax evasion and aggressive tax avoidance.

Improving the governance of the International Financial Architecture

The International Financial Architecture (IFA) consists of the international institutions, rules and agreements – such as the International Monetary Fund (IMF) – that facilitate international transactions, and help to prevent and manage economic and financial crises. Over the past year, the G20 has undertaken important work to strengthen the IFA.

Canada is working with its partners to prioritize the key recommendations put forward by the G20 Eminent Persons Group on Global Financial Governance. Canada is also committed to working with its partners to help complete the IMF's governance review in 2019, recognizing that a well-functioning global economy needs an IMF that responds quickly and effectively to vulnerabilities and crises. Finally, Canada supports the ongoing work of the IMF and the World Bank to enhance debt transparency, and improve the capacity of countries to monitor debt and improve public financial management.

Safeguarding and optimizing global financial-sector regulation

The financial sector plays an important role in supporting economic growth. G20-led financial-sector reforms have created a safer, more resilient global financial system. Canada and its G20 partners continue to work diligently to: ensure the full, timely and consistent implementation of financial-sector reforms launched after the global financial crisis of 2007–2008; monitor emerging risks; and ensure that international financial regulations adapt to new circumstances and technologies.

Canada is also committed to combating corruption, money laundering and terrorist financing. Canada supports the work led by the Financial Action Task Force to address the evolving risks and vulnerabilities that compromise the integrity of the financial system, and threaten global safety and security. In this country, the Government of Canada takes action by responding to the development of new technologies such as virtual currencies, improving the availability of beneficial ownership information, and addressing the risk of money laundering in the real-estate sector.