

Brisbane G20 Summit aims to strengthen the global economy, create jobs and deliver prosperity to billions

By Tony Abbott

Almost a year ago, when Australia assumed the presidency of the G20, I said that the world needed less talk and more action.

The arrival of leaders in Brisbane at the end of this week will mark the culmination of a year of action. The Brisbane Summit is an opportunity to finalise our commitments to strengthen the global economy, create jobs and deliver prosperity to billions of people.

With our considerable combined political and economic influence, the G20 nations are ideally placed to act. Our leaders' summit is the window of economic opportunity that opens just once a year.

Early in Australia's host year, G20 nations set an ambitious goal: to boost our collective economic GDP by at least 2 per cent on current trajectories over five years, through a combination of domestic actions, and shared global commitments. Such a boost would add more than \$2 trillion to the global economy and create millions of new jobs worldwide.

The mere act of setting this goal – something the G20 has never done before – served to galvanise members into action.

Over the next several months, G20 nations came up with almost 1,000 measures to drive economic growth. These included more investment in infrastructure, measures to facilitate trade, changes to competition policy and initiatives to improve workforce participation, especially by women and young people.

The collective focus has paid off. In September, after only seven months of effort, the IMF and the OECD estimated the strategies we had developed would take us 90 per cent of the way to meeting our growth goal.

Since then, G20 members have continued to identify new actions and at the Leaders' Summit it will be confirmed how close we have come to achieving the 2 per cent target.

This 2 per cent represents a stronger economic future for all of our people and demonstrates the real value that can come from a forum like the G20. Driving growth in the global economy has been at the centre of the G20's efforts this year for the simple reason that growth is key to addressing almost every other global problem – problems that deny people opportunities, stifle private-sector ambition and constrain quality of life.

As leaders we are duty-bound to address such problems. It is our job, individually and collectively.

The decisions leaders will be asked to make on November 15 and 16 cover many subjects – jobs, infrastructure, tax, trade, competition, corruption, development and the reform of financial systems. But all are inter-connected. And all are on the table because they offer solutions to one big challenge: how do we restore confidence in the global economy now and into the future?

Greater confidence will bring the investment decisions that drive economic growth - which in turn will deliver jobs, opportunity, and higher standards of living for all.

Building confidence requires more than tweaking fiscal and monetary policy settings. It demands structural reforms to improve the efficiency of individual economies, and through them, the global economy.

Over the course of 2014, through persuasion, G20 nations have already achieved collectively what might have been impossible acting alone. Cooperation on this scale, to lift global growth through concerted domestic structural reform, is unprecedented.

We have achieved much in other priority areas too. We've on track to deliver the first tranche of tax reforms to combat base erosion and profit shifting, to help ensure that corporations pay their fair share of tax in the jurisdictions where they make their profits.

We've agreed to a major, multi-year piece of work to boost private-sector investment in the infrastructure that drives productivity: roads, ports, railways and power stations. Seventy trillion dollars worth of additional infrastructure will be needed globally by 2030. No longer can governments alone meet the demand.

It has been a year of action already but it is not over yet.

In Brisbane, leaders can prove to the world that a forum that showed its mettle in responding to the dark days of global crisis can prove it again; this time in actually shaping the economic future.

We can deliver on reforms to financial regulation that will ensure the circumstances that led to the global financial crisis are never repeated and that we are better equipped to deal with future crises.

We can ensure that taxpayers never again bear the cost of bailing out institutions that are deemed "too big to fail" and we have an opportunity to bring greater transparency to the opaque world of shadow banking and to reform over-the-counter derivatives trading.

We can set a global target to reduce the individual country gaps between male and female workforce participation by 25 per cent by 2025.

Most importantly, in bringing much of our post GFC agenda to completion, we can now focus on what the global economy will need in the years ahead.

I look forward to welcoming G20 leaders to Brisbane. Discussions will inevitably be robust - as they should be - but based on what we have already achieved to date, I am confident we will together deliver strong action on the economic issues that matter most to the world today.

Tony Abbott is Prime Minister of Australia.