



Ensuring Prosperity: Inclusive Economies, Efficient Resource Management, Small Business Growth and Open Trade

A Call to Action

From April 4th to 6th, business leaders from G7 nations will gather in Quebec City for the B7 Business Summit. This year, we have the great opportunity to represent Canada as the hosts of the summit where business leaders from across the G7 will participate in a discussion about the opportunities and barriers that underlie business investment and trade. The priorities for the summit are: promoting inclusive growth, making efficient use of resources, and expansion of small businesses. It is the role of the business community to make recommendations to the governments of the G7 that will support the vision of economies that provide opportunity and prosperity for all.

Inclusive growth underpins strong economies and strong societies

In 2017, the World Economic Forum established that average income had declined by 2.4% in developed economies over the past five years. Falling incomes hurt all people, especially the most vulnerable. As a society, we aspire to be both compassionate **and** competitive. Inclusion means incenting those who can, should and want to participate in economic growth. We believe that we all have the right to contribute to, and be compensated for, our roles in creating prosperity; to enjoy the right to use our talents and collectively benefit from the greater economic well-being of our communities and our countries. Inclusive growth must include protecting the vulnerable and ensuring an unqualified right to health and education – including training and retraining, amid the rapidly evolving technologies of the 21st Century.

Advancing the role of women in business represents perhaps the most powerful and immediate opportunity to accelerate sustainable global economic growth. McKinsey Global Institute estimated in 2015 that addressing and eliminating gender inequality could increase global GDP by at least \$12 trillion by 2025 – an 11 per cent increase that drives broad economic and social benefits. The impact does not end there. Growth is a means to an end: An end that supports rich, vibrant, free and innovative societies that find places for all, while increasing the prosperity, safety and health of our people and at the same time, conserving our vital resources and environment.

An international trade regime with robust open trade that embraces inclusive growth, protects the most vulnerable, inspires the most able and involves people in a fair, egalitarian and respectful manner, will result in a strong and healthy society. Today, by simply tapping into the vast number of talented women and other underrepresented populations, while maintaining the involvement of those already participating in the economy, we have the opportunity to enhance the abilities of the G7 countries to grow and increase prosperity.

This priority for equality, parity and inclusion will require stronger action by businesses and governments. New partnerships between companies and training centres will have to be put in place, according to the dual approach, to prevent skills shortages and to protect the employability of people whose jobs will have been affected by rapid and strong technological changes.

Ensuring an efficient use of our resources and maximizing innovation potential

Sustainable development and the efficient use of our resources are integral to the future of our economies. Business communities and governments must continue to work together to ensure that policy and regulatory frameworks are transparent and streamlined and we must work to strengthen measures geared to stimulate innovation in the use and management of natural resources. The future will require continued improvements in resource development practices and drive to new ways of providing these services to a global population. We must work together to ensure our resources are developed and used in an efficient and competitive manner, while making strategic investments in new innovations and technologies for the future. Alignment and collaboration in these areas will spur confidence and generate investment, which in turn will support strong and healthy societies.

The impact of growing and scaling small businesses

Small businesses are integral contributors to our communities and economies. It is important to prioritize the adoption of policies specifically designed to stimulate the growth of small businesses. While business creation is an indicator of the health of an economy, the growth of small businesses has a very powerful organizing effect. When a company scales up, its management acquires new managerial skills; the organization develops systems to allow it to integrate new technologies and invest in innovative processes; the company achieves a level of international calibre efficiency and eventually exports its products and services.

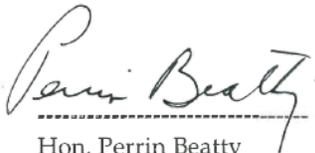
Addressing barriers that keep individuals from investing, scaling and building small business, will enhance income growth and change the trajectory of how we grow our economies. Recent studies in Quebec have provided insight into the multiplier effect of small business growth on the provincial economy. If only 100 firms went from small to large, Quebec's GDP would increase by 9%. In Canada, the impact of the growth of small businesses could be significant for communities that would benefit from higher quality and more stable jobs.

Visionary Leadership

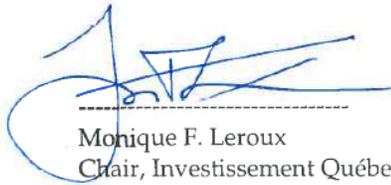
Our nations are all ready to make this change! Inclusive growth and broad prosperity are achievable. All people want a meaningful and purposeful role to play in society and the economy – governments must work together with businesses to promote growth that turns the basic right for every individual to contribute and be rewarded, into reality. Open trade is integral to that goal.

Bold, aspirational leadership in both government and business has always been critically important during times of great uncertainty and change. Our call to leaders today is to rise above the noise and to lead people through the uncertainty towards economies that will be more diverse, more innovative and more inclusive.

This week we look forward to sharing this vision for long-lasting, inclusive economic growth that will support the development of individuals and communities alike through trade with our global partners.



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