

# Statement of Secretary Steven T. Mnuchin Before the U.S. House Committee on Financial Services



July 12, 2018

Chairman Hensarling, Ranking Member Waters, and members of the Committee, it is good to be here with you today to discuss the National Advisory Council on International Monetary and Financial Policies (NAC) report to Congress, and other priorities of the Treasury Department.

The NAC report highlights international financial institutions' (IFIs) role in encouraging global macroeconomic growth and financial stability, advancing U.S. national security priorities, supporting the development of markets for U.S. businesses, and working to alleviate poverty. Treasury has promoted reforms at the IFIs to help them better contribute to these objectives, and we will continue our efforts to increase the IFIs' effectiveness and value to taxpayers.

I would note that the International Monetary Fund's (IMF) periodic review of quotas is scheduled to be concluded next year. Every five years, the Fund reviews its financial resources and decides whether to increase them. At this time, the United States finds that the IMF's overall resources are adequate following the 2016 implementation of the 2010 Quota and Governance Reforms.

I also want to highlight the strength of the U.S. economy as we continue to implement President Trump's economic agenda focused on tax cuts, regulatory reform, and trade. In only six months since the passage of the Tax Cuts and Jobs Act, Americans are seeing faster GDP growth, more money in their paychecks, and better career opportunities. Unemployment numbers are historically low, with an average of over 200,000 jobs added each month of the second quarter this year. Over 500 companies have announced bonuses, wage increases, and enhanced benefits. The National Federation of Independent Business, the National Association of Manufacturers, and the Consumer Confidence Index are all reporting record levels of optimism. Americans are keeping more of their hard-earned money, and U.S. businesses are more competitive.

Our efforts to eliminate unnecessary burdensome regulations are also having a tremendous impact. We have worked closely with this Committee and others in Congress, as well as our colleagues across the Administration, to create a regulatory environment that is more efficient and predictable for businesses. These reforms are enhancing the flow of credit and supporting job creation and wage growth. At the same time, we remain committed to ensuring the stability of the financial system and protecting taxpayers and consumers.

Our tax and regulatory reform agenda complements our trade efforts. We strongly support Congress' bipartisan effort to strengthen and modernize the Committee on Foreign Investment in the United States' (CFIUS) review process and its inclusion in the National Defense Authorization Act. The Administration is pleased to work with members to maintain our open investment environment while ensuring that certain transactions are reviewed for national security purposes.

We have made great progress in the last eighteen months implementing the President's agenda. We are working every day to guide multilateral financial organizations toward a limited role that is more consistent with free markets, faster growth, and U.S. national interests. Hardworking taxpayers across the country are optimistic that they will have a more prosperous and secure future, and we are seeing America's growth potential come to fruition.

Thank you very much. I look forward to answering any questions you may have.

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