



C-Suite Survey Findings Executive Summary

March 25, 2013 – In this the 30th edition of the C-Suite Quarterly survey, conducted on behalf of KPMG; published and broadcast by the *Globe and Mail's Report on Business* and *BNN*, we asked executives about economic conditions, federal policy, infrastructure investment priorities, and the best cities in which to do business. Telephone interviews were conducted with 154 C-level executives from ROB 1000 companies between March 5th and 21st, 2013. The margin of error for this study is +/- 7.9%, 19 times out of 20.

Economic Conditions

- ❑ Current assessments of the Canadian economy remain modest and many executives feel the economy will require stimulus of some sort.
 - Expectations for the US economy have improved to the point where executives' outlook for the US is as positive as it is for Canada – something the C-Suite hasn't said in over three years.
- ❑ When asked what weaker economic growth forecasts and declining revenues mean for government:
 - Most agreed there is a need to cut government spending “generally”.
 - Few agreed that there should be cuts to public health care spending or education.
 - While there may be support for government belt tightening, there is almost no appetite for raising taxes to help reduce government debt.

Preferred Infrastructure Initiatives

- ❑ The C-Suite would prioritize urban investments that improve roads and highways, shipping ports and light rail/subways in cities.

Economy Boosting Initiatives

- ❑ Measures that would be most effective at boosting economic growth according to executives:
 - Investing in skills training,
 - Establishing freer trade (with Asian, Latin American, and European nations), and
 - These are closely followed by infrastructure, tax cuts & admitting foreign workers.

Job Market & Immigration

- ❑ The vast majority agreed that immigration will be critical to the labour market.
- ❑ Most agreed Canada's system should focus on attracting skilled workers more than on family reunification.
- ❑ Few believe this is only a short-term problem that can be dealt with by work-permits – most agreed this issue will be with us for the long-term requiring more significant measures.
 - Half supported increasing federal government funding to immigration services to Canadian businesses.
 - Just over half believe admitting more foreign students and providing them with work visas would have a positive impact on the economy.

The Best Domestic and Foreign Cities in Which to do Business

- ❑ Toronto and Calgary were rated among the best cities in which to locate, along with New York, London, & Hong Kong.
 - Close behind are Vancouver, Frankfurt, Singapore, Chicago, Houston and Boston.
 - Montreal finds itself in the middle-tier of cities, positioned near Edmonton and Ottawa and ahead of Halifax among Canadian cities.
 - International cities in the middle tier are LA, Mumbai, Sao Paolo and Paris.
- ❑ Well below these in the ratings are:
 - Rome, Mexico and the lowest marks to Moscow.