

## C-Suite Survey - Executive Summary

June 24, 2013 – This 31<sup>st</sup> 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*, was conducted by telephone interviews with 153 C-level executives from ROB 1000 companies between May 28<sup>th</sup> and June 12<sup>th</sup>, 2013. More detailed information is available at [Gandalfgroup.ca](http://Gandalfgroup.ca).

- ❑ The C-Suite's forecasts for the US economy continue to improve, which is noteworthy and important given that executives are now reporting more moderate forecasts for resources companies in Canada compared to reports in previous quarters which had been more bullish.
- ❑ Executives are divided on whether or not income inequality is going to be an ongoing concern for Canada. Nearly half are very or somewhat concerned about data showing a declining middle class.
  - ❑ Most believe Canada is doing better than the US in this respect. But most also believe continued erosion of the middle class would have negative impacts on business.
  - ❑ In response, the C-Suite would rather build incomes through better worker/skills training than boost public pensions or taxes on capital gains and top incomes. Most support closing tax loopholes. Many are open to raising the minimum wage or boosting private pensions.
- ❑ Executives seem complacent about cyber-threats to their companies. They know this is a "whole business" issue (not just something for IT departments) but most think it's unlikely their company would be victimized.
  - ❑ Only 40% of executives said they were very or somewhat concerned about cyber-security. And only 39% said businesses like theirs were very or somewhat likely to be targets of a cyber-attack or threat. Services sector companies are more concerned about these issues. Half of executives in this sector said they were very or somewhat likely to be targets.
  - ❑ Most are somewhat confident in their organization's cyber-security efforts; only 24% is very confident.
  - ❑ Services sector companies are the most likely to have taken steps to protect themselves, with their top concern being customers' and employees' information. They and others believe threats to their companies are more likely to come from criminal organizations or individuals committing fraud than foreign governments or domestic competitors.