



Report on Business the gandalf group

C-Suite Survey - Executive Summary

June 12, 2015 – This 39th 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 with 153 C-level executives from ROB 1000 companies between May 20 & June 10, 2015.

Infrastructure

- The C-Suite is strongly supportive of infrastructure investments.
- 62% believe governments are underfunding infrastructure in Canada.
- The majority said that airports, electrical grids and telecommunications networks in Canada's major cities rate well when it comes to infrastructure.
- Few feel the same when it comes to highways, roads and transit.
- Top of mind suggestions for where governments should improve infrastructure were in the areas of roads, bridges, transit, highway infrastructure and reducing traffic congestion.
- Most said their businesses would be helped if investments and improvements were made in these areas.
- There is majority support for a range of investments but the priority and top of mind concern relate to roads and transportation.
- 52% said their businesses would benefit if Canada's major cities invested in "better public transit."
- 65% support short-term government deficits to help fund capital investments in infrastructure.

Canada's Industrial Sectors & Potential for Growth

- 80% agree the national economy is too dependent on too few industries and relies too much on Alberta.
- Even though 70% agree Canada's current industrial mix will lead to economic growth, the C-Suite want to see public support or investment in technology intensive sectors like pharma & biotech, clean tech, aerospace and ICT.
- Looking at the energy sector, the C-Suite believes renewable energy and natural gas are industries that will increase in importance in the next decade and deserving of public support.
- 62% expect that the automotive sector will be less important to Canada in a decade.
- Most expect information technologies and the services sector generally will be more important to Canada's economy than they are today and relative to growth in other sectors.

- ❑ The drop in confidence in the Canadian economy we saw in the first quarter of 2015 has halted. There has been only a slight increase in the proportion who expect the economy to grow over the next 12 months – 66% predict Canada’s economy will grow over the next 12 months.
- ❑ In contrast, almost all expect the US economy to grow, although fewer are as bullish in predicting strong growth as compared to last quarter.
- ❑ Few in the C-Suite see upside in the election of an NDP government in Alberta. Only about one in ten think the new government’s approach there could help with pipeline construction in Canada or the US; 84% believe it will hurt investment in the province.

More detailed information and a presentation of this quarter’s findings is available in PowerPoint from Gandalfgroup.ca .