

**Strong Praise for CEO Council and Prime Minister on
Occasion of the G20 Summit**

BDO Dunwoody Weekly CEO/Business Leader Poll

By COMPAS in *Canadian Business*

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1.0 Overview

The Canadian Council of Chief Executives came out with a statement about Canada's past and prospective roles in the global recession on the occasion of the G20 Summit. The CEOs and business leaders on the COMPAS business panel praise the CEO Council for calling on Prime Minister Harper to do whatever he can to move the G20 beyond platitudes to concerted economic action.

Panelists also praise the Prime Minister himself for his management of the economy and international economic advocacy, as detailed in the body of the report, below. They praise his PR offensive on Canada's behalf in the increasingly protectionist United States. From the business panel, Harper earns an overall performance score that is one of the highest received by a politician in COMPAS' large database of performance scores.

These are the key findings from this past week's Internet survey of CEOs and business leaders on the COMPAS panel. The weekly business survey is undertaken for *Canadian Business* magazine under sponsorship of BDO Dunwoody LLP.

2.0 Findings

2.1. Agreeing with the Canadian Council of Chief Executives

In virtually unanimous agreement, panelists heap praise on the CEO Council for calling on the Prime Minister to push the G20 beyond platitudes and into concrete action to blunt protectionism and strengthen confidence in the international system, as shown in table 2a. Panelists also strongly embrace a series of CEO Council statements praising the Prime Minister for actions during the current economic crisis, as detailed in table 2b.



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Table 2a: (Q1) In a letter to the Prime Minister on the eve of the G20 Summit, the Canadian Council of Chief Executives (CCCE) called upon Stephen Harper to do his best to move the G20 to take concrete action to blunt trade protectionism and strengthen confidence in the international economic system. On a 7 point agreement scale where 1 means strongly disagree and 7, strongly agree, how much do you agree with the CCCE recommendation?

Mean	7	6	5	4	3	2	1	DNK
6.4	56	31	7	4	0	1	0	1

Table 2b: (Q2) The CCCE praised the Prime Minister at length. On a 7 point agreement scale where 1 means strongly disagree and 7, strongly agree, how much do you agree with the CCCE for praising the Prime Minister in respect of...RANDOMIZE

	Mean	7	6	5	4	3	2	1	DNK
Speaking up internationally against growing pressure for protectionist measures in other G-20 countries	6.2	47	34	12	3	0	2	1	1
Using tax and other measures to encourage Canadian business investment	5.7	30	39	16	8	5	1	2	1
Providing leadership in the fight against protectionism by cutting a series of Canadian tariffs	5.7	28	39	17	8	3	3	1	3
Enhancing and expanding the mandate of the Export Development Corporation	5.6	24	31	28	6	3	2	1	6
Providing a right-sized stimulus for the Canadian economy	5.2	16	31	29	10	9	3	2	1



2.2. Praising Harper

As for Harper's specific actions in promoting the Canadian economy abroad, panelists are equally enthusiastic, as shown in table 2c. The overwhelming majority embrace Harper's media offensive in the United States, particularly at a time of rising U.S. protectionist sentiment. All in all, the business leaders and CEOs on the COMPAS panel give the Prime Minister one of the higher report card scores that they have ever given a politician (see table 2d).

Table 2c: (Q3) The Prime Minister recently appeared on the top U.S. news networks to promote the strengths and virtues of the Canadian economy. On a 7 point agreement scale where 1 means strongly disagree and 7, strongly agree, how much do you agree that Harper's U.S. media campaign was a good thing for Canada?

Mean	7	6	5	4	3	2	1	DNK
5.6	31	25	23	12	4	2	0	3

Table 2d: (Q4) On a 100 point report card type scale, how would you rate the Prime Minister's overall performance in the current national and global economic situation?

Mean
73

The following verbatims provide a nuanced sense of panel opinion:

With respect to protectionism, part of the message should be that countries that engage in protectionism should not be signing free trade agreements agreeing to do otherwise (and vice-versa).



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It still amazes me that "we" Canadians (and the rest of the world) actually appear to believe that the world economy will turn around and improve if the United States prints more deficit money they do not have any backup for and that this will eventually solve the world economic woes. Why we believe that a total world economy of some 25 Trillion dollars will be improved by a country whose deficit before this calamity was 11 Trillion (now increasing) and that this same country's currency is the international currency for trade and that this is not THE problem, is beyond me. Lemmings! Even if we come out of this it is only a stop gap - the world currency MUST be changed to a "currency" that is not controlled by one country, and therefore cannot be devalued by one country printing more. This is the ONLY true long term fix.

Where is an economic vision and mission statement from the Prime Minister? Let's rally the country around a common agenda and mission. It's not too late to take the pulpit and set a goal of building infrastructure for a national power grid, maglev rail trains or even an arctic research station. Just give us something to believe in.

Hopefully, we will remember the lessons from the Great Depression. Closing borders will only prolong the agony of the recession.

The global economy needs to rebuild confidence and restore economic activity. Buying and selling goods and services will employ people who will do more of that but, the banking system is broken and reluctant to do their part in investing in this rebuilding program. Corporations need to go through restructuring at ALL levels, mainly labour and productivity so that costs are kept under control, but without jobs, any growth will be weak. Unions have to do their bit and governments at all levels must start acting like companies under severe pressure and not keep adding to the tax



burden by featherbedding labour costs. It sends the wrong message to those that are suffering.

The steps that are being taken to reflate the consumer market of the developed world are likely to cause heavy inflation in the near term which will do further damage to the world economy. We should be looking at expanding the huge untapped markets of the developing world which have a sustainable future of great potential.

If you send all the jobs overseas what is left? The loss of jobs was starting to happen before the economic crisis and we forget that economies grew and became strong when there was protectionism. Also big is not turning out to be better. Smaller entities do not have the power to affect the global economies so drastically.

I think addressing the issues of credit opening up, and the jobs going down, and what to do about it, is going down fast, thus killing the confidence level in this environment.

3.0 Methodology

The COMPAS web-survey of CEOs and leaders of small, medium, and large corporations was conducted April 1 - 3, 2009. Respondents constitute an essentially hand-picked panel with a higher numerical representation of small and medium-sized firms.

Because of the small population of CEOs and business leaders from which the sample was drawn, the study can be considered more accurate than comparably sized general public studies. In studies of the general public, surveys of n=122 are deemed accurate to within approximate 8.9 percentage points 19 times out of 20. The principal and investigator on this study is Conrad Winn, Ph.D.

