



Canada's business leaders increasingly optimistic

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OTTAWA — Canadian business leaders are becoming increasingly optimistic, according to a new survey by the Canadian Institute of Chartered Accountants.

According to the report, 28% of accountants holding senior positions in Canadian businesses say the Canadian economy will perform better in the next 12 months.

“I wasn’t surprised to see this and it is encouraging,” said Shauneen Bruder, the Royal Bank of Canada’s VP of Business and Commercial Banking. “With every new economics release we are seeing very early but positive indicators.”

While 28% may seem like a small number, it is a massive turnaround from the 4% optimism recorded in the same survey in the first three months of the year or the 2% of accountants that were optimistic in the last three months of 2009.

It is still miles off the 67% of executives that said they thought the future was bright in the spring of 2007.

Doug Baker, chairman of the board of the CICA, says the turnaround can be attributed to Canada’s ability to weather the global financial crisis that crippled other banking systems.

“In those dark days in late 2008 and early this year people weren’t sure if the banking system would survive or if there would be a total collapse across the world,” Baker said.

The survey of 433 CEOs and CFOs done in June also found that optimism was lowest in Ontario at 10%, and highest in Alberta at 33%.

Despite the positive feelings, most surveyed said the next 12 months will still be difficult and job losses will continue, although things will be easier than they have been.

Meanwhile, Statistics Canada reported Canadian corporations earned \$50.2 billion in the second quarter of this year. It marks a decline of 6.4% from the previous quarter but the losses are slowing.

In the first three months of the year profits declined by 14.1% and 19.2% the quarter before that for a combined drop of 35% since the peak in the fall of 2008.

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