

CANADA'S CEOs REMAIN CONFIDENT THEIR COMPANY WILL DO FINANCIALLY BETTER IN 2004

Business Spending Bounces Back To Buoyant 2001 Levels As 53% (Up From 46% In 2002) Of CEOs Prepare To Open Company Wallets



Public Release Date: January 22, 2004 – 6:00 a.m. EST

Ipsos-Reid is Canada's leading marketing research and public affairs company, both in size and reputation. It operates in seven cities and employs more than 300 researchers and support staff in Canada. Ipsos-Reid has the biggest network of telephone call centres, as well as the largest prerecruited household and online panels in Canada. Its Canadian marketing research and public affairs practices are staffed with seasoned research consultants with extensive industry-specific backgrounds offering the premier suite of research vehicles in Canada, including the Ipsos Trend Report, the leading source of public opinion in the country. Ipsos-Reid is a member of the Ipsos Group, the second largest survey-based marketing research company in the world.

Visit www.ipsos-reid.com

For copies of other news releases, please visit

http://www.ipsos-reid.com/media/content/PRE_REL.cfm

© Ipsos-Reid

*Washington • New York • Minneapolis • San Francisco
Vancouver • Edmonton • Calgary • Winnipeg • Toronto • Ottawa • Montreal*

CANADA'S CEOs REMAIN CONFIDENT THEIR COMPANY WILL DO FINANCIALLY BETTER IN 2004

Business Spending Bounces Back To Buoyant 2001 Levels As 53% (Up From 46% In 2002) Of CEOs Prepare To Open Company Wallets

Toronto, ONTARIO – A majority of Canada's CEOs (72%) are confident that their own company is likely to do financially better in 2004 than it did last year – a virtually identical proportion (71%) expressed the same view in 2002 about the 2003 outlook. CEOs continue to be just as confident in 2003 that their workforce will continue to expand – 51% say this is likely over the next two years (compared to 50% in 2002) with only 12% expecting their workforce to be downsized. One-third (36%) say that their national workforce expectations remain unchanged.

These are the findings from the Ninth Annual Canada's Most Respected Corporations Survey sponsored by KPMG and conducted by Ipsos-Reid. The survey was conducted between August and November, 2003. The survey involved interviews of 255 of the leading CEOs in Canada.

Seven in Ten (72%) Confident That Their Company Will Do Financially Better Than Last Year...

A majority (72%) of CEOs indicate that they will do financially better in 2004 than they did in 2003. This is essentially unchanged from the 71% who held this view in 2002 looking forward to 2003. Only 5% indicate that the financial outlook is likely to be worse than last year (down three points from 8% who held this view in 2002 projecting onto 2003) while 20% indicate the financial outlook will likely be the same as last year.

Business Spending Bounces Back To Buoyant 2001 Levels As 53% (Up From 46% in 2002) of CEOs Prepare To Open Company Wallets...

With over half (53%) of CEOs planning to increase spending in the coming year, it would seem that CEOs have bounced back from the dip in 2002 (when 46% indicated they would be increasing spending in 2003) and have come back to 2001 levels projecting onto 2002 (52%). This contrasts with the 12% who indicate that business spending is likely to decrease (down slightly from 16% in 2002 projections for 2003), and 33% who indicate that their business spending will likely remain the same, down from 37% in 2002 projections for 2003.

Workplace Expansion Plans Are Steady...

When considering their Canadian workforce over the next two years, 51% of CEOs indicate that they will likely be expanding. This represents a consistent level of expectations since their 2002 projections for the coming year, but is down from higher levels of expectations in 1999 when 62% indicated workplace expansion plans, followed by 63% in 2000 and 57% in 2001. As for downsizing, 12% of CEOs see this in their plans for the next two years – almost exactly the same number for the last five years. The bottom line: half expect to hire more, about a third are likely to stand pat and one-in-ten are likely to trim the ranks.

Some Overall Highlights:

- CEOs in Atlantic Canada (89%) are the most confident that their business will do financially better in 2004, with Ontario (79%), and Alberta (72%) following behind. Business leaders in Saskatchewan and Manitoba (55%) are the least inclined to believe that the coming year will bring greater fortune for their business.
- In keeping with their rosier outlook on the coming year, CEOs in Atlantic Canada (67%) are the most likely to be planning a spending increase next year.
- Atlantic Canadian CEOs (78%) are also the most likely to be planning to expand their Canadian workforce in the coming year.

-30-

For more information on this news release, please contact:

**John Wright
Senior Vice- President
Ipsos-Reid Public Affairs
(416) 324-2900**

For full tabular results, please visit our website at www.ipsos-reid.com. News Releases are available at http://www.ipsos-reid.com/media/content/PRE_REL.cfm