

## Ai Group 2017 CEO Business Outlook Survey - Foundations for Growth

Australian CEOs are cautiously optimistic about their business prospects in 2017 according to the latest Ai Group CEO Business Outlook survey. We are well short of exuberance with expectations tempered by the failure of 2016 to live up to expectations and by the wide array of local and global challenges on the horizon.

The survey report – *Foundations for Growth* – is based on responses from the CEOs of 285 businesses, from all Australian states and territories and all major non-primary private-sector industries.

Ai Group Chief Executive, Innes Willox, said: "Despite 2016 turning out to be a tougher year than they generally expected, Australia's CEOs are looking to 2017 with cautious optimism. They are more likely to see themselves steering their businesses along expansionary paths than has been the case in recent years.

"This outlook comes after an extended period of only very gradual recovery from the global financial crisis and amid the major transitions underway in the wake of the recent mining investment and commodity price booms.

"In many respects the mantra of 'slower for longer', which has become the accepted outlook for both the global and Australian economies, is now built into the expectations of much of the local business community as it weighs up the opportunities and challenges in the current business environment.

"Long-standing concerns about slow global growth and political volatility were exacerbated in the second half of 2016 by the results of the 'Brexit' referendum and the US presidential election.

"More positively for 2017, many of the foundations for better domestic growth are already in place. These include low interest rates; low wage and inflationary pressures; low unemployment; a lower trading range for the Australian dollar (compared to a few years ago); stronger commodity prices; and, importantly, a recovery in real national incomes.

"The fate of the Australian dollar is a key swing factor. In 2017, it will remain one of the key risks to export performance and to the economy more widely. Many CEOs remain quietly hopeful that the dollar will remain around its long-term average of 75 US cents, despite rising gently through 2016 as commodity prices picked up.

"Other significant risks identified by CEOs in the Australian business environment in 2017 include the state of our energy market and the state of business investment. A disturbing 51% of businesses expect their energy prices to rise again in 2017. This adds further to arguments for urgent action by governments to address the clear and present dangers facing industry from the lack of energy affordability and energy reliability.

"Another key risk area for Australia is business investment. Non-mining business investment is recovering more slowly than required for a sustainable transition to a more broadly-based economy.

A surge in residential construction played a key role in 2016, but this investment cycle appears very likely to ease over the year ahead.

"The more expansionary plans of business leaders looking to 2017, if realised, will greatly assist in building business and employment opportunities and lifting incomes across the community. Any momentum for growth would be further supported through bipartisan support for the Government's business tax reform measures which will boost employment and investment," Mr Willox said.

[Access the full report here](#)

### GTRC Technical Guidance Bulletins

As reported in GC 16/01/2017; The GTRC recently published the following Bulletins:

- Technical Guidance Bulletin 9 – Portable unflued water heaters
- Technical Guidance Bulletin 10 – Portable butane cookers
- Technical Guidance Bulletin 11 – Transitional requirements for the implementation of flame failure on domestic cookers

Transitional arrangements (some taking effect 1/7/2017) and expected actions are contained within these documents. All GTRC Bulletins are all available [here](#)

We have been informed that the GTRC has received a number of enquiries from companies on these topics and we thought it a good idea to bring refresh this article.

### Save this date - GAMAA's Technical Committee meeting - Thursday 6 April 10am

More information will be provided in upcoming editions of GC.



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