

P R E S S R E L E A S E

Wednesday 10th May 2017

GENERAL IMPROVEMENT IN GOVERNMENT SATISFACTION RATINGS

- **Governments handling of the jobs situation improves**
- **Small enterprises least satisfied with government**
 - **Handling of business costs most unsatisfactory**
- **Construction sector most satisfied with the government**

ISME, the Irish Small and Medium Enterprises Association, published the results of its latest Government Satisfaction Survey today (10TH May). SMEs overall satisfaction with the Government improved this quarter. Governments handling of the Job situation continues to improve, while governments handling of business costs continues to be most unsatisfactory. The Association highlights its concern regarding business costs and access to finance For SMEs.

ISME CEO, Neil McDonnell commenting on the results stated *“Today’s results present a mixed picture for the government. While there is an overall improvement in government satisfaction ratings, the figures are still hovering over negative territory. “*

“While improvements in the economy and on the jobs front are welcome, the government’s handling of business costs and access to finance remains a significant matter for SMEs. Without proper access to finance, SMEs are stymied in their growth potential. While high business costs are undermining businesses by putting significant pressures on them, particularly in relation to insurance costs and commercial rates. As result, it is not surprising that SMEs scored the government poorly on these two perennial issues”

He added,

“Government must address the business cost issue, in doing so effectively, they will help create an environment that is conducive to growth and prosperity. We reiterate our commitment to continue to fight for a fairer and more sustainable SME sector”

The survey was conducted in the first week of April, with 756 SME respondents. 43% of whom employ less than 10, while a further 43% employ between 11 and 50 and the remaining 14% employ between 51 and 250. Geographically, 28% are from Dublin with 58% spread across

the country, with 14% having multiple sites, giving a good reflection of the country as a whole; in terms of size and geography.

COMBINED RATING (-26% to -9%)

The overall satisfaction rating has improved this quarter, increasing from -26% (Q4'16) to -9% (Q1'17). Micro sized enterprises at least satisfied with the government at -16%. Small enterprises sees an improvement on last quarter from -16% to -11% (Q1'17). Medium sized enterprise are most satisfied with government at +21%, an increase of +20% on Q4'16. The retail sector is most dissatisfied with government at -25%, while the construction sector is most satisfied with government. Manufacturing sees the biggest differential on last year's release, improving from -39% to -5% (Q1'17). Services is at -17%, an improvement on -22% (Q4'16). Distribution improves from -21% (Q4'16) to -11%, while the services sector also experienced an improvement from -22 (Q4'16) to -17 (Q1'17).

JOBS RATING (From +2% to +25%)

There has been a significant improvement in the satisfaction ratings with the Government's handling of the jobs situation. Improving by +23%. This increase was expected given the generally good employment figures captured by the CSO. This figure could be bettered, if government influenced costs were reduced.

BANKING (From -49% to -33%)

The banking score continues to be negative. Until we move away from the unhealthy relationship we have with the three main financial institutions, negative scoring around banking will remain. In our previous bank watch survey, 23% stated they were refused a loan. Furthermore the interest charged to SMEs is twice the EU average. Until we see progressive changes in these area, negative scoring will remain a factor.

ECONOMY (from -17% to +6%)

This question examines how satisfied SMEs are with the Government's handling of the economy. This improvement is due to the Government's response to Brexit.

BUSINESS COSTS (-67% to -55%)

Business cost continue to be the biggest issue for SMEs, with a slight improvement on the previous quarter, decreasing from -67% to -55%. Excessive business costs continue to have a major impact on businesses. The Association is concerned that in light of the Brexit result our competitiveness will come under pressure. We reiterate our call for the Government to conduct a review of all business costs to bring them into line with our main export competitors.

ENDS

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Note to Editors:

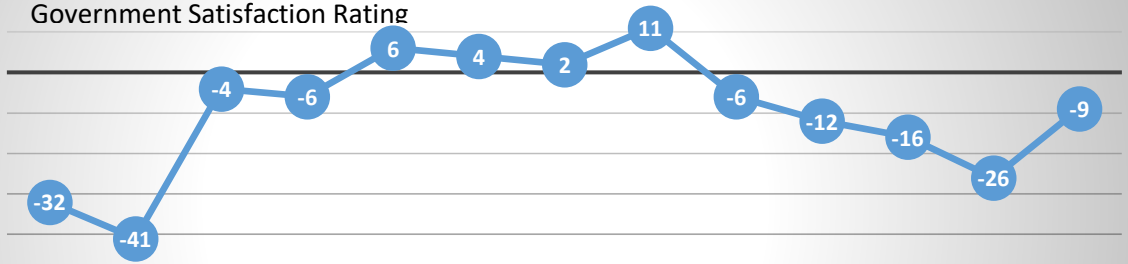
*** The satisfaction rating is made up from five specific questions on the Government's performance in dealing with Jobs, Banking, Business Costs the Economy and Overall performance. The results are based on simple balances of the differences between positive and negative responses, for example the negative balance for Jobs means that a greater percentage of respondents were unsatisfied with the Government's performance on the Jobs issue.**

	<i>JOBS</i>	<i>BANK</i>	<i>COSTS</i>	<i>OVERALL</i>
SPRING '17	+25	-33	-55	-9
WINTER '16	+2	-49	-67	-26
AUTUMN '16	+4	-54	-65	-16
SUMMER '16	+7	-49	-65	-12
SPRING '16	+3	-56	-57	-6

	<i>MICRO</i>	<i>SMALL</i>	<i>MEDIUM</i>	<i>TOTAL</i>
Overall satisfaction ratings.				
SPRING '17	-16	-11	+21	-9
WINTER '16	-40	-16	+1	-26
AUTUMN '16	-23	-13	+6	-16
SUMMER '16	-14	-17	-19	-12
SPRING '16	-7	-15	+32	-6

	<i>MANUFACTURING</i>	<i>SERVICES</i>	<i>DISTRIBUTION</i>	<i>RETAIL</i>	<i>CONSTRUCTION</i>	<i>TOTAL</i>
SPRING '17	-5	-17	-11	-25	+15	-9
WINTER '16	-39	-22	-21	-27	0	-26
AUTUMN '16	+17	-23	-19	-25	+13	-16
SUMMER '16	0	-14	-23	-15	12	-12
SPRING '16	+10	-1	-14	-14	-10	-6

Government Satisfaction Rating



	SPRING '14	SUMME R'14	AUTUM N '14	WINTER '14	SPRING' 15	SUMME R'15	AUTUM N'15	WINTER '15	SPRING '16	SUMME R'16	AUTUM N '16	WINTER '16	Spring '17
Series1	-32	-41	-4	-6	6	4	2	11	-6	-12	-16	-26	-9

Axis Title