

# INCREASE IN SME SATISFACTION WITH GOVERNMENT AS TROIKA LEAVES

- **Government satisfaction rating best to date.**
- **Business Costs score highest negative figure of -69%.**
- **Banking issues are major dissatisfaction at -61%.**
- **ISME calls for international benchmarking of all public sector and business costs.**

ISME, Friday 13<sup>th</sup> December 2013.

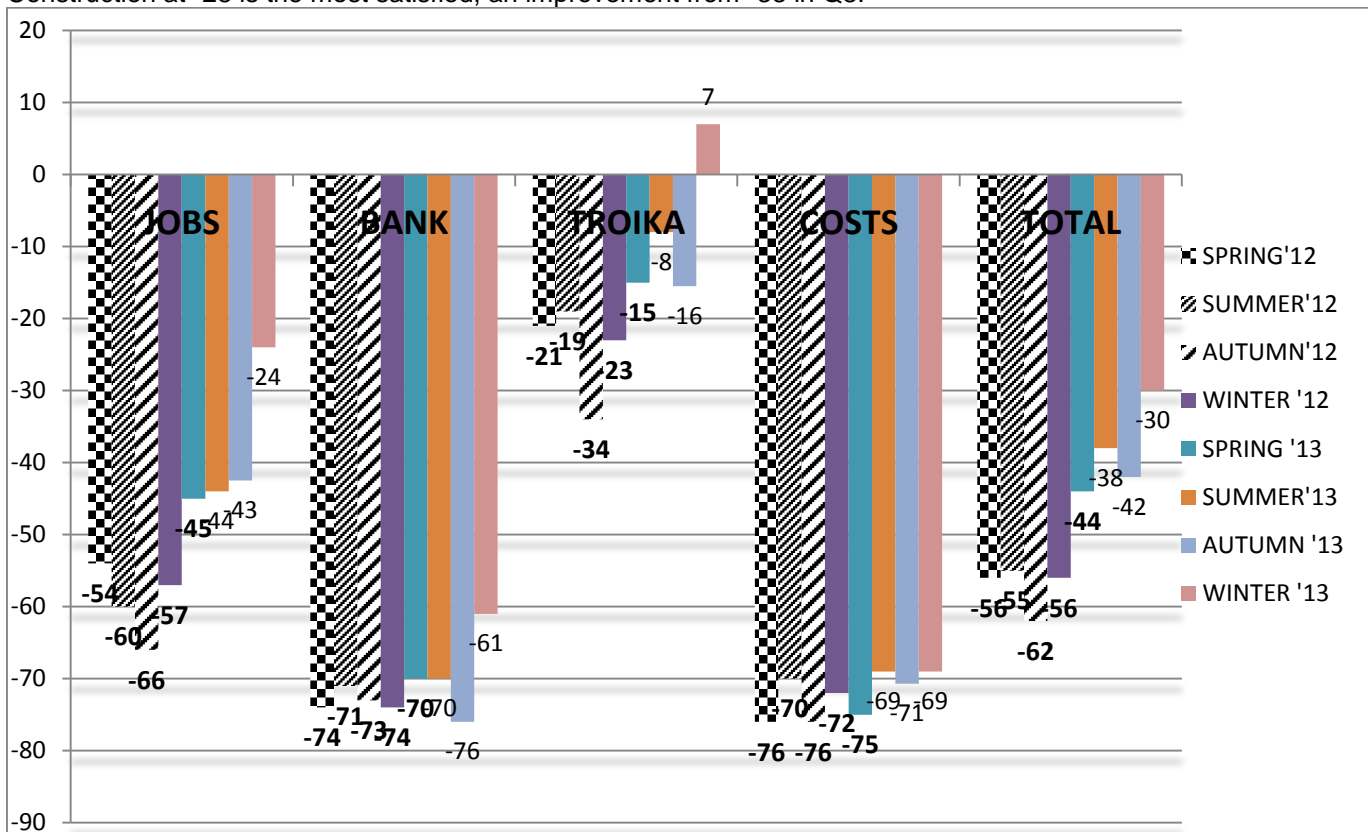
ISME, the Irish Small & Medium Enterprises Association, has released today (13<sup>th</sup> December) its Government Satisfaction ratings from its survey of over 900 SMEs. The combined satisfaction rating of minus 30 is the best to date, an improvement from the -42 in Q3 '13. While overall the survey shows an improvement, the dissatisfaction with the government's performance in the areas of business costs, banking and jobs points to a need for more focussed government interventions.

Commenting on the survey, ISME CEO, Mark Fielding stated, "Unsurprisingly, the highest dissatisfaction ratings come from the Retail trade which has been decimated in the last five years with few signs of an imminent pick-up and the smaller shops in dire straits".

"An improvement in all five indicators shows how SMEs rate the government in the final month of 2013, with the highest dissatisfaction being shown for the government's handling of the business costs. The fact that the 'official bailout' period finishes this weekend is the cause of a positive turnaround of 23 points, giving a score of plus 7 on how the government is dealing with the Troika".

### COMBINED RATING -30

The overall satisfaction rating, has improved to -30 from -42. Micro enterprises at -40 are the least satisfied however their rating has improved from -50 in Q3. Medium sized business show the most satisfaction with a first entry into positive figures of +5. As would be expected the Retail sector is the least satisfied at -44, a deterioration from -27 in the previous quarter. Construction at -28 is the most satisfied, an improvement from -33 in Q3.



## **JOBS RATING -24**

The satisfaction rating on the Government's Jobs initiatives shows an improvement of 19 points from -43 to -24, in line with the general ratings. The recent announcements of overall job figures will have boosted this rating. Retail, at -52 is by far the least satisfied with the jobs situation, while transport is the most satisfied.

## **BANKING -61**

The banking score, having increased to -76 in the previous quarter has shown an improvement to -61. This rating is a reflection of the reduction in refusals for loans reported in the ISME Bank Watch survey of two weeks ago.

Once more the highest negative score of 'Very Dissatisfied' was scored in this category at a full 38%. All categories of micro, small and medium businesses score very high dissatisfaction ratings in this category, a clear signal to Government that their efforts are not having the desired effect on the rescued banks. Micro businesses were most dissatisfied at -71, small business at -58 and medium at -21.

Hospitality and retail were the two sectors most unsatisfied at -88 and -76 respectively. The least dissatisfied sector was distribution at -56.

## **TROIKA +7**

This measurement continues to be the most positive response from owner managers, reflecting the feelings of relief that the promised continuation of austerity did not materialise in the recent budget. The fact that the Troika are officially leaving this weekend had a major effect on this score.

Medium sized businesses were most satisfied in this category at +33, small at +21 and micro least at -2.

Future surveys will continue to monitor this category, as the Troika may have left ceremonially, their oversight continues.

## **BUSINESS COSTS -69**

This indicator has improved by two points from -71 to -69 but is the most negative finding in this quarter's survey, with micro business suffering most and scoring a -75, a deterioration of 2 points. Medium business scored a -39 a big improvement from the -56 in Q3.

The retail trade is certainly suffering most with a dramatic score of -91 demonstrating the lack of any government initiative to tackle issues such as legacy leases and the setting up of a retail strategy group. IT at -78 and manufacturing at -71 are the next least satisfied.

In conclusion, Fielding called on Government to **"tackle the key issues of business costs bank credit and jobs and prioritise the restoration of our competitiveness. All costs, including public sector and legacy business costs must be benchmarked against our immediate international competitors. We must also expose sheltered sectors to greater competition in an effort to reduce all business costs and increase competitiveness for Irish SMEs"**.

**For further information contact:**

**Mark Fielding**  
**Chief Executive**  
**Tel: 01 6622755**  
**Mobile: 087 2519675**

### **Note to Editors:**

The satisfaction rating is made up from five specific questions on the Government's performance in dealing with Jobs, Banking, the Troika, Business Costs 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.

	<b>JOBS</b>	<b>BANK</b>	<b>TROIKA</b>	<b>COSTS</b>	<b>TOTAL</b>
<b>SPRING'12</b>	<b>-54</b>	<b>-74</b>	<b>-21</b>	<b>-76</b>	<b>-56</b>
<b>SUMMER'12</b>	<b>-60</b>	<b>-71</b>	<b>-19</b>	<b>-70</b>	<b>-55</b>
<b>AUTUMN'12</b>	<b>-66</b>	<b>-73</b>	<b>-34</b>	<b>-76</b>	<b>-62</b>
<b>WINTER '12</b>	<b>-57</b>	<b>-74</b>	<b>-23</b>	<b>-72</b>	<b>-56</b>
<b>SPRING '13</b>	<b>-45</b>	<b>-70</b>	<b>-15</b>	<b>-75</b>	<b>-44</b>
<b>SUMMER'13</b>	<b>-44</b>	<b>-70</b>	<b>-8</b>	<b>-69</b>	<b>-38</b>
<b>AUTUMN '13</b>	<b>-43</b>	<b>-76</b>	<b>-16</b>	<b>-71</b>	<b>-42</b>
<b>WINTER '13</b>	<b>-24</b>	<b>-61</b>	<b>+7</b>	<b>-69</b>	<b>-30</b>
		<b>MICRO</b>	<b>SMALL</b>	<b>MEDIUM</b>	<b>TOTAL</b>
<b>SPRING'12</b>		<b>-55</b>	<b>-63</b>	<b>-38</b>	<b>-56</b>
<b>SUMMER'12</b>		<b>-54</b>	<b>-58</b>	<b>-41</b>	<b>-55</b>
<b>AUTUMN'12</b>		<b>-63</b>	<b>-62</b>	<b>-58</b>	<b>-62</b>
<b>WINTER '12</b>		<b>-57</b>	<b>-59</b>	<b>-24</b>	<b>-56</b>
<b>SPRING '13</b>		<b>-53</b>	<b>-47</b>	<b>-12</b>	<b>-44</b>
<b>SUMMER'13</b>		<b>-43</b>	<b>-37</b>	<b>-11</b>	<b>-38</b>
<b>AUTUMN'13</b>		<b>-50</b>	<b>-35</b>	<b>-18</b>	<b>-42</b>

WINTER '13				-40	-22	+5	-30
	MANUFACT	SERV	DISTRIB	RETAIL	CONSTRUCT	HOSPIT	TOTAL
SPRING'12	-48	-57	-62	-56	-60		-56
SUMMER'12	-42	-57	-60	-65	-48		-55
AUTUMN'12	-70	-55	-71	-75	-42		-62
WINTER '12	-71	-48	-56	-63	-58	-80	-56
SPRING '13	-47	-45	-43	-49	-25	-50	-44
SUMMER'13	-35	-44	-34	-44	-27	-43	-38
AUTUMN'13	-36	-44	-50	-27	-33	-75	-42
WINTER '13	-32	-30	-38	-44	-28	-50	-30

*ISME is the only independent voice of Small & Medium business in Ireland, representing in excess of 8,750 members across all sectors. The Association is owned and run by owner managers and is independent of big business, government and unions; the TRUE voice of the Irish SME.*  
[www.isme.i](http://www.isme.i)