

## Results of the Business West Quarterly Economic Survey Q2, 2016

Business West, working with the British Chambers of Commerce, undertakes a quarterly economic survey of businesses. The results presented below reflect the position of almost 1,000 businesses surveyed between 23<sup>rd</sup> May and 13<sup>th</sup> June in the West of England, Gloucestershire, Swindon and Wiltshire.

### Business West Comment on the Key Findings

Commenting on the survey results for quarter 2, Phil Smith, Managing Director of Business West, said:

“It is too early to tell what impact the EU Referendum decision has had on firms across the South West, but our latest survey shows that our region’s economy showed signs of slowing amid the uncertainty leading up to the vote.

“After a strong start to the year, recruitment intentions fell and firms reported drops in both domestic and international orders ahead of the momentous vote.

“As the fallout from Brexit continues, we want to hear how the result has affected local businesses in terms of confidence, investment and recruitment decisions, both positive and negative.

“Although the results of this survey will be met with some concern, there are still reasons to remain confident. The week after the referendum, we saw Bristol, South Gloucestershire and Bath & North East Somerset Councils vote to push ahead with the £1 billion West of England devolution deal, which will give this area the chance to put investment into priority areas for business, such as transport, housing and skills.”

### Key Economic Indicators Q2 (May – June 2016)

The table below shows the percentage of survey respondents reporting increases against the following key indicators:

Indicator	Q2 2016	Change on Quarter (Q1 2016)	Change on Year (Q2 2015)
UK sales	43%	+1%	-6%
UK orders	37%	-2%	-7%
Export sales	35%	-4%	-4%
Export orders	32%	-4%	-4%
Current workforce	27%	0%	-3%
Future workforce	31%	-1%	-1%
Business confidence	66%	+1%	-3%
Cashflow	35%	+1%	-3%

## Apprenticeships

In addition to our regular questions on general business conditions, this quarter we also explored views on skills and apprenticeships.

- 29% of firms surveyed currently employ apprentices and/or have done so in the past, and a further 38% would consider this form of recruitment in the future. 33% of businesses surveyed have never employed apprentices and would not consider doing so.
- 70% of local businesses feel 'well informed' or 'slightly informed' about the different types of apprenticeships, compared with 30% who do not feel informed at all.
- 41% of firms feel 'well informed' or 'slightly informed' about the potential impact of the proposed apprenticeship levy, compared with 59% who feel they are not informed at all.