



## Small Companies See Sales Fall

For the first time in three and a half years, more small companies saw their sales fall over the past 12 months than managed to increase sales, according to the latest NatWest/SERTeam Quarterly Survey of Small Business in Britain.

The sales balance was down sharply for small firms in the health, education, leisure & other personal services sector, and in construction and retail. However, the survey made good reading for some industries.

The small hotels & restaurants sector, for example, was buoyant. For the third survey in a row it has been the most successful sector in increasing sales over the past year, with its sales balance rising from 20% to 24%. Other good performers include business services with a sales balance up 7%, and manufacturing and transport & travel both up 4%.

Although sales performance was down overall, small business employment and investment were relatively stable and inflationary pressures remain.

The general economic climate is of increasing concern, and is now the top-ranked problem for small businesses with fewer than 10 employees, as well as for manufacturers, wholesalers and retailers. The main worry is, as always, government regulations, sales and paperwork.

*Source: NatWest/SERTeam Quarterly Survey of Small Business in Britain*