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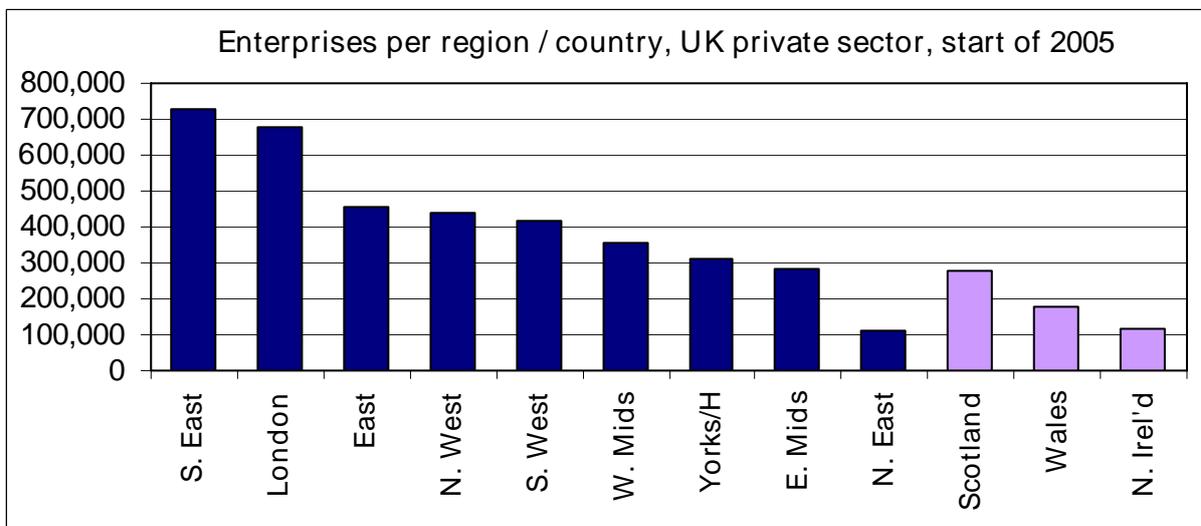
20 December 2006

### STATISTICAL PRESS RELEASE

The Small Business Service (SBS) today published the 2005 Small and Medium-sized Enterprise (SME) Statistics for the English regions, Scotland, Wales and Northern Ireland.

**Of the estimated 4.3 million enterprises<sup>1</sup> in the UK at the start of 2005, 3.8 million are in England.** The number of enterprises in England increased by 0.3 million between 2003 and 2005 (a rise of 8.5 per cent).

32 per cent of all UK enterprises are in London and the South East. Both these regions have over 675,000 enterprises each.



For each region and country in the UK, no more than 0.2 per cent of enterprises are large (250 or more employees), and at least 99.0 per cent of enterprises are small (0 to 49 employees). The proportions of enterprises that are medium-sized (50 to 249 employees) range from 0.5 per cent (in the East of England, South East and South West) to 0.8 per cent (in the North East and Northern Ireland).

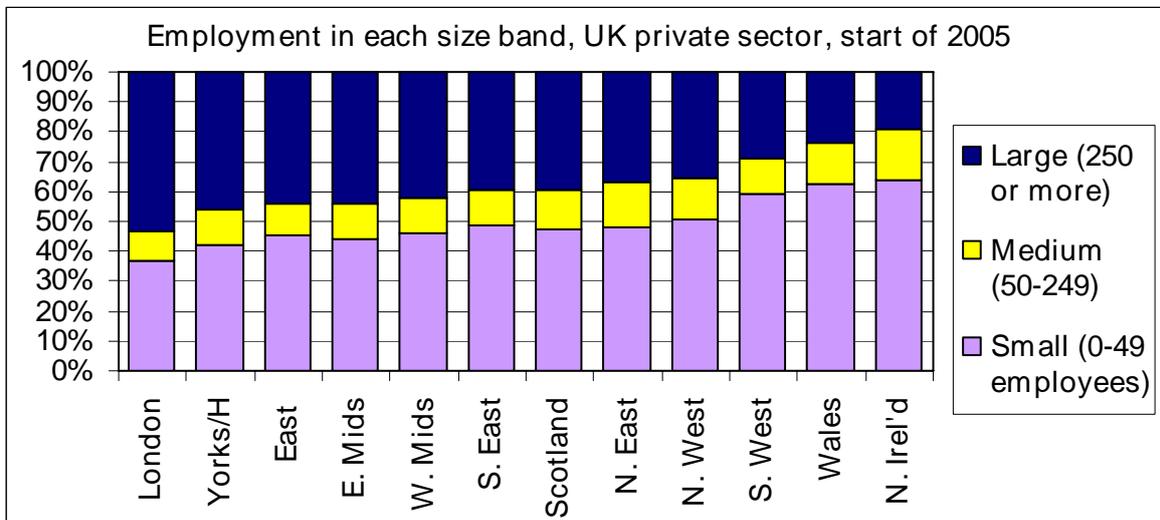
#### Employment in SMEs

Enterprises that have employees in more than one region or country are counted here only in the region where they are registered. These estimates may therefore

<sup>1</sup> This statistical press release relates solely to the private sector, comprising companies (including public corporations and nationalised bodies), partnerships and sole proprietors.

differ from actual employment in a region, since some employees in one region will work for enterprises that are registered in another region.

In the UK as a whole, SMEs account for over half of employment (58.7 per cent). This is also true for each region and country in the UK except London, where SMEs only account for 47 per cent. For the South West, Wales and Northern Ireland, this figure exceeds 70 per cent.



### Industry Patterns

The differences in employment patterns between regions can be explained partly by differing industry compositions. London has 33 per cent of businesses in sectors J and K (Financial Intermediation and Business Services), the highest proportion of all regions, but less than 1 per cent of businesses in sectors A and B (Agriculture, Hunting, Forestry and Fishing), the lowest of all regions. Northern Ireland conversely has the lowest proportion of businesses in sectors J and K (14 per cent) and the highest proportion of businesses in sectors A and B (16 per cent). On average sectors J and K have higher proportions of their employment in large firms than sectors A and B.

### Changes Since 2003

The number of UK enterprises was 4.0 million at the start of 2003, and is 4.3 million at the start of 2005. All regions saw growth in the number of businesses over the period. England grew from 3.5 million enterprises at the start of 2003 to 3.8 million at the start of 2005, an increase of 8.5 per cent. The North West grew the most out of all regions from 387,000 businesses in 2003 to 437,000 businesses in 2005, an increase of 13.1 per cent. Wales grew the least out of all regions from 172,000 businesses in 2003 to 175,000 businesses in 2005, an increase of 1.8 per cent.

Employment in UK enterprises was 21.7 million at the start of 2003, and is 22.1 million at the start of 2005. Most regions saw increases or no change in employment over the period, but four regions (North East, North West, East Midlands and London) saw decreases. The East of England had the largest increase in employment from 2.1 million to 2.3 million, an increase of 8.5 per cent.

## Notes on this release

This statistical press release supplements the UK statistics, URN 06/92, published on 31 August 2006 at [www.sbs.gov.uk/smes](http://www.sbs.gov.uk/smes)

All figures in this document can also be found in the accompanying Excel tables published at [www.sbs.gov.uk/smes](http://www.sbs.gov.uk/smes) and [www.dtistats.net](http://www.dtistats.net).

A document on methodology and accuracy accompanies this press notice at [www.sbs.gov.uk/smes](http://www.sbs.gov.uk/smes), which we recommend you read before interpreting these statistics. The methodology used to produce this series is currently under review. Any changes as a result of this review may take effect in next year's publication.

## A National Statistics publication

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