

Business EU Barometer

4th QUARTER 2013



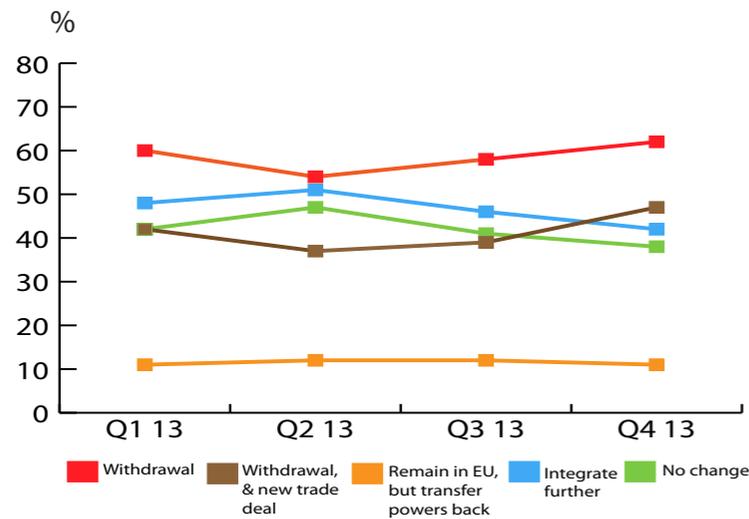
The Business EU Barometer from the British Chambers of Commerce gauges business sentiment on the UK's relationship with the EU. This quarter, respondents were again asked to give their view on the impact of different scenarios for Britain's future relationship with the EU. The key points to emerge were:

- **Business wants more decisions made in the UK:** the scenario viewed most positively was for the UK to remain in the European Union, but with specific powers transferred back from Brussels to Westminster. 56% of respondents believe this would deliver a positive impact for their business (down one point on Q3 2013).
- **Most businesses think withdrawal from the EU would be bad for Britain:** 62% responded that full withdrawal from the European Union would impact negatively on their business (up four points on Q3 2013).
- **But further integration is also viewed by many as bad for business:** 42% believe that remaining in the European Union and integrating further would be a negative outcome too (down four points on Q3 2013).

Methodology

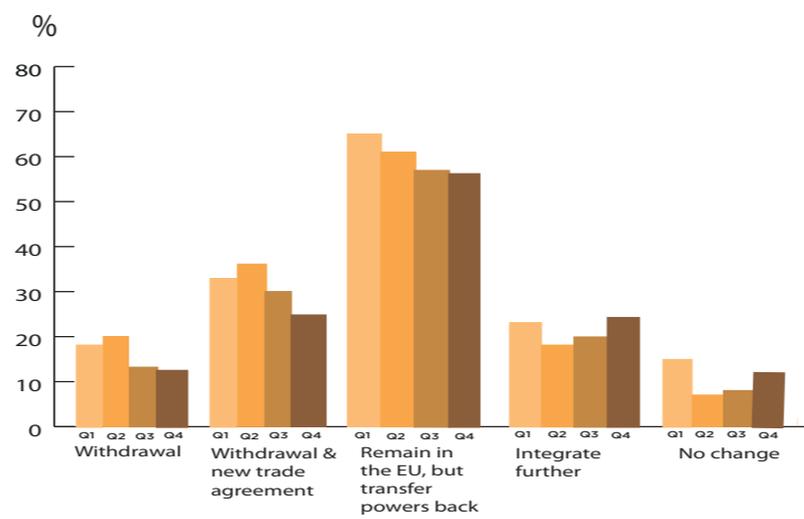
The BCC's Business EU Barometer for Q4 2013 received 3,279 business responses. The respondents were surveyed by postal and online questionnaires over the period 11 November to 2 December 2013.

In the manufacturing sector 1,049 firms, employing approximately 95,000 people responded (32% of the total number of responses). In the services sector 2,230 businesses with approximately 245,000 employees responded (68% of the total).



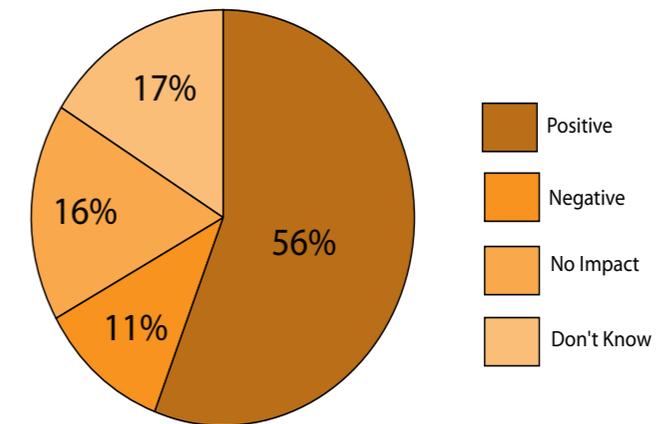
Q4 Base: 3,279

Which scenario will have the biggest **negative** impact on your business?



Q4 Base: 3,279

Which scenario will have the biggest **positive** impact on your business?



Q4 Base: 3,279

What impact do you believe the Prime Minister's renegotiation option will have on your business?

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BCC Comments



Unless the European Union is perceived to function in the interests of all of its member states, whether inside or outside of the Eurozone, it will continue to lose legitimacy not just among the voting public but among businesspeople as well. This is particularly true in a country like Britain, whose economy is based largely on trade in services. In the eyes of many British businesspeople, EU membership has so far failed to deliver a functioning single market in services. By contrast the single market in goods, was completed almost twenty five years ago, even if there are still some practical barriers in practice. This has been of huge benefit to all EU members, and to Germany in particular where goods exports are a bigger part of the economy.

British businesses also face greater difficulties accessing finance than their German counterparts, who benefit from the existence of a business bank that pre-dates the EU but could not be replicated under current EU rules in other member-states.

On so many economic issues, the Eurozone is changing rapidly, and independently of the rest of the EU. It is therefore difficult to predict what the Eurozone and the EU as a whole will look like in five or ten years' time.

As our survey numbers continue to show, a majority of British businesses want to see a reformed European Union, and a recast UK relationship with the rest of the EU, along the lines the Prime Minister has discussed.



John Longworth
Director General

About the BCC

The British Chambers of Commerce is the national body for a powerful and influential Network of Accredited Chambers of Commerce across the UK, a Network that directly serves not only its member businesses, but the wider business community.

Representing thousands of businesses who together employ millions of people, the British Chambers of Commerce is the voice of the whole economy, not just one sector of size group. Accredited Chambers sit at the very heart of local communities across the UK, working with businesses to grow and develop by sharing opportunities, knowledge and know-how.

Further information

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