

Aruba, December 1, 2014 - UK businesses were created at the fastest rate in almost a decade last year as confidence increased against a backdrop of economic recovery.

The business “birth rate”, which measures new companies as a proportion of all enterprises, was 14.1% in 2013, the highest since records began in 2004, according to the Office for National Statistics.

The proportion of business “deaths” fell to 9.7%, the lowest level since the financial crisis took hold in 2008.

The number of new businesses jumped 28.5% last year to 346,000, as Britain’s economic recovery looked more secure with growth in every quarter. Administration and support services were the areas with the highest rate of business births.

Businesses which stopped trading fell 6% to 238,000 over the year, with those operating in the finance and insurance sectors experiencing the highest death rate, followed by accommodation and food services.

In the runup to the crisis, businesses were created at a faster rate than they closed, but that trend was reversed in 2009-10. Business births overtook deaths once again in 2011.

The ONS said: “As economic conditions worsened, the rate of business births began to fall in 2008 on a trend that continued into 2010, from a high of 12.3% to a low of 10.0%. This is likely to reflect uncertainty around the economic outlook at that time and constrained access to finance as the financial sector adjusted to the global shock.

Read more/ Source:

<http://www.theguardian.com/business/2014/nov/27/business-birth-rate-10-year-high>