



WDC Insights

providing insights on key issues for
the Western Region of Ireland

Profile of Enterprise in Sligo 2017

Indicator	Sligo	State*
Total Enterprises¹		
Total No. of Enterprises	4,442 1.3% of State	338,729
Total Persons Engaged (owners + employees) in Enterprises	20,989 1.0% of State	2,045,843
2008-2012	0.9%	0.1%
2012-2017	3.2%	11.0%
2015-2017	5.5%	9.0%
% of all Enterprises	93.1%	92.1%
% of all Persons Engaged in Enterprises	32.5%	26.5%
% of all Enterprises	6.9%	7.9%
% of all Persons Engaged in Enterprises	67.5%	73.5%
By No. of Enterprises	1. Construction (17.7%) 2. Wholesale & Retail (14.0%) 3. Professional, Scientific & Technical (10.8%)	1. Construction (16.9%) 2. Wholesale & Retail (14.3%) 3. Professional, Scientific & Technical (12.9%)
By No. of Persons Engaged	1. Industry (28.3%) 2. Wholesale & Retail (13.9%) 3. Accommodation & Food Service (12.8%)	1. Wholesale & Retail (18.0%) 2. Industry (11.9%) 3. Health & Care (11.0%)

Source: CSO, Business Demography 2017, Table BRA08 and Table BRA18

Each enterprise is counted where it is registered for Revenue purposes. All employees are included in the county where the 'head office' of the business is registered, even if many work elsewhere.

* Business Demography data provides a figure for 'All Counties' which here is called State. This excludes enterprises whose location is classified as 'Unknown'.

¹ 'Total Enterprises' includes all economic sectors except Agriculture, Forestry & Fishing, Public Administration & Defence, Households as Employers and Extraterritorial Organisations (that is NACE Rev 2 sectors B to N(-642) and P-S).

² This data only refers to 'Business Economy' sectors which is all economic sectors except Agriculture, Forestry & Fishing, Public Administration & Defence, Households as Employers, Extraterritorial Organisations, Education, Human Health & Social Work, Arts, Entertainment & Recreation and Other Services (that is NACE Rev 2 sectors B to N(-642)).

1.0 Introduction

The CSO recently published Business Demography data for 2017.¹ This is the most comprehensive source of data on enterprises in Ireland at a county level. The data covers all active enterprises in Ireland that are registered with Revenue.² This Western Development Commission (WDC) report provides an overview of Business Demography data for county Sligo in 2017, as well as examining recent trends.

1.1 Note on Data

It is important to note that Business Demography data assigns each enterprise based on its address as registered with Revenue. This means that a company with multiple locations e.g. a bank, is only counted once where its head office is registered e.g. Dublin, and individual branches in other areas are not included. All employees are assigned to the county where an enterprise's head office is located, even if many are working in other areas. In the case of a franchise model however, as the individual branches are independent they would likely be registered in the county where they are located.

Therefore the geographic breakdown of Business Demography data is an approximation and it is important to use caution when interpreting this data. It should be taken as indicative of the general pattern within the county. Nonetheless this is the most comprehensive source of data on enterprises at a county level in Ireland and, as these enterprises are registered within the county, they may be more strongly embedded in the local economy.

2.0 Total Enterprises in Sligo

In 2017 in County Sligo there were:

- 4,442 total active enterprises
- 20,989 persons engaged in these enterprises (owners, relatives, employees)
 - 17,839 of these were employees
 - Employees accounted for 85% of all persons engaged (national average³ is 90%)

¹ CSO (2019), [Business Demography 2017](#). Note that county data is only available in the Statbank data files, Tables BRA08 and BRA18.

² It does not include the Agriculture, Forestry and Fishing or Public Administration and Defence sectors, however public sector entities in Education and Health & Care are included.

³ In Business Demography county data, a figure is given for 'All Counties' which we will refer to here as the national or State figure. However it should be noted that this excludes enterprises whose location is classified as 'Unknown', these generally have Revenue registered addresses outside of the Republic of Ireland. However, the employees registered with these addresses are working in the Republic of Ireland. In 2017, there were 3,575 'Unknown' enterprises in the state compared with 338,729 enterprises in 'All Counties'.

3.0 Enterprise Trends in Sligo 2008-2017: Active Enterprises and Persons Engaged

When looking at trends over time, we can only examine 'business economy' enterprises⁴ as data for some sectors is only available from 2015 onwards. 'Business economy' enterprises accounted for 75% of total enterprises in Sligo in 2017, so trends in these enterprises can be considered to be quite representative of total enterprises.

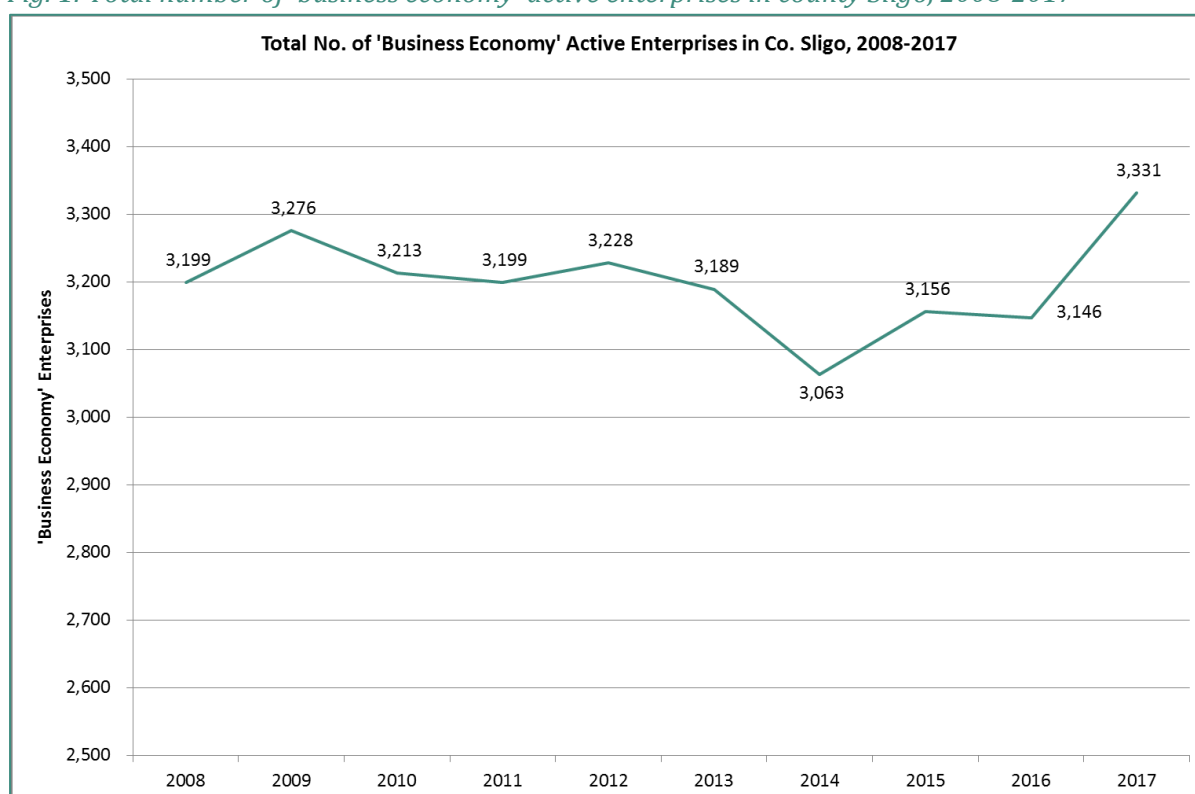
3.1 Active Enterprises in Sligo 2008-2017

Fig. 1 shows the total number of 'business economy' enterprises registered in county Sligo in the ten years 2008 to 2017.

The number of enterprises in Sligo declined sharply from 2009, reaching a low point in 2014 that was 6.5% lower than 2009 (nationally enterprise numbers in 2014 were 2.5% lower than 2009).

Since 2014, there has been strong recovery and this was particularly the case in the most recent year with a 5.9% increase between 2016 and 2017 (national average increase was 8.5%).

Fig. 1: Total number of 'business economy' active enterprises in county Sligo, 2008-2017



Source: CSO, Business Demography 2017, Table BRA08
To ease interpretation, the vertical axis begins at 2,500.

⁴ 'Business economy' enterprises cover NACE Rev 2 sectors B to N(-642). That is every economic sector except Agriculture, Forestry & Fishing, Education, Public Administration & Defence, Health & Social Work, Arts/Entertainment/Recreation and Other Services, as well as the activities of holding companies.

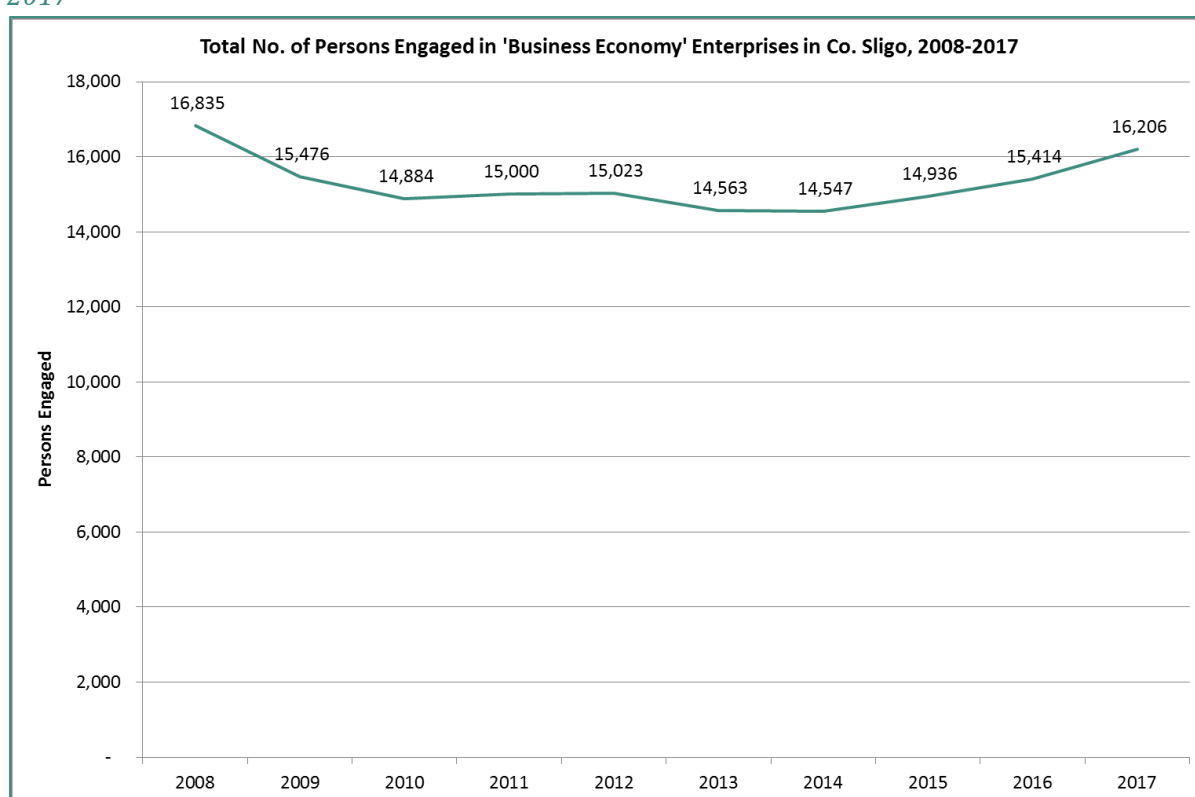
3.2 Persons Engaged in Enterprises in Sligo 2008-2017

Fig. 2 shows the total number of persons engaged (owners and employees) in 'business economy' enterprises registered in county Sligo in the ten years 2008 to 2017.⁵

The number of persons engaged in enterprises registered in Sligo declined very sharply at the beginning of the period. There were large job losses during 2008-2010 (11.6% decline 2008-2010, 16% decline nationally). The number of persons engaged remained quite stable during the recession until 2014 when it began to recover.

During the most recent year (2016-2017) there was 5.1% growth in the number of persons engaged, somewhat lower than growth in enterprise numbers (5.9%, see Fig. 1). This may be due to many of the new enterprises being small. Growth in the number of persons engaged in Sligo 2016-2017 was similar to the state (5.1% v 5.2%).

Fig. 2: Total number of persons engaged in 'business economy' enterprises in county Sligo, 2008-2017



Source: CSO, *Business Demography 2017*, Table BRA08

⁵ Note that this includes all those working for enterprises registered in county Sligo. It does not include people working in Sligo but for a business registered elsewhere e.g. branch of a fast food chain, but does include people working in another county for a company which is registered in county Sligo.

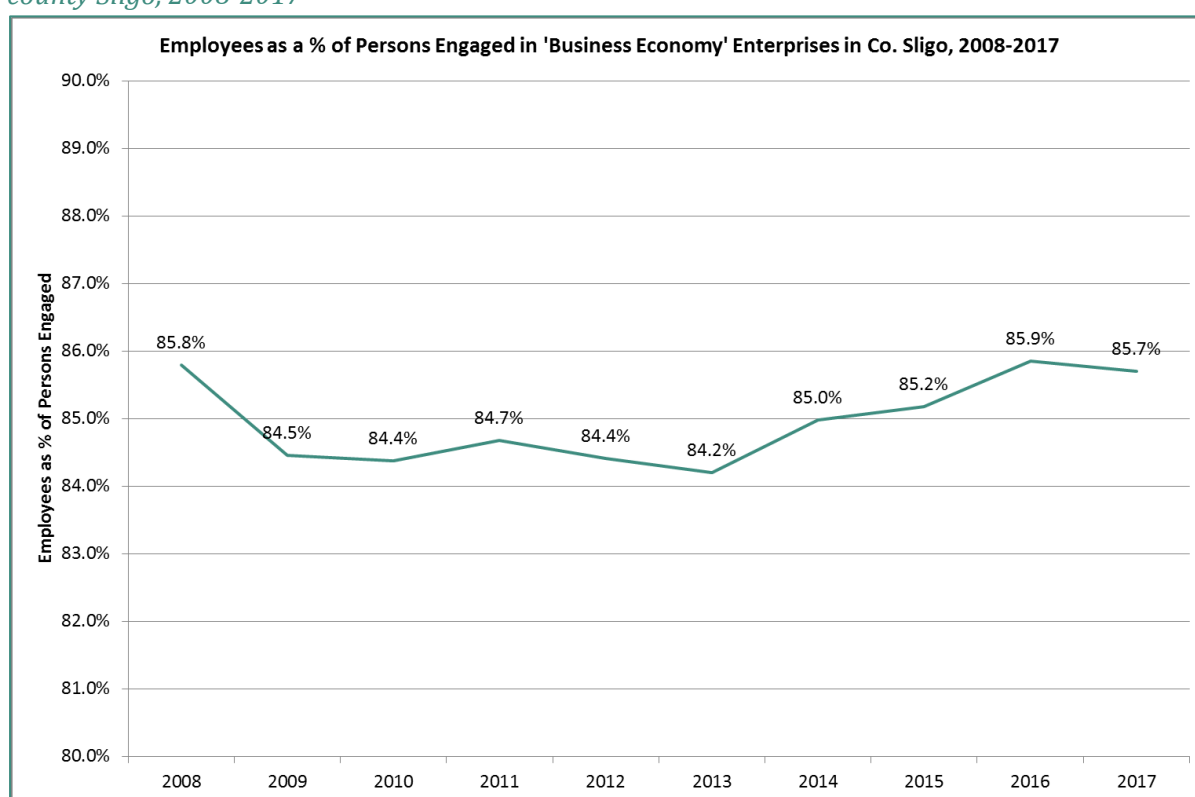
3.3 Employees as a % of Persons Engaged in Sligo 2008-2017

Fig. 3 shows the percentage of all persons engaged in 'business economy' enterprises registered in county Sligo who are employees, between 2008 and 2017.

Employees as a share of all persons engaged in Sligo fell from 85.8% in 2008 to a low point of 84.2% in 2013. This was because of greater job losses among employees than among owners which increased the share of owners in the total workforce.

From 2013 the share of employees began to grow as expansion and recruitment of employees increased. The share rose to 85.9% by 2016, falling back somewhat in 2017. This decline in 2017 may point to an increasing number of people setting up new businesses (as owner-managers) as economic conditions improve.

Fig. 3: Employees as a percentage of total persons engaged in 'business economy' enterprises in county Sligo, 2008-2017



Source: CSO, *Business Demography 2017*, Table BRA08

To ease interpretation, the vertical axis begins at 80%.

4.0 Enterprises by Size in Sligo

Data on the number of enterprises by size is also based on 'business economy' enterprises, rather than total enterprises. The size categories are based on the number of persons engaged.

Table 1 gives the number of 'business economy' active enterprises, persons engaged and employees in each enterprise size category in county Sligo in 2017.

In 2017 there were 3,331 'business economy' enterprises registered in Sligo, of these 3,102 (93.1%) were micro-enterprises (fewer than 10 people). Nationally 92.1% are micro-enterprises. Small, medium and large enterprises combined only account for 6.9% of all enterprises registered in Sligo.

5,274 people worked in micro-enterprises registered in the county. As micro-enterprises employ fewer people each, their share of all persons engaged (32.5%) is considerably smaller than their share of enterprises (93.1%).

As many micro-enterprises are run by an owner/manager, owners account for a larger share of the total workforce of micro-enterprises. Employees account for 57.1% of total persons engaged in micro-enterprises which means 42.9% are owners. This results in micro-enterprises accounting for only 21.7% of all employees in 'business economy' enterprises. In total, 78.3% of all employees work in the 229 enterprises with 10 or more staff.

Table 1: Number of 'business economy' active enterprises, persons engaged and employees in each enterprise size category in county Sligo, 2017

Enterprise Size category	Active Enterprises	Persons Engaged	Employees	Employees as % Persons Engaged
Under 10	3,102	5,274	3,014	57.1%
10 - 19	114	1,583	1,542	97.4%
20 - 49	78	2,268	2,255	99.4%
50 - 249	32	2,810	2,806	99.9%
250 and over	5	4,271	4,271	100.0%
Total	3,331	16,206	13,888	85.7%
% in Micro-Enterprises	93.1%	32.5%	21.7%	
% in Enterprises 10+	6.9%	67.5%	78.3%	

Source: CSO, Business Demography 2017, Table BRA08

4.1 Change in Enterprises by Size in Sligo 2008-2017

Table 2 shows the percentage change in the number of active enterprises and the number of persons engaged in each enterprise size category during a number of periods.

The total number of 'business economy' enterprises registered in Sligo declined by 0.9% between 2008 and 2012 (recession) and grew by 3.2% between 2012 and 2017 (recovery). The most recent year for the data (2016-2017) saw quite strong growth (5.9%).

When considering the performance of the different size categories it must be remembered that there are very low numbers involved in some of the larger categories (see Table 1) so even a small change (1 or 2 enterprises) would show as a large percentage change.

During 2008-2012, medium-sized enterprises (20-49 people) saw the largest decline and also strong strongest recovery during 2012-2017. As these had no growth in the most recent year (2016-2017) it indicates that recovery in enterprise numbers began earlier for these firms. There was strong growth among enterprises of 50-249 people, though the number of such firms is small.

Unlike larger firms, the number of micro-enterprises registered in Sligo grew by 2.9% between 2008 and 2012, which led to the overall increase in the number of enterprises in the county. Sligo was the only county in the Western Region where the number of micro-enterprises increased in this period. Part of the growth may have been due to some firms previously in a higher size category (e.g. 10-19) reducing staff numbers and 'dropping down' to under 10 persons. The number also grew during 2012-2017, with growth accelerating in the most recent year.

Table 2: Percentage change in 'business economy' active enterprises and persons engaged in each enterprise size category in county Sligo

Enterprise Size category	Active Enterprises			Persons Engaged		
	% Change 2008-2012	% Change 2012-2017	% Change 2016-2017	% Change 2008-2012	% Change 2012-2017	% Change 2016-2017
Under 10	2.9%	2.4%	6.0%	-15.9%	5.7%	3.4%
10 - 19	N/A	N/A	4.6%	N/A	N/A	5.0%
20 - 49	-30.7%	27.9%	0.0%	-28.5%	19.9%	-4.5%
50 - 249	-14.3%	33.3%	14.3%	-5.9%	23.5%	6.6%
250 and over	N/A	N/A	25.0%	N/A	N/A	12.5%
<i>Total of 10+</i>	-21.9%	14.5%	4.6%	-8.0%	8.9%	6.0%
Total	0.9%	3.2%	5.9%	-10.8%	7.9%	5.1%
Total (State)	0.1%	11.0%	8.5%	-16.3%	23.0%	5.2%

Source: CSO, Business Demography 2017, Table BRA08

For confidentiality reasons, data for enterprises in the 10-19 and 250+ size categories is not available for Sligo for all years. Calculations for 'Enterprises 10+' are based on the total figure minus the number Under 10, so enterprises in these size categories are included.

The total number of persons engaged in 'business economy' enterprises in Sligo fell by 10.8% between 2008 and 2012, in contrast to growth in the number of enterprises, indicating reduced employment. There was 7.9% growth between 2012 and 2017. While the decline in persons engaged in Sligo in 2008-2012 was lower than nationally, the recovery since 2012 has been considerably less, though quite similar in the most recent year.

All size categories experienced large declines in persons engaged during 2008-2012. Micro-enterprises had lower growth during 2012-2017 than larger firms and quite low recent growth.

5.0 Enterprises by Sector in Sligo 2017: Active Enterprises and Persons Engaged

When examining enterprises by sector in 2017 we use 'total enterprises'.

5.1 Active Enterprises by Sector in Sligo 2017

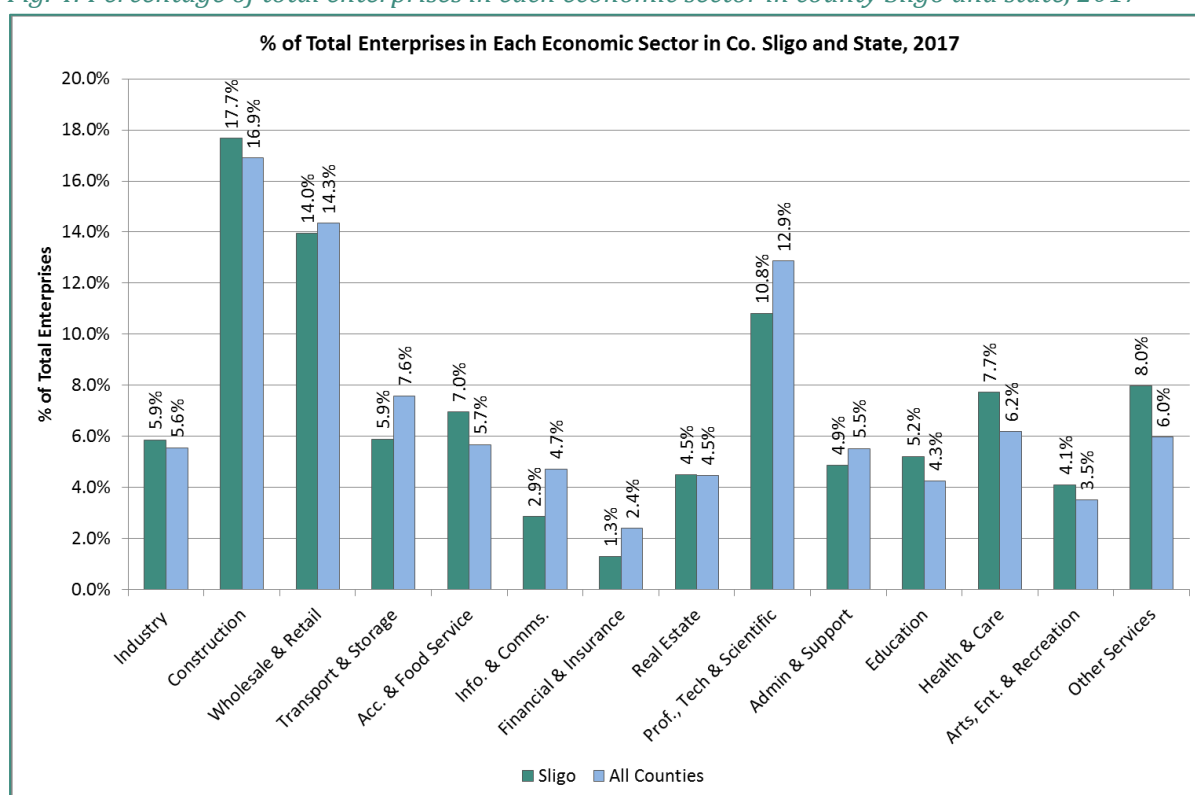
Fig. 4 shows the percentage of total enterprises that are in each economic sector in county Sligo and the state in 2017.

In Sligo, Construction (17.7%) is the sector which accounts for the largest share of total enterprises, followed by Wholesale & Retail (14%), Professional, Technical & Scientific (10.8%) and Other Services (8%). While data is not provided on enterprise size by sector, it is known that these sectors are characterised by a large number of small operations in comparison with, say, Industry which has a small number of larger enterprises.

There are a number of notable differences between Sligo's enterprise profile and the national enterprise profile:

- Sligo has a higher share of its enterprises in the Health & Care (7.7% v 6.2%) and Education (5.2% v 4.3%) sectors, reflecting Sligo's role as a regional centre for these services.
- Accommodation & Food Service (7% v 5.7%) also accounts for a higher share indicating the importance of tourism and hospitality activity.
- The knowledge intensive services sectors (Professional, ICT and Financial) all account for a lower share of Sligo's total enterprises than nationally.

Fig. 4: Percentage of total enterprises in each economic sector in county Sligo and state, 2017



Source: CSO, Business Demography 2017, Table BRA18

5.1.1 Change in Active Enterprises by Sector in Sligo 2015-2017

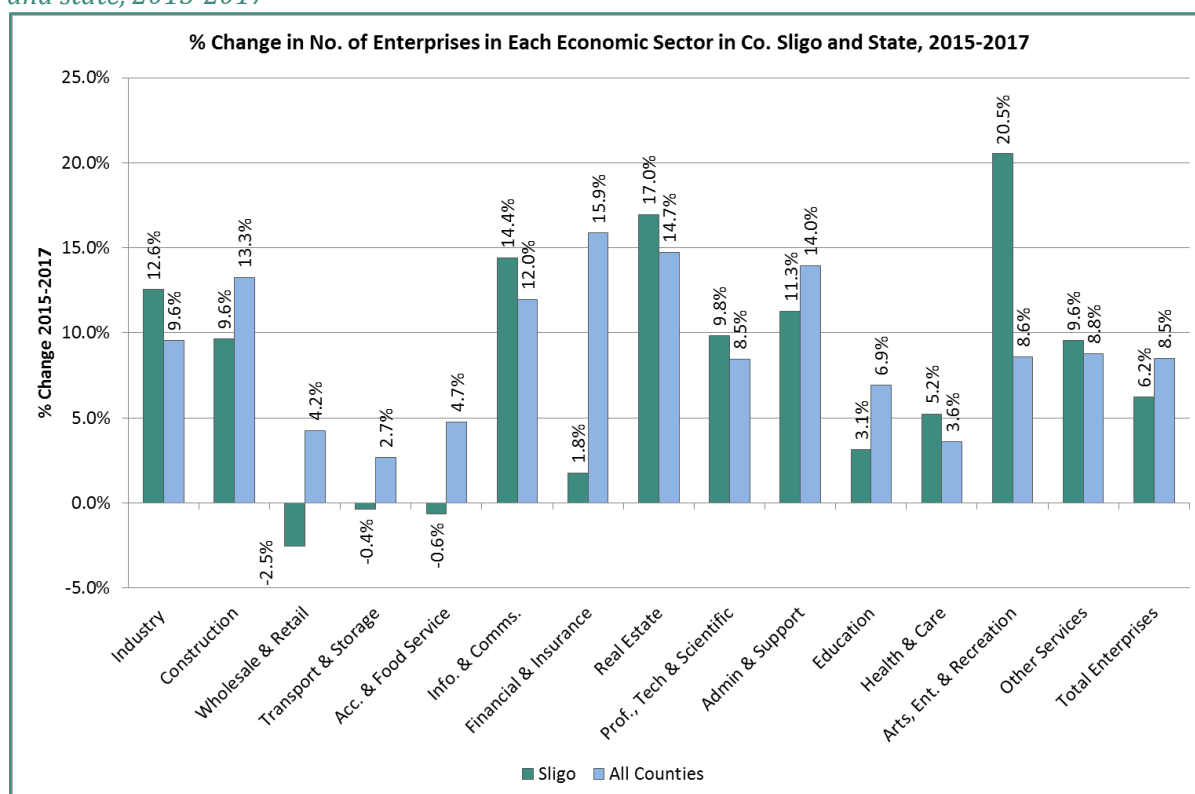
As noted above, data for some economic sectors is only available from 2015. Because of this and the fact that considering change over two years is more meaningful than change in a single year, we will consider the percentage change in enterprises between 2015 and 2017.

Fig. 5 shows the percentage change in the number of active enterprises registered in county Sligo and in the state in each economic sector between 2015 and 2017.

The largest growth in enterprise numbers in Sligo was in Arts, Entertainment & Recreation (20.5%), Real Estate⁶ (17%) and Information & Communications (14.4%). This reflects growing activity in the creative and hospitality sectors, as well as a strengthening in the ICT sector. In all cases Sligo had stronger growth than nationally. Industry (12.6%) also had quite high growth in enterprise numbers.

Three sectors had a decline in the number of enterprises. All three (Wholesale & Retail, Accommodation & Food Service and Transport & Storage) depend quite heavily on local demand and spending in the local economy, with tourism also a factor as well as the growth of online retail.

Fig. 5: Percentage change in the number of active enterprises in economic sectors in county Sligo and state, 2015-2017



Source: CSO, Business Demography 2017, Table BRA18

⁶ Caution is required with this sector as it not only includes estate agents/auctioneers but also the letting and management of property (either your own property or on behalf of the owners). A feature of the recession was that many construction firms (property development) were re-designated as Real Estate companies as they were managing their property on behalf of e.g. a bank, NAMA. The Real Estate sector would also include property investment companies which may register a number of separate companies to manage different properties.

5.2 Persons Engaged by Sector in Sligo 2017

Fig. 6 shows the percentage of total persons engaged who are working in each economic sector in county Sligo and the state in 2017.

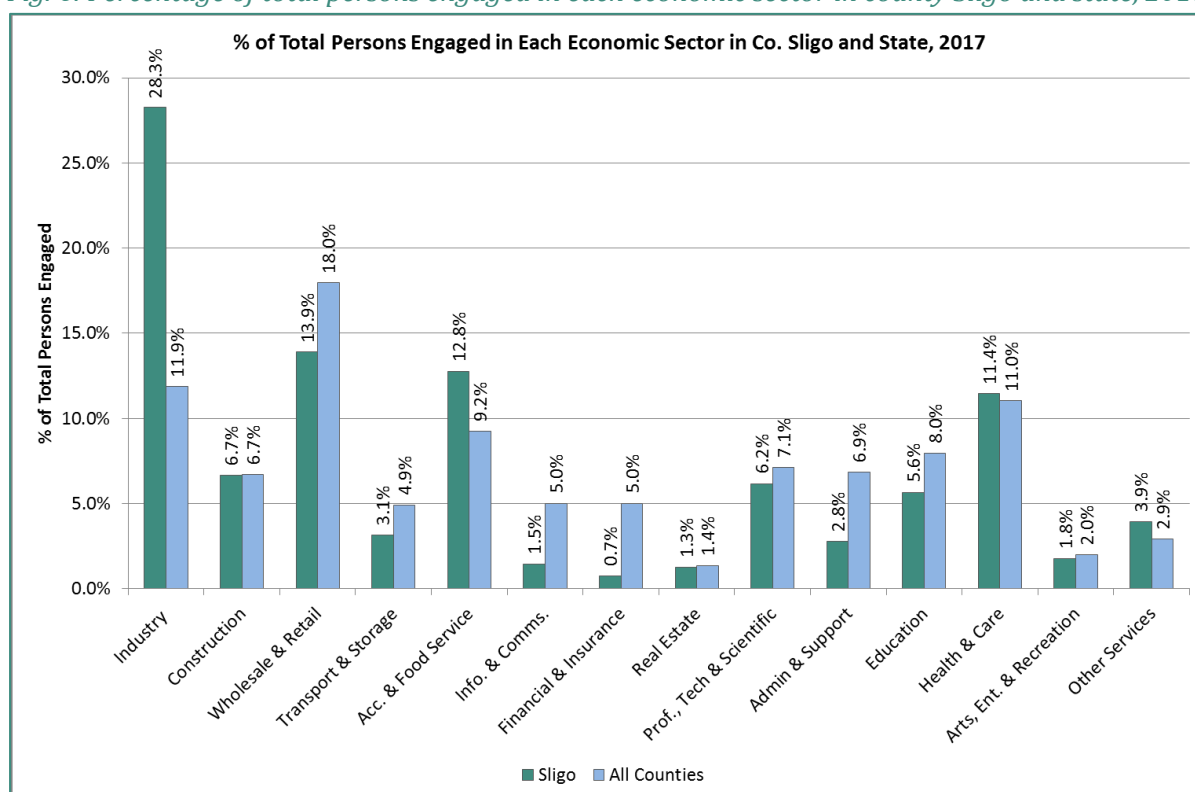
In Sligo, Industry (28.3%) strongly dominates persons engaged in enterprises and its share is close to three times as high as nationally. As Industry only accounts for 5.6% of all enterprises registered in the county, but 28.3% of persons engaged, it clearly includes some very large scale employers.

Wholesale & Retail (13.9%) is next largest with a similar share to its share of enterprises. Accommodation & Food Service (12.8%) and Health & Care (11.4%) both account for a higher share of persons engaged than enterprises (7% and 7.7% respectively, see Fig. 4) as they are quite labour intensive and include some larger operations e.g. hotels, nursing homes. In contrast, Construction only accounts for 6.7% of all persons engaged, whereas it was the largest sector in terms of enterprise numbers (17.7%), as many businesses are sole traders or micro-enterprises.

There are a number of notable differences between the profile of persons engaged in Sligo and nationally:

- Industry dominates employment in enterprises in Sligo to a much higher extent than nationally.
- Accommodation & Food Service (12.8% v 9.2%) accounts for a higher share of persons engaged in enterprises in Sligo, showing the importance of the tourism and hospitality sector. But Wholesale & Retail (13.9% v 18%) is considerably less important.
- As with enterprises, Financial, Professional and ICT Services account for a lower share of persons engaged in Sligo.

Fig. 6: Percentage of total persons engaged in each economic sector in county Sligo and state, 2017



Source: CSO, Business Demography 2017, Table BRA18

5.2.1 Change in Persons Engaged by Sector in Sligo 2015-2017

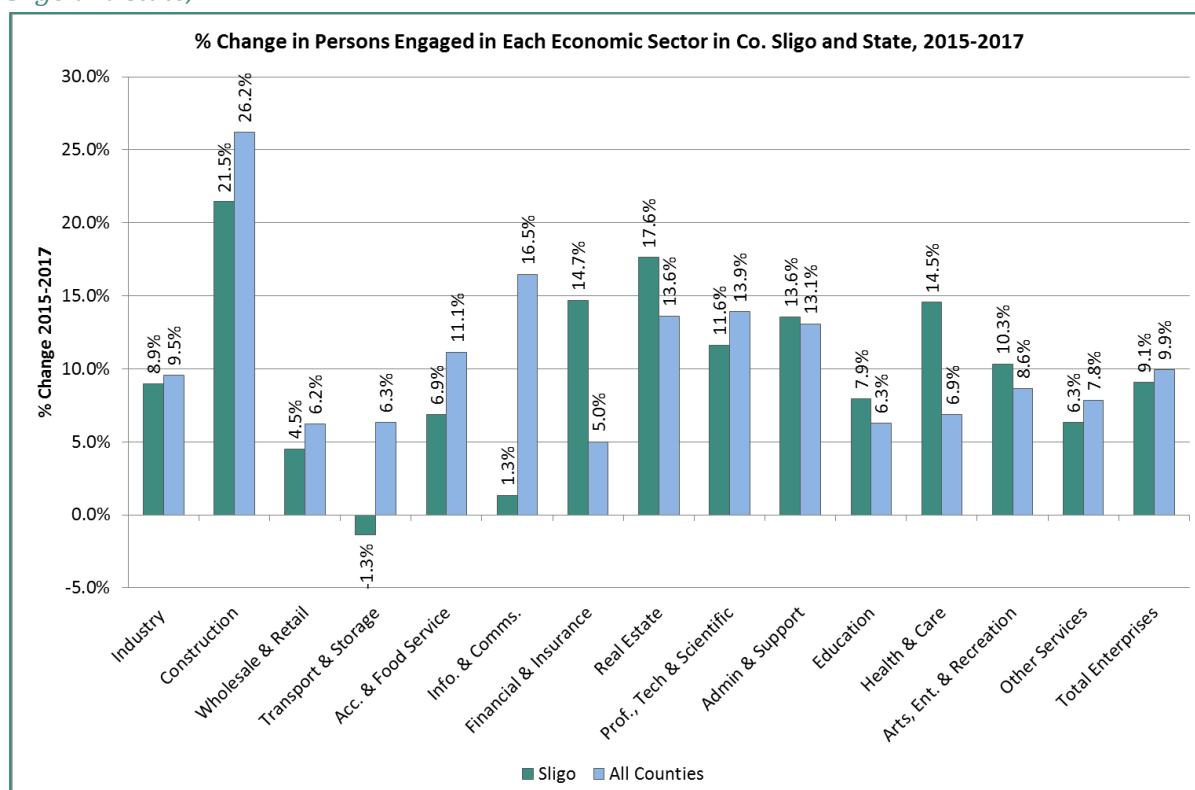
Fig. 7 shows the percentage change in the number of persons engaged in enterprises registered in county Sligo and in the state in each economic sector between 2015 and 2017.

The number of persons engaged in enterprises registered in Sligo grew by 9.1% between 2015 and 2017. This compared with 6.2% growth in the number of enterprises (see Fig. 5) indicating there was considerable growth among larger employers. The increase in persons engaged in Sligo was similar to growth nationally.

The sector with the largest growth in the number of persons engaged in Sligo was Construction (21.5%), followed by Real Estate (17.6%) clearly reflecting growing activity in the building industry, though the recovery in the number of persons engaged in Construction in Sligo lagged that nationally. Financial & Insurance (14.7%) and Health & Care (14.5%) had the next highest growth, this was somewhat different to the experience of other western counties which saw declines in Financial & Insurance and indicates Sligo's role in this sector.

Transport & Storage (-1.3%) had a decline in the number of persons engaged with low growth in Information & Communications (1.3%) and Wholesale & Retail (4.5%), again this could be influenced by the level of local demand and spending on local services, while the low growth in the number of persons engaged in ICT services, despite strong growth in enterprise numbers (14.4%), indicates the new enterprise are likely very small in scale.

Fig. 7: Percentage change in the number of persons engaged in each economic sector in county Sligo and state, 2015-2017



Source: CSO, Business Demography 2017, Table BRA18

5.3 Employees as a % of Persons Engaged by Sector in Sligo 2017

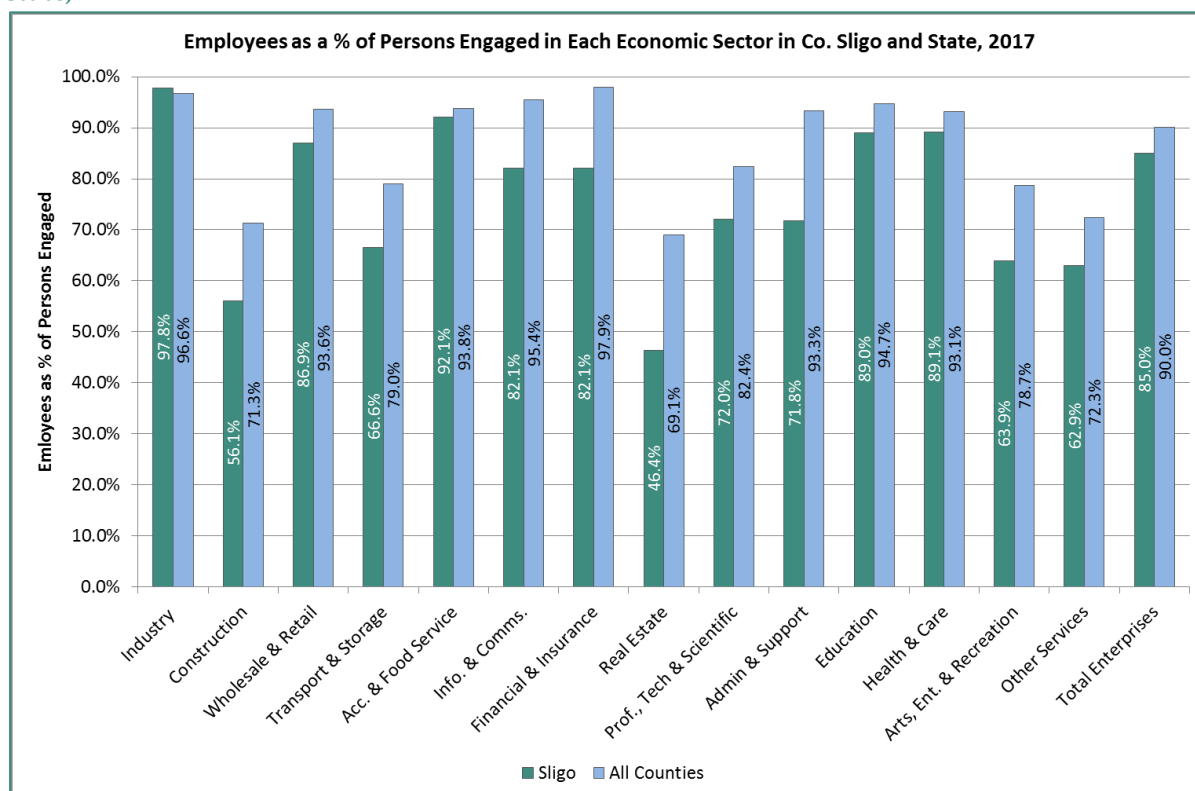
Fig. 8 shows the percentage of all persons engaged in each economic sector who are employees in Sligo and in the state in 2017.

For total enterprises in Sligo, 85% of all persons engaged are employees.⁷ This was lower than the 90% share nationally, again showing the greater involvement of owners in enterprises registered in Sligo. It should be remembered that the national figure is influenced by all employees of companies with multiple locations being assigned to the county where their head office is registered, often Dublin.

In Industry and Accommodation & Food Service over 90% of persons engaged are employees as these are characterised by large employers e.g. factories, hotels. In contrast, Real Estate (46.4%), Construction (57.1%) and Other Services (62.9%) have a high share of business owners, indicating these sectors have smaller operations.

The share of persons engaged who are employees in Sligo is lower than the national average in every sector except Industry.

Fig. 8: Employees as a percentage of persons engaged in each economic sector in county Sligo and state, 2017



Source: CSO, Business Demography 2017, Table BRA18

Western Development Commission
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⁷ Note, the share given for Sligo in Fig. 3 (85.7%) only referred to 'business economy' enterprises (as it was showing the trend over time), whereas Fig. 8 refers to total enterprises.