



County Kildare
Chamber
Advancing business together

Chamber Membership Sentiment Report Q1 2024

April 2024



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Introduction

Welcome to the Chamber Membership Sentiment Report Q1 2024 by County Kildare Chamber. This report is conducted every quarter, with the survey designed to pinpoint specific challenges faced by our businesses in Kildare and help us to identify solutions.

County Kildare Chamber is the business organisation in Kildare, proactively working to identify and progress developments that are facilitative of economic and sustainable growth. Representing an employer base of 400 businesses and over 42,000 employees across the county, County Kildare Chamber is the largest business organisation in the mid-east region of Ireland.

Given the significant breadth and depth of our membership, and our representation on various bodies at local and national level, County Kildare Chamber constitutes the representative voice for business in Kildare.

The Chamber conducted this survey over a period of two weeks from the March 26th – April 9th 2024.

Of the total responses received, 46% were from businesses with 21 plus employees, while 54% came from businesses with staff ranging from one to 20 employees. 49% of the responses came from the Life Science & Manufacturing, ICT & Digital economy, Tourism, Hospitality and Leisure, Construction & Engineering and the Agri food & drink sector.

The survey concentrated on Local & European Election priorities of Kildare businesses community, specifically measures related to housing supply within the county, increased investment in infrastructure projects and in public services. The survey also dealt with key business challenges of competitiveness in Kildare, Housing, Business Costs, Sustainable Development and staffing levels. It particularly highlighted continuing challenges Kildare businesses are having with regards to housing availability and rising business costs, all of which businesses see as substantial barriers to competitiveness within Kildare.

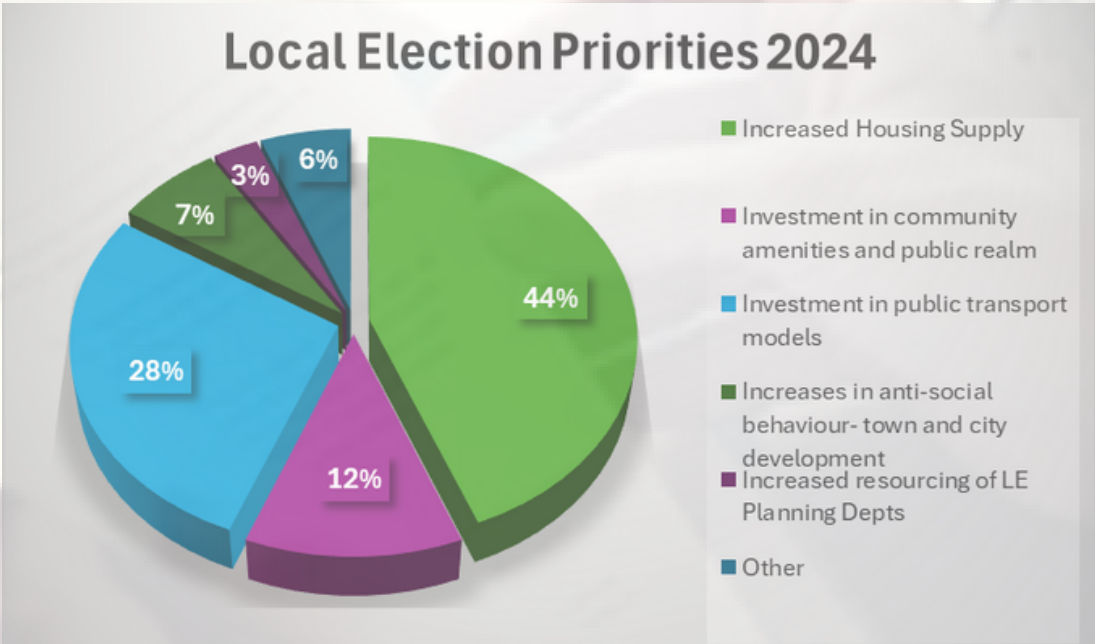
The survey found the majority of businesses consider housing availability the #1 issue affecting competitiveness within Kildare, closely followed by increased business costs.

However, despite ongoing pressure, the results of our survey also show the majority of businesses are optimistic about their outlook in Kildare, with close to 70% looking towards increasing staff training, 60% forecasting an increase in revenue and 69% anticipating either profits to stay the same or to increase over the next twelve months.

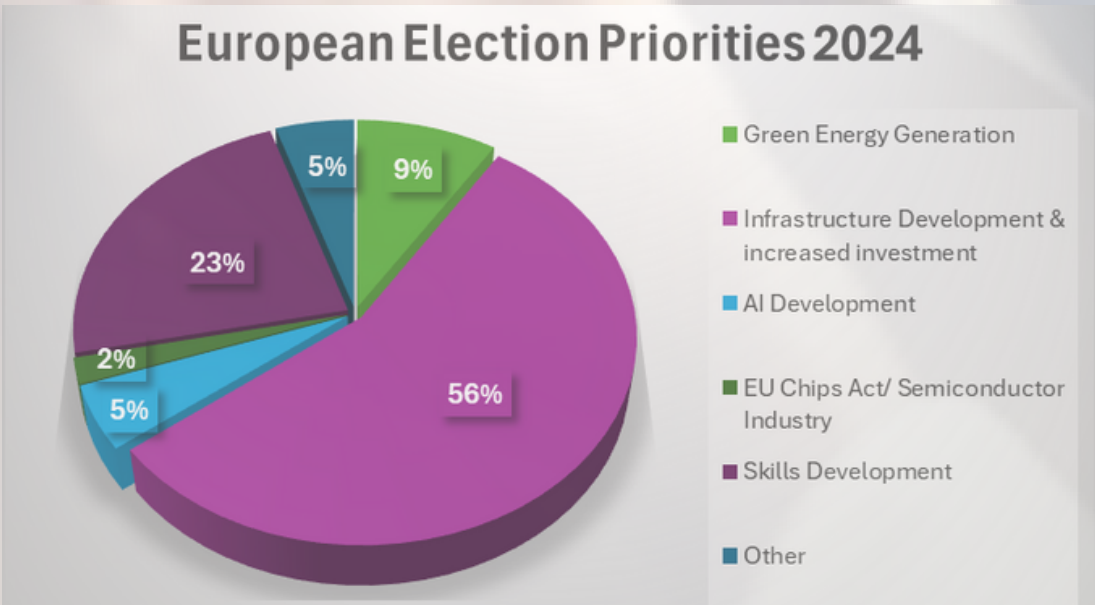
Election Priorities

County Kildare Chamber is currently in the process of preparing our Local and European Election 2024 manifesto, with a specific focus on housing, and community development within the County. From the Q1 2024 survey conducted by County Kildare Chamber in 2024, the experiences of our members during the first quarter (Q1) of this year and their priorities for both 2024 elections were assessed. The insights gathered from the survey responses have helped shape this manifesto submission.

Among the priorities highlighted by businesses for the upcoming election period, addressing the availability of housing emerged as the most critical concern, with 44% of companies emphasising it as the top priority for LE 2024.



When it comes to European Election Priorities , 50% of our membership suggest infrastructure development and increases in investment on a regional scale needs to be prioritised.



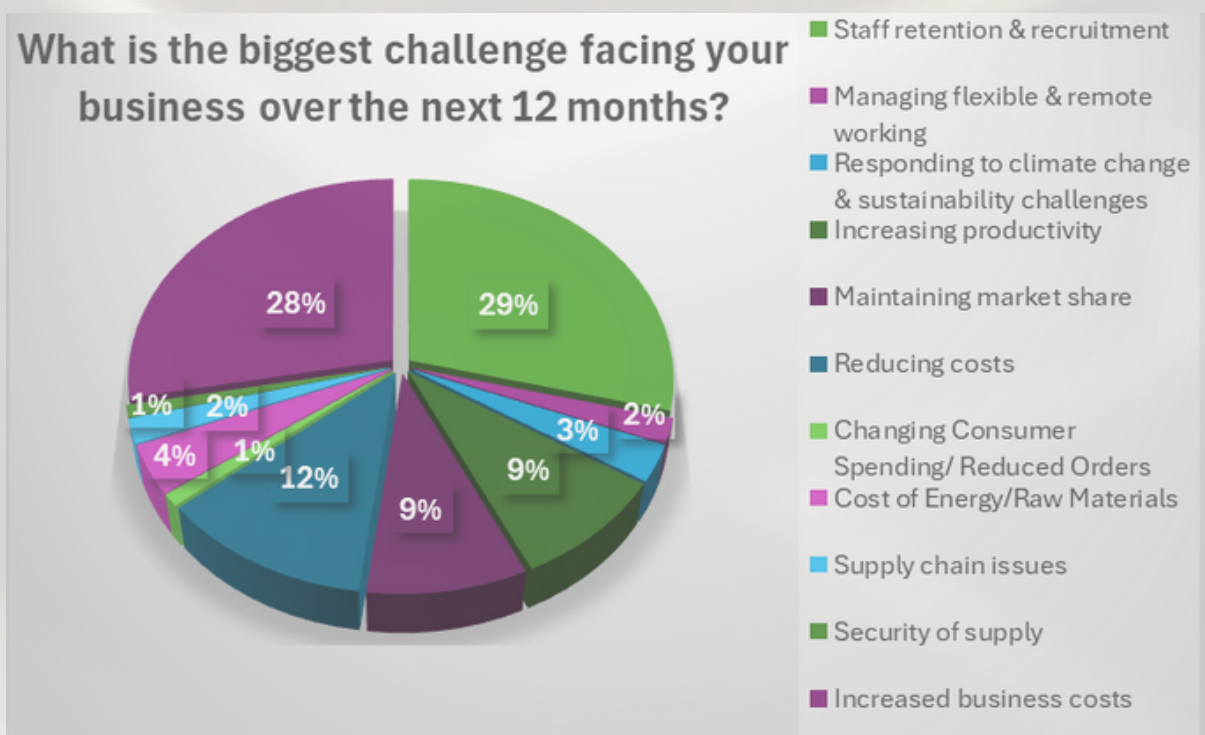
Business Challenges

As we leave Q1 2024 and look to the remainder of year, we asked members ‘What is the biggest challenge facing your business over the next 12 months?’.

Consistent with data for 2022/2023, and County Kildare Chamber survey trends for the last 24 months, staff retention & recruitment remains the number one challenge facing businesses at 29%. Businesses are suffering difficulties regarding recruitment in a tight labour market. However, in a change to recent survey’s this is lowest percentage this category has been at since these reports have begun.

In a sign that businesses are now looking at a number of business concerns, 28% of companies have stated the rising business costs is the second biggest challenge facing their company in the next 12 months. Increased labour costs, inflation and higher interest rates are among the top issues highlighted as key challenges. This also shows the complexity of many current state and Budget supports, so this year’s consultation by Revenue to simplify such schemes is very welcome.

This is followed by the issue of reducing costs at 12%, which shows business nerves are continuing in the face of high inflation, increasing costs and general global uncertainty. In correlation to this, increasing productivity and maintaining market share also feature highly at 9%.



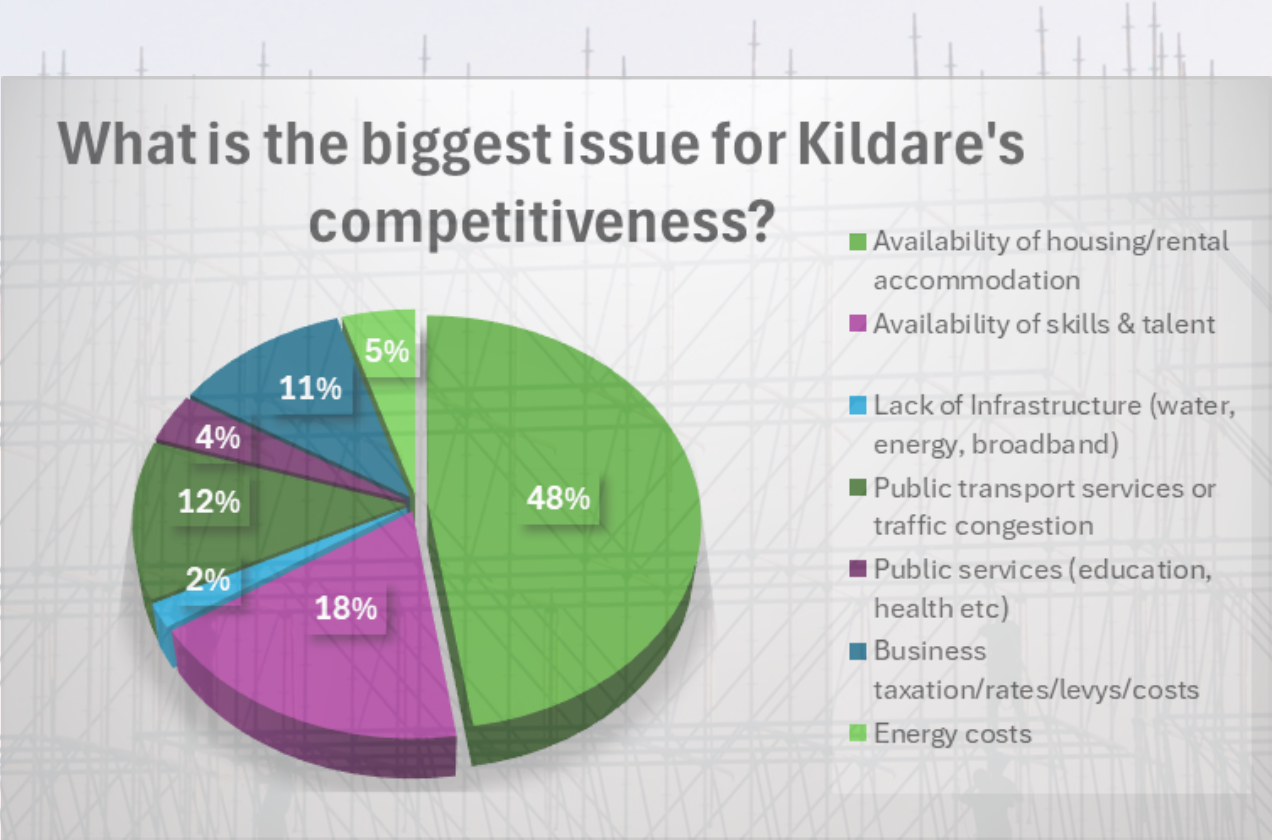
Competitiveness

County Kildare Chamber asked ‘What is the biggest issue for Kildare’s competitiveness in the next 12 months?’

Housing availability now tops the list as the number one concern for businesses when looking at Kildare’s biggest competitiveness challenges for over two years, which accounted for 48% of the response. This is followed with 18% of businesses reporting the availability of skills and talent, as the biggest challenge facing the County.

Addressing housing affordability and infrastructure development are vital to Kildare and Ireland retaining top talent and investors. Factors such as housing are key, as the lack of affordable housing in our main urban centres is a real barrier for many companies seeking to invest or re-invest in Kildare. If we are to continue securing FDI we need to ensure that we have the necessary infrastructure, so that people can live and can see a secure future for themselves here.

Public transport services and traffic congestion rise to number three on the list, as businesses and communities look to the state and local authorities to implement sustainable effective and efficient public transport models. The number of licensed (taxed) vehicles on the road now stands at 2,919,005.[1] With traffic levels back to pre-pandemic levels and more cars on the road then every before, investment is needed to alleviate the congestion we are seeing daily on many of our main roads.

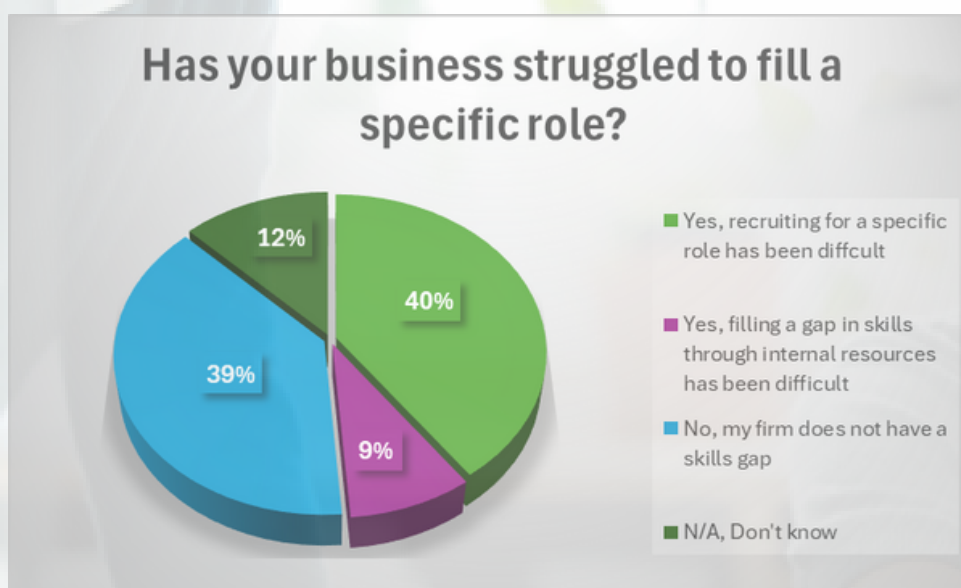


[1] <https://www.gov.ie/en/publication/f392d-bulletin-of-vehicle-and-driver-statistics/>

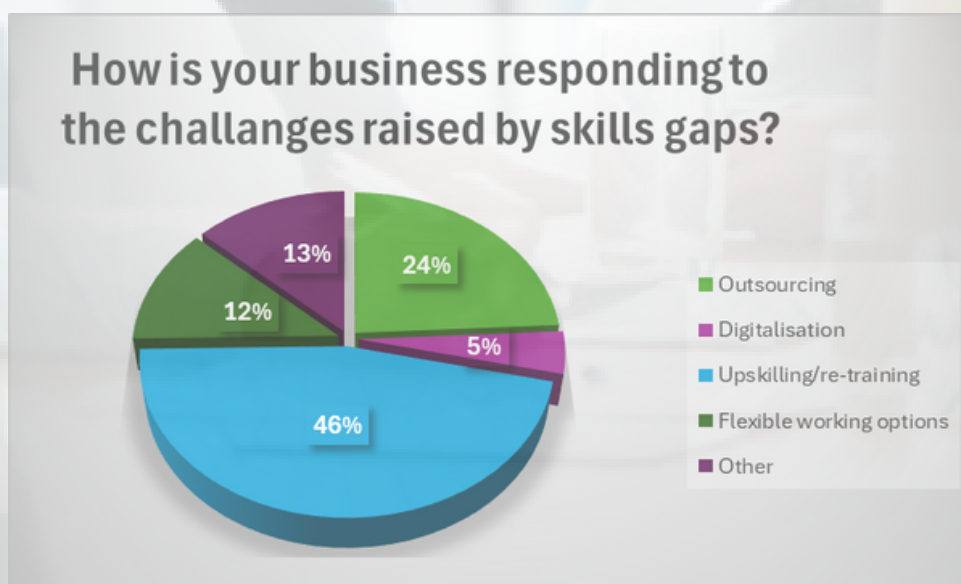
Staff recruitment & retention

When it came to staff recruitment and retention levels 49% of businesses stated their business had struggled to fill a specific skills gap in Q1 2024, when compared to 55% in Q1 2023.

The responses indicate that there has been a positive downturn in the number of companies reporting significant problems in filling skills gaps. With nearly 40% of businesses in this quarter stating they will not have an skills gap, when compared to Q1 2023 at 33%. When asked as to which level within the company the difficulties were being experienced, 46% stated junior and entry level positions, while 47% stated mid level management. Less than 7% of businesses stated they had an issue recruiting senior management positions within the last 12 months.

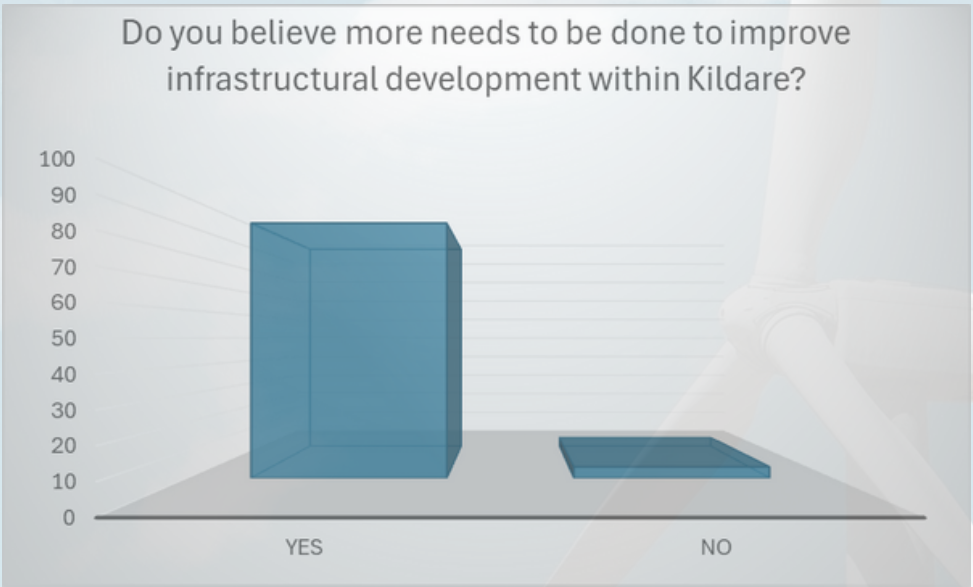


When asked how the business is responding to this challenge, 46% stated upskilling & retraining programmes were helping to bridge the gap. 24% of respondents stated they were outsourcing the particular vacancy area, while 12% stated flexible working arrangements were working as a staff insensitive.

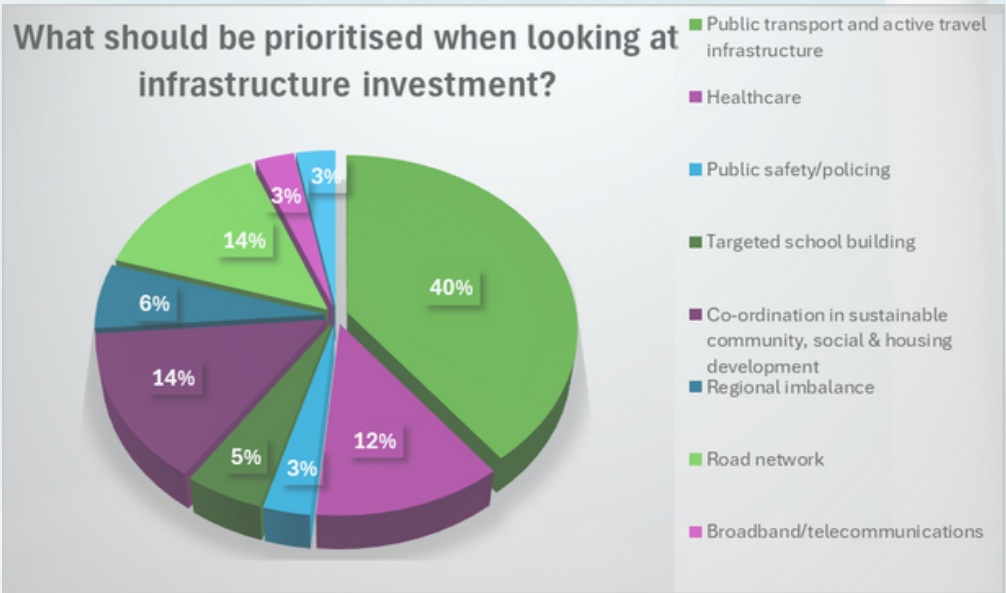


Infrastructure

County Kildare Chamber members have stated they believe more needs to be done to develop infrastructure within the County. 88% of respondents agreed with the question ‘Do you believe more needs to be done to improve infrastructural development within Kildare?’ Many respondents highlighted issues around rail and road infrastructure within the County, particularly when keeping pace with increases in population and new housing developments.



As per the Q1 2024 membership survey; 40% of our membership selecting investment in public transport and active travel projects as the main area our stakeholders in the County should look at when prioritising infrastructure development. This is followed by improvement to road networks and co-ordinated community, social & housing development both standing on 14%. What we can see from these results, is that our businesses in Kildare saying very clearly affordable and accessible housing, proximity to amenities and good transport infrastructure are all key to continuing economic growth and thriving communities.

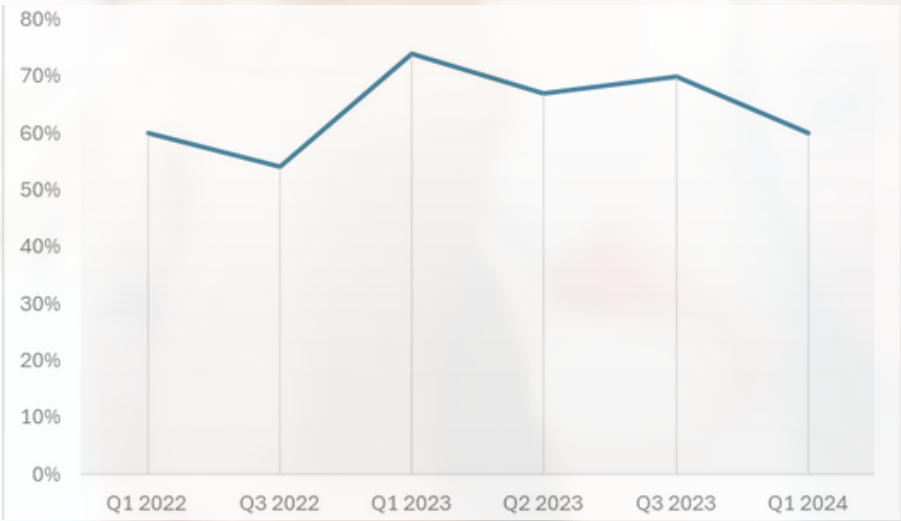


Business Outlook

Despite facing a number of continuing challenges at the beginning of 2024 and a slight decline in outlook when compared to Q1 2023, businesses still remain positive for the year ahead.

Revenue

When asked about revenue expectations for the year ahead, 60% of respondents said they expected their business revenue to increase. This is a decline on outlook when compared to Q3 2023 (70%), and reflects the significant challenges for business throughout Kildare and the Mid-East region. 16% of Kildare businesses are still expecting to see a reduction in revenue, a slight increase from 11% in 2023.



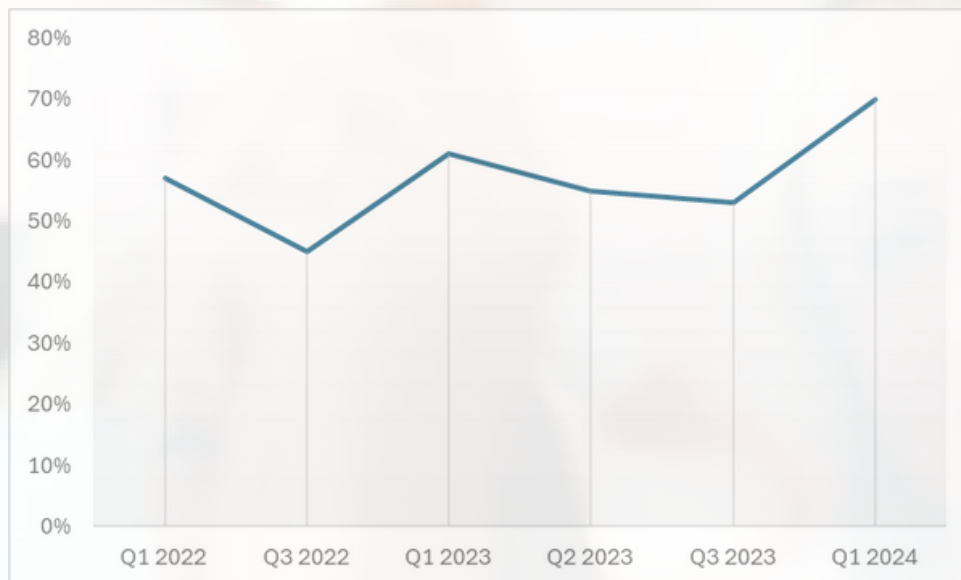
Profit

Looking at profitability for the coming year, business sentiment remains relatively consistent with the majority of 2023. 46% of respondents are forecasting an increase over the next quarter, a slight decrease on Q3 2023 (48%) in outlook by businesses. Despite this increasing positivity a noted 30% of businesses are still expected to see a decrease in profit, another increase to figures reported in 2023 at 24% .



Staffing Expectations

Staffing expectations for Kildare businesses in Q1 reveals a significant 70% expect levels to increase in 2023, a huge increase of 18% since 2023. This continues a trend in the steading labour and skills gaps within industry as a whole within Kildare. 9% of Kildare businesses expect a decline in jobs, a continued reduction on the figure recorded for the previous 5 surveys.



Summary

The Q1 2024 County Kildare Chamber Membership Survey has found that 48% of businesses consider housing availability the #1 issue affecting competitiveness within Kildare, followed by the availability of skills and talent. The survey also found 88% of business owners believed more needs to be done to improve infrastructural development within Kildare.

Each month it becomes more and more evident that housing poses a significant challenge to Kildare's ability to maintain its competitiveness as a county. The shortage of available housing and rental accommodations has reached a crisis point, posing a major obstacle to the ongoing growth and development of our economic ecosystem. The housing crisis is now a pressing concern, impacting both workplace harmony and broader societal cohesion.

We must enhance our investment in infrastructure and skills to ensure Kildare's sustained growth. While we appreciate the introduction of the Infrastructure, Climate, and Nature Fund in Budget 2024, we recognise the need for further substantial measures in the future. Improvements in the planning process, grid capacity, and the National Broadband Plan rollout are crucial and must be prioritized alongside these investments.

County Kildare Chamber is currently in the process of preparing our Local & European Election manifesto, with a specific focus on housing and a renewed focus on infrastructure development within Kildare and the Mid-East region, to ensure we continue to build upon our success not just economically but also for the betterment of our communities.

Through this submission, the chamber seeks to highlight the critical role that affordable and accessible housing plays in attracting and retaining talent, fostering entrepreneurship, and bolstering the overall competitiveness of Kildare.

County Kildare Chamber is the largest business organisation in the mid-east region of Ireland representing an employer base of 400 businesses and over 42,000 employees across the county. Kildare is the location of choice for existing & potential business enterprise. Our highly skilled workforce & the attractiveness of our region coupled with the quality of life we enjoy; our excellent infrastructure provision and connectivity ensures we are well placed to secure foreign direct investment.

County Kildare Chamber will continue to work closely with key government agencies and local and regional stakeholders, and the feedback from this survey will allow us to advocate effectively and on the issues which matter most to you.

The next survey will be completed in Q2 of 2023.

If you have any queries regarding the survey or want to discuss a matter further, please contact sinead@countykildarechamber.ie



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