Mid West Economic Insights

September 2020

Limerick Chamber
Advancing business together

Foreword

The European Commission's (EC) *Summer Forecast 2020* projects that the euro area economy will contract by 8.7% in 2020 before recovering at an annual growth rate of 6% in 2021. This revised downward estimate is reflective of the fact that there is still much uncertainty surrounding the scale, duration and risk of resurgence for the pandemic. Each EU country has adopted a tailored approach to the reopening of its economy and, as such, there will be a varied pace of recovery across Europe.

Ireland's economy was in a strong position at the start of 2020 with unemployment at 4.7% (CSO). Furthermore, according to the EC, it was the only eurozone country to report growth (1.2%) in GDP in Q1 2020. This growth was largely due to pharmaceutical exports, construction investment and manufacturing activity. In contrast, overall eurozone GDP declined by an unprecedented 3.6% in the same period. Ireland's economic activity declined significantly in the second quarter of the year due to lockdown restrictions implemented in the fight against COVID-19. This is shown in Ireland's manufacturing and services Purchasing Managers Indices (PMI's) which fell to 36 (from 45.1) and 13.9 (from 32.5) respectively in April (HIS Markit).

In tandem with the easing of lockdown restrictions, there was some evidence of increasing economic activity, albeit at a much smaller rate to that seen prior to the deployment of COVID-19 mitigation measures. Retail sales increased by 29.5% in May following the introduction of Phase 1 of the reopening plan, which allowed motor trade, hardware and electrical businesses to reopen. A further increase of 38.4% was reported for July. Ireland's manufacturing PMI increased from 39.2 in May to 57.3 in July as a result of an increase in new orders and output. Output expectations however in the context of the eight year series remained weak, reflecting continued uncertainty surrounding the impact of the pandemic and Brexit on the future business environment.

Growth in the services PMI in June was dampened by the restrictions still in place for many activities. While the index rose to 39.7 (significantly well below the rate of 59.9 recorded in February) the cautious approach taken by the Irish government to reopening the economy was particularly evident in light of the corresponding Eurozone PMI recording of 48.3.

Despite a rise to 51.9 in July, Irelands services PMI continues to lag behind that of the eurozone (55.1) and the UK (56.6).

As we continue to transition towards a full reopening of the economy it is clear that the true extent of the impact of COVID-19 is not yet known. Furthermore, the fate of Ireland's economy is dependent on a number of factors including: 1) the stimulus policies adopted by the new government; 2) the impact of the 'hard' form of Brexit that is now increasingly likely given the current state of the UK-EU negotiations; and, 3) changing international rules around taxation. One thing that we can be sure of, however, is that any recovery across the regions is unlikely to be uniform.

Understanding the main components of the regional economy is vital in effectively lobbying for appropriate policy instruments to support economic growth. Regional level data is limited and, as such, the purpose of this report is to provide insights for members and policymakers on key areas of the Mid West economy.

The principal findings of this reports include:
- The Mid West labour market was in a strong position prior to COVID-19 with an unemployment rate of 4.9%, however, at the height of lockdown unemployment hit almost 32%. This rate has now fallen to approximately 14.5% as a result of the phased reopening of the economy.
- The number of FDI jobs in the Mid West has increased since 2012, with IDA supported companies now accounting for 11.4% of regional employment compared to 9.5% in 2012.
- Growth in Mid West house prices has slowed in the last year. Furthermore, there is significant variation between average asking prices and sale prices.
- Commercial office construction in Limerick is currently lagging behind that of Cork and Galway, however commercial industrial construction is ahead of Cork and Galway.
- The Mid West is particularly exposed to the adverse effect of COVID-19 on tourism with a potential loss in revenue of between €372m and €496m forecast for 2020.

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Enterprise & Employment

Table 1.1 Mid-West Commercial Activities 2020

By Share of Employment	% total
Industry	14.4
Wholesale and Retail	13
Human Health	12.1
Education	9.5
Accommodation and Food Services	7.1
Construction	6.3
Public Administration and defence	6.2
Agriculture, forestry and fishing	5.7
Administrative and support services	5.1
Professional, scientific and technical activities	4.7

By Share of Units	% total
Agriculture, forestry and fishing	45.6
Wholesale and Retail	11.8
Accommodation and Food Services	8.7
Other Services	5
Human Health	4.8
Professional, scientific and technical activities	4.1
Arts, Entertainment and Recreation	3.4
Construction	3.1
Education	2.8
Manufacturing	2.8

Source: Authors' calculations using data from CSO and GeoDirectory 2020

Industry remains the most significant employer in the Mid West

Prior to COVID-19, 31,500 people were employed in Industry (inc. manufacturing) representing 14.4% of employment in the Mid West. In addition to being the sector with the largest employment share, Industry is the second largest sectoral contributor to output in the Mid West representing roughly 44% of Gross Value Added.[2] The remaining four sectors in the top 5 can largely be grouped under services. In 2015, these services accounted for the highest share of output in the Mid West at €8,014m (54.9 % of total output). Wholesale & Retail is the most significant sector within services as it represents 13% of employment and generated output of €3,240m.

The impact of COVID19 has not been uniform across all sectors of the economy. The sectors that successfully implemented remote working (e.g. finance and ICT) have been the least affected on the basis that they rely less on direct contact with consumers.

Two of the Mid West's top 5 employment sectors are heavily impacted by COVID-19: 1) Accommodation and Food Services (A&FS), and 2) Wholesale & Retail (W&R). Other sectors where the impacts are significant but somewhat less severe include the manufacturing and construction sectors. Businesses in A&FS and W&R, in addition to associated businesses such as 'Arts and Entertainment', experienced a significant reduction in activity in Q2 2020. Despite some retail activities (e.g. grocery) exhibiting increased demand during the lockdown, the sector as a whole was adversely affected.

In addition, A&FS and W&R represent 20.5% of commercial units in the Mid West. Given that these companies are predominantly based in city and town centres, and are most at risk of closure, this is likely to lead to an increase in commercial vacancies. Vacancy rates in Limerick (15.9%), Clare (14.9%) and Tipperary (14.2%) are already higher than the national average (13.3%).

[2] CSO 2018 based on 2015 data (data for the 2016 to 2018 period for the Mid West and South West is confidential)

Table 1.2 Mid West Labour statistics

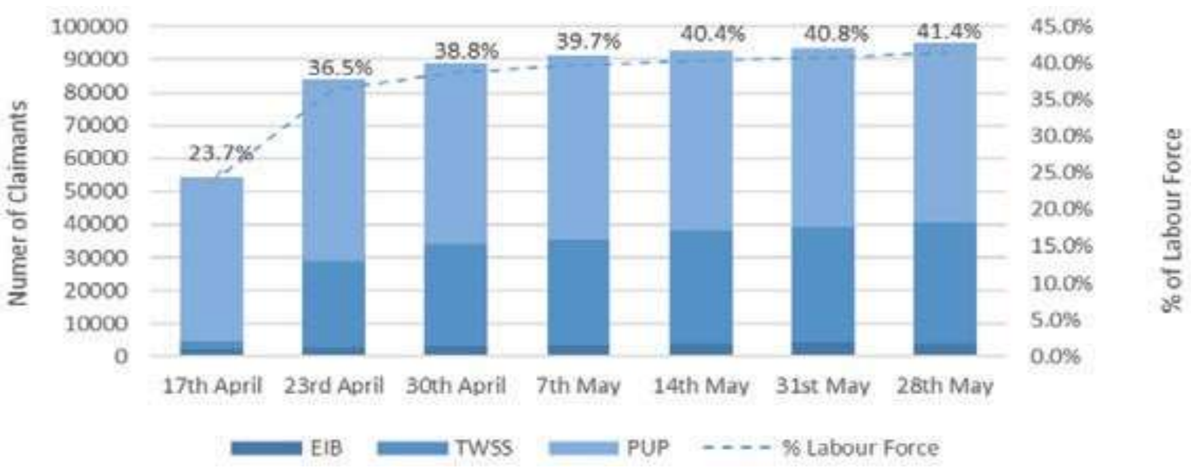
	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020
In employment ('000)	215.8	216.5	217.8	215.8	218.4
Unemployed ('000)	12.5	14.0	10.9	11.1	11.4
In labour force ('000)	228.3	230.5	228.7	226.9	229.7
Unemployment rate - Persons aged 15-74 (%)	5.5	6.1	4.8	4.9	5.0

Source: CSO 2020

Mid West labour market in a strong position prior to COVID-19

The Mid West labour market was in a strong position prior to the outbreak of COVID-19 with an unemployment rate of 4.9%. The unemployment rate of 5% recorded in Q1 2020 does not fully reflect the impact of COVID-19 as the outbreak occurred in the last two weeks of March. Furthermore, we should not expect to see a significant increase in the traditional job benefit/seekers payment given that COVID-19 specific income support schemes (i.e. Pandemic Unemployment Payment (PUP) and Enhanced Illness Benefit (EIB)) were implemented soon after the lockdown was declared. Therefore, to better understand the impact of COVID-19 on unemployment we consider data from the PUP, EIB and the Temporary Wage Subsidy Scheme (TWSS).

Figure 1.1 Covid-19 Income Supports - Mid West



Source: Authors' calculations using data from Department of Social Protection and Revenue Commissioners. Note: % of labour force on secondary axis

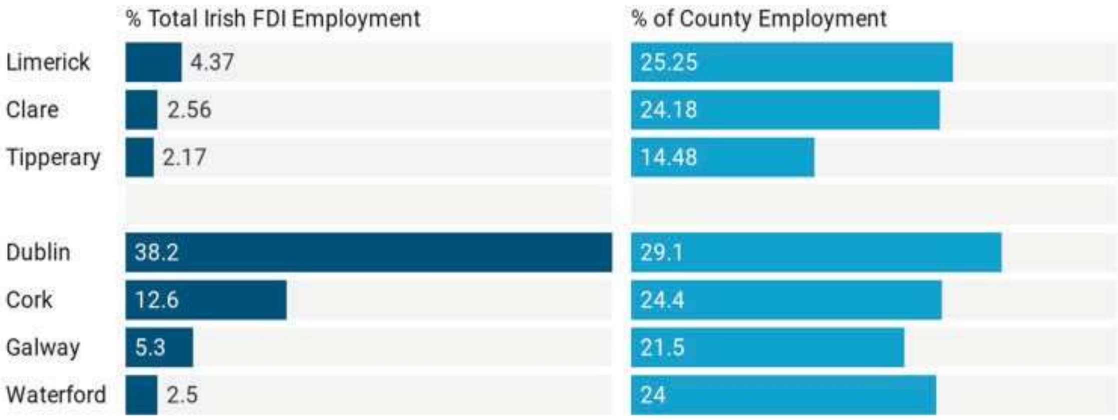
Mid West 'unemployment' reached approximately 32% at height of lockdown

The pattern of COVID-19 income support dependency was largely uniform across the regions with a significant number of individuals signing up to the PUP during the lockdown period. At the height of the shutdown approximately 32% of the Mid West labour force was in receipt of PUP, the EIB and traditional jobseekers. The TWSS was introduced after the PUP and, as such, TWSS take up was slower (furthermore businesses that experienced full closure did not initially avail of the scheme and instead furloughed employees).

However, it is evident that as restrictions now begin to lift and businesses have begun to reopen, the number of people claiming PUP has started to fall, while the number of people benefiting from the TWSS has continued to rise.

This indicates a return to employment for the majority of these individuals as the reduction in PUP outweighs the increase in applicants for traditional job seekers benefit. As of the 15th September, 18,244 individuals were in receipt of PUP in the Mid West (66.7% reduction from its height on the 7th May). The current 'unemployment' rate for the Mid West is estimated to be almost 14.5%.

Figure 1.2 FDI Associated Employment



Source: CSO 2020 based on 2016 Census • Created with Datawrapper

More than a quarter of people living in Limerick are in FDI Associated Employment

Figure 1.2 does not reflect the number of FDI jobs located in a county but rather the number of individuals who live in the county and are directly employed by an FDI company or an associated firm.

At 25.3% Limerick has the second highest proportion of total employment by county.

Table 1.3 Employment in agency supported firms as a % of regional employment

	IDA SUPPORTED COMPANIES			EI SUPPORTED COMPANIES		
	2012	2018	2019	2012	2018	2019
STATE	9.29	11.44	11.09	8.29	9.98	9.39
MID-WEST	**9.50**	**11.24**	**11.44**	**7.12**	**8.94**	**8.90**
WEST	10.48	14.14	12.84	7.65	9.61	8.64
BORDER	6.04	5.91	6.01	9.29	10.30	10.36
SOUTH-EAST	5.74	6.75	6.72	9.76	10.48	10.25
SOUTH-WEST	10.49	13.91	13.50	8.21	9.46	9.08
DUBLIN	12.50	15.90	15.45	9.03	11.19	10.31
MID-EAST	6.08	6.08	5.63	6.78	8.23	7.67
MIDLAND	4.89	5.61	5.27	8.15	10.44	9.00

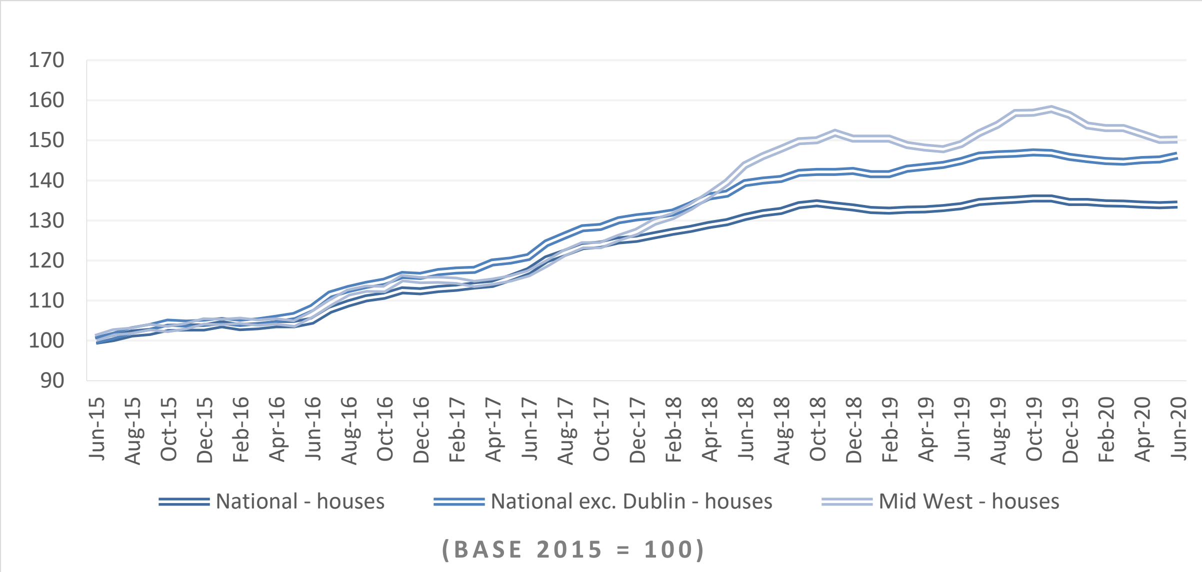
Source: Authors' calculations using data from DEBI Annual Employment Survey 2019

Number of Mid West FDI jobs continues to increase

Table 1.3 provides a better indicator of the number of FDI jobs in each region. In 2019, 11.1% of all workers were directly employed in IDA supported companies. With the exception of the Border and Mid East, the proportion of FDI jobs has grown across the regions since 2012. The Mid West has a slightly higher percentage (11.4%) of FDI jobs than the state as a whole. Unsurprisingly, Dublin has the highest proportion of FDI jobs, however, in terms of Enterprise Ireland supported jobs Dublin currently ranks second behind the Border region (Mid West in 6th). While it is evident from table 1.3 that the number of FDI jobs in the Mid West has grown since 2012, the indigenous SME sector remains the cornerstone of employment in the region.

Property

Figure 2.1 Residential Property Price Index



Note: RPPI presented here represents houses and not apartments
Source: CSO 2020

Mid West Residential (House) Property Prices rise by 0.7% in the year to June

National residential house prices increased by 0.3% in the year to June 2020. This compares with an increase of 2.1% in the twelve months to June 2019. In the Mid West, residential property prices increased by 3.7% in the 12 months to June 2019 and by 0.7% in the year to June 2020. Overall, the national index is 16.2% lower than its highest level in April 2007, while residential property prices in Ireland, excluding Dublin, are 20.4% lower than their May 2007 peak.

While it is clear that the growth rate in house prices is slowing, it is difficult to determine to what extent. There was a 1.9% reduction in house prices between Q1 and Q2 2020 in the Mid West.

It is worthwhile noting that this was in contrast to a 0.9% increase nationally (exc. Dublin) and a 0.2% decrease nationally (inc. Dublin).

While it appears from the above data that COVID-19 has not had a significant impact on house prices to date, it is difficult to determine how the housing market will behave in the coming months. Outcomes will be influenced by a number of factors including: 1) the extent of any reduction in supply due to house building activity being reduced; 2) the impact on mortgage demand and mortgage approvals; 3) the effect that COVID-19 induced uncertainty will have on sentiment and therefore volume sales; 4) the duration and nature of the physical distancing rules that remain in place to mitigate the spread of the virus; and 5) the threat of virus resurgence.

Table 2.1 House Prices Q1 2020

	Daft (Mean) €	CSO (Mean) €	CSO (Median) €	Daft (Mean) Yr-Yr %	CSO (Mean) Yr-Yr %	CSO (Median) Yr-Yr %
Limerick City	201,778	202,606	175,366	0.9	4.4	4.0
Limerick	188,838	221,304	209,833	-3.8	9.4	12.7
Clare	186,805	194,985	186,416	-2.1	5.9	8.6
Tipperary	179,749	158,101	152,500	-1.9	-0.6	2.8
National	256,338	292,606	253,000	2.2	1.8	1.8

Source: Authors' calculations using data from CSO and Daft

Table 2.2 House Prices June* 2020

	Daft (Mean) €	CSO (Mean) €	Daft Yr-Yr %	CSO Yr-Yr %
Limerick City	194,497	163,117	-3.6	-11.4
Limerick	181,838	232,692	-11.4	2.3
Clare	182,604	216,721	-7.5	13.9
Tipperary	173,633	170,876	-8.3	15.9
National	254,000	282,780	-3.3	-0.6

**Daft county level data not available for April/May*
Source: Authors' calculations using data from CSO and Daft.

Significant variation between asking prices and sale prices in the Mid West

With the exception of Limerick City, the average asking price for houses in the Mid West fell in the year to April 2020. In a similar manner to Limerick City, asking prices across the four other main cities were stable in the first quarter and largely unchanged year-on-year.

Daft reported an unprecedented 5% drop in the average national asking price between March and April. This was somewhat offset by a 3.7% increase between April and May. While there was no significant change in price levels in June, the average asking price is now 3.3% lower than the same time last year. Similar annual decreases are reported for the Mid West (see table 2.2).

It is evident from Tables 2.1 and 2.2 that there is significant variation in some counties between the average asking price (Daft) and average sale price (CSO), with houses in Limerick and Clare selling above the asking price and houses in Tipperary below.

The average value can be skewed by extreme values and often presents a misleading picture of the housing market. The more appropriate measure of median prices is therefore also provided in Table 2.1 and is explored in more detail in Table 2.3. It can be seen that there is wide variation in the prices of different types of properties as well as buyer types, in part due to the small sample size of analysing county level data.

Table 2.3 Median House Price January - June 2020

	First Time Buyer		Former Owner Occupier	
	Jan-Jun (€)	Yr-Yr* (%)	Jan-Jun (€)	Yr-Yr* (%)
New				
Limerick City	310,183	8.5	346,666	-3.2
Limerick County	316,431	5.4	335,462	5.1
Clare	266,126	7.9	274,838	-15.3
Tipperary	207,729	-11.6	229,522	8.9
National	338,365	1.2	377,399	0.9
Existing				
Limerick City	163,266	-7.3	187,241	6.4
Limerick County	192,791	1.8	205,166	4.5
Clare	182,333	1.4	193,916	9.1
Tipperary	160,333	2.5	163,333	3.5
National	234,875	0.2	242,333	0.6

**Yearly calculation from July to June inclusive*
Source: Authors calculations using data from CSO

Significant difference between median price for new and existing builds

Table 2.2 shows the median value of new and existing dwellings for both first time buyers and former owner occupiers. Nationally, the median price of new houses for first time buyers in the first half of the year was €338,365, while the median price of existing houses was €234,875. The highest median prices in the Mid West for the January to July period were for new houses in Limerick City (€346,666) purchased by former owner occupiers. In terms of existing houses, Limerick County held the highest median value at €205,166.

Table 2.4 Rental Prices Q1 2020 & June 2020

	DAFT Q1 2020 (€)	RTB Q1 2020 (€)	DAFT Yr-Yr* (%)	RTB Yr-Yr* (%)	Daft June (€)	June Yr-Yr (%)
Limerick City	1,216	942	1.8	0.4	1,217	-0.7
Limerick County	928	956	7.4	2.8	925	3.4
Clare	887	734	6.6	5.4	879	2.4
Tipperary	867	706	4.3	5.6	858	0.7
National	1,418	1,221	3.8	5.4	1,412	0.5

*Yearly calculation from April to March inclusive ** Data for April/May not available*
Source: Authors' calculations using data from Daft and RTB

Limerick experienced the lowest annual increase in rent across the five cities

In a similar manner to the variation in asking and sale prices for houses, there also exists a difference between rental listing prices and agreed rent. A robust indicator of rent is the Residential Tenancy Board (RTB) index which is based on regulatory data covering all new tenancy agreements registered with the RTB nationally.

The national average rent was €1,221 in Q1 2020. Upward pressure on rents is largely driven by a significant number of households remaining in the rental sector as a result of excess demand, shortages in housing supply, affordability issues and credit access issues. On an annualised basis, rents in Limerick City experienced the lowest increase across the five main cities as they only grew by a rate of 0.4 per cent. Of the 'Big 5' cities, Limerick has the 2nd lowest average rent (€925) against Dublin (€1,702), Cork (€1,199), Galway (€1,156) and Waterford (€814) in Q1 2020.

Figure 2.2 New Dwelling Completion Units

	2016	2017	2018	2019
Limerick				
House	267	462	483	538
Apartment	12	15	32	13
Total	279	477	515	551
Clare				
House	221	244	242	369
Apartment	8	14	2	16
Total	229	258	244	385
Tipperary				
House	149	170	190	278
Apartment	14	13	11	47
Total	163	183	201	325

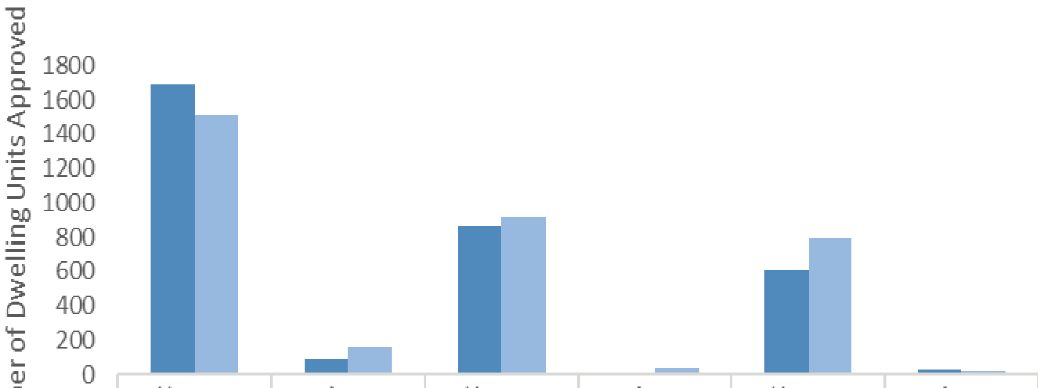
Source: CSO

Apartment completions fall in Limerick in 2019

Figure 2.2 shows dwelling completions between 2016 and 2019. The total number of dwelling completions in the Mid West increased by 87.2% between 2016 and 2019. Housing completions rose year-on-year throughout the period but it is interesting to note that between 2018 and 2019 apartment completions increases in both Clare and Tipperary whereas they fell in Limerick.

Unsurprisingly, new dwelling completions in the Mid West declined between Q1 (284) and Q2 (219) this year mainly as a result of COVID-19 restrictions on construction activity.

Figure 2.3 Dwelling Unit Approvals 2018-2019



	Limerick		Clare		Tipperary	
	Houses	Apts	Houses	Apts	Houses	Apts
2018	1687	89	865	9	605	23
2019	1517	155	919	33	793	19

Source: CSO

Number of dwellings units approved in Limerick falls by 10.1% in 2019

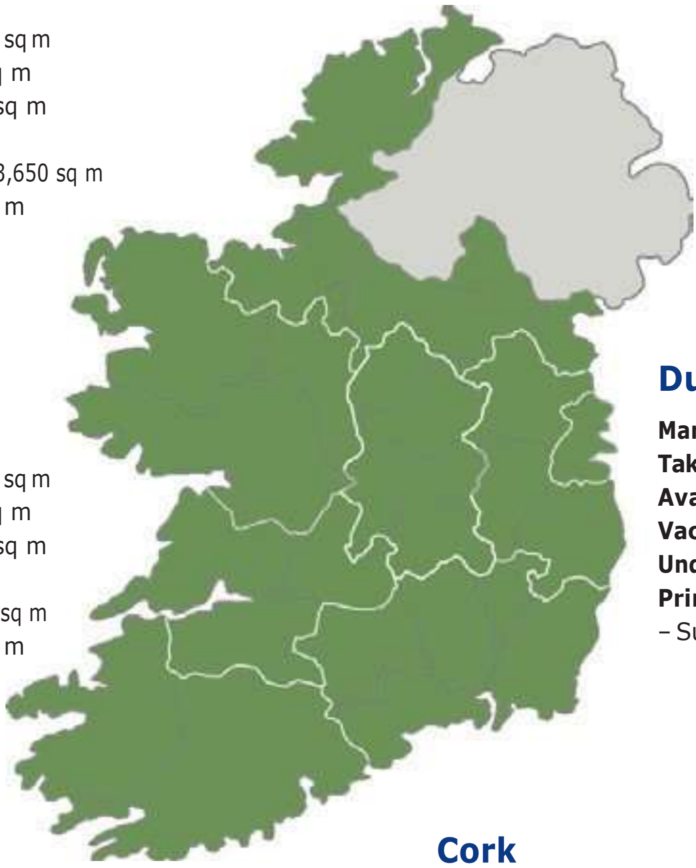
Figure 2.3 shows the number of dwelling units that received planning approval in 2018 and 2019. The number of total dwellings units approved in Limerick fell from 1776 to 1672. This drop of 10.1% is in comparison to an increase of 8.9% in Clare and 29.2% in Tipperary.

Of the total number of dwelling units approved in the Mid West in 2019, 207 were apartments and 3,022 were houses. Notably, there was an increase in the number of apartment planning permissions granted in both Limerick and Clare.

Commercial Property
Irish Office Market Q2 2020

Galway

Market Stock: 308,750 sq m
Take Up H1: 2,350 sq m
Availability: 16,100 sq m
Vacancy Rate: 5.2%
Under Construction: 23,650 sq m
Prime Rent: €323 sq m



Limerick

Market Stock: 367,000 sq m
Take Up H1: 4,750 sq m
Availability: 43,350 sq m
Vacancy Rate: 11.8%
Under Construction: 0 sq m
Prime Rent: €250 sq m

Dublin

Market Stock: 3.8 million sq m
Take Up H1: 59,950 sq m
Availability: 363,550 sq m
Vacancy Rate: 9.5%
Under Construction: 544,470 sq m
Prime Rent: €673 sq m (€323 sq m – Suburban)

Cork

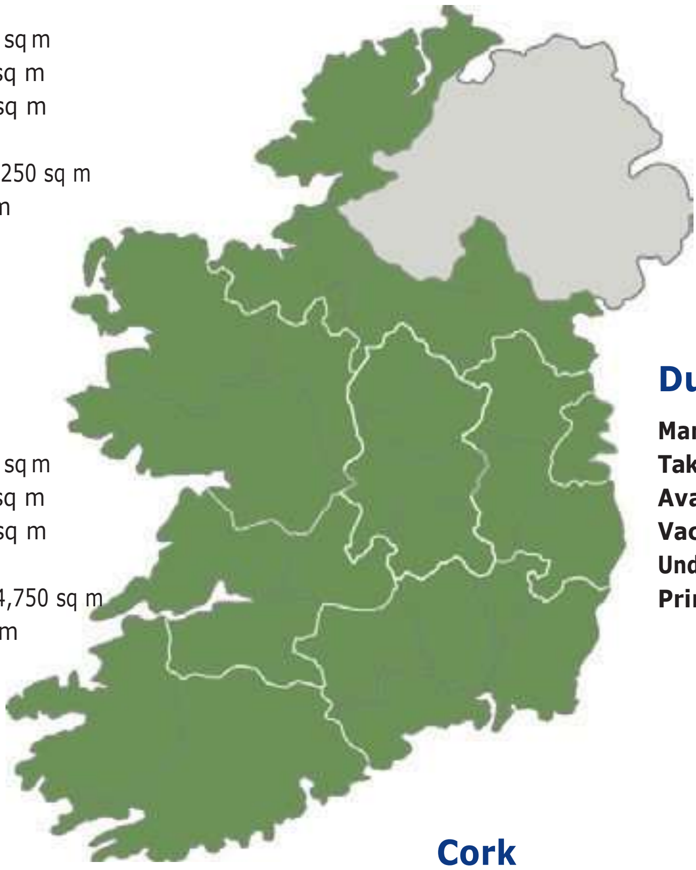
Market Stock: 619,970 sq m
Take Up H1: 5,150 sq m
Availability: 53,650 sq m
Vacancy Rate: 8.7%
Under Construction: 38,500 sq m
Prime Rent: €355 sq m

Source: Cushman and Wakefield 2020

Commercial Property
Irish Industrial Market Q2 2020

Galway

Market Stock: 480,985 sq m
Take Up H1: 24,050 sq m
Availability: 16,100 sq m
Vacancy Rate: 3.3%
Under Construction: 3,250 sq m
Prime Rent: €85 sq m



Limerick

Market Stock: 888,550 sq m
Take Up H1: 83,700 sq m
Availability: 43,350 sq m
Vacancy Rate: 4.9%
Under Construction: 44,750 sq m
Prime Rent: €70 sq m

Dublin

Market Stock: 4.3 million sq m
Take Up H1: 119,300 sq m
Availability: 335,650 sq m
Vacancy Rate: 7.9%
Under Construction: 65,985 sq m
Prime Rent: €110 sq m

Cork

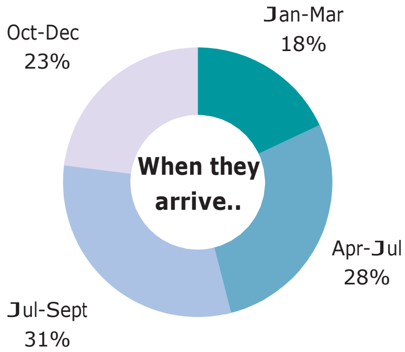
Market Stock: 1.05 million sq m
Take Up H1: 44,950 sq m
Availability: 42,450 sq m
Vacancy Rate: 4%
Under Construction: 11,650 sq m
Prime Rent: €90 sq m

Source: Cushman and Wakefield 2020

Tourism

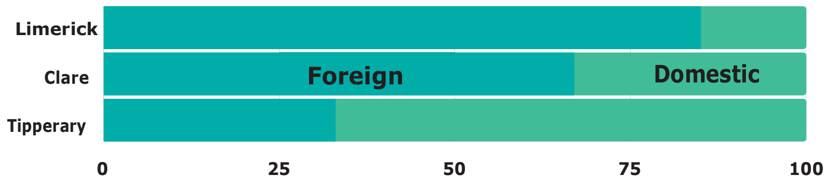
Mid West Tourism in Numbers

Annual visitors increased from 1.5 million in 2012 to 2.6 million in 2018



Size of annual tourist market...

Foreign vs Domestic Visitors (% of total visitors)...



Healthy growth in tourist numbers prior to COVID-19

The Mid-West region has experienced substantial growth in tourist numbers over the past decade, with a 73% increase in annual visitors since 2012. Failte Ireland estimates that tourism contributes €620 million in annual revenue to the region, with Clare (39%) and Limerick (50%) accounting for the majority. Failte Ireland also noted in 2018 that each €1 million generated in tourist revenue will support 27 jobs, both direct and indirect.

Table 3.1 Stock of Accommodation & Food Service Commercial Property 2020

	Commercial Units in AFS Sector	Share of Total Commercial Stock in Region/County (%)	Share of National AFS Stock (%)
Dublin	4,442	12.0	19.7
Mid East	3,648	11.3	16.2
South East	2,201	13.6	9.8
Border	2,624	15.7	11.6
South West	3,903	15.8	17.3
West	2,963	16.7	13.2
Mid West	2,746	14.9	12.2
Limerick	898	12.6	4.0
Clare	1,020	20.5	4.5
Tipperary	828	13.0	3.7
National	22,527	13.8	100.0

Source: Authors' calculations using data from GeoDirectory 2020

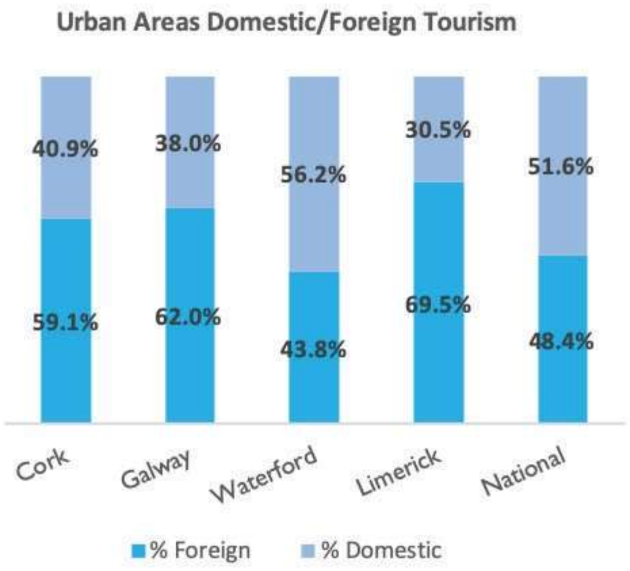
Clare commercial property is more exposed to tourism downturn

The stock of commercial properties located within a region or area gives us an insight into the level of economic activity.

Both Limerick and Tipperary's proportion of commercial stock that is in the Accommodation & Food Services sector is slightly less than the national average.

The commercial sector in Clare seems particularly exposed to a downturn in tourist activity however, with one in five properties operating in the A&FS sector.

Figure 3.1 Distribution of Urban Area Tourist Source



A resumption of domestic tourism will benefit some regions more than others

Figure 3.1 shows the distribution of foreign and domestic tourism across the 4 main regional cities outside of Dublin, along with the national average.

Limerick with its high dependency on foreign tourism, coupled with its higher than average dependency on North American tourism, needs to brace itself for significant visitor and revenue decline in 2020 and possibly beyond.

Table 3.2 Yearly Distribution of Tourism Revenue

County	Annual Revenue	Jan-Mar 18%	Apr–Jun 28%	Jul-Sep 31%	Oct-Dec 23%
	€m	€m	€m	€m	€m
Limerick	307	55	86	95	71
Clare	244	44	68	76	56
Tipperary	69	12	19	21	16
Total	620	112	174	192	143

Source: Authors' calculations using data from Failte Ireland 2017/18.

Tourism Revenue losses for the year could amount to half a billion euro

Using the most recent Failte Ireland Topline Regional Performance Report, Limerick Chamber has estimated that the Mid-West faces losses of up to €174 million for the second quarter of 2020.

The OECD anticipates annual global tourism losses of 60-80%, which applied to the region would result in lost revenue of between €372 and €496 million euro.

The sector reopened for domestic tourism at the end of June and there are hopes that 'staycation' growth may contribute to a partial recovery.

Table 3.3 Airport Passenger Numbers Ireland

	2013	2018	2019	2013-2019	2018-2019
	000's	000's	000's	%	%
National	24,681	36,521	38,053	54.2	4.2
Cork	2,253 (9.1%)	2,388 (6.5%)	2,586 (6.8%)	14.8	8.3
Dublin	20,149 (81.6%)	31,320 (85.8%)	32,677 (85.9%)	62.2	4.3
Kerry	306 (1.2%)	365 (1.0 %)	370 (1.0%)	20.8	1.2
Knock	666 (2.7%)	771 (2.1%)	805 (2.1%)	21.0	4.5
Shannon	1,308 (5.3%)	1,678 (4.6%)	1,616 (4.2%)	23.6	-3.7

**market share in parentheses*
Source: CSO

Shannon Airport's already challenging economic position has been further exacerbated by COVID-19

After several years of passenger growth following separation from the DAA in 2012, Shannon Airport was the only Irish Airport to report a drop in passenger numbers in 2019 (see table 3.3).

Despite overall growth of 23.6% in passenger numbers between 2013 and 2019, it is important to note that Shannon Airport's market share declined from 5.3% to 4.2% in the same period.

The impact of COVID-19 on the operations of Shannon Airport is of significant concern as the airport contributes €3.6 billion to the economy and supports 45,595 jobs (Copenhagen Economics, 2019).

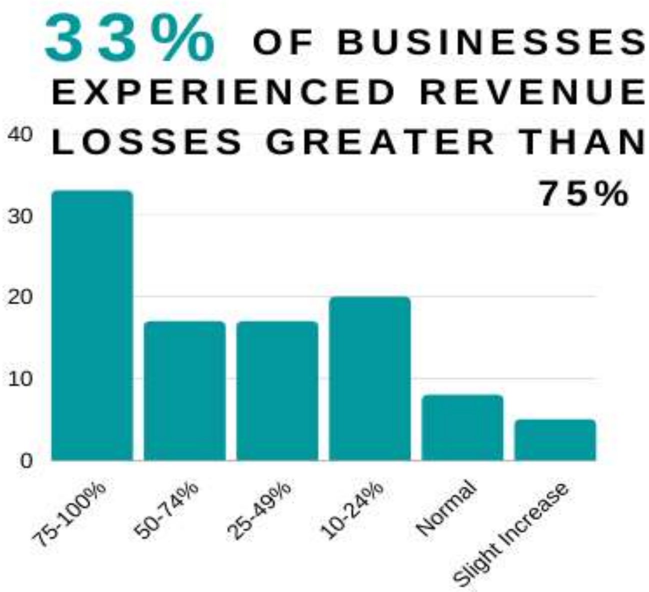
Business Sentiment

During Lockdown...

22%
ceased trading

41%
scaled back operations either on or off site

37%
were fully operational either on or off site



Less than **2%** of businesses availed of COVID-19 Loans

Post Lockdown

42% of businesses expect revenue losses to be greater than 50% for the remainder of this year

32% of businesses plan to recruit within the next six months

... of businesses plan to invest in the next six months

Note: The data presented in this section is taken from a series of COVID-19 and Mid West Business Sentiment Surveys that were circulated to members between April and June 2020

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