

The number of companies in the Basque Country fell by 0.9% and employment rose by 0.2% in 2022

77% of companies with 100 or more employees were based in the Basque Country

As of 1 January 2022, there were 151,088 companies operating in the Basque Country in various sectors of economic activity, 1,466 companies fewer than the previous year (-0.9%), according to Eustat data. These companies carried out their activities in 168,483 establishments (factories, shops, offices, etc.), also 1,411 fewer than the year before (-0.8%). These establishments were distributed amongst Álava (14.4%), Bizkaia (51.8%) and Gipuzkoa (33.8%).

Staff registered in these establishments recorded a slight positive variation of 0.2% after the exceptional situation marked by the health crisis caused by COVID-19. There are three sectors which recorded above-average positive rates: Information and Communication (5.1%), Public Administration, Education and Health (2.3%) and Construction (1.1%)

Among the sectors in decline, it is worth highlighting the Agricultural and fishing sector with 7.8% less employment this year and that of Financial and Insurance Activities, with 2.5% less.

Percentage distribution of employed persons and year-on-year variation in the Basque Country by branches of activity (A10) according to historical territory. 01/01/2022

	Basque Country		Araba/Álava		Bizkaia		Gipuzkoa	
	Individuals employed	Var. %	Individuals employed	Var. %	Individuals employed	Var. %	Individuals employed	Var. %
Total	100.0	0.2	100.0	0.7	100.0	-0.1	100.0	0.5
Agriculture, forestry and fishing	1.9	-7.8	1.5	-11.1	2.6	-6.4	1.8	-6.4
Industry, energy and sanitation	16.2	0.0	20.0	1.1	14.4	-1.7	16.4	1.0
Construction	2.6	1.1	2.7	2.6	2.7	1.1	2.5	0.3
Trade, transport and hotel industry	3.8	-0.8	4.3	-0.3	3.7	-0.8	3.9	-1.2
Information and communication	6.4	5.1	5.7	5.7	7.3	4.9	4.9	5.2
Financial and insurance activities	3.6	-2.5	3.0	-5.5	4.0	-1.5	3.2	-3.4
Real estate activities	1.7	-0.9	2.1	-4.2	1.6	-0.9	1.6	0.1
Professional activities and support services	4.8	-0.8	4.7	1.7	5.2	-1.3	4.0	-0.8
Public admin., education and health	11.4	2.3	15.4	1.4	10.8	2.0	10.7	3.3
Arts activities and other services	2.9	-0.6	3.1	1.7	2.8	0.0	2.9	-2.4

Date December 14, 2022

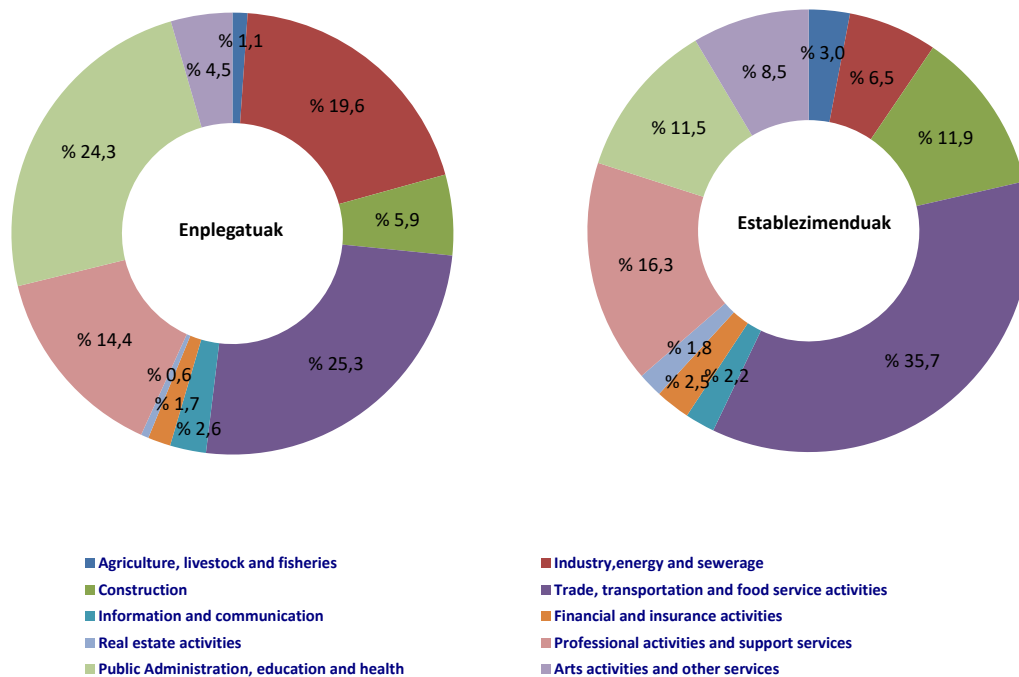
Source: Eustat. Directory of Economic Activities

As regards structure, the largest sector, in terms of number of establishments, was *Trade, Transportation and Hospitality*, with 35.7% of the total, followed by *Professional Activities and Support Services* (16.3%) and *Construction* (11.9%).

The distribution of establishments according to their size remained very similar to previous years. Barely 2,553 establishments, 1.5% of the total, were establishments with

an average of 50 or more employees, despite accounting for 41.5% of the total number of employees as a whole. On the other hand, 122,164 establishments, almost three-quarters of the total, were small (fewer than 3 employees) and accounted for 16.1% of all those in work. Even so, during this year, it is in establishments with less than 3 employees that most employment has been lost: 2,603 fewer employed people. In contrast, employment grew most in the strata of 10-19 and more than 50 employees, up 2,498 and 2,140 jobs respectively.

Distribution of employees and number of establishments by branches of activity (A10) in the Basque Country. 01/01/2022



Source: Eustat. Directory of economic activities

As regards the average size of the establishments by the largest branches of activity, the greatest concentration of employed individuals was recorded in the Industry, Energy and Sewerage sector, with an average size of 16.3 employees per establishment in the Basque Country overall, with Álava standing out with 20.3; the average size in Bizkaia and Gipuzkoa was 14.4 and 16.6 employees per establishment, respectively.

Percentage distribution of people employed in the Basque Country by branch of activity (A10) according to historical territory and sex. 01/01/2022

	Basque Country		Araba/Álava		Bizkaia		Gipuzkoa	
	Men	Women	Men	Women	Men	Women	Men	Women
Total	55,5	44,5	57,1	42,9	54,8	45,2	55,6	44,4
Agriculture, forestry and fishing	79,3	20,7	78,2	21,8	82,4	17,6	76,0	24,0
Industry, energy and sanitation	79,1	20,9	80,2	19,8	79,4	20,6	78,2	21,8
Construction	89,5	10,5	88,8	11,2	89,3	10,7	90,1	9,9
Trade, transport and hotel industry	54,3	45,7	54,4	45,6	54,9	45,1	53,5	46,5
Information and communication	64,6	35,4	65,2	34,8	64,7	35,3	64,2	35,8
Financial and insurance activities	44,1	55,9	44,3	55,7	44,8	55,2	42,4	57,6
Real estate activities	47,8	52,2	42,0	58,0	48,5	51,5	48,7	51,3
Professional activities and support services	51,2	48,8	52,8	47,2	51,3	48,7	50,1	49,9
Public admin., education and health	32,7	67,3	33,3	66,7	33,0	67,0	31,7	68,3
Arts activities and other services	45,3	54,7	45,3	54,7	46,1	53,9	44,2	55,8

Date December 14, 2022

Source: Eustat. Directory of Economic Activities

By sex, 44.5% of people employed in the Basque Country during 2021 were women, half a point higher than the previous year. In fact, a positive balance was registered for women (+5,737), in contrast to the negative balance for men (-3,421). The sectors with most female employees were Healthcare and Social Services (77.4% women), Education (68.7%) and Services (62.5%). By contrast, the sectors in which the majority of employees were male were Construction (89.5%), Industrial and Primary, with slightly more than 79% in both cases.

COMPANIES

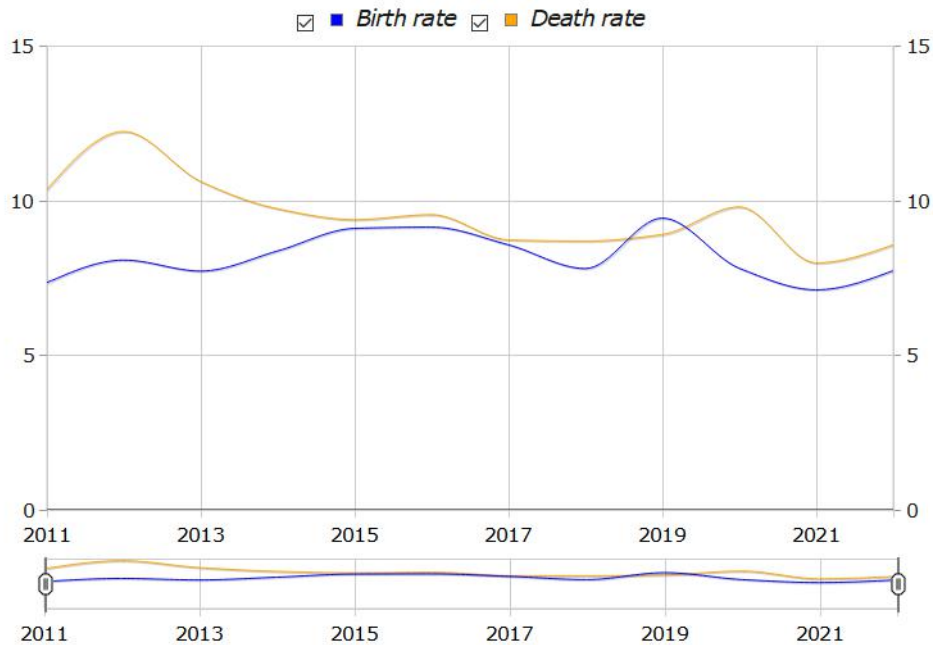
Of the total of companies (legal units) that provide support for establishments' activities, 97.1% were based in the Basque Country and 4,387 in the rest of Spain. Of those with 100 employees or more, the percentage based in the Basque Country reached 77%. Bizkaia accounted for slightly more than half the companies based in the Basque Country, with 76,050 companies; Gipuzkoa had 49,926 (33.0%) and Álava 20,725 (13.7%).

The average size of companies in the Basque Country remained stable, with 6.0 employees per company and 5.4 per establishment. Companies under individual ownership only had 1.4 employees, both per company and establishment, whereas for the other legal forms these averages reached 12.6 and 10.1 employees, respectively.

BUSINESS DEMOGRAPHICS

In relation to age, it is worth noting the presence of recent companies on the Basque business scene. 30.9% of companies operating in the Basque Country were five years old or less and the percentage of those in operation for two years or less stood at 13.7%.

Rates of births and deaths of establishments. Basque Country



Source: Eustat. Company start-up and failure statistics

Regarding rotation, and taking into account establishment openings and closures, 13,019 began and 14,430 ceased trading during 2021, with a negative balance of 1,411 establishments. The establishment birth rate (quotient between those created and the stock) was 7.7% and the death rate was 8.6%. As a result, the net growth rate was negative (-0.8%).

The greatest rotation was seen in the branches of *Trade, Transportation and Hotel Management & Catering*, with 29.0% of new openings and 32.0% of closures, *Professional Activities and Support Services*, with 18.0% of new openings and 17.9% of closures and *Construction*, with figures of 16.5% and 16.2% respectively.

In the analysis of demography by legal status, the establishments created under the individual ownership formula stand out for having generated 67.6% of new openings and 67.0% of closures.

Establishment demographics in the Basque Country. 01/01/2022

	New entries	Cancelled entries
Total	13.019	14.430
By Activity		
Agriculture, forestry and fishing	273	786
Industry, energy and sanitation	573	662
Construction	2.150	2.336
Trade, transport and hotel industry	3.775	4.619
Information and communication	487	422
Financial and insurance activities	333	408
Real estate activities	215	285
Professional activities and support services	2.348	2.586
Public admin., education and health	1.626	1.297
Arts activities and other services	1.239	1.029
By legal personality		
Natural person	8.800	9.664
Partnership	276	446
Limited company	2.863	3.163
Other companies and associations	1.035	1.098
Other legal forms	45	59

Source: Eustat

In terms of individuals employed, individually-owned establishments accounted for 38.8% of jobs created in new establishments and 43.5% of jobs lost in establishment closures. Following these, Limited Companies accounted for 40.5% of jobs created in establishments opened and 33.0% of jobs lost in establishment closures.

In terms of establishment size, the most dynamic stratum was that of 2 employees or under, as has become the norm. This stratum alone accounted for 89.3% of all new openings and 91.1% of all closures.

On the contrary, the stratum of large establishments, those with 50 or more employees, only accounted for 0.2% of new openings and 0.1% of closures. On the other hand, it accounted for 11.1% of all jobs created in new establishments and 7.8% of all jobs lost in establishment closures.

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