

The total number of Basque establishments drops for the third consecutive year

Three quarters of establishments had less than 3 employees

The companies operating in the Basque Country, except for those in the primary sector, traded in 185,454 establishments (factories, shops, offices, etc.), 2.9% down on the previous year, according to Eustat data.

The structure by size remained unchanged in 2010 compared to the previous year. Barely 2328 establishments, 1.2% of the total, had 50 or more employees, despite accounting for 37.5% of employment. On the other hand, 137,537 establishments, almost three-quarters of the total, employed less than 3 people and accounted for just 18.9% of all employment.

The number of establishments fell in all sectors apart from Public Administration, Education & Health, which grew by 3.1%, and Financial & Insurance Activities, up by 1.2%. The 8.1% drop in Construction is particularly noteworthy, even greater than the 3.5% higher-than-average reduction in Trade, Transportation & Hostelry.

Number of Establishments by activity branch and Inter-annual rates of variation. 1-1-2011

	Basque Country		Araba/Álava		Bizkaia		Gipuzkoa	
	N.	%	N.	%	N.	%	N.	%
Total	185.454	-2,9	24.884	-1,6	96.802	-2,3	63.768	-4,4
Industry and energy	14.114	-2,0	2.319	-1,1	6.373	-1,1	5.422	-3,4
Construction	27.248	-8,1	3.819	-6,8	13.613	-7,2	9.816	-9,9
Trade, transportation and storage and accommodation and food service activities	72.009	-3,5	9.498	-2,5	38.524	-3,1	23.987	-4,4
Information and communication	3.256	-1,5	431	2,1	1.729	-1,3	1.096	-3,0
Financial and insurance activities	5.199	1,2	783	2,6	2.770	1,9	1.646	-0,5
Real estate activities	5.566	-2,5	255	2,0	3.345	-0,1	1.966	-6,8
Professional activities	28.814	-2,0	3.872	-0,7	15.541	-1,2	9.401	-3,7
Public Administration, education and health	15.749	3,1	2.118	4,4	8.367	3,1	5.264	2,7
Other service activities	13.499	-0,5	1.789	3,3	6.540	0,1	5.170	-2,5

Source: Eustat. **Directory of Economic Activities**

The balance for each Province reveals different behaviours. Gipuzkoa suffered further job losses with an overall decline in employment of 4.4%, concentrated in the Construction sector (9.7%), Real Estate Activities (6.8%) and Trade, Transportation & Hostelry (4.4%).

Bikaia managed to increase establishments in Public Administration, Education & Health (3.1%), Financial & Insurance Activities (1.9%) and in Other Service Activities (0.1%).

In Álava the reductions were concentrated in Construction (6.8%) and Trade, Transportation & Hostelry (2.5%), but compared with the other provinces it presented the greatest increases in Public Administration, Education & Health (4.4%), Other Services Activities (3.3%) and Financial & Insurance Activities (2.6%).

As regards the average size of the establishments by branch of activity, the greatest concentration of employment was recorded in Industry & Energy, both in terms of the Basque Country overall, with an average size of 13.9 employees per establishment, and at provincial level, with Álava standing out with 17.8, and the average size in Gipuzkoa and Bizkaia being 13.9 and 12.2 employees per establishment, respectively. The average size of the establishments in the Public Administration, Education & Health sectors was also noteworthy, standing at 14.6 in Álava, 10.7 in Gipuzkoa and 10.6 in Bizkaia.

COMPANIES

The number of companies that carried out their activity within the Basque Country, with the exception of the primary sector, fell by 3.1% in 2010, which meant that there were 165,995 active companies, 5350 fewer than in 2009. 97.4% of these had their headquarters in the Basque Country and 4337 in the rest of Spain.

The average size of companies in the Basque Country remained stable, with 5.4 employees per company and 4.8 per establishment. The analysis by legal status reveals, however, noticeable differences. Companies under individual ownership only had 1.4 employees, both per company and establishment, whereas for the other legal forms these averages reached 10.3 and 8.4 employees per company and establishment, respectively.

BUSINESS DEMOGRAPHICS

The net balance between start-up establishments and those that stopped trading was - 5603, with the greatest rotation in those establishments created under the individual ownership formula, which accounted for 67.0% of the ones that closed. The overall balance of this category fell by 8584 establishments, as more companies closed than opened.

Establishment demographics. The Basque Country. 1-1-2011

	New entries	Cancelled entries		New entries	Cancelled entries
Total	13.606	19.209	Total	13.606	19.209
Industry and energy	948	1.245	Individual holder	7.025	11.914
Construction	2.304	4.697	Partnership	698	955
Trade, transportation and Hostelry	4.567	7.155	Limited company	4.102	4.672
Información y comunicaciones	454	444	Other companies and associations	1.686	1.580
Actividades financieras y seguros	378	318	Other legal forms	95	88
Actividades inmobiliarias	345	504			
Actividades profesionales	2.339	2.739			
Adm. pública, educación y sanidad	1.181	941			
Otras actividades de servicios	1.090	1.166			

Source: Eustat. Directory of Economic Activities

Those associated with Other Companies (Joint Stock Companies, Cooperatives and Other Companies) and Other Legal Status (Local Corporations, Religious Institutions and Public Administration Bodies & Organisms) are the only ones to show a positive balance of 42 and 6 establishments, respectively. For its part, Partnerships saw the least reduction in establishments (340) and with a similar figure were limited companies, which lost 421 establishments.

On analysis of the demography by activity, the branches of Trade, Transportation & Hostelry particularly stood out, with 33.6% of all companies registered and 37.2% of the ones that closed. 16.9% of companies registered and 24.5% of closures were in Construction, followed by Professional Activities, with figures of 17.2% and 14.3%, respectively.

In terms of establishment size, the most dynamic stratum was that of 2 or less employees, as has become the norm. It alone accounted for 84.7 of all registrations and 87.5% of all closures.

For further information:

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