

Economic Trends

The Q2 2025 Economic Trends survey of Cork Chamber members gathered insights into their experiences of doing business across April, May and June 2025. Sponsored by PTSB, this edition of the Economic Trends survey focused on member priorities ahead of Budget 2026.

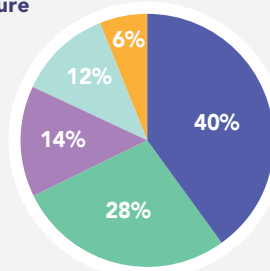
BUDGET 2026

TOP 3 PRIORITIES FOR BUDGET 2026

1. Business competitiveness measures
2. Housing
3. Cost of living

TOP PRIORITY FOR INVESTMENT IN ECONOMIC COMPETITIVENESS

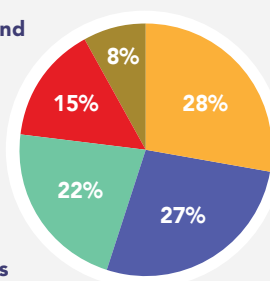
- Investments in infrastructure and connectivity
- Supports for SMEs and start-ups
- Supports for research and development, and innovation
- Tax reform
- Other



Economic competitiveness is made up of many strands, from infrastructure and connectivity to supports for R&D and tax reform. These are key priorities for many in the business community as Budget 2026 approaches, and it is vital that government takes a holistic approach to maintaining and enhancing Ireland's competitiveness.

TRENDS, THREATS AND CHALLENGES FOR BUSINESS THAT BUDGET 2026 SHOULD ADDRESS

- Threats to critical assets and infrastructure
- Increased digitalisation and AI usage
- Diversification in international trade
- Concerns regarding the security of energy supplies
- Other



Members of the business community are increasingly attuned to the emerging global trends, threats and new challenges affecting various sectors, with many respondents calling on government to take measures to address threats to critical assets and infrastructure, as well as digitalisation and AI, in Budget 2026.

IS GOVERNMENT INVESTMENT IN CORK SUFFICIENT FOR POPULATION GROWTH?

NO 94%

YES 6%

A large majority of responding businesses, 94%, stated that Cork is not receiving the funding needed to help prepare the city and county for the growth anticipated in the decades to come. Investment across housing, critical infrastructure and utilities, public realm, transport, active travel, regeneration and other projects is all vital to support the city region's continued growth.

CONFIDENCE IN THE IRISH ECONOMY

CONFIDENT 79%

NOT CONFIDENT 21%

79% of respondents expressed confidence in the Irish economy in Q2 2025, a slight increase from earlier in the year. Of the 21% who cited a lack of confidence in the Irish economy, 36% referenced geopolitical concerns as the main reason. Other concerns included housing supply, rising business costs and the speed of infrastructure delivery.

BUSINESS CONFIDENCE

CONFIDENT 94%

NOT CONFIDENT 6%

Business confidence from an overall financial perspective remains high, with 94% of respondents expressing confidence about the future of their business.

TOP THREATS TO BUSINESS GROWTH

1. Geopolitical concerns
2. Availability of housing
3. Cost of energy and raw materials

EMPLOYMENT

CHANGE IN EMPLOYEE NUMBERS OVER Q2 2025

INCREASED 38%

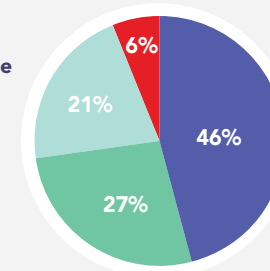
STAYED THE SAME 47%

DECREASED 15%

The number of respondents predicting an increase in employee numbers over the next 12 months remains consistent with recent surveys. Those reporting an increase in employee numbers this quarter rose to 38%, up from 25% in Q1 2025.

TOP BARRIERS TO FILLING VACANCIES

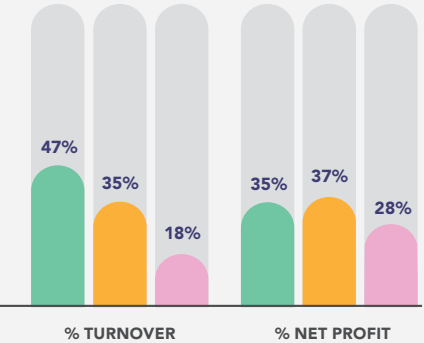
- Specialist skills shortage
- Housing
- Wage demands
- Other (please specify)



Of the 43% of respondents with vacancies advertised at present, 31% reported difficulties with filling these roles, with specialist skills shortages emerging as the top barrier to filling vacancies.

TURNOVER AND NET PROFIT Q2 2025

- Increased
- Stayed the same
- Decreased



EXPECTED TURNOVER CHANGE Q3 2025

INCREASE 43%

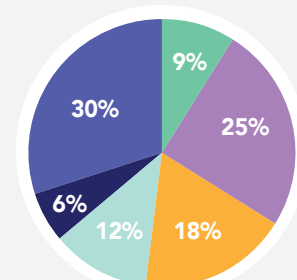
STAY THE SAME 51%

DECREASE 6%

The number of firms reporting a decrease in both turnover and net profits in Q2 2025 fell slightly in comparison to Q1, while there was a slight increase in those reporting consistent turnover and net profit, as well as increases. Responding businesses predicting a decrease in turnover fell from 12% in Q1 2025 to 6% this quarter. Those expecting turnover to stay the same rose from 35% in the previous quarter to 51% in Q2 2025.

RESPONDING BUSINESSES

- Sole Trader
- Micro Enterprise (2-10)
- 11-50
- 51-100
- 101-200
- 201 +



Responding businesses are drawn from a broad range of sectors, including Services (including Financial) (40%); Tourism, Hospitality, Retail & Leisure (13%); Life Sciences & Manufacturing (11%); Built Environment (7%); Transport, Energy & Maritime (6%); Agriculture, Food & Drink (6%); Education & Training (5%); ICT & Digital Economy (3%); Culture, Arts, Community & Media (3%); Health (3%) and Not-for-Profit (3%).

We thank members for your valued insights and engagement with this survey. Your participation is vital. All previous quarterly economic surveys can be found on www.corkchamber.ie.

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