



25<sup>th</sup> June 2024

Leo Varadkar T.D.

Dáil Éireann

[leo.varadkar@oireachtas.ie](mailto:leo.varadkar@oireachtas.ie)

Dear Leo,

I refer to your recent parliamentary questions (references 25145/24 and 25146/24), seeking particular statistics in relation to the retail and hospitality sectors, which were due for reply on 10<sup>th</sup> June 2024.

I regret that it was not possible to provide substantive replies at the time but I am now in a position to provide the requested information, as set out below.

At the outset, I should clarify that the information available to my Department relates to companies registered with the Companies Registration Office (CRO). This does not include businesses operating as sole traders or unincorporated entities.

Businesses can close for a variety of reasons and the information available to the CRO relates to company filings of those who wish to be voluntarily struck off the companies register and those notifying the CRO when entering liquidation. Voluntary strike-off is available where a company either ceases to trade, or has never traded, has no assets in excess of €150 and has no outstanding creditors. It should be noted that liquidation covers situations where a company may be solvent, and pursue a Members' Voluntary liquidation, or insolvent and is subject to a Creditors' voluntary liquidation or a Court ordered liquidation.

At incorporation, companies are required to indicate the relevant NACE code describing their intended activity and any subsequent change of activity does not need to be notified to the CRO. There are a range of activities relevant to the retail and hospitality sectors, each with their own individual NACE code, and these are aggregated in the totals below.

|                         | Jan – May 2024 |                | Jan – May 2023 |                |
|-------------------------|----------------|----------------|----------------|----------------|
|                         | Retail         | Hospitality    | Retail         | Hospitality    |
| Incorporations          | 528            | 629            | 517            | 651            |
| Voluntary strike-offs   | 117            | 100            | 178            | 109            |
| Total Liquidations      | 51             | 55             | 53             | 70             |
| comprised of :          |                |                |                |                |
| Members Voluntary       | 21             | 26             | 27             | 14             |
| Creditors Voluntary     | 30             | 28             | 26             | 55             |
| Court ordered           | 0              | 1              | 0              | 1              |
| <b>Net change (+/-)</b> | <b>360 (+)</b> | <b>474 (+)</b> | <b>286 (+)</b> | <b>472 (+)</b> |

In the retail sector, 528 new companies were incorporated in the first five months of 2024 which is slightly ahead of same period in 2023. In the same period, there were 51 liquidations in the retail sector. This indicates a ratio of 10.4 new retail companies being incorporated for every liquidation in the sector. Of the 51 liquidations, 30 are considered to be insolvent liquidations compared to 26 in the first five months of 2023. Overall, there was a net increase of 360 companies in the retail sector in the January to May period in 2024 compared to a net increase of 286 for the same period in 2023.

In the hospitality sector, 629 new companies were incorporated in the first five months of 2024, which marks a marginal decrease of 3.4% (22) relative to the same period in 2023. From January to end-May 2024, there were 55 liquidations in the hospitality sector. This indicates a ratio of 11.4 new hospitality companies being incorporated for every liquidation in the sector. Of the 55 liquidations, 29 are considered to be insolvent liquidations which is a decrease of 27 (49%) relative to the first five months of 2023. Overall, there was a net increase of 474 companies in the hospitality sector in the January to May 2024 period compared to a net increase of 472 for the same period in 2023.

I trust this information is of assistance to you.

Yours sincerely,



Dara Calleary TD

Minister for Trade Promotion, Digital & Company Regulation

*Hope you good*