



New business creation in Aberdeen City and Shire

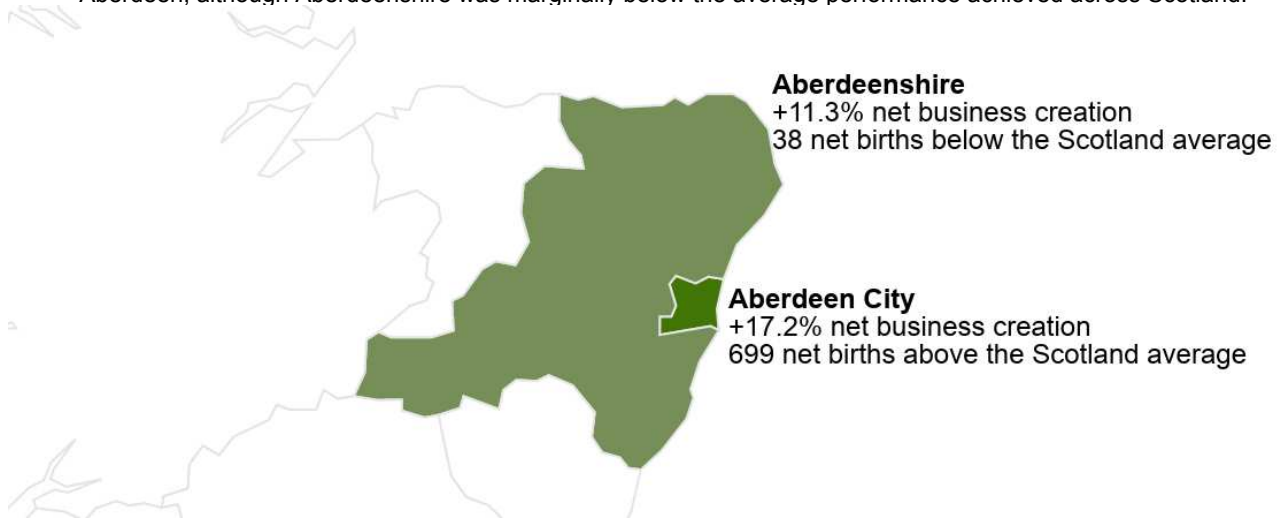
2010-17

December 2018



Total new business creation 2010-2017 as a percentage of the business base

The Aberdeen City Region has seen significant creation of new businesses since 2010. This is particularly the case in Aberdeen, although Aberdeenshire was marginally below the average performance achieved across Scotland.



New business creation (as a percentage of the business base) 2015-2017

Aberdeen saw a decline in its business creation in the last three years. This is likely (and further analysis of sector data should confirm this) an effect of the downturn in the oil and gas industry, with the impact concentrated most in Aberdeen City, as Aberdeenshire began to show signs of recovery sooner in 2017.



Change in new business creation (as a percentage of the business base) from 2012/14 to 2015/2017

The dramatic impact of the downturn can be seen when comparing 2015/17 to 2012/14. The decline for both areas was dramatic (for comparison, the Scotland wide average was -2.3%). That both areas still saw business creation of over +10% from 2010-17 despite this substantial fall between the two periods, highlights this region as one of the main drivers of new business creation in Scotland.



Source: Analysis of ONS data by Scottish Enterprise's Economic Research team

New business creation is calculated by subtracting the number of business deaths from the number of business births. The percentage is then calculated by dividing the growth/decline by the business base