



Northern Ireland Chamber of Commerce and Industry



QUEEN'S UNIVERSITY BELFAST



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QUEEN'S BUSINESS SCHOOL

# Quarterly Business Insights Q1 2026

NI CHAMBER IN PARTNERSHIP WITH QUEEN'S UNIVERSITY

## Demand & Orders

Domestic demand diverging:  
**+12 services**  
**-6 manufacturing**

Export demand remains weak:  
**+5 manufacturing**  
**-4 services**

No evidence of sustained growth momentum

## Overall Conditions

**72%**

of businesses report some level of profitability

**10%**

Only 10% highly profitable – most operating at modest levels

**44%**

report a slowdown in demand (mostly slight)

## Recruitment & Labour Market



**Actively recruiting:**  
Manufacturing 87%,  
Services 77%



**Facing recruitment difficulties:**  
Manufacturing 100%,  
Services 77%



Labour cost pressures remain a dominant concern  
Manufacturing 91%  
Services 85%

## Windsor Framework & Trade

**46%**

of businesses report an impact

Key issues among those impacted:

**Clarity on NI/EU rules - 61%**  
**Trader Support Service - 45%**  
**Regulatory divergence - 40%**  
**Parcels - 37% / ICS2 - 27%**

Impacts driven by complexity, not a single requirement

## Manufacturing Services

<b>Confidence &amp; Investment</b> Turnover confidence	+28%	+28%
<b>Confidence &amp; Investment</b> Profit confidence	+9	+14
<b>Confidence &amp; Investment</b> Capital investment remains modest. Training investment continues to lead.	+13	+9
<b>Cashflow</b> remains weak. No clear sign of sustained recovery.	0	-8
<b>Costs &amp; Prices</b> Firms expecting to raise prices.	+43	+52
<b>Costs &amp; Prices</b> Labour costs are the main pressure. Cost pressures remain embedded	91%	85%

## Goods at Risk Review

Drivers of support:

**Administrative burden - 65%**  
**Increased costs - 57%**  
**Uncertainty - 43%**

## Skills & Graduates

Graduate hiring is being shaped more by skills and cost pressures than by demand.

Graduate hiring shows little sign of expansion

54% employ graduates  
41% have never used them

Among graduate employers:  
28% using fewer vs 17% using more

Key drivers:

**Skills mismatch - 40%**  
**Rising employment costs - 36%**  
**Difficulty attracting candidates - 25%**