RURAL DEVELOPMENT

CORE POLICY OBJECTIVE: RURAL DEVELOPMENT
To secure the existence of substantial numbers of viable communities in all parts of rural Ireland where every person would have access to meaningful work, adequate income and to social services, and where infrastructures needed for sustainable development would be in place.

Rural Ireland continues to change dramatically. The composition and population patterns of rural Ireland are changing and there is a need to revise and update how we measure rurality in Ireland. No county has shown an increase in the share of rural population since 2006, however the numbers living in small towns (<3,000 population) has doubled since 2002. The Central Statistics Office definition of rural (places with a population of less than 1,500) shows that the population living in rural areas has declined to 28 per cent. However, examining the next category above rural (towns of 1,500 to 2,999 people) the population living in this category increased by 33 per cent (Walsh & Harvey, 2013). Areas of the countryside close to the main cities and rural towns have experience substantial growth in their populations, in contrast with remote or less accessible rural areas. In these more remote areas a high proportion of the population is older with lower education levels (O’Donoghue et al, 2014). This changing composition shows the need to redefine rural areas and how we measure them. In European discourse the concept of ‘rural’ is often linked to regional development and includes ‘non-urban’ and ‘non-metropolitan’ areas102. The need for an integrated transition from an agricultural to a rural and regional development agenda to improve the quality of life for all rural dwellers has never been more pressing. This will require policy coherence in terms of investment, social services, governance and sustainability as part of the policy framework discussed in details in chapter 2.

102 See O’Hara, P in Healy & Reynolds (Eds) (2013) for a more detailed discussion on rurality and the regions.
Rural and Regional Development

The Commission for the Economic Development of Rural Areas (CEDRA) adopts a holistic definition of rural areas as those areas being outside the main metropolitan areas and recognises the relational nature of economic and social development and the interconnections between urban and rural areas. Among the objectives of the commission is to ensure that rural areas can benefit from and contribute to economic recovery and to provide research to inform the medium term economic development of rural areas to 2025. The CEDRA report ‘Energising Ireland’s Rural Economy’ provides a list of recommendations to Government on how to safeguard the future of rural Ireland, a valuable national resource. It establishes that many of the key issues facing rural communities are part of a long term economic and social transformation. The report calls for new integrated approaches to rural economic development aligning national goals with regional, county and local strategies. It calls on Government to prepare a clear and detailed Rural Economic Development policy and to outline in details how Government proposes to support rural economic development to 2025. Social Justice Ireland endorses this call and urges Government to implement the recommendations of the CEDRA report. The first White Paper on Rural Development (1999) defined rural development policy in Ireland as “all Government policies and interventions which are directed towards improving the physical, economic and social conditions of people living in the open countryside, in coastal areas, in towns and villages and in smaller urban centres outside of the five major urban areas”. Given the changing population patterns and composition of rural Ireland it is now an appropriate time to revisit this definition of rural development policy in Ireland. The present model of rural development policy in Ireland has a dominant agricultural focus. There is a need to broaden this model of rural development to encompass coastal areas, towns and small urban centres and to support the diversification of the rural economy.

Rural development is often confused with agricultural development. This approach fails to grasp the fact that many people living in rural Ireland are not engaged in agriculture. This, in turn, leads to misunderstanding when the income from agriculture increases because many people fail to realise that not everyone in rural Ireland benefits from such an increase. The challenge is the ensure that rural economic development fosters economic diversification and development in rural areas as well as continuing to support farming and other traditional rural-based economic activity (O’Donoghue et al, 2014:22). Long-term strategies to address the failures of current and previous policies on critical issues, such as infrastructure development, the national spatial imbalance, local access to public services, public transport and local involvement in core decision-making, are urgently required. The 1999 White Paper on rural development provided a vision to guide rural development policy (something Social Justice Ireland had advocated for over a decade previously). Rural economies are increasingly designed around towns of various sizes.

which provide a local labour market area. It is important that rural development is seen in the context of the relationship between a particular rural area and the nearest town or centre of economic activity. The interactions between more rural areas and the small towns and villages with which they connect should provide the framework and foundation for a rural development policy. In order to have successful rural communities, rural development policy must move beyond one dominated by agricultural development and towards policies designed to support the provision of public services, investment in micro businesses and small or medium enterprises, innovation and the sustainable use of natural resources and natural capital. In order to access employment rural workers will require the right skills. This will require coordinated strategies between the Local Enterprise Offices, Education and Training Boards, local businesses in order to ensure that rural workers have the skills required in order to take up employment in their local area.

Rural areas and small villages are connected and networked to the local regions and these local regional economies are dependent on the interaction with the rural areas they connect with for sustainability (Walsh & Harvey, 2013). Given this interconnection it is important that rural and regional development are integrated in order to support sustainable local economies and to ensure that local services are utilised most effectively to address the specific needs of a particular region and the rural communities within it.

The new Rural Development Programme 2014-2020 will be funded by the European Agricultural Fund for Rural Development and the national Exchequer. A plan for the Rural Development Programme (RDP) 2014-2020 was submitted to the European Commission but final approval for the plan has yet to be signed off on at European level. The Department of Agriculture, Food and the Marine propose a national co-financing rate of 46 per cent be applied to measures under the RDP via this Department in the period 2014-2020. The allocation for the delivery of LEADER is 7 per cent of Pillar 2 under the new programme. Irish Rural Link has called for this to be increased to 10 per cent in order to ensure real investment in rural areas to support job creation, biodiversity and environmental protection. The new RDP is based on six priority areas for rural development whilst contributing to the Europe 2020 Strategy objectives of smart growth, inclusive growth and sustainable growth.

The six priority areas are:

- Fostering knowledge transfer and innovation,
- Enhancing competitiveness,
- Promoting food chain organisation and risk management in agriculture,
- Restoring, preserving and enhancing ecosystems,
- Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy,
- Promoting social inclusion, poverty reduction and economic development in rural areas.
The European Commission have proposed community led local development (CLLD) as one of the cohesion policy tools to help rural communities build capacity, stimulate innovation, increase participation and assist communities to ensure that they can be full actors in the implementation of EU objectives in all areas. The reform of local government and work on citizens engagement could consider the CLLD process as a means of ensuring local communities have a voice in designing, shaping and delivery policy in their local area. The Department of Agriculture, Food and the Marine have published a draft RDP Consultation paper outlining some proposals under each of the six priority areas. The changes to the composition of rural areas and rural economies and the subsequent need to move rural development away from a focus dominated by agriculture has been well documented. Therefore it is disappointing that the draft proposals for the RDP 2014-2020 are still predominantly focussed on agriculture and supporting the agri-sector and insufficient attention is given to diversifying and developing rural areas and the rural economy. The draft plan is predominantly focussed on complimenting and supporting the Food Harvest 2020 strategy. It points to LEADER measures to address areas of need in rural Ireland including support for enterprise development and job creation, supporting local development of rural areas and initiatives to improve broadband and communications infrastructure. Given the scope of the challenges facing rural Ireland and the recommendations of the CEDRA report the lack of a broader rural development and diversification focus in the draft plan is disappointing.

Diversification of rural economies

A study on rural areas across Europe (ECORYS, 2012:26) identified the key drivers of and key barriers to growth in rural economies. The key drivers of employment and growth were identified as (i) natural resources and environmental quality, (ii) the sectoral nature of the economy, (iii) quality of life and cultural capital and (iv) infrastructure and accessibility. The key barriers to growth in rural areas were identified as (i) demographic evolutions and migration (loss of young people and ageing), (ii) infrastructure and accessibility and (iii) the sectoral structure of the economy. Across Europe the secondary and tertiary sectors are now the main drivers of economic growth and job creation in rural regions. These sectors support activities such as tourism, niche manufacturing and business services (ECORYS: 2010). For rural areas to become sustainable in the long-term these sectors must form an integral part of any future rural development strategy both in Ireland and in Europe. The AGRI Vision 2015 report (Department of Agriculture, Food and the

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105 The EU traditionally splits economic activities into three sectors. Primary sector includes agriculture, forestry and fisheries; secondary sector includes industry and construction, tertiary sector includes all services.
Marine, 2004), highlighted the fact that many rural dwellers are not linked to agriculture and that in order to improve the standard of living and quality of life in rural communities opportunities must be created so that the rural economy can develop agriculture in conjunction with much needed alternative enterprises. The report also stated that the primary purpose of rural policy development is to underpin the economic and social wellbeing of rural communities. It is clear that in order to diversify the rural economy Ireland needs to move from agricultural development to rural development, from maritime development to supporting coastal communities and to support small, local, sustainable and indigenous enterprises, farming and fishing. Supporting rural households to ensure that they have sufficient incomes will be crucial to the future of rural Ireland. This requires both social and economic supports and broader skills and economic development strategies. About two-thirds of farm families require off-farm income to remain sustainable, and while recent gains in agriculture-based incomes have had an impact on the most commercial farms, solutions to the wider income problems require a broader approach, both for farm and non-farm rural families (O’Donogue et al, 2014:30)

The areas that are highlighted as possible drivers of rural job creation are social enterprise and social services (e.g. childcare and elder care), tourism, ‘green’ products and services and cultural and creative industries. In order to promote development of these drivers of employment and to support local entrepreneurs and local enterprises in rural and coastal areas the economic policies for these areas must take into account specific local needs such as accessible transport and access to childcare.

The economies of rural areas have become increasingly dependent on welfare transfers, with the ‘at risk of poverty’ rate in rural areas being 6.7 percentage points higher than that of urban areas. In 2013 the ‘at risk of poverty’ rate in rural areas was 19.3 per cent and 12.6 per cent in urban areas. The economic recession and restructuring of agriculture and subsequent decline in off-farm employment has led to a narrowing of the economic base in rural areas. Low-paid, part-time and seasonal work and long-term underemployment are significant factors in rural poverty and exclusion (Walsh & Harvey (2013). The problem of underemployment is further highlighted by the recent assessment of the Rural Social Scheme (RSS) by the Department of Public Expenditure and Reform. It found that 60 per cent of participants have been on the scheme for more than six years, and 82 per cent for more than three years. The majority of participants are male and over 70 per cent of these are aged fifty and over. The RSS was designed as an income support scheme for people in rural occupations, not as an employment activation scheme. The assessment acknowledges that the RSS was established to support people who were underemployed in their primary activity. However, in light of Government’s new labour market activation policies whereby income supports must be integrated with activation measures the RSS is under increasing scrutiny. The assessment concludes that the RSS is not having a meaningful impact in terms of moving people into
sustainable employment and that the social cohesion objective of the RSS needs to be set against broader high level policy objectives. What this assessment does not consider is the lack of sustainable and appropriate employment in rural areas, nor does it appropriately measure the social value of such a scheme in terms of combating social exclusion and isolation. In contrast, the value for money review of the Disadvantaged Area Scheme noted the multiplier effect of economic supports in rural economies and the contribution the payment makes to both farmers and rural families in terms of income support. The RSS is also a direct income support for rural families and its economic contribution should be considered carefully in light of the CEDRA report recommendation on the matrix of economic and social supports required to contribute to rural recovery. To ensure policy coherence no changes should be made to the RSS without a corresponding commitment from Government to develop and deliver a strategy to promote sustainable employment creation in rural areas.

Rural development and the challenges facing rural areas in terms of generating sustainable employment are either absent or barely referenced in key national policies such as the Medium Term Economic Strategy and the National Skills Strategy. As a result there is a mismatch between a Government policy aimed at attracting Foreign Direct Investment (FDI) and export-led industry and rural areas which are dominated by micro-businesses and small and medium sized enterprises. This mismatch has been acknowledged by the IDA in its review of 2014. Only 30 per cent of investments since 2009 have been made outside of the main cities. The IDA acknowledges the difficulty in persuading multinationals to move outside of Dublin and Cork and is committed to increasing investment outside of the main cities in the forthcoming 5 year strategy. This focus on relying on FDI to generate employment in rural areas will not create the sustainable employment required in these areas. A focus on rural niche investment and supporting rural start-ups in this area is also required. The Action Plan for Jobs (APJ) 2015 contains a welcome commitment to ‘Delivering Regional Potential’ with nineteen headline actions. However it is unlikely that sustainable employment will be generated on the scale required in rural areas without the roll-out of rural broadband. The CEDRA Report notes the strategic role of broadband and calls on Government to ensure the delivery of 30Mbps to all rural areas by the end of 2015. The headline action on broadband in the APJ 2015 is to issue the tender for the delivery of high speed broadband by Q4 2015. This means that rural areas and rural businesses will continue to be disadvantaged by poor broadband infrastructure in the coming year and that Government will not meet one of the key recommendations of the CEDRA Report.

Lack of quality broadband in rural areas is a considerable barrier to the diversification and growth of the rural economy in Ireland. Case studies show that several large firms have moved out of the South West of Ireland as a result of poor broadband speed and quality (ECORYS, 2010:237:241). The provision of quality
broadband to rural areas must be a priority in the future if rural development is to be facilitated in a meaningful manner. The commitment to between 40Mbps and 30Mbps broadband speed in rural areas contained in the National Broadband Plan for Ireland is insufficient to encourage diversification and economic growth in rural areas. The commitment of Government to rollout the fibre infrastructure to provide broadband to areas which will not be served by commercial operators is welcome. However, despite the commitment made in 2014, the tender is not due to be issued until Q4 2015. State intervention must be prioritised in order to prevent the two-tier digital divide developing between urban and rural areas growing any wider.

Employment and enterprise policy should have a rural specific element designed to support local enterprises, rural specific jobs and be cognisant of the need to create full-time, high quality jobs with career progression opportunities. Approximately 90 per cent of enterprises in the regions employ ten people or less and underemployment and flat career structures are particular features of rural areas that require attention (Walsh & Harvey, 2013).

With the on-going challenges facing traditional rural sectors, including agriculture, the future success of the rural economy is inextricably linked with the capacity of rural entrepreneurs to innovate and to develop new business opportunities that create jobs and income in rural areas. Some of the key needs of rural entrepreneurs have been highlighted as:

- Better, more locally-led access to finance;
- Harnessing local knowledge at all stages of policy formulation, delivery and evaluation;
- Developing better communication between national, regional and local actors to ensure the needs of entrepreneurs can be met;
- Acknowledgement that rising costs and Government revenue raising measures can hit rural businesses disproportionately compared to their urban counterparts e.g. fuel is often a bigger cost for rural businesses and entrepreneurs who need to transport produce or goods greater distances. (EU Rural Winter Review 2011)

Small rural firms and rural entrepreneurs need to be supported in developing their businesses and in overcoming the spatial disadvantage to benefit from the growth in the ‘knowledge economy’. The €25 million to support regional enterprise strategies contained in the APJ 2015 is welcome but far below the €200 million called for by Social Justice Ireland in Budget 2015. Sustainable, integrated public transport serving rural Ireland and reliable high speed broadband must be given priority in order to support rural businesses and the development of the rural economy through diversification and innovation. The current strategy of relying on ‘global demand’ and foreign direct investment (FDI) has led to a widening of the development gap
between urban and rural areas. One of the major problems faced by the government in trying to develop and promote sustainable rural communities is the restricted opportunities in secondary labour markets in rural areas. Data from the IDA and Forfás highlight the need for a rural and regional employment strategy. In 2014 only 37 per cent of IDA investments were located outside of Dublin and Cork (IDA, 2014). Significant regional disparities also show up in the Forfás annual employment survey. In the period 2003-2013 agency supported employment in Dublin increased by 14.6 per cent. In the same period agency supported employment in North West fell by 12.2 per cent, in the South East fell by 15.3 per cent and in the Mid West fell by 18.2 per cent (Forfás, 2014). This shows a trend of falling agency assisted employment in rural areas. The commitment to the development of Rural Economic Development Zones in the APJ 2015 is welcome, however without broadband it is difficult to see how this commitment can be delivered to its full potential.

Emigration

A recent Irish study on emigration showed that at least one household in four in rural areas has been directly affected by the emigration of at least one member since 2006 (Mac Éinrí et al, 2013). The same study found that 28 per cent of the households in this cluster expected that another member would emigrate within the next three years. This has profound implications for the future of rural areas. Rural areas in Ireland have already suffered a loss of young people due to out migration to urban areas and an ageing demographic prior to the recession. Such an enduring loss of educated young people will have a negative impact on social structures, service provision, cultural capital and levels of poverty and social exclusion.

The impact of sustained high levels of unemployment and subsequent high levels of emigration among young people in rural communities cannot be overestimated. It has led to a loss of young people in rural communities. This in turn means that the development of the rural economy has been hindered and it will continue to struggle in any future upturn due to the lack of skilled workers and the corresponding emergence of an ageing population. By failing to support young people to stay in their communities Government is potentially failing to address a key aspect of sustainability while supporting the emergence of an ageing demographic profile for rural areas which undermines both employment and growth targets (ECORYS, 2010:249).

Public services and rural transport

The provision of public services in rural areas in the context of a falling and ageing population is a cause for concern. With increased levels of emigration the population in rural areas has become dominated by those who are more reliant on public services (the elderly, children and people with disabilities). There is a need
to develop a new rural strategy to take account of the changes in rural areas since the 1999 White Paper. Decisions need to be made regarding the provision and level of public services in rural areas, investment in childcare and transport and the integration of rural and regional development into a new Spatial Strategy\textsuperscript{106}. Some European countries adopt the equivalence principle for the provision of services in rural areas, which decrees that public services in rural areas should be equivalent quality to those in urban areas. Walsh and Harvey (2013) propose that this would be a useful guidance for investment in an Irish context. The OECD has also noted the need for investment in rural areas in key sectors of transport, information technologies, quality public services, rural firms, conservation and development of local amenities and rural policy proofing (OECD, 2006). Investment in childcare, transport, progression and outreach are all required as part of a cohesive strategy in order to promote employment and innovation in rural areas.

The design and implementation of a new rural development strategy would provide Government and all stakeholders with the opportunity to consider how public services should be provided and delivered in the regions and rural areas. It would also provide an opportunity for the consideration of social, ecological and cultural benefits to and reasons for investing in rural areas. The benefits of such investment must be considered in terms which can encompass more than just economic measurements. The withdrawal of services or lack of provision of services in rural areas undermines rural development and compromises the needs of those most reliant on these services (Shucksmith, 2012). It is critical that the costs of not investing in rural areas, including social exclusion, continued under-employment, poverty and isolation, are taken into account in any new strategy.

The lack of an accessible, reliable and integrated rural transport system is one of the key challenges facing people living in rural areas. Rural dwellers at present shoulder a disproportionate share of the burden of insufficient public transport, according to a recent report (EPA 2011: 10), 45 per cent of the rural district electoral divisions in Ireland have a minimal level of scheduled public transport services with varying frequency and timing. Among the main identified issues contributing to rural deprivation and depopulation are:

- access to secure and meaningful employment;
- availability of public transport in order to access employment and public services;
- access to childcare; and
- access to transport.

(McDonagh, Varley & Shortall 2009: 16)

\textsuperscript{106} Government stated in February 2013 that a new Spatial Strategy would be developed. It has yet to be published.
Government has acknowledged the importance of an integrated and accessible rural transport network and has pledged to maintain and extend the Rural Transport Programme with other local transport services as much as possible (Government of Ireland 2011: 63).

Car dependency and the reliance of rural dwellers on private car access in order to avail of public services, employment opportunities, healthcare and recreational activities is a key challenge for policy makers. Transport policy must be included in planning for services, equity and social inclusion. The social inclusion element of an integrated rural public transport system can no longer be ignored. The links between better participation, better health, access to public services, access to employment opportunities and a public integrated rural transport service have been documented (Fitzpatrick, 2006). Thus far there has been a failure to incorporate this knowledge fully into rural development policy. The Rural Transport Programme (RTP) (formerly the Rural Transport Initiative) has certainly improved access in some areas. However, the lack of a mainstream public transport system means that many rural areas are still not served. People with disabilities, women, older people, low income households and young people are target groups still at a significant disadvantage in rural areas in terms of access to public transport. Policy makers must ensure that local government and the local community are actively involved in developing, implementing and evaluating rural transport policies as national planning has not worked to date. In 2000 there was a call for a national rural transport policy and the prioritisation of government funding in this area (Farrell, Grant Sparks, 2000). Fourteen years later this policy has yet to be delivered. By 2021 it is estimated that the number of people with unmet transport needs could number 450,000 and of this group an estimated 240,000 will be from the target groups of vulnerable rural dwellers outlined above.

The National Transport Authority (NTA) has been given responsibility for the rural Transport Programme and progressing integrated local and rural transport. It published plans for restructuring the rural transport programme in 2013. The previous RTP Groups will be replaced by eighteen Transport Coordination Units with responsibility for delivering rural transport services. The restructuring plan also outlines the relationship between local authority, Socio-Economic Committees and Transport Coordination Units in terms of developing local transport policies and objectives. The National Integrated Rural Transport Committee was established to oversee six pilot programmes to integrate all state transport services in rural areas and provide access for the whole community to health services, education, employment and retail, recreational and community facilities and services. While the integration of rural transport with national transport policy is welcome, it is important that the models of best practice that emerge from the pilot programmes are put into a national rural transport strategy without delay. Ongoing monitoring will required to ensure that it continues to meet the needs of rural areas. A
mainstreamed rural public transport service is required to service those in need of rural public transport and those who are potential users. Investment in a national sustainable rural transport network is required to support rural development. It is required to ensure access to employment, access to services and to ensure rural economies are supported in terms of economic diversification.

Improved rural public transport and improved accessibility to services also provide Ireland with an opportunity to deliver a key change which would in turn help deliver a significant reduction of climate harming gas (CHG) emissions (Browne 2011: 12). This is all the more pressing in terms of Ireland’s EU 2020 emissions target and CHG emissions from private vehicles. By investing in a sustainable national public transport system covering all rural areas government could significantly reduce CHG emissions in the long run. The long term costs of not investing in rural areas and not providing adequate and quality public services to rural and regional communities should be factored into all Government expenditure decisions. A new rural strategy is required which should incorporate the social infrastructure, governance and sustainability elements of the core policy framework outlined in Chapter 2.

**Farm incomes**

The average family farm income was €25,437 in 2013 (Teagasc, 2014), a marginal decline on the 2012 figure. As ever, there was a wide variation in farm incomes with 23 per cent of farms producing a family farm income of less than €5,000 and 14 per cent of farms producing an income of between €30,000 and €50,000. In 2013 direct payments comprised on average 77 per cent of total farm income across all farms. Teagasc projections\(^{107}\) for 2015 show that the forecast reduction in milk prices, as milk quotas are eliminated and production rises, could see a reduction of income in excess of 50 per cent on dairy farms with income across the entire farm sector falling by up to 25 per cent. Such a high and continued reliance on subsidies combined with the projected fall in milk prices in 2015 highlight the challenges still facing the sector.

Rural income data from the SILC reports was reviewed in chapter 3. This shows that rural Ireland has high dependency levels, increasing outmigration and many people living on very low incomes. The data from the most recent SILC study (CSO 2015) shows there is a very uneven national distribution of poverty. The risk of poverty in rural Ireland is 7 percentage points higher than in urban Ireland – 19.3 per cent and 12.6 per cent respectively.

Key farm statistics:

- Average family farm income was €25,437 in 2013, a 15.5 per cent decrease since 2011. The preliminary Teagasc estimates for 2014 indicate that average family farm income fell by 2 per cent in 2014.
- The number of farm households in which the farmer and/or spouse were engaged in off-farm employment was 51.1 per cent in 2013 (Teagasc, 2014).
- Just 35 per cent of farms were considered economically viable in 2013.
- Direct payments comprised 77 per cent of farm income in 2013 and averaged €19,474 per farm.

These statistics mask the huge variation in farm income in Ireland as a whole. Only a minority of farmers are at present generating an adequate income from farm activity and even on these farms income lags considerably behind the national average. An important insight into the income of Irish farmers is provided by Teagasc in its National Farm Survey 2011 and the IFA’s Farm Income Review 2012. Table 13.1 below outlines the huge variations in farm income in Ireland in 2011, with 65 per cent of farms in Ireland having an income of less than €20,000.

Table 13.1: Distribution of Family Farm Income in Ireland 2013

<table>
<thead>
<tr>
<th>€</th>
<th>&lt; 5,000</th>
<th>5,000 – 10,000</th>
<th>10,000 – 20,000</th>
<th>20,000 – 30,000</th>
<th>30,000 – 50,000</th>
<th>&gt; 50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>23</td>
<td>16.5</td>
<td>22</td>
<td>20.5</td>
<td>14</td>
<td>4</td>
</tr>
<tr>
<td>Number</td>
<td>18,200</td>
<td>13,050</td>
<td>17,400</td>
<td>16,213</td>
<td>11,040</td>
<td>3,200</td>
</tr>
</tbody>
</table>

Source: Teagasc 2014/IFA 2015

The majority of farm families rely on income support and payments from the state to supplement their income. As outlined earlier in this chapter solutions to falling farm incomes require broader strategies, both for farm and non-farm rural families. This will require both economic and social supports and broader skills development strategies to find employment and require policy planning and coherence across all areas of the framework outlined in chapter 2. Table 13.2 shows that by the end of 2013 there were 10,303 families receiving the Farm Assist payment, an increase of 2,653 since 2006. This increase can be attributed to a combination of falling product prices and the loss of off-farm employment. Off farm employment and income is extremely important to farming households. From the mid-1990’s off-farm employment by farmers increased by about 50 per cent. This gain was subsequently wiped out by the recession. This has increased the dependence of farms on direct subsidies to avoid rural poverty and social exclusion.
### Table 12.2: Farm Assist Expenditure (€m) 2006-2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure (€m)</th>
<th>Number Benefiting</th>
<th>Average Payment (€/week)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>71</td>
<td>7,650</td>
<td>179</td>
</tr>
<tr>
<td>2007</td>
<td>79</td>
<td>7,400</td>
<td>205</td>
</tr>
<tr>
<td>2008</td>
<td>85</td>
<td>7,710</td>
<td>213</td>
</tr>
<tr>
<td>2009</td>
<td>96</td>
<td>8,845</td>
<td>209</td>
</tr>
<tr>
<td>2010</td>
<td>111</td>
<td>10,700</td>
<td>199</td>
</tr>
<tr>
<td>2011</td>
<td>112</td>
<td>11,300</td>
<td>190</td>
</tr>
<tr>
<td>2012</td>
<td>108</td>
<td>11,029</td>
<td>182</td>
</tr>
<tr>
<td>2013</td>
<td>99</td>
<td>10,303</td>
<td>180</td>
</tr>
</tbody>
</table>


Agriculture and direct employment from agricultural activities have been declining in Ireland. The Department of Agriculture, Food and the Marine has outlined its vision of the future of Irish Agriculture in *Food Harvest 2020* (Department of Agriculture, Food and the Marine, 2011). It envisages that by 2020 the Irish agri-food industry will have developed and grown in a sustainable manner by delivering high quality, natural-based produce. This requires the industry to adopt a ‘smart economy’ approach by investing in skills, innovation and research. This signals a move away from traditional farming methods and to a method of collaboration across the agricultural, food and fisheries industries. In implementing this policy there needs to be significant investment in sustainable agriculture, rural anti-poverty and social inclusion programmes in order to protect vulnerable farm households in the transition to a rural development agenda.

### Future of rural Ireland

Rural Ireland is a valuable natural resource with much to contribute to Ireland’s future social, environmental and economy development. However it faces significant challenges in terms of job creation, service provision for an ageing population, ensuring the natural capital and biodiversity of rural areas is protected and encouraging young people who have left to return and settle in rural areas.

The cumulative impact of measures introduced in Budgets 2012-2015 are likely to have a negative effect on rural families\(^{108}\) and on the weakest people in rural Ireland.

as inflation rises, unemployment persists, employment creation is disproportionately urban-based, and services are either reduced or have their charges increased. The removal of resources from rural areas will make it difficult to maintain viable communities. Concern has already been raised about the significant socio-economic impact of the possible closure of these schools on rural communities. Combined with the closure of 139 rural Garda stations in 2012 and 2013, the quality of life for rural dwellers and the sustainability of our rural communities is facing a significant threat. The removal of resources from rural areas will make it difficult to maintain viable communities. Government is failing to deal with the new challenges an ageing population brings to rural areas in relation to health services, social services and accessibility for older and less mobile people. Employment, diversification of rural economies, adapting to demographic changes and supporting young people to stay in their communities are areas that need immediate attention from Government.

Social Justice Ireland believes that we are now reaching a crucial juncture that requires key decisions on social infrastructure, governance and sustainability to ensure the necessary structures are put in place so that rural communities can survive and flourish. The CEDRA Report contains research, analysis and recommendations on how we can face these challenges and ensure a future for rural Ireland. Government should ensure that these recommendations are implemented immediately.

Key Policy Priorities on Rural Development

- Prioritise rolling out high speed broadband to rural areas.
- A new national rural strategy should be developed. This strategy should make up a part of a new national spatial strategy.
- A rural and regional economic development policy statement should be published and incorporated into national economic and employment strategies.
- Ensure all policies are based on equity and social justice and take account of rural disadvantage.
- Decisions around services and provision of services must be made in the context of a national spatial strategy.
- Support young people to remain in their communities and implement policies to ensure rural areas can adapt to a changing demographic profile in the longer-term.

39 Garda Stations were closed in 2012 and 100 Garda Stations were closed in 2013.