

# **Regional Recovery and Budget 2022**



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# Building regional recovery into Budget 2022

The future of rural Ireland is inextricably linked to a number of issues. Brexit, the recovery from COVID-19, and meeting our climate commitments. How we transition to a more sustainable society and how we ensure rural areas and regions are supported to adapt to the potential impact of the future of work will determine what kind of rural communities we will have in Ireland by 2040. Budget 2022 is an opportunity for Government to deliver on the ambition of 'Our Rural Future' and make available the necessary resources to ensure the strategy is a success.

The social and economic impact of the pandemic on the regions will be lasting. Therefore, appropriate and sufficient investment is vital to a balanced and fair post-Covid recovery where no-one is left behind. Towns and villages across the regions face many challenges, many of which pre-date the pandemic. These include an older population in comparison with urban areas, higher rates of part-time employment, lower median incomes, greater distance from everyday services and a trend of higher poverty and deprivation rates than the national average. In addition, new challenges have emerged, the impact of Covid-19 and the slow reopening of many sectors, the ongoing fallout from Brexit, and the impact of digitisation and on employment in areas that were already struggling.

Remote working presents an opportunity to reinvigorate rural communities, but in order for 'Our Rural Future' and 'Making Remote Work<sup>2</sup>' to be successful, the supporting infrastructure must be put in place.

#### **Public Services**

Without adequate services and infrastructure rural communities will not survive. Government should ensure public service delivery in rural areas according to the equivalence principle i.e. public services in rural areas should be of an equivalent quality to those in urban areas. This should form the core basis of the rural proofing model outlined in 'Our Rural Future'.

Reports from the Central Statistics Office show that the average distance to most everyday services for rural dwellings was at least three times longer than for urban dwellings<sup>3</sup>. For supermarkets/convenience stores, GPs and pharmacies, the average travel distance was seven times longer for rural dwellings. These are all issues that should be considered when planning public services and infrastructure. Interestingly, six out of ten people (approximately 2.9 million) lived within 2 km of a post office which should inform the debate regarding the potential expansion of services that could be made available through post offices.

Improved and expanded public services (including public transport, broadband, healthcare, childcare) will contribute to regional attractiveness in remote and rural areas, provide the social and economic infrastructure to ensure that those who live there, and those who take up the opportunities in terms of remote working outlined in 'Our Rural Future' have access to quality public services and a better quality of life.

Budget 2022 – proposed investment:

 An additional €50m to the Rural Transport Programme, increasing the range of public transport options and ensuring the rural public transport options and fleet are in line with

<sup>&</sup>lt;sup>1</sup> https://www.gov.ie/en/publication/4c236-our-rural-future-vision-and-policy-context/

<sup>&</sup>lt;sup>2</sup> https://www.gov.ie/en/publication/51f84-making-remote-work-national-remote-work-strategy/

<sup>&</sup>lt;sup>3</sup> https://www.cso.ie/en/releasesandpublications/ep/p-mdsi/measuringdistancetoeverydayservicesinireland/generalresults/

- our climate commitments, safe-guarding communities from isolation, and incentivising greater public transport usage.
- In addition, *Social Justice Ireland* proposes an initial investment of €10m in our cycling and walking infrastructure.
- Budget 2022 should allocate €1.5m towards resourcing the National Social Enterprise Strategy, aimed particularly at those social enterprises meeting deficit demand.
- Government should commence work to embed a rural proofing model based on the equivalence principles in the revised National Development Plan.

#### Broadband

One of the clearest lessons from the pandemic is that a good quality internet connection is not a luxury but is in fact essential to allow people to fully participate in society. This applies not just to economic inclusion, but to educational and social inclusion as well. If it was not clear prior to the current crisis that a quality internet connection is an equality issue, it surely is now. It is one that has both regional and financial dimensions, and covers a broad range of policy areas. Strategies and plans to promote rural and regional economies are heavily reliant on the provision of reliable, quality, high-speed broadband. For 'Our Rural Future' to work, the rollout of high quality broadband must be an immediate Government priority.

Budget 2022 – proposed investment:

• Social Justice Ireland proposes a €200m investment to rollout the network of 400 Remote Working Hubs, supporting infrastructure and shared services, of which €5m should be ringfenced for upgrade existing remote working hubs and meeting our Digital Agenda for Europe targets.

#### Regional Economic Development

Investment is one of the main instruments for rural development. Public investment policy should prioritise investment in human capital, infrastructure and innovation. It is vital that investment in infrastructure in the regions and rural areas is expedited to ensure rural economies can diversify and adapt to support thriving rural communities.

In some regions many of the jobs currently available will be transformed or indeed made redundant in the medium term either by disruptive technology or by the need to adapt to a low carbon economy. Regions dependent on tourism face an uncertain future. To ensure viable rural and regional economies into the future means that Government must provide the required support for 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 Rural Economic Development Zones. In order for ambition to be fully realised adequate levels of investment and infrastructure are required.

Budget 2022 - proposed investment:

- Establish a regional development and transition programme tasked with aligning 'Our Rural Future', Regional employment plans, Future Jobs Ireland, the Climate Action Plan and the Economic Recovery Plan with the principles of just transition and developing sustainable local economies and livelihoods for our communities.
- Allocate €100m to Regional Development and Transition in Budget 2022. This funding should be used to invest in:
  - (i) Smart Villages to support remote working;

- (ii) education for the current and future generation of farmers to move to more sustainable agricultural methods;
- (iii) developing local cooperatives and regional 'Farm to Fork' strategies:
- (iv) improving and expanding public services to promote and support rural living.
- An additional €25m to Enterprise Ireland to develop and support indigenous enterprises and
  job creation across the regions, particularly those areas most impacted by Covid-19 and
  those who will be most impacted by Brexit.
- An additional €25m for Fáilte Ireland to promote local and regional tourism initiatives.

#### Sustainable Rural Communities

Every rural area is different, but many face similar challenges. A more flexible policy response is required to support rural areas adapt to local challenges. This means implementing rural policies at different scales that match with, for example, local services, labour supply and food chains and adapting them based on current and future needs. This would see collaboration between local agencies, employers, the community and voluntary sector, trade unions, and local and regional academic facilities in collaboration with the Regional Economic Development Zones.

Rural development policy must be place-based, reflecting the strengths, assets and challenges a region faces, and have multi-stakeholder input. It should be underpinned by a concept of wellbeing defined by three multi-dimensional objectives: economic, social and environmental, as recommended by the OECD. Developing policy via this framework means that household income, access to a broad set of services, and a cohesive community in a pleasant local environment are all key considerations of rural development policy.

### Budget 2022 - proposed investment:

- Align regional investment with a Just Transition Strategy. One of the fundamental principles of a Just Transition is to leave no people, communities, economic sectors or regions behind as we transition to a low carbon future. Transition is not just about reducing emissions. It is also about transforming our society and our economy, and investing in effective and integrated social protection systems, education, training and lifelong learning, childcare, out of school care, health care, long term care and other quality services. Social investment must be a core priority during transition because it will support those people, communities, sectors and regions who will be most impacted as we transform how our economy and society operates.
- Develop and resource an ongoing place-based dialogue with a diversity of stakeholders could
  ensure that rural areas and regions are well placed to meet the challenges of adapting to
  transition and the changing world of work.

#### **Capacity Building**

Who is best placed to make and implement policy decisions for rural areas? There is an urgent need to deliver more balanced regional development, and local authorities in conjunction with key local stakeholders can play a major role if they are given the requisite powers and functions.

They must have greater control over funding and the ability to adapt policy to meet regional needs. Local Authorities, civil society, Government Departments, enterprise and industry, PPNs, the community and voluntary sector and others must be involved in delivering place-based rural development policy.

Capacity building for all stakeholders at local level is required to ensure that this form of policy development is successful. Investment in capacity building will make rural communities more resilient to external shocks and help to underpin the implementation of rural development policy.

Capacity building will also be vital to implementing appropriate mitigation and transition programmes to support rural communities in the transition to a low carbon society.

#### Budget 2022 – proposed investment:

- An increased investment of €30m in the Community and Voluntary sector to ensure the continuation of the provision of key supports and services in our communities.
- Investment in community engagement is needed to support capacity building and the establishment of local dialogue forums to support participation in the development of the Local Economic and Community Plans, and the Local Authority budgets. To this end, an additional allocation of €2 million to Public Participation Networks should be made in Budget 2022 to support capacity building and meaningful participation at local level.
- Investment in community engagement across Local Authorities is needed to ensure that the
  participative structures set up, such as Strategic Policy Committees, Local Community
  Development Committees and so on, are fit for purpose. Budget 2022 should include an
  allocation of €2m for the review of Local Authority participation structures and to begin the
  delivery of training and supports.

#### Training and Skills Development

Almost half of the labour force will be impacted by changes to their jobs as a result of automation by 2040. Our training and skills development policy must be adapted to meet this challenge to ensure that our regions and communities have the necessary supports in place to ensure that they can adapt to meet this challenge.

Focussed investment in education and training for people in low skilled jobs or those unemployed in rural areas as part of an overall regional employment strategy aimed at generating sustainable jobs should be an integral part of rural development policy.

As with many other aspects of rural development, decent broadband and transport systems are required to enable rural dwellers, particularly those on low incomes, to access education and skills development opportunities.

#### Budget 2022 – proposed investment:

- An additional €40m investment in Further Education and Training to develop and expand apprenticeships and traineeships to meet future skills needs and advance the circular economy, particularly at a regional and community level.
- A €10m investment in a Transition Skills Fund targeted at young people not engaged in education or training (NEETs) and people employed in sectors whose jobs are at high risk of automation.
- Social Justice Ireland also proposes an investment of €10m in Budget 2022 to expand the Human Capital Initiative and improve lifelong learning across all cohorts of the population.
- An additional investment of €1.5m in Community Education.

#### **Just Transition**

Rural areas are among those that will be most impacted by the transition to a carbon-neutral society. They will also be impacted by the potential changes of technology and automation on employment and the future of work. An ongoing dialogue on how to support transition and adaptation is essential to ensure that vulnerable rural communities are protected, supported to meet future challenges, and not disproportionately impacted.

The refocusing of the CAP budget to climate action presents an opportunity for farmers to invest in sustainable forms of agriculture and the Farm-to-Fork Strategy has the potential to deliver on short supply chains for farmers, and address some of the issues of product pricing for Irish farmers. Natural capital spending in areas such as rural ecosystems, biodiversity and expanding parkland are identified as fast-acting climate friendly policies that will have an immediate impact and long-term returns.

# Budget 2022 – proposed investment:

- Invest €2m to establish a network of community energy advisors to engage with and inform people and households in energy poverty and hard-to-reach energy users as a national retrofitting programme is rolled out. This would ensure that these households who have the greatest energy needs are a priority as we transition to renewable energy sources and reduce our emissions.
- Invest €10m in Budget 2022 to begin the rollout of the Circular Economy Strategy
  concentrating on areas such as sustainable agriculture, bio-economy, and recognition of the
  interconnectivity between the economy, environment and society.
- Budget 2022 should invest €10m in the National Parks and Wildlife Service and in the National Biodiversity Centre to scale up policies to support biodiversity, develop and implement an ambitious and effective Post-2020 Global Biodiversity Framework, and mainstream biodiversity into economic decision-making.

**Social Justice Ireland** is an independent think-tank and justice advocacy organisation of that advances the lives of people and communities through providing independent social analysis and effective policy development to create a sustainable future for every member of society and for societies as a whole.



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