

Rural Conference 2017

The Infrastructure of Success - New Routes to Economic Growth

5&6 September

Park Campus, Cheltenham

#ruralconference17



**Rural
Economic
Growth**



On day 2 we welcome to the Conference former BBC Political Correspondent and now CNN Political Analyst - **Carole Walker**



Dr. Ruth McAreevey, Newcastle University
The Rural Economy

Ruth McAreavey

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- What is rural in the UK?
- Key issues in a context of Brexit
- Focus on rural governance, competitiveness and migrant labour



The Countryside Agency



Newcastle University

Centre for Rural Economy

JRF JOSEPH ROUNTREE FOUNDATION

REPORT

POVERTY AND ETHNICITY IN NORTHERN IRELAND AN EVIDENCE REVIEW

Alison Wallace, Ruth McAreavey and Karl Atkin

This report provides an overview of the research evidence on the relationship between poverty and ethnicity in Northern Ireland.

After a period of increasing ethnic diversity, the review was concerned with understanding how issues of poverty affect people from different minority ethnic communities and their ability to access and secure good outcomes from key services. A comprehensive literature review and focus groups with people from the Roma, Somali, Chinese and Polish communities, and with local stakeholders, provide the basis for the report.

The report discusses:

- how new migrants have joined long-standing communities of people

A living, working countryside
or a preserved idyll?

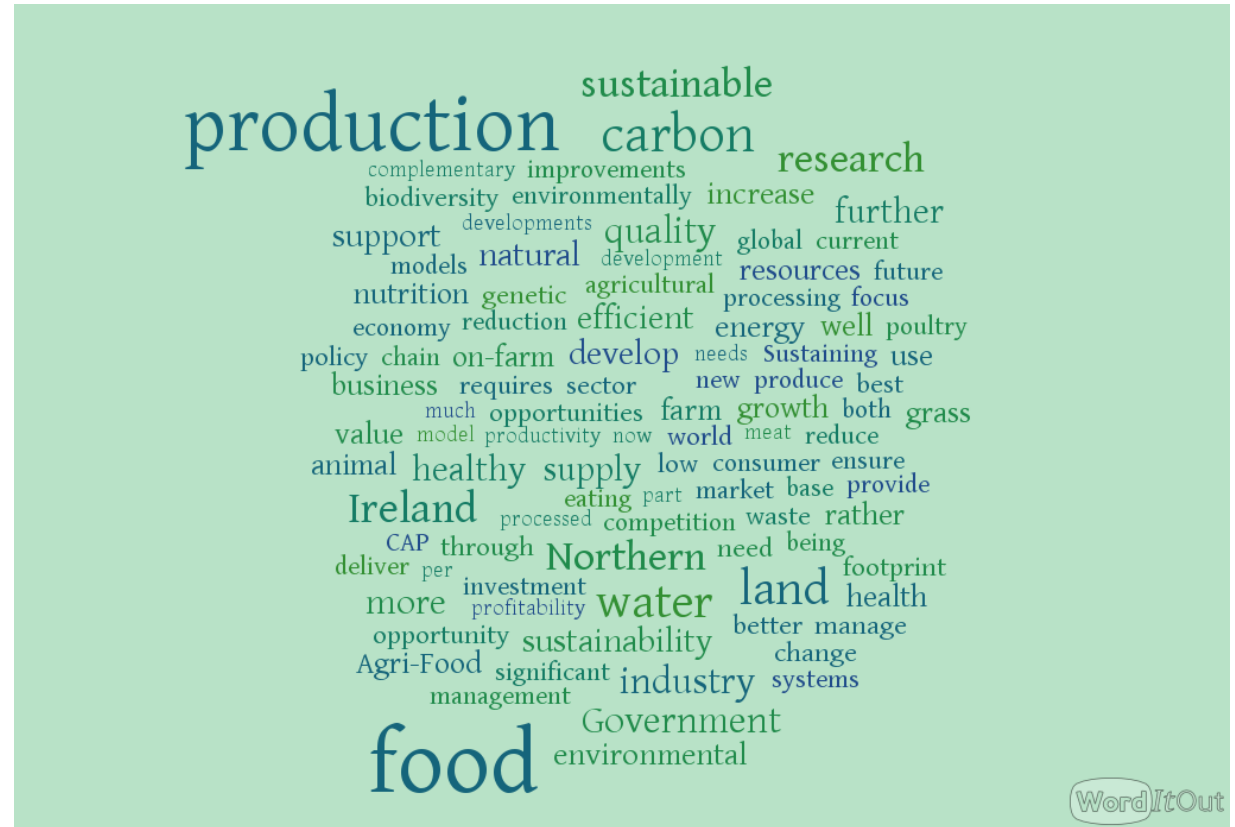
How can rural areas be important if more than half the population live in urban areas?

Are rural areas important?

What

Who

Why



Rural economy: England

In 2014, predominantly rural areas contributed an estimated £229 billion to England's total economy in terms of gross value added (GVA),

Public administration, education and health largest sector in terms of GVA

Agriculture, forestry and fishing 2% of GVA in rural areas (1% in England overall) and is a significant industry, accounting for 15.6% rural businesses.

There are more registered businesses per head of population in rural England than in urban counterparts

Brief farming profile

- 1% of workforce employed in agriculture.
- 32% farms are cattle and sheep in lowland areas (followed by 17% cereal farms)
- Average farm size 88ha

‘A decline in agriculture as a driver of the rural economy has taken place at the same time as a growth of knowledge-based industries’ (House of Lords 2017)

Rural Economy: Northern Ireland

Agriculture and food processing account for 3.25% of GVA (£1.1bn)

Agri-food sector is a key driver for future economic development with specific targets outlined in Going for Growth agri-food strategy

Across the UK, NI is most reliant on agriculture vis-à-vis GVA and percentage share of employment.

Brief farming profile

3.2% of workforce employed in agriculture.

58% farms are cattle and sheep (in Less Favoured Areas)

70% of total agriculture area farmed is defined as Less Favoured.

Average farm size 40ha

Vulnerabilities and uncertainties?

CAP – reliance on EU direct payments

A new British Agriculture Policy?

World Trade Organisation rules?

European Economic Area à la Norway i.e. all single market legislation and regulation

Rejection of traditional 'elite' politics

Uncertainty...

http://www.bbc.co.uk/news/politics/eu_referendum/results

Legacy of rural development policy

Agriculture and beyond

UK policy emphasis on [economic] growth.

Measurable effects of rural development?

Neo-endogenous and networked development
– connecting locally and extra-locally.

Fluid spaces and places

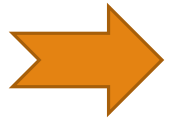
Local innovation and entrepreneurship
fostered via LEADER

Challenges of a LEADER approach

- Local priorities versus funding frameworks
- Supporting the needs of vulnerable areas
- ‘Same old faces/communities’ benefiting?
- Processes or outcomes?

Deprivation is located within rural areas....

Governance of rural areas



What key elements need to be included in a place-based rural development programme to avoid communities being left behind in economic and social progress?

General rural policy beyond a Rural Development Programme?

A single department? Connection to other strategies?

Evidence-informed policy? (Shortall 2010)

How to give voice to stakeholders? Who are those stakeholders and how to ensure appropriate representation?

Role of local authorities?

Different scales of rural governance?

Rural proofing?

Competitiveness

Rural areas contribute to all economic sectors: how to best harness this potential?

Digital connectivity

Economic AND social development

Entrepreneurship



Labour

Ageing farm population

Unprecedented change to agri-food labour markets - over-reliance on migrant labour

- May 2016 shortfall 4%
- May 2017 shortfall 17% (NFU 2017)

Return of Seasonal Agricultural Workers' Scheme?

What type of labour market do we want?

Just 14 of the 13,400 workers recruited between January and May this year were British, the NFU survey found. Three-quarters of the workers came from Bulgaria and Romania, and almost all the rest from other eastern European countries.

The Guardian, 22.06.17

To conclude

Rural economy implies diverse people AND diverse places - a blanket approach will not do.

Questions and issues for deliberation as we move forward.

How will policymakers respond?

How can stakeholders respond to the challenges?