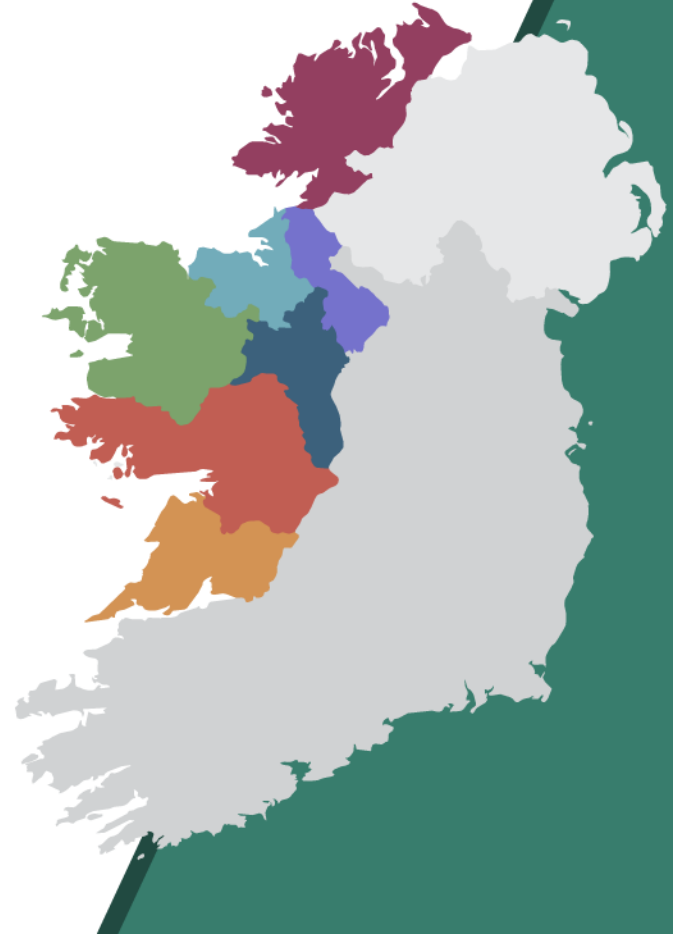


The National Planning Framework and Regional Inequalities

– Can these be addressed?

Deirdre Frost

June 2017



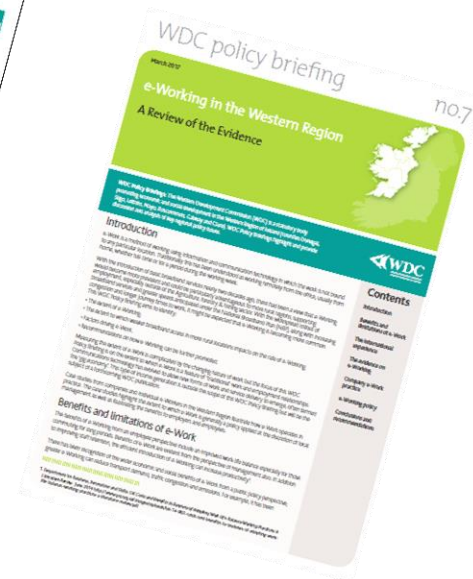
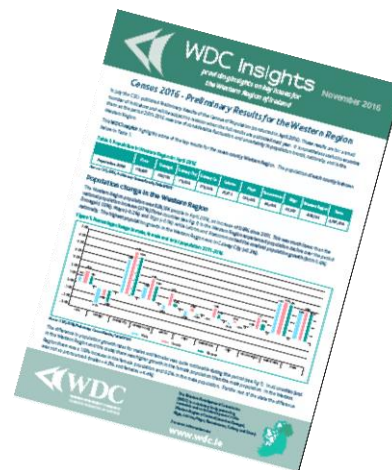
- Context – WDC, What we do
- What regional inequalities are we trying to address?
- Regional & rural development & implications of the NPF
- The role of the NPF in enterprise & employment strategies
- Relationship between NPF, infrastructure & capital spending

- 7 county Western Region
- State body – Department of Arts, Heritage, Regional, Rural & Gaeltacht Affairs
- WDC Act 1998
 - ‘...foster and promote the economic and social development of the Western Region’*

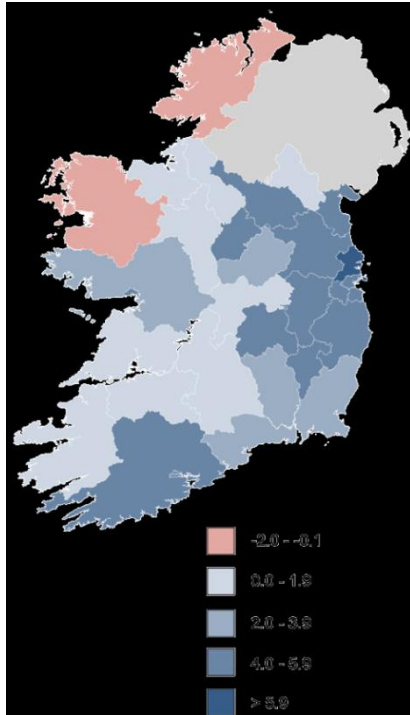


WDC – What we do

- Inform policy-making through analysis of Region's issues & needs (e.g. infrastructure, labour market)
- Promotion – www.lookwest.ie
- Development of region's resources e.g. Creative sector, Tourism, Renewable energy
- WDC Investment Fund – Risk capital to SMEs



Regional Inequalities – Population growth/decline



	2016	% Change 11-16
Clare	118,817	1.4
Donegal	159,192	-1.2
Galway city	78,668	4.2
Galway county	179,390	2.4
Leitrim	32,044	0.8
Mayo	130,507	-0.1
Roscommon	64,544	0.7
Sligo	65,535	0.2
Western Region	828,697	1.0
State	4,761,865	3.8
Rest of State	3,933,168	4.4

Population Change – longer term trends

Population Density – 2016 as a % of 1841 pop.

Leitrim	21%	Louth	101%
Roscommon	25%	Meath	106%
Mayo	34%	Wicklow	113%
Sligo	36%	Kildare	194%
Clare	41%	Dublin	361%
Donegal	54%		
Galway	59%		
Western Region	41%		

Persons per sq km

	1841	2016
Leitrim:	97.7	20.2
Roscommon	99.5	25.3
Sligo:	98.4	35.6
State:	96.04	70.0

What are the Regional Inequalities

- **Age dependency** - 21.1% of WR 0-14 yrs. Same as Rest of State = 21.1%, EU28 = 15.6%
- **But Pop of working age lower:** WR=63.5%, Rest of State=65.9% EU 28=65.5%
- **Elderly population (65+)** in WR 15.4%, Rest of State = 13%, EU28 = 18.9%
- **Age cohort 25-34 yrs** – evidence of outmigration. Greater levels of outmigration from WR. Jobs are key!

- NPF Issues paper – from ‘business as usual’... to developing other centres
- WDC Submission
- **The primacy of Ireland’s capital is unusual compared to other advanced small countries.**

Either over or under [urban] concentration ... is very costly in terms of economic efficiency and national growth rates (Henderson, 2000).

- Ireland’s share of largest city in urban population an outlier in OECD countries – comparable to Argentina, Panama, Costa Rica, Chile, Korea, Thailand, the Congo, Greece and Portugal!!.
- **A key goal of the NPF should be to effectively promote second tier cities.**

- The 5 cities serve the East, South, Mid-West & West.... driving development in their regions.
- **The North West needs a stronger urban centre**, Brexit an additional challenge. Sligo & Letterkenny.
- **Urban Growth in West:** Galway the only built-up area which experienced consistent population growth greater than national av. – 96-2016, (41% v 31%)
- **Why? Quality of life appeal, good employment opportunities, strong educational & health facilities ...** Absence of a larger growth centre to the North
- Role of other towns – smaller towns in a largely rural Western Region perform functions of larger towns or cities in other regions.

- The regional cities have capacity to 'take the strain' – if given the resources & more effective linkages between them

Sufficient Scale?

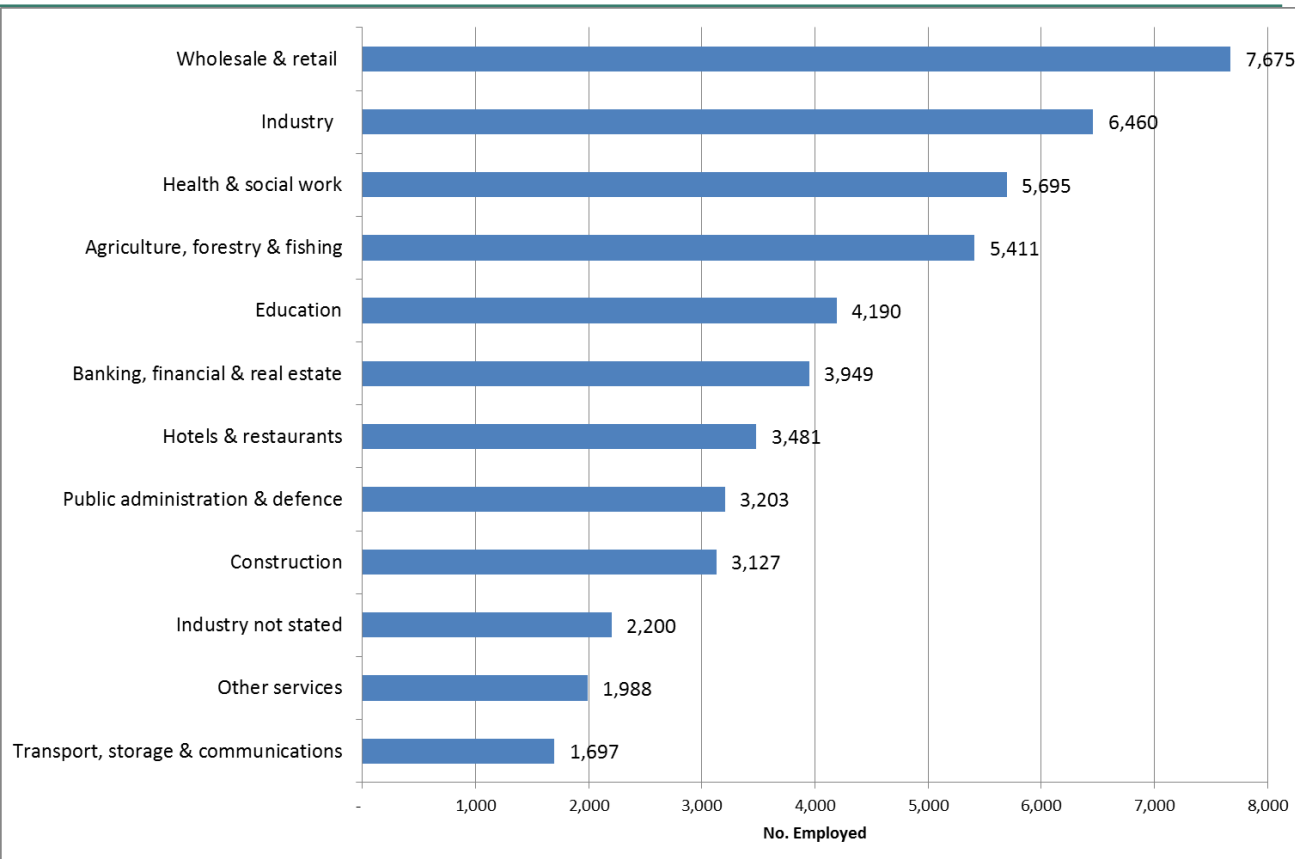
- Dublin competed successfully internationally, when it was much smaller in size.
- Galway, Cork and Limerick – smaller centres can & do successfully compete.
- Importance of intra-regional commuting –improvements in key parts of transport network.
- Significant linkages between rural areas & their urban centres.

Rural areas – Implications of NPF

- Important sectors – tourism, agrifood, creative industries, renewable energy.
- Higher self -employment in WR – Incl and excl agriculture. 22.9% compared to 15.2% national av.
 - **BUT there can be too much focus on distinctive characteristics of rural areas**
- More similarities than differences. Similar types of businesses (for the most part) & employment
- **Rural-urban linkages:** Importance of rural dwellers as a **key element of labour supply of FDI** – e.g. over ¼ of rural dwellers commuting to work in Galway city work in IDA business parks in East of Galway city(4,200+).
- Issues for planners– towns & villages – imp centres for employment, residence & service provision. Lack of investment in these centres. E.g. footpaths in vicinity of rural towns & villages

'Rural' employment – Jobs by Sector, Co. Mayo

(Census 2011)



The role of NPF in enterprise & employment strategies

- Ltd concept of work in Issues paper – Self-employment, e-working, gig economy, contract work
- More effective intra-regional transport links – extending labour catchments, benefitting employers & workers, stronger regional centres.
- UK Research - Policy can effectively influence the location of FDI in favour of the north.

Scale

- Size: Not all centres can or should compete for very large scale investments.
- City regions outside of Dublin, now focal points for internationally mobile investment.
- But smaller centres successful attracting FDI too.

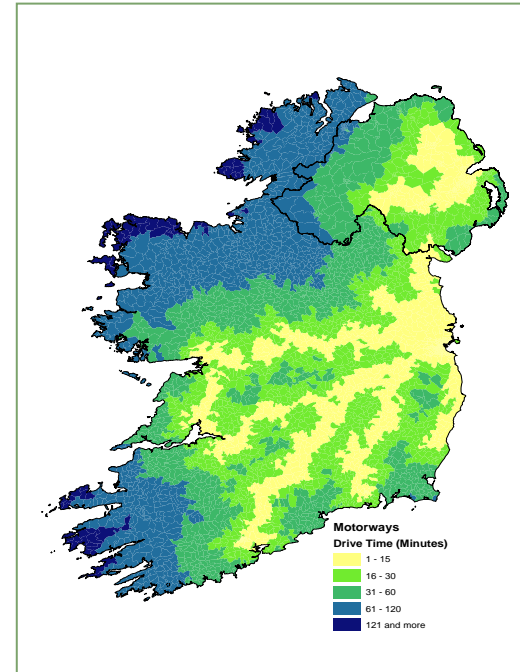
The NPF, infrastructure and capital spending

- Transport investment promoted development of Dublin – road & rail networks developed in a radial fashion, motorways too.
- Poor connectivity between the other centres - constraining economic activity

Investment in national transportation infrastructure creates beneficial effects in spreading economic benefits throughout the regions, but a transportation system that centres on a single city will ultimately reinforce its dominance (Krugman, 1996).

Clinch & O' Neill (2009) citing Krugman note that *The entire transportation system in Ireland is a radial one consisting of road, rail and airports links each with Dublin as the hub.*
- Regions without significant transport improvements become relatively inaccessible. E.g North west.
- Weaker links between regional centres: Cork – Limerick, Galway - Sligo - Letterkenny
- Capitalise on investments already made e.g.capacity at Shannon & Knock airports.

Accessibility – Motorway network and drivetimes



NPF, Infrastructure & Capital Investment – key considerations I

- Low pop. density BUT geographically small & compact, unchallenging terrain.
- Broadly dispersed, but infrastructure deployed coast to coast and serve the entire country in between.
- Cost of infrastructure higher in congested, brownfield sites.
- Infrastructure investment influences other infrastructure deployment e.g. broadband & motorways – a detrimental impact on unserved locations
- Transport investment by mode e.g. road & rail investment: cumulative effect on specific routes/regions not considered.

NPF, Infrastructure & Capital Investment – key considerations II

- Short term needs, long-term impacts. Investment decisions now have long term impacts.
- Investments by the 'wider state sector'
- Appropriate Appraisal and Evaluation Methods. Traditional CBA (cost benefit analysis) naturally favours the larger population centres as the impacts affect a greater number.
- Need to revise methodology to support wider spatial balance and NPF goals.
- Consider Social Return on Investment (SROI) capturing a broader measure e.g. environmental and social value not currently reflected in conventional financial accounts)

Implementation of NPF

Necessary.....but maybe not sufficient!?

- A single body with responsibility & designated budget
- All other spending, investment & policy decisions in line with NPF
- Currently sectoral policy & planning is driver of regional development
- Clear relationship between delivery of the NPF & the RSES in each of the three regions.
- 'Buy in' – all to have a stake.

Thank You

Q&A

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