

Border Regional Authority Draft Regional Planning Guidelines (2010-2022)

Submission from the Western Development Commission May 2010

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Introduction

The Western Development Commission (WDC) welcomes the opportunity to make a submission on the draft Regional Planning Guidelines (RPGs) 2010-2022 for the Border Region. The WDC previously made a submission to the public consultation on the review of the Border RPGs in April 2009¹ and welcomes the incorporation of the points raised in that submission in these draft RPGs.

The WDC is a statutory body whose primary purpose is to promote economic and social development in the **Western Region**, comprising the Border counties of Donegal, Sligo and Leitrim, along with Galway, Mayo, Roscommon, and Clare. The WDC operates under the aegis of DCEAGA² and further details of its work can be found at www.wdc.ie.

In this submission, the WDC concentrates on those aspects of the draft RPGs of relevance to its work areas and focuses primarily on the western counties of the Border Region – Donegal, Sligo and Leitrim – which fall within the WDC's area of operation. Inter-regional linkages between the Border and West are also highlighted and the submission follows the headings and structure of the draft RPGs. The WDC believes that the Border RPGs play an important role in setting out the strategy for achieving development of the Region and that it is vital that the RPGs be supported through spending Departments and Agencies adopting a spatial perspective in their sectoral expenditure decisions.

1. Contextual Background

The WDC believes that this review of the RPGs presents an important opportunity to consider progress to date in implementation of both the RPGs and the National Spatial Strategy (NSS) and to revise the RPGs, as required, to take account of the changed circumstances since their publication in 2004. The opportunity presented by this review to enhance co-ordination at both a regional and inter-regional level is also critical for positioning Ireland's regions for economic recovery. The WDC has a number of specific suggestions in relation to the Contextual Background section of the draft RPGs.

1.5 Inter-Regional Issues and Northern Ireland: Figure 1.3 The Border Region in Context There is some text missing from a number of the boxes.

Northern Ireland box: The issue of health and access to health services should be included. Specific mention should also be made of cross-border labour flows and people commuting to work across the border.

¹ The submission can be downloaded from http://www.wdc.ie/publications/submissions/subs-2009/

² Department of Community, Equality and Gaeltacht Affairs

West Region box: The term Atlantic Road Corridor (ARC) should be used rather than Western Road Corridor, as the ARC term is in common use by the National Roads Authority. In terms of rail lines it should refer to the Dublin-Ballina/Westport line. Labour flows between the Border and West region should also be referred to e.g. areas of west county Sligo fall within the labour catchment of Ballina.³

Mid West Region box: The term Atlantic Road Corridor (ARC) should be used rather than Western Road Corridor.

1.5.1 Northern Ireland

In September 2009 the WDC published a report *Travel to Work and Labour Catchments in the Western Region: A Profile of Seven Town Labour Catchments* (attached) which is based on an analysis of travel to work data from Census 2006. This analysis illustrated that in 2006 there were 3,135 persons at work in Northern Ireland who were living in the three counties of Donegal (3,090), Sligo (22) and Leitrim (23). For county Donegal, its second largest labour catchment, after Letterkenny, was the Derry labour catchment. A briefing note on the extent and nature of the travel to work interactions between this western area of the Border Region and Northern Ireland is attached. This data illustrates the extent of cross-border labour flows and the human aspect of the inter-relationships which exist in this part of the Border Region.

1.6.1 Regional Population Change and Distribution

The population figure for the Border Region given here varies from that given in section 1.3.

Table 1.2 and Figure 1.4: The 7th column in Table 1.2 is headed '% of increase from 2002-2006' which implies that it shows what percentage/share of the total regional increase was accounted for by each urban population category. This is the interpretation implied by giving 100% as the Region Total for this column. These figures are also the basis for Figure 1.4 which also implies the same interpretation.

However, the figures in this column actually seem to show the percentage increase in each urban category from 2002 to 2006, which is also the interpretation used in the text discussing the table. For example towns in the 1,000-2,000 population category experienced a 22.5% increase in total population between 2002-2006, but they accounted for 26.8% of the total increase which occurred in the Region (6,699/25,020*100). As the figures in the column show the percentage increase in each category, rather than each category's share of the total increase, these figures cannot be illustrated by using a pie chart as in Figure 1.4.

1.6.2 Spatial Population Trends

Reference is made to the dispersed settlement pattern of the Region adding to the Region's attractiveness for tourism and recreation. To this should be added reference to its attractiveness as a residential location and as a location for entrepreneurs and business owners who are seeking a high quality of life.

³ WDC (2009), Travel to Work and Labour Catchments in the Western Region: A Profile of Seven Town Labour Catchments, p. 15

The statement at the end of this section 'There is also some variance across the Gateways and Hubs in terms of population growth ...' should be expanded slightly as this variance in population growth across individual urban centres is not illustrated in either Table 1.2 or Map 1.3.

1.6.3 Travel to Work Patterns in the Border Region

As noted above, the WDC commissioned detailed analysis of the travel to work patterns in the Western Region (including the western Border Region) based on Census 2006 results. Reference has already been made to the results in relation to cross-border commuting. The focus of this work was not on the distances travelled but rather on the labour catchments available to employers located in towns across the Western Region. The analysis clearly illustrated that towns have access to labour pools far larger than the working age population of the town itself.

This analysis of labour catchments could be of particular interest in relation to the economic development and employment aspects of the RPGs as it illustrates the potential for enterprise growth in some of the Border Region's key settlements. The WDC's 2009 report *Travel to Work and Labour Catchments in the Western Region: A Profile of Seven Town Labour Catchments* is attached which includes a detailed profile of the labour catchments of the Border Gateways of Letterkenny and Sligo and the Regional Strategic Town of Carrick-on-Shannon.

1.6.4.2 Letterkenny

The first bullet point is unclear as no reference has been made previously to Gateway Zones 1 and 2.

1.7 Economy and Employment

In December 2009 the WDC published a report *Work in the West: The Western Region's Employment & Unemployment Challenge* (attached). We believe that the findings and conclusions of this report may be useful for this section of the RPGs. In particular Chapters 2 and 3 of the report which examine and profile the labour market and employment patterns of the Western Region.

The employment data used in section 1.7 is from Q2 2007, however as this was at the height of boom levels of employment it may be more appropriate to use more recent data which reflects the impact of the recession and rising unemployment. For example this section gives the Border's unemployment rate at that time as 5.3%, however in the latest data (Q4 2009) it stands at 13.3% in the Border (compared with 12.4% in the State). It would be helpful if this section contained some additional discussion of recent rising unemployment in the Border Region, as well as an indication of some of the key challenges this raises in relation to preventing a pattern of long term unemployment and substantial out-migration from the Region.

Given the central role of human capital in regional development, examining this issue for the Border Region may be useful in this section under a separate heading. The Border's human resource in terms of numbers in the labour force, education and skill levels and also the remergence of emigration, is critical to its future economic growth. Some data in relation to educational attainment levels and first destination of new graduates from the Region etc. would

provide useful context. This topic is examined for the Western Region in Chapters 5 and 6 of the WDC's *Work in the West* report.

1.7.1 Summary of Key Points: Regional Economic Performance

The term 'fringe farming' may not be familiar to all readers of the RPGs. A term such as extensive farming, part-time farming or perhaps sheep grazing may be more appropriate for these areas. A different agricultural map may be helpful. It may also work better to give agriculture its own separate heading, as it seems slightly imbalanced to have quite a detailed discussion of one sector in a section titled summary of key points.

1.8.1 Roads

Below Table 1.5 reference is made to improvements in arterial routes improving access in an east-west direction. However north-south would also be important in terms of linking the Gateways of Letterkenny and Sligo and southwards to Galway in the West Region, as well as linking with international access points at Knock and Shannon airports.

1.8.2 Public Transport

The discussion on the feasibility of extending the Western Rail Corridor (WRC) northwards to link with Letterkenny and Derry should be preceded by a comment on the need to complete the WRC as far as Sligo. Currently only the section to Athenry is operational and commitments in Transport 21 only extend as far as Claremorris. There is currently no commitment to re-open the line beyond Claremorris to connect to Collooney/Sligo.

1.8.3 Ports and Airports

The role of Ireland West Airport Knock, as an international access point south of the Region, should be added.

1.10 Energy

Reference should be made to the fact that the Border Region has substantial potential for renewable energy production, in particular from wind and ocean resources, and that this represents an important economic development opportunity for the Region.

The WDC has done several pieces of work examining the case for investment in extending the natural gas supply to a number of towns in the Border Region. Some of the key issues should be referred to here. These would include the benefits of access to natural gas for a region, in terms of attracting new businesses and for the competitiveness of existing businesses, particularly since the introduction of carbon taxes. It should also be noted that the North West has the weakest natural gas infrastructure in the country, lacking transmission network in many counties.

1.11 Telecommunications

Specific reference should be made to the problems of rural access to broadband and how this constrains development in such areas. Difficulties for enterprise, business start-ups, homeworking, distance education and accessing online public services for people living in areas without adequate broadband access could be noted.

1.12 Tourism

Using the phrase 'in the past' when referring to poor infrastructure and lack of access as constraints to tourism growth in the Region implies that these are no longer issues. However they continue to be critical issues for the Region's tourism sector and reference to them should be re-phrased. In particular the issue of access is critical for the Border Region and this could be discussed as a distinct point in this section.

1.13.3 Enterprise

In addition to the information on employment levels in this paragraph it would be useful to include reference to the rate of business start-ups, number of companies operating in the Region and the issue of entrepreneurship within the Region.

1.13.4 Skills, Education & Innovation

Again it would be useful if some figures could be provided on the level of expenditure on R&D in the Region as a share of the national total.

1.14 Future Development Patterns: Gateways

Sligo does not appear to receive as much prominence in this section as the other Border Gateways, as it is combined with the central Border area with which it has relatively weak linkages. A more specific comment on Sligo's future development pattern could be included here, referencing the Atlantic Arc concept of an economic corridor linking with Letterkenny. It may be useful to have a separate bullet for the Hubs and the more rural central Border area.

Table 1.8: The WDC believes that the N17 Atlantic Road Corridor linking the western Border Region southwards to the West Region should be included as a Future Investment Priority for Sligo.

1.16 Challenges for the Region

Bullet point 8 could be expanded to include reference to the challenge of the provision of education and training services in the Region in particular for rural residents who may live at a considerable distance from a Higher Education Institution.

Out-migration, both emigration and movements to other Regions of Ireland and Northern Ireland should be included as an additional challenge.

2. Vision and Strategic Goals for the Region

There have been quite substantial changes to the key strategic goals from the previous RPGs. A general comment is the fact that the word infrastructure has now disappeared from the Strategic Goals (SG). The WDC believes it would be important that infrastructure be mentioned specifically.

- SG. 2 should include reference to the sustainable development of the Region's rural economy. The SG currently refers to the development of urban settlements and integration between urban and rural areas. The third element of this picture is the development of the rural economy.
- SG. 4 innovation should be added.

3. Population and Settlement Strategy

3.4 Settlement Structure

In Table 3.1 reference should be made to the link with Derry under the Settlement Function for the Atlantic Arc.

3.5 Summary of Recent Population Trends

The text states that the data in Table 3.2 covers the 2002-2006 period however the table gives details for the 1996-2006 period.

It is stated that the regions which experienced the strongest net inward migration are now the regions most vulnerable to net out-migration 'which we are now experiencing, as outlined in the CSO Population and Migration Estimate publication in September 2009'. However earlier in the text it stated that this publication had indicated that the Border Region had experienced higher population growth over the 2006-2009 period than the state average. These statements appear contradictory.

In relation to Leitrim's recent population growth, the location of a number of large FDI investments in the county would have also been a factor, in addition to the tax incentive schemes.

3.5.1 Continuation of Existing Population Trends

We have a query in relation to the figures given for 'Average % Change in Pop 1991-2006'. The figures in the column are not the average annual population growth rates for these areas over the period, nor are they the total percentage change over the period. It is not clear what is being measured as 'average' in this column. This has implications for the remainder of the table.

A row for the Border Region Total should be added to Table 3.5.

A statement is made that 'it is likely that a continuation of current trends would mean that the majority of population increase would take place in rural areas'. However this is not supported by data in the Table, in fact in all cases except Sligo town and Dundalk the key urban settlements had higher population growth rates than their respective counties indicating that other areas of the county would have had lower growth rates. Consideration should be given to including some measurement of population growth in rural areas in the Table.

3.6.3 Balanced Development Model

The overview of the Balanced Development Model should include some reference to the role of rural areas and smaller towns in this Model, in addition to the key settlements. It is referred to in the last bullet point but not discussed in the overview. One option would be to move the paragraph on rural settlements, which currently appears directly after the bold bullet points in the following section (3.7), to this section to provide an indication of the role of rural areas.

3.7 Core Strategy

The WDC would propose that the 3rd bullet point could be amended to 'Sustain and revitalise smaller towns, villages and rural areas within the above development framework'.

3.7.3 Settlement Strategy Model

There has been no previous reference to the Northern Cross and its inclusion in the 4th bullet should include a short explanation.

It may be helpful to move Map 3.1 forward to appear between sections 3.7.3 and 3.7.4.

3.7.4.1 The Atlantic Arc

In addition to reference to strategic links on an east-west basis, the importance of enhanced north-south links to help consolidate the Arc should be mentioned. Reference is also made to justifying the extension of the Atlantic Corridor in future, an indication of what is envisaged by this extension would be useful.

3.8 Strategy for Rural Areas

The first five paragraphs of this section provide an interesting synopsis of the role and function of rural areas in the Settlement Strategy Model. It may be useful to transfer this section to become an additional sub-section of 3.7.4 (Key Features of Development Model). This would give a more comprehensive presentation of the Development Model which clearly incorporates the role of rural areas.

While the WDC agrees with the noted need for greater focus on the 'soft' element of development in rural areas, it is critical that the incorporation of these 'soft' issues does not lead to a reduction in the priority given to 'hard' infrastructure and services issues which continue to be critical for rural areas e.g. broadband access, road quality.

4. Regional Economic Strategy

The WDC feels that this chapter provides a very comprehensive overview of the key economic challenges and opportunities currently facing the Border Region and which will impact upon the regional economy over the period of the RPGs.

4.2 Factors of Competitiveness

The source for Figure 4.1 should be given.

It would be useful to supplement the discussion of international evidence on regional growth which is contained in this section with some additional sources. In particular two 2009 reports from the OECD *How Regions Grow: Trends and Analysis* and *Regions Matter: Economic Recovery, Innovation and Sustainable Growth* which question the over focus on cities as the drivers of regional growth in regional policy. These reports highlight the success of many rural regions and their findings may be more appropriate for the conditions prevailing in the Border Region than studies based upon large cities e.g. the NCC's 2009 report *Our Cities: Drivers of National Competitiveness* drew heavily on the OECD's 2006 study *Competitive Cities in the Global Economy* which examined 75 metro-regions in the OECD all with over 1.5 million residents.

The report *Regions Matter: Economic Recovery, Innovation and Sustainable Growth* states, as key policy messages, that:

A key rationale for a renewed regional policy is that simple concentration of resources in a place does not necessarily translate into economies of agglomeration and new growth. Urban areas tend to have higher income levels than rural regions, but not necessarily higher growth rates; there is no consistent relationship between urban concentration and economic performance. This suggests an important caveat for investment policies that view concentration as the only path to development.

Simple accumulation of investment and assets is not enough – and public policies to increase concentration are therefore not always the most appropriate option. The key appears to be how assets are used, how different stakeholders interact and how synergies are exploited in different types of regions. The market does not always appear to maximise this potential alone; public policy has a role to play. (p. 14)

These findings are of particular relevance for regions with weak urban structures such as the Border. Incorporation of some of the findings of these reports in this section may provide a broader perspective on the drivers of regional growth.

4.3.1 Enterprise Dynamic

It is stated that Figure 4.2 illustrates that the employment profile in the Border Region 'more closely resembles the national picture' in 2008 than 1998, however the employment profile of the State in 1998 is not shown in the graph for comparison.

The inclusion of some statistics on agency supported firms and employment, to support the argument, would be useful e.g. the percentage increase in agency supported employment in the services sector in the Region over the ten year period referred to.

In the discussion on the high level of entrepreneurship, it would be helpful to include some indication of the level of business start-ups in the Region.

It is stated that the latest regional GVA figures available are for 2006, however the 2007 figures are now available which show that GVA per person at basic prices in the Border Region rose from 66.9% of the state average in 2000 to 70.1% in 2007.⁴

4.3.2 Skills, Education & Innovation

Given the low level of educational attainment among the Border Region's workforce, relative to other regions, as well as the fact that the current rise in unemployment has largely impacted upon those with lower skill and education levels, the challenge of up-skilling those in the labour force (employed and unemployed) with low levels of education should be highlighted in this section. The WDC's 2009 report *Work in the West: The Western Region's Employment & Unemployment Challenge* (attached) examines this issue. It identifies the three main employment challenges for the Western Region as:

• Challenge 1: Adjusting to the Decline in Construction Employment: At the peak of the building boom in 2007, 1 in 4 men in the Western Region worked in construction, a higher share than in the rest of the state. Since then a third of the region's construction workforce

⁴ CSO (2010), County Incomes and Regional GDP 2007, Table 10

(16,400 people) have lost their jobs. This has led to very substantial increases in unemployment among men in the region, especially in more rural counties and is associated with some significant changes:

- During the building boom the availability of relatively highly paid jobs in the
 construction sector led many young men to forego third level education and enter the
 labour market earlier. As many in this group are now becoming unemployed, they will
 find it particularly difficult to get other jobs because of their low level of
 qualifications.
- Rising unemployment among professionals from the construction sector, and the danger that this human resource could be lost to the region, is a cause for concern in terms of growing the region's knowledge economy.
- The loss of supplementary off-farm employment in the construction sector for parttime farmers in the region has implications for the viability of the region's already vulnerable agricultural sector.
- The level of reliance on construction employment in the region means that its dramatic decline necessitates that the region's economy adjust to a more sustainable basis.
- Challenge 2: Return of the Brain Drain?: The Western Region has a long legacy of outmigration with movements to the east of the country and overseas. The reversal of this pattern and the substantial growth in the region's human resources is one of the most important benefits of the boom years for the Western Region. The challenge facing the region now is to prevent the human resource gains of the past decade from being lost during the recession. Nationally, 2009 represented the first time Ireland experienced net emigration since 1995. Anecdotal evidence from the region also indicates that the level of emigration is rising. This seems to be particularly the case for new graduates, recent immigrants and construction workers, including professionals. A particular concern is that as the recession continues, more highly skilled and experienced employees, as well as new graduates, may choose to emigrate as they will be unwilling to remain in the region in unemployment. A return to large scale emigration from the region would undermine its capacity to grow, or attract, new enterprises. The availability of a skilled workforce is a critical deciding factor in inward investment decisions and the location of business start-ups.
- Challenge 3: Delivery of Education and Training in the Region: Job seekers are a highly diverse group in terms of occupation, education, age and location with a wide range of education and training needs. There has been an increase in unemployment across all education levels, including among those with a third level qualification. However those in lower skilled occupations and with lower education levels are experiencing the highest unemployment rates and are at greater risk of becoming unemployed. This group, who are at most risk, must be the target of improved labour market interventions to increase their education and training levels and enhance their employability. One particular issue for the region is the cohort of young men with relatively low education levels who are becoming unemployed, mainly from construction. This presents an immediate challenge for the region both economically and socially.

These challenges are examined in detail in Chapters 4-6 of the report. The WDC believes they are of relevance to the Border Region and may be useful in this section of the RPGs. In relation to Higher Education, the points made in section 7.6 (Higher Education) of the RPGs are also relevant for this section.

4.3.3 Economic Infrastructures: Access and Connectivity

In addition to the development of intra-regional linkages on an east-west basis, reference should be made to the need for north-south linkages in particular from the Atlantic Arc area to link southwards with the West Region.

4.3.4 Quality of Life

The WDC reports Creative West: The creative sector in the Western Region (2009) and Moving West: An exploratory study of the social and economic effects of the relocation of public sector offices to towns in the Western Region (2009) both provide very clear evidence of the importance of quality of life as a factor in the location decisions of highly skilled and creative individuals who have located in the Western Region. These reports provide tangible support for the arguments made in this section on the importance of quality of life. Both reports can be downloaded from www.wdc.ie/publications/reports-and-papers.

Other important cultural and recreational amenities would include An Gaeltacht, Glenveagh National Park and Yeats country.

4.3.5 Leadership and Strategic Capacity

It would be beneficial to include some more recent references in relation to the importance of leadership in driving regional development (the most recent listed is from 2000). The Gateways Investment Priorities report from 2005 as well as the two 2009 OECD reports referred to above note the importance of co-ordination and co-operative working among government, agencies, the private sector and citizens.

4.4 Realising Future Potential: Sectoral Opportunities

It is stated that there has been 'progressive increases in on- and off-farm employment', however statistics would indicate that on-farm employment has declined fairly consistently over recent years (with the exception of a temporary increase during the early period of the decline in construction employment when part-time farmers lost their construction jobs and returned to full-time farming, this phenomenon seems to have since reversed however).

The WDC's *Work in the West* report includes a list of sectors which the WDC believes have future growth potential for the Western Region. The sectors listed in this section of the RPGs (and in the Forfás Regional Competitiveness Agenda for the Border) are all included in the WDC's list. The WDC notes two additional sectors:

• Creative sector: The features of businesses which are based on creativity (such as design, digital media, fashion, crafts, visual arts) are compatible with the characteristics of the Border Region. They are often small scale with quality of life an important location factor. The WDC published an examination of the Western Region's creative sector in 2009, *Creative West:*

The creative sector in the Western Region⁵ which sets out the potential of this sector for growth. Leitrim and Sligo were the two counties in the Western Region with the highest shares of their total employment in the creative sector at 4.4% and 4.2% respectively, while for Donegal it was 3.1%.

Caring sector: The region has a higher share of its population it the older age categories and
the demand for elder care will grow in future, as will the requirement for formal
qualifications among those working in the sector.

Consideration of these sectors may be useful in the context of the RPGs.

4.4.1 Agri-food

It would be useful to point out that the Border Region contributed 15.1% of total national GVA (at basic prices) in agriculture, forestry and fishing in 2007. This was the third highest share of all NUTSIII regions (behind the South West and South East)⁶ and clearly illustrates the national significance of the Region's agriculture and agri-food sector.

4.4.1.1 Fishing and Marine Potential

Renewable energy, marine leisure and tourism, marine food and transport and shipping activities should be listed as options to diversify marine activity in the Region. These options are examined in section 7.2.8 of the WDC report *Work in the West*.

4.4.3 Renewable Energy and Environmental Products and Services

Retro-fitting of the existing housing stock to increase energy efficiency should be added to the range of opportunities listed for the green economy. Given the high share of the housing stock which was built before mandatory energy efficiency guidelines were introduced (61.5% of houses in the Western Region were built before 1991),⁷ the retro-fitting of this stock could provide employment opportunities for those made unemployed from residential housing construction.

This section primarily focuses on the use of renewable resources to generate electricity, however there are also opportunities for the generation of heat energy. The wood heat sector has the potential to reduce carbon emissions, utilise an existing and sustainable natural resource, diversify farming activities and provide employment in rural communities. Another advantage is that due to the nature of wood energy it requires the operation of local supply chains meaning that the resource and its benefit accrue to the Region. The potential of the wood heat sector should be mentioned in this section. The WDC examined this issue for the Western Region in *Wood Energy Strategy for the Western Region* (2008) and is currently implementing a €3 million EU-funded programme to develop the region's wood energy sector. 8

4.4.4 Life Sciences

Does the figure given for employment in this sector refer to total employment or employment in agency supported companies?

⁵ This report can be downloaded from http://www.wdc.ie/publications/reports-and-papers/reports-2009/

⁶ CSO (2010), County Incomes and Regional GDP 2007, Table 17

⁷ WDC (2009), Work in the West: The Western Region's Employment & Unemployment Challenge, p. 52

⁸ Further details can be found at www.wdc.ie and www.raslres.eu

The West Region has an internationally recognised strength in the life sciences sector, mainly in medical devices. The potential to increase inter-regional linkages and connect with the West Region's cluster of medical device firms should be referred to here.

4.4.5 Tourism

The figure given for tourism revenue for the North West region is for 2006. However 2008 figures are available (2009 figures due soon) and show that total tourism revenue for the North West in 2008 was €423.1 million, higher than the target set by Fáilte Ireland for 2010. 9

Several references are made to the importance of the Northern Ireland market for tourism in the North West. It may be useful to include a statistic for this. In 2008 Northern Ireland accounted for 17.7% of total tourist visits to the North West and 23.3% of total tourism revenue.¹⁰

Again, when the underperformance of the North West region in terms of tourism is mentioned, it would be useful to include a statistic to support the argument. In 2008 the North West region accounted for just 7.5% of total tourism revenue generated in the State, this was the lowest share of all the tourism regions.

4.4.5.1 Tourism and Connectivity

It would be useful to name the airports which serve the Border Region (Donegal, Sligo, Knock and Derry) in the discussion of tourism access. Reference to the importance of direct international access to the Region to increase tourist visits should also be made.

In relation to intra-regional connectivity, the point made in footnote 25 on the difficulties of public transport in rural areas should be brought up to the main body of the text. Given that many policy makers and decision makers are not frequent users of public transport, particularly in more rural areas, and may not be familiar with the practical challenges faced by tourists and residents, giving this example in the body of the text would be very informative. Indeed some additional examples may be beneficial as well.

4.5.1 Accelerated Gateway Development

It would be useful if more specific attention were given in this section to the situation in Sligo. As noted there are strong cross-border initiatives underway in Letterkenny and Dundalk, and it would help to give specific attention in this section to the needs of Sligo as a Gateway, rather than simply noting it as one element of the central Border area. Also, reference to the Atlantic Arc economic corridor linking Sligo with Letterkenny, as used in the Settlement Strategy, would be useful.

4.5.2 Leadership & Governance

Some indication of the leadership and governance issues in other parts of the Region and how the lessons learned from the Newry-Dundalk and North West Gateway examples could be used to enhance leadership and governance in these areas should be included in this section. An outline of the main elements of the current leadership and governance structures in the Border Region may also be useful.

⁹ Fáilte Ireland (2009), Region Tourism Facts 2008: North West

¹⁰ Fáilte Ireland (2009), Region Tourism Facts 2008: North West

4.5.3 Rural Development

The creative sector should be added to the type of start up enterprises which are appropriate for rural areas.

4.5.4 Innovation and R&D

The 2009 OECD report referred to previously *Regions Matter: Economic Recovery, Innovation and Sustainable Growth* places significant emphasis on the critical role of innovation in regional development. In particular it examines the role of innovation in regions which currently have a weaker innovation system, such as the Border Region. It states that:

Policy needs to address regions that are not innovation leaders but that are innovative in other ways. While leading regions produce several hundred patents per year per million inhabitants, more than one-third generate less than ten patents per year. More than 50% of innovative firms in these regions carry out no R&D. These regions need a different kind of innovation policy, one that emphasises absorption capacity and innovation by adoption. (p. 15)

Reference to the findings of this report, to place the innovation system in the Border Region in a broader context may be useful.

It would be useful to provide the source for Figure 4.3.

When reference is made to low levels of R&D expenditure and low levels of new company formation in the Region, the inclusion of some data to illustrate the point would be helpful.

In the box referring to the BMW Programme of Innovative Actions 2006-2008 it would be useful to include reference to the earlier Programme of Innovative Actions 2004-2006 which piloted the concept of Innovation Vouchers in the BMW Region that was subsequently adopted by Enterprise Ireland and mainstreamed nationally and on a cross-border basis (referred to in the box on page 69).

4.5.5 Entrepreneurship

Given that the RPG document will be valid for quite a long period (2010-2016) it would be useful if any statistics provided included an indication of the year to which they refer. The agency supported employment figures given here should therefore include a reference year.

4.5.5.1 Physical Infrastructures

Transport access by air, road and rail to allow entrepreneurs in the Region to connect with their clients and to allow customers to access the Region should be added to the list of bullet points.

4.5.6 Skills and Education

Details of the WDC's main concerns in this area were given above (referring to section 4.3.2). An aspect of skills and education which should be more explicitly included in this section is the need for upskilling of those with low levels of education. The March 2010 *National Skills*

Strategy Implementation Statement¹¹ clearly found that the most significant upskilling challenge was moving those with Level 1-3 (up to Junior Certificate) education to Level 4-5 (Leaving Certificate or equivalent). People with education at Level 1-3 are more vulnerable to unemployment and when unemployed are at higher risk of becoming long term unemployed. From both an economic and social perspective, upskilling of this cohort of the Region's labour force should be identified as a priority in this section of the RPGs.

5. Infrastructure Strategy

5.1 Introduction

It may be useful to include the Spatial Infrastructure Strategy Map within this section rather than at the end of the chapter for ease of reference.

5.2.1 Introduction

The reference to prioritising transport investments based on where the need is greatest and where the returns on investment can be maximised should be amended to take account of the fact that standard cost-benefit analysis (CBA) used to assess transport investment decisions tends to favour investments in more highly populated areas over less densely populated areas on the basis of the 'benefits' which are incorporated in such analyses. If investment decisions are solely made upon the basis of such CBAs then investments will continue to be made in those areas that are most developed and less developed areas will not be provided with the infrastructure required to facilitate their growth and development. There are methods such as multi-criteria analysis which can be used to incorporate more quantitative benefits arising from an investment, such as stimulating regional development in a less developed area. The incorporation of such regional development benefits can lead to positive outcomes and facilitate infrastructure investments in less developed regions, such as the Border Region, as a means of driving their growth. Focusing on the returns on investment as a means of selecting infrastructure investment would most likely not favour the Border Region, particularly the central and western Border Region, when compared with other more populated regions in the country.

5.2.2 Roads

The reference to international access hubs directly after the bullet points should be extended to also refer to City of Derry airport and Ireland West Airport Knock.

Reference to the priority for motorway access to the North West and West of the Region should specifically name the Gateways of Letterkenny and Sligo.

5.2.2.1 Strategic Radial Corridors

The strategic radial corridors are listed in numerical order from M1 to the M4/N4. However given that the M1 is complete and no major improvements are required, it may be more appropriate to re-arrange the ordering of the roads to list the roads which are priorities for investment earlier.

¹¹ The report can be downloaded from http://www.education.ie/servlet/blobservlet/PR10-03-20.doc

Northerwestern Radial Route: It should be mentioned that this route forms part of the Northern Cross referred to in the Settlement Strategy, as it would link the Infrastructure Strategy with the Settlement Strategy.

Western Radial Route: As neither Athlone nor Tullamore are directly served by the N4/M4 it is slightly confusing to list them as being linked by this road. It may be clearer to say that it links with Mullingar and note that Mullingar is part of the Midlands Gateway with Athlone and Tullamore. Also the reference to Co Roscommon should be that it is in the West Region.

5.2.2.2 Strategic Links

Atlantic Corridor: It should be noted that this road links southwards to Limerick, Cork and Waterford, as well as linking the Border Region with Ireland West Airport Knock and Shannon airport which are strategic international access points.

West/North Central Corridor: Again it should be noted that this forms part of the Northern Cross.

5.2.3.1 Bus Services

The points made in section 4.4.5.1 previously in relation to the practical difficulties for access across the Region via bus services should also be referred to here.

5.2.3.2 Rail Services

It should be noted that the first section of the Western Rail Corridor (WRC) from Ennis to Athenry began operating in March 2010 and that Transport 21 contains a commitment to re-open the line as far as Claremorris but that there is no current commitment to re-opening the final section to link with Sligo. The re-opening of the entire line to Sligo is necessary in order to realise the full benefits of inter-regional connectivity, as well as allowing the possibility of a future connection with Letterkenny.

5.2.5 Ports and Airports/ International Access and 5.2.5.5 Airports

Ireland West Airport Knock should be added to the list of airports which serve as the main international access points for the Region.

5.4.1 Gas Network

There are a number of issues relating to the possible extension of the gas network in the Border Region that could be outlined in this section. The WDC has undertaken a number of pieces of work examining the issue of extension of the gas network to areas of the Border Region, specifically Letterkenny and Sligo. The key issue which emerged, and which should be incorporated in this section is the importance of natural gas transmission infrastructure for wider regional development. The WDC has shown that natural gas is the most competitive of the fossil fuels, particularly since the introduction of carbon taxes, and the extension of the gas network would also increase the choice of energy supply for enterprises and residents in the Region.

5.4.2.2 National Spatial Strategy

The first two paragraphs of this section provide a general overall context for infrastructure investment under the NSS and are not specific to energy infrastructure. It would be useful to move these to the 5.1 (Introduction) section of Chapter 5.

5.4.2.3 Border Region

The source of Map 5.1 should be indicated.

5.4.2.7 ESB Infrastructural Projects in Border Region

It would be useful to explain the distinction between the distribution and transmission grid in this section

5.5 Renewable Energy in the Border Region

The creation of employment in the renewable energy sector, so called 'green collar jobs', should be included among the bulleted list of objectives of the Border Region's energy policies.

Given the WDC's work in the areas of developing the regional wood heat energy market¹² and piloting a community ownership model for wind farms,¹³ we would like to input to the development of the Regional Renewable Energy Strategy referred to in this section.

5.5.1 Wind Energy

The possibility of promoting mechanisms which result in a community benefit from wind energy projects could be referred to here.

5.6.1 Introduction

The initial list of the benefits which accrue from the telecommunications infrastructure should include distance education. Given the scale of unemployment in the Border Region and the urgent education and training requirements of job seekers, the need to utilise telecommunications infrastructure to access distance education options, particularly in such a large and predominantly rural region, has never been greater.

The reference to the ESRI's finding that by 2025 a large proportion of Ireland's services will be traded over digital networks would benefit from a statistic from the report.

5.6.2 State and EU funded broadband provision initiatives

Given some of the constraints in relation to the National Broadband Scheme (NBS) which are raised in this section, it may be useful to state that further State initiatives will be needed to ensure universal access to telecommunications infrastructure and services of a speed, capacity and cost which will facilitate development across the Border Region.

¹² The WDC is the lead partner in a €3million EU-funded NPP project to stimulate the use of bio-energy to promote local and regional development (<u>www.raslres.eu</u>). The WDC's work on this project builds on its 2008 report *Wood Energy Strategy for the Western Region* which can be downloaded from http://www.wdc.ie/publications/reports-and-papers/reports-2008/

¹³ WDC (2004), To Catch the Wind: The Potential for Community Onwership of Wind Farms in Ireland; WDC (2007), Communities and Renewable Energy: A Guide which can both be downloaded from http://www.wdc.ie/publications/reports-and-papers/

6. Implementation and Monitoring

The WDC believes that the implementation of the RPGs will be most successful if national level Departments and Agencies adopt a spatial perspective in their expenditure decisions which is supportive of the RPGs objectives. This is one of the most critical issues for implementation of the RPGs.

9.4 Interregional Issues

Increased co-ordination between Regions will be important for implementation of the Border RPGs and the RPGs of its neighbouring Regions. It would be useful if the RPGs provided some information on the nature of, and possible areas to be addressed by, increased co-ordination.

9.5 Operational Implementation

Reference is made to the Monitoring and Review Committee in this section, and to the Monitoring and Implementation Committee in sections 9.2 and 9.6. It is not clear if this is the same committee.

9.6 Monitoring using Indicators and Targets

Following publication of the NDP 2007-2013 the WDC prepared a report *Indicators, Balanced Regional Development and the National Development Plan 2007-2013.* The purpose of this paper was to identify a basket of indicators which could be used to assess the achievement of balanced regional development. We believe these may be useful in deciding upon the indicators to be used to monitor the impact of the RPGs on regional development. The 19 chosen indicators were based on six themes ranging from demographics to innovation performance. These are detailed below.

1. Demographic Indicators

- 1.1 Population Change and Population Distribution
- 1.2 Age Structure Population of Working Age (15-64 years)

2. Labour Market Indicators

- 2.1 Labour Force Participation Rates by Gender
- 2.2 Employment Change, Employment Rate and Employment Distribution
- 2.3 Unemployment, Unemployment Rate and Long-Term Unemployment Rate

3. Economic Structure and Performance Indicators

- 3.1 Employment and Employment Share by Sector
- 3.2 Output Regional GDP per Person
- 3.3 Gross Value Added by Broad Sector
- 3.4 Regional Share of each Broad Sector GVA
- 3.5 The Knowledge Economy Employment in Knowledge Intensive Sectors

4. Education Indicators

- 4.1 Population Classified by Highest Level of Education Attained
- 4.2 Employed Graduates by County of Origin and County of First Employment

¹⁴ This paper can be downloaded from http://www.wdc.ie/publications/reports-and-papers/reports-2007/

5. Income and Poverty Indicators

- 5.1 Income per Capita
- 5.2 Poverty; Consistent Poverty Rate
- 5.3 Poverty; At-Risk-of-Poverty Rate

6. Innovation and Technology Indicators

- 6.1 Household Broadband Access
- 6.2 Higher Education Research and Development Expenditure and Performance
- 6.3 Business Research and Development Expenditure and Performance
- 6.4 Innovation Activity

In relation to the specific examples of targets and indicators given in the draft RPGs there are a few points:

- Economic Strategy: Increase number of rural and urban based enterprises. The indicator for this is agency assisted employment data however that data is not provided with an urban/rural breakdown, it is available at county level.
- Economic Strategy: Improve diversification within the rural economy. The indicators for this include 'Number of agricultural employees now working in alternative sectors'. This indicator could be interpreted as meaning that a reduction in agricultural employment in the Border Region is a positive indicator of the RPGs success. Diversification of the rural economy is not solely about agricultural workers moving out of farming. An indicator such as the share of total regional employment in rural areas (which could be discerned from travel to work data) across all sectors could be used as an indicator.

7. Conclusion

This review of the RPGs for the Border Region presents a significant opportunity to address the challenges facing the Border Region in a more difficult economic situation. The WDC hopes that this submission will be of benefit to this process and would welcome an opportunity to meet with the Border Regional Authority to discuss this submission.

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Documents Enclosed:

- WDC (2009), Work in the West: The Western Region's Employment & Unemployment Challenge
- WDC (2009), Travel to Work and Labour Catchments in the Western Region: A Profile of Seven Town Labour Catchments
- WDC Briefing Paper for Donegal County Council, *The Co. Derry Labour Catchment within County Donegal: Analysis of Census of Population 2006, POWCAR data*, February 2010