



Rural Futures

Proceedings Rural Development Conference 2004

Edited by E. Pitts

Published by: Teagasc, 19 Sandymount Avenue, Dublin 4
March 2004
www.teagasc.ie

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Implementation of Government's Rural Development Policy

Ms Deirdre Carroll

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I would like to outline briefly the current context for rural development policy and highlight some of the key developments which will impact on that policy in the coming period.

Role and objectives of the Department of Community, Rural and Gaeltacht Affairs

The Department of Community, Rural and Gaeltacht Affairs was established in 2002 with the remit, inter alia, of promoting economic and social development in rural communities. A core policy goal is ensuring the effective implementation of rural development measures and encouragement of a coordinated response to the needs of rural communities.

Strategic objectives of the Department include:

- Ensuring the achievement of the vision set out in the White Paper on Rural Development;
- implementing the CLAR programme to revitalize rural areas by planning, investment and development;
- contributing to the implementation of the revised National Anti Poverty Strategy (NAPS) in co-operation with the other participants in the Strategy to ensure that initiatives to combat poverty in rural areas are comprehensive, sustained and successful;
- implementing LEADER, LEADER+ and other rural development programmes;
- advancing development of the Western region by supporting the Western Development Commission (WDC) in the discharge of its functions under the Western Development Commission Act.

The White Paper on Rural Development

The rural development policy agenda is defined in the White Paper 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, towns and villages and in smaller urban centers outside of the five main urban centers. The agenda, at the same time, should facilitate balanced and sustainable regional development while tackling issues of poverty and social inclusion.

The overall strategy decided by Government provides for

- Balanced regional development to ensure that the benefits of economic and social progress are distributed throughout rural areas
- Investment in services and infrastructure
- Sustainable economic development including protecting the environment
- Human resources development
- A determined focus on poverty and social exclusion and
- Preservation of the culture and heritage of rural areas.

The **National Development Plan** (NDP) 2000 to 2006 is the main vehicle for implementation of the White Paper on Rural Development. The commitments contained in the White Paper have been reflected in all relevant sectoral policies pursued by Departments and in Operational Programmes under the Community Support Framework (CSF), particularly those policies which have a regional dimension.

The White Paper embodies a commitment to the “rural proofing” of all national policies so as to ensure that policy makers are aware of the likely impact of policy proposals on the economic, social, cultural and environmental well being of rural communities. Ministers are now obliged to indicate the extent to which relevant proposals brought to Government are likely to impact on rural communities.

The Department implements the White Paper commitments through a range of mechanisms including participation in a number of interdepartmental Committees pertinent to rural development, such as the National Spatial Strategy, rural transport, the integration of local government and local development, the implementation of the NAPS, etc.

The annual **National Rural Development Forum** debates current issues, reviews existing programmes, identifies policy responses to ongoing rural problems and affords an opportunity to stakeholders to input their ideas.

At operational level, the policy agenda is implemented through a number of key programmes which directly target rural communities as envisaged in the White Paper. Some of these programmes represent novel approaches to the problems encountered by many rural communities, in particular depopulation, lack of services and appropriate infrastructure, etc. These programmes include:

CLÁR

The CLÁR programme was launched in 2001 and provides funding to targeted regions which suffered the most depopulation between 1926 and 1996. The programme was introduced to address depopulation as well as the decline and lack of services in rural areas. CLÁR funds, or co-funds, with other Departments, State agencies and local authorities, investment in selected priority developments. These measures support physical, economic and social infrastructure across a variety of measures such as electricity conversion, roads, water and sewerage, village enhancement, health, broadband and sports projects.

The measures introduced under the programme reflect the priorities identified by the communities in the selected areas. Expenditure amounted to €14.4 million in 2002 and to €8.613 in 2003, which it is estimated levered a further €17 million in related public and private expenditure into areas which otherwise would have been bottom of the list for infrastructure investment. The provision for 2004 is €13.49 million, which will allow for continuation of investment in existing measures and allow for the development of some new measures.

LEADER

Many of you will no doubt be familiar with the LEADER programme.

The LEADER programmes are EU programmes in place to encourage the implementation of integrated, high-quality and innovative strategies in rural communities including a number of rural enterprise projects. 22 local action groups throughout the country deliver the EU LEADER + Initiative. The allocation for LEADER+ for the period 2000 to 2006 is €73.6 million which is co-funded by the EU. The LEADER national rural development programme closely complements the LEADER+ Initiative and is operated by 13 local groups in areas of the country not covered by LEADER+. It also provides nationwide coverage for rural and agricultural tourism and focuses more on mainstream activities. The allocation for 2000 to 2006 is €75.7 million which is also co-funded by the EU.

There are many, by now, well-documented examples of the success of bottom up approaches in advancing community/rural development. I will mention one example in order to provide a pen picture of how a successful idea can start with a small pilot and can be mainstreamed into a successful programme.

Lack of access to public transport was identified by Wicklow LEADER as a barrier to participation in many activities for rural communities. A pilot project was therefore initiated in Wicklow in LEADER II. The success of this pilot project led to mainstreaming and the Department of Transport extended it to the 36 Local Area Groups. The major beneficiaries of this Rural Transport Initiative are the following; people who wish to access training and jobs, young mothers who are able to access shops, crèches etc, and older people who are given more opportunity to access social clubs and meet peers thus reducing their isolation.

PEACE and INTERREG

The Department's responsibilities also include the rural development aspects of the joint cross border Programmes PEACE and INTERREG. The rural measures under these programmes aim to foster the economic and social development of rural communities. Projects supported by the Programmes are community based as well as on-farm diversification.

PEACE II

Funding is also provided under the rural development measures of the PEACE II programme during the period 2000-2004. Support is available for cross border and cross community development and the development of agri-diversification projects.

INTERREG- Wales

Total funding of €10 million is being provided under the rural initiative of the joint INTERREG Ireland/Wales programme for the period 2000-2006.

Under the Programme support is being provided in the eligible area for joint projects promoting rural business skills, rural tourism, rural health and on and off farm diversification to complement agricultural activities.

INTERREG- Northern Ireland

Under the joint INTERREG Ireland/Northern Ireland Programme, funding of €18 million is available under the rural initiative measure during the period 2000-2006. The aim of the measure is to encourage rural business and communities to engage in developing the economic and social sustainability of the region and to promote the development and expansion of cross border rural business.

Evolving EU context

Perhaps the best place to start with the evolving EU context is the Salzburg Conference held in November 2003. At that conference, Commissioner Fischler set out a number of challenges for rural development. His remarks/questions, which could equally be posed in a national context, included the following:

“How do we integrate the many facets and intricacies of our rural areas into a comprehensive rural development policy? How can we preserve these areas without making them antiquated? How can we afford people in rural areas the same number of opportunities as their urban counterparts without compromising the other elements? How can we align our environmental and our economic objectives?”

Rural development policy is not just about how farmers manage the countryside. It is not about creating a sort of open-air museum. It is about real rural futures for real rural people.

We have the issue of the new financial perspectives to consider. What should the Union's main policy priorities be, post 2006? And how much money should be allocated to each policy area? This summer's CAP reform agreement has already helped take us a step forward by including a significant shift in funding from market policies to rural development through modulation. The Commission's 3rd Cohesion Report will also address the relationship between rural development and cohesion policy and will set out the main orientations for the future of the Structural Funds in the light of enlargement.

We need a new division of roles and responsibilities between the policy actors, in particular the Commission and the Member States. In my view the Commission should be less involved in the detail of the implementation and the day-to-day management of the programmes and engage more in a policy dialogue with the Member States about goals and results. Member States should have greater flexibility, but must also carry more responsibility and be more accountable for the results of the programmes. I am certain that this would also make our programmes more effective.

If we want to increase the funding for rural development, we need to ensure that the extra money translates more easily in to rural development on the ground. So what can we do in concrete terms to redefine and to simplify programming, financial management and control systems?

A particular challenge as regards quality is marrying the more top-down approach of mainstream rural development programming with the bottom-up approach of LEADER.

Rural development at the end of the day is about people, of enabling rural actors, farmers and others, to take charge of their own identity, “owning” the rural development process.

How can we “ground” our rural development policy? How can we make it not only an instrument for, but also of, our rural communities? How can we ensure an exchange of good ideas and best practices through networking?”

Some of the above questions posed in November have now been answered. The **Financial Perspectives for 2007-2013** have now been published (February 2004) and indicate that the future rural development policy after 2006 will be focusing on three main objectives:

- Increasing the competitiveness of the agricultural sector through support for restructuring (for instance investment aids for young farmers, information and promotion measures);
- enhancing the environment and countryside through support for land management, including co-financing of rural development actions related to Natura 2000 nature protection sites (for instance agri-environment, forestry and Least Favoured Areas measures);
- enhancing the quality of life in rural areas and promoting diversification of economic activities through measures targeting the farm sector and other rural sectors (for instance qualitative reorientation of production, food quality, village restoration).

That document also indicates that the Commission will follow the principle of “one instrument per policy area, one fund per programme”. All rural development measures will be re-grouped for all regions under a single funding, programming, financial management and control system.

Third Cohesion Report

The Commission subsequently published the Third Cohesion Report which, while primarily addressing Cohesion issues, will also have an important bearing on the future of Community rural development policy.

The report proposes a simplified rural development policy by grouping the present funding structures into one dedicated instrument under the CAP. Rural development policy would contain three strands:

- Farm competitiveness via improved farm structure (ERS), investment aids, product promotion etc.
- Agri-environmental measures e.g. REPS. Forestry measures, etc
- Economic development of rural areas via off-farm diversification, incubation units for local food processors, promotion of local foods, village restoration etc.

The report also provides for the conversion of LEADER+ into a mainstream rural development measure.

It is notable also that specific regional programmes could focus on economic restructuring, geographic handicaps, and rural areas experiencing poor access and declining populations.

We are currently analyzing the likely impact of the proposed changes outlined by the Commission during February 2004 which, of course, now become the focus of detailed negotiation by national Governments. As a result of these developments, the Department is stepping up its involvement at EU level most notably by participating in the EU Committees where the relevant discussions are taking place. In addition we will be hosting two conferences towards the end of the Irish Presidency, one on Territorial Cohesion and the other on Living Conditions in Rural Europe, based on a survey on quality of life in 28 countries.

Opportunities and Challenges

The “new” thinking, post Salzburg, is that rural areas across Europe have evolved in a different way than expected when the original CAP was designed. While the modernization of farm structures and income support for farmers have slowed down the exodus from farming, the attractiveness of some rural areas in terms of population and employment cannot be attributed to sectoral policy measures because these have occurred in off farm sectors. Thus the diversified rural areas, which have been able to attract resources and reverse or slow down depopulation, should be the models of reference for developing policies for rural areas. Agriculture will, of course, continue to offer a significant contribution by responding to new developments in the areas of quality food production and other functions, leisure, environment etc, that society is increasingly demanding of rural areas.

On going challenges/issues include:

- Achieving the appropriate balance between territorial and sectoral policies in relation to rural development;
- ensuring that the new policy agenda does, in fact, meet new policy needs for both agriculture and rural development;
- ensuring that the institutional implications of the transition to a new framework are clearly understood and appropriately framed at EU, national, and regional level;
- as seen by the EU Commission, developing a territorial function which will be a permanent component of any rural development policy;
- the rural territorial approach to have close linkages with regional development, promoted through structural funds;
- those instruments, e.g. LEADER, operating with a territorial approach being more coordinated in conception and management;

- recognising that the current political identity and strength of territorial rural interests are weak;
- recognising that there will be a range of challenges involved in mainstreaming the LEADER approach;
- figuring out new funding arrangements and implications for Ireland, both in terms of EU and Exchequer funding.

I believe that the policy challenges posed in the period of four months since Salzburg will require an imaginative policy response going forward. Existing policies and programmes, some of which have been described, while forming a solid basis will, no doubt, face healthy scrutiny in a period of almost revolutionary change in the area of rural development policy.

Rural Futures: Alternative scenarios for rural society to 2020: Results of a French study

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Abstract

The foresight approach presented in this paper is a contribution to a project set up by the French land planning agency (DATAR) on the theme "Land planning for the France of 2020 ". The future of rural space is a matter of concern because of the rapid economic and people polarization movement towards the metropolis and their surroundings observed for the three last decades. This movement generates a serious depopulation in the French countryside and threatens the viability of rural areas. The foresight study is based on scenarios building. Rural space is seen as a system which ensures various functions: residence, production, nature. Each function and the global context are considered as subsystems driven by a set of key variables. Combining the various modalities of any subsystem variables allows us to build partial scenarios. In turn those partial scenarios are combined to design four global scenarios describing the possible futures of the French rural space: a generalized residential countryside, sustainable towns and corporate large farms, towards the nature countryside, active and competitive rural areas. All the scenarios are marked first by closer relationships between towns and countryside and second by the growing importance of the nature issue.

1. Introduction¹

At the end of the 1940s a French geographer, Jean-François Gravier, entitled a book "Paris et le désert français" (Paris and the French desert), which aimed at showing how the centuries long centralisation policy of the French governments had had negative consequences on the distribution of wealth and activities over the territory. Actually just after the Second World War the imbalances between the Parisian region and the "Provinces" were so high that seen from Paris or outside France the capital city was surrounded by a territory with both poor cultural and economic achievements and a weak political and managing weight. At that time the central government had the leadership in almost all fields, even in those where a sound subsidiarity policy could have been beneficial.

Progressively the drawbacks of such a situation appeared clearer at least as regards economic and social matters. Général de Gaulle, the President of the French Republic from 1958 to 1969 decided to launch a decentralisation process giving a limited economic and political power to new regions. The geographical basis of those regions was adapted from the set of the old French provinces of the Monarchy. For example the current Region of Brittany is composed of almost all the territory of the historic province. At the same time a land planning policy, coordinated with the successive economic plans, was established. The DATAR², an agency in charge of advising the government on land planning and regional

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¹ This presentation draws from an unpublished paper written by Philippe Perrier-Cornet and Christophe Soulard in November 2003, entitled "Dynamique et prospective des espaces ruraux". We are indebted in the contributions of the working group "Espaces naturels et ruraux et société urbanisée" chaired by Bertrand Hervieu (President INRA) and led by Philippe Perrier-Cornet (Director of research with INRA).

² DATAR, Délégation à l'Aménagement du Territoire et à l'Action Régionale, whose current Chief Executive is Mr Nicolas Jacquet.

actions was also founded in the 1960s and since this time contributes to shaping French regional and land planning policy.

Although the decentralisation process has contributed to rebalance the economic fabric and the distribution of political power in France to some extent, there is still a need for further progress because Paris remains a super metropolis (15 million inhabitants) as compared with the largest French towns, Lyons and Marseille, the population (including suburbs) of which is not higher than 2 million people. In fact besides the French centralised tradition the economic mechanisms push towards an accelerated concentration of activities and population in the metropolitan areas. In that context a reflection on the possible futures of the French territories with a vision on economic efficiency and territorial development is not only topical but also crucial. It is the reason why the French government has recently asked DATAR to lead a foresight study called “Aménager la France de 2020” due to be the basis for future land planning and decentralisation policy³.

Among the concerns of the DATAR reflection is the future of rural areas in so far as countryside is more a victim of the general phenomenon of polarization and economic concentration than benefiting from it. Therefore a working group entitled “Rural and natural spaces and urbanized society” has worked over three years to build a vision of possible futures for French rural space that are the subject of this presentation.

It may be interesting to list the last foresight exercises coordinated by DATAR as regards countryside or agriculture. From the beginning of the 1990s when foresight was relaunched in France, three foresight studies have been conducted with the following subjects: first, rural space, second, agriculture, last, links between countryside and towns. This reflects the changes which occurred in the concerns of society over the last decade. The results of the third foresight study have been partly used to design the “rural space policy” law recently voted by the Parliament.

2. A method: the scenarios approach

Given the complexity of the drivers leading the changes in rural space it was decided to adopt a comprehensive and multidisciplinary approach including economic, sociological, geographical and political points of view. Therefore the working group has been composed accordingly.

2.1 a brief reminder of the foresight approach

Foresight is characterised by three distinctive features (Jouvenel, 1999):

- a multidisciplinary perspective including a systemic view. Foresight aims at addressing the studied facts comprehensively taking into account all aspects and variables whatever they are,
- an approach dealing with the long term, in its past as well as future dimension. Such an approach permits work on variables which change slowly, eliminates short term effects and provides the capacity to think of crucial transformations,
- a perspective capable to integrate wanted or unwanted breakings and discontinuities

Five stages are used by foresight

- 1 definition of the issue to address and choice of the horizon,
- 2 system building and identification of drivers
- 3 data collection and building of hypotheses
- 4 possible futures building,
- 5 strategic choices

³ A translation could be « Land planning for the France of 2020 ». 15 working groups were created. This reflection is likely to be compared to the one underlying The Irish National Spatial Strategy.

In our case the issue to be dealt with is clearly identified as well as the time horizon fixed by DATAR. Stages 2 and 3 will be discussed later and we did not examine the strategic choices issue which was beyond our brief. Regarding stage 4: possible futures building, two main methods of simulations of the future exist: modelling or scenarios building.

Quantitative models use equations systems representing the interactions between the variables of a subsystem isolated from its context. A model is based on the observation of past trends. To give reliable results the model should be correctly designed. Moreover it is hypothesized that the subsystem structure is going to remain unchanged in the future on the one hand and its functioning is not to be disrupted by new or unidentified variables on the other. Finally a model heavily relies on the hypotheses made at the beginning of the work. If they are arbitrary or weakly-argued the outcomes will have the same status whatever the analytical sophistication of the model.

The scenarios approach is based on the idea that a rough approximation is better than an accurate but false forecast (Godet, 2001).

2.2 Scenarios

A scenario is made up of three elements:

- the base line which is our representation of the current situation,
- the paths representing changes in the system within the time span. Those paths include the issues to answer on the basis of the chosen hypotheses and the outcomes of the chosen answers,
- the final images of the system

There are many difficulties to tackle when building scenarios. Among them the required attention to pay to the paths design and not only the final image and the ability to imagine differentiated emergence times for changes and breakings.

Finally a distinction should be made between *exploratory scenarios* exploring possible futures and *normative scenarios* (or strategic scenarios) that propose actions to reach a specific policy objective in the future.

3. Rural space and urbanized society in France

To understand the current and future dynamics of rural space one should simultaneously use three key points of view:

- first, the linkages between towns and countryside marked by people mobility between those two categories of space in an urbanized society,
- second, the various functions of rural areas focusing on the complementarities and tensions between the different usages of the land, and
- last, the rural areas management including both the aims of a public policy for the countryside and rural space seen as a common good belonging to the whole society.

Although those issues are not exhaustive they seem to be broad enough to encompass the main challenges faced by rural space in the coming twenty years (Perrier-Cornet, 2001 and 2002).

3.1 Mobility: the new relationship between towns and countryside

Since the 1970s there has been a breaking in the towns-countryside linkages. Traditionally the rural areas contributed to urban growth by the means of rural exodus. However there are now patterns of mobility characterized by new residential styles, people working in urban areas and dwelling in the countryside either permanently or in leisure time. Simultaneously a

general concentration of economic activities in the metropolitan areas is going on while some limited deconcentration movements towards peripheral areas take place also. It seems clear that urban dwellers try to combine the advantages of the towns with those of the country and do not hesitate to commute daily or frequently.

The major outcome of this trend seems to be the ongoing process of urban spread in the surrounding towns and the immediate rural areas. This counter urbanisation is accompanied by a population growth in most rural areas even in some remote ones due to the arrival of new residents. Finally this phenomenon is subject to rather strong geographical disparities according to regions. Urban spread requires dynamic regional metropolises if it is to affect developments in its hinterland.

Regarding economic activities the central trend remains a steady process of jobs and activities agglomeration in the economic poles. The main driver of this movement is a decrease in transport costs and more generally in communication costs that favours the organization of firms networks in already concentrated areas. It does not seem that ICT are able to impede the economic concentration despite hopes that were placed on them in the previous decades. On the contrary ICT appear to strengthen the main trend in so far as they remove obstacles to information transfer (Rallet, 2000).

3.2 Functions and usages of the countryside

Some decades ago rural areas were essentially devoted to a productive function. The main rural activity was agriculture and by and large most rural dwellers organized their activity in connection with this industry. The mountainous and coastal areas had a more diversified pattern of activities due to tourism, fishing and marine industries although they were also deeply involved in farm activity. Nowadays this picture is no longer typical even if agriculture and other traditional rural activities maintain a significant proportion of employment and value added and contribute to maintaining the productive role of rural areas. We have already mentioned how rural areas are now settled by housing for urban people . The residential function including the leisure function of rural space is considerably growing because of the attractiveness of the landscape and other rural amenities for urban people. Transport facilities now available also facilitate commuting while transport costs decline. This change is likely to have been the main one in the last thirty years.

The last function of rural areas we would like to stress regards “nature”. Our conception of nature should be briefly clarified to be well understood. In our view nature is a set of resources (water, biodiversity, soil, etc.) and functions (climatic and ecosystemic regulation, etc.). In that perspective nature is a biodynamic system on which human activities impact, independently of consumers preferences. Such a conception does not refer to rural amenities included in the second function we have just mentioned.

Keeping these functions in mind the main trends affecting the usages of rural space can be analysed. Until now the countryside has been organized by and for agriculture. With the decline of this activity and the growth of new life styles and values of the urban society, other usages become prominent so that competition, tensions and often conflicts are growing regarding land use. From this point of view the Breton case may be of interest because it emphasizes the range of conflicts that arise in a rural area where an intensive agriculture generating a serious non-point pollution is severely competing with an increasing use of countryside for residence in the urban periphery and leisure and tourism in the coastal areas (Daucé, Léon, 2002). Therefore, two main features are likely to shape the coming changes in the countryside:

- first, a new vision of the relations between its productive and residential functions and the space to be devoted to each ,

- second, the growing concerns on the nature function and the policy to be implemented. Regarding the territorial organisation the way decisions will be taken on both issues may lead to contrasted situations.

3.3 rural space management

This issue can be examined according to three items. The first one regards the contents and objectives of a rural public policy. In France rural policy has long been based on a spatial equity principle. According to this principle the countryside – in fact the farmers – deserved aids to struggle against the territorial disparities and avoid desertification. However because of the changes mentioned earlier such a position can be challenged all the more so since there exists a trade off between two objectives: allocative efficiency versus social cohesion. Should a distinctive policy be maintained in rural space? European integration is likely to impact this issue by the means of CAP and rural development policy and the orientations given to the common nature policy

Another item concerns the devolution and distribution of competencies among the various levels of public administration. France has entered a long term process of political decentralisation with the creation of regions, grouping together several *départements* on the one hand and *pays* (infra-*départemental* territories) on the other. Given the already ancient existence of *communes* (parishes) and *départements* (95 in France) there is a debate on the role of those various levels of administration regarding the design and implementation of policy in general and of rural policy in particular.

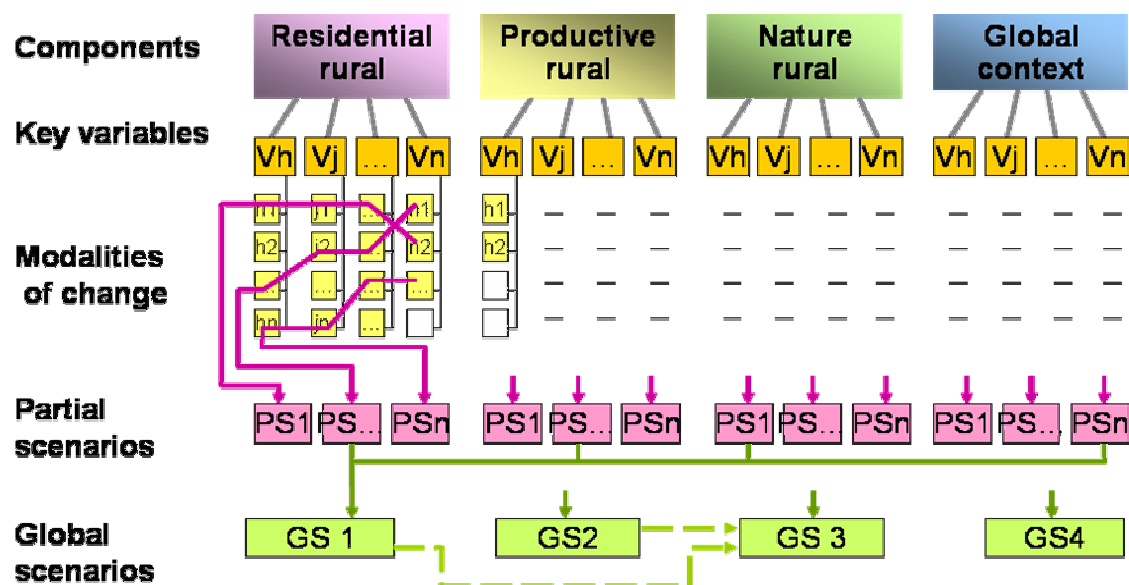
Finally the growing space now devoted to life environment and nature in the rural areas may be the signal of a kind of “publicization” of the countryside. Using this neologism we refer to the fact that a development of the nature and residential functions of rural spaces goes together with an increased interest in public goods: amenities, biodiversity, landscape, etc. that are the basis of those functions. Therefore rural public goods are more and more valued and consumed. How to manage their usage when their production largely relies on private property? New institutional arrangements must be imagined to deal with the emerging complexity of the local situations.

4. Scenarios for the future

Using the principles described above scenario building has been conducted in four stages (figure 1):

1. The functions of the rural and the global environment are taken as subsystems for each of which key variables are defined,
2. Hypotheses or modalities of change are elaborated for each key variable,
3. Combining various modalities under a reasoned way ensuring compatibility lead to partial scenarios for each subsystem,
4. Combining partial scenarios leads to global scenarios

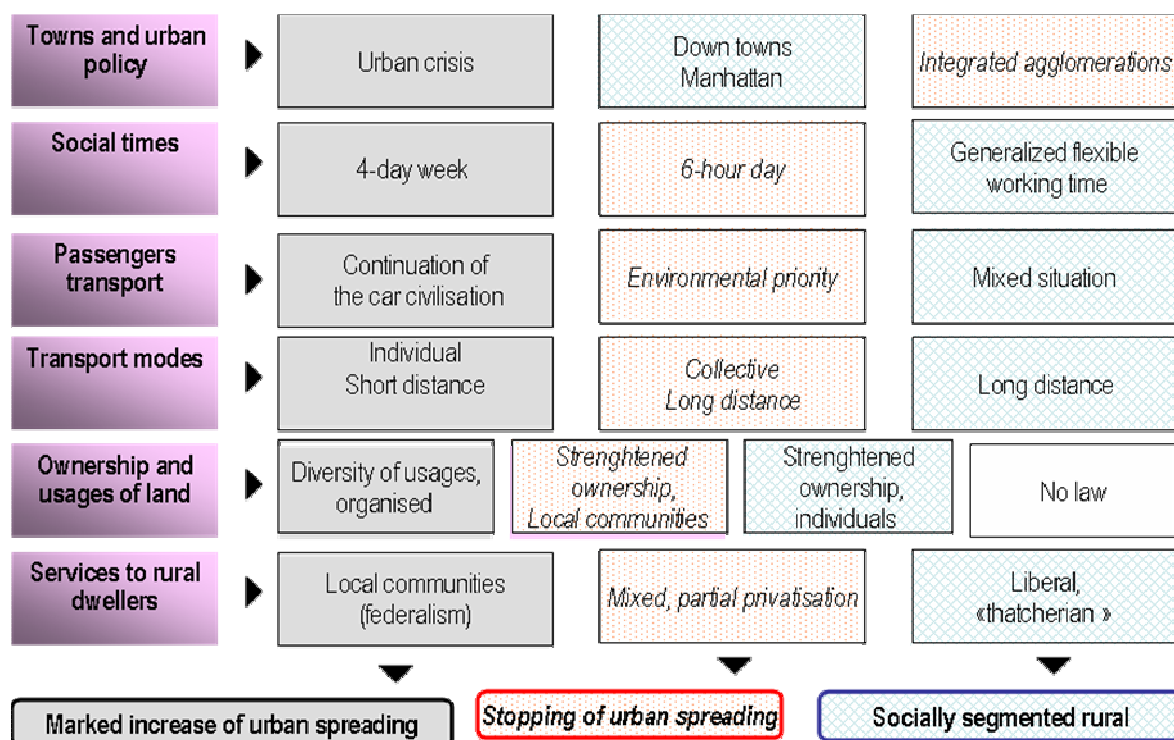
Figure 1: Scenarios Building



Applying the method shown in the figure 1 leads to a set of four global scenarios that combine various change modalities of the subsystems key variables.

Let us examine as an example the key variables driving the changes in the **residential rural subsystem** and leading to the partial scenarios for this subsystem (figure 2).

Figure 2: Residential Rural : Partial Scenarios



On the left hand side are listed the selected variables. They refer to urban policy, working styles, transport modes and styles on the one hand, ownership and usages of land as well as

services to rural inhabitants on the other. The modalities taken by the variables open possible futures. In the case of the variable “Towns and urban policy” for instance we assume three possible paths: towns face serious crises due to both congestion problems and security issues, towns concentrate life in their downtown districts, towns develop under an integrated mode. Each modality is underlain by a distinctive urban policy. Regarding the variable “Passengers transport” the trade off is clearly between a continued encouragement of the use of individual cars, despite the drawbacks such a policy generates in terms of pollution and congestion, and a priority given to environmental considerations. The assumed compatibility between the presented modalities allows us to design three partial scenarios “marked increase of urban spread”, “stopping of urban spread” and “socially segmented rural” strongly characterised by the decisions taken in and for the towns.

In the next step the partial scenarios built for each subsystems can be combined to organize the global scenarios. Table 1 shows the various partial scenarios that have been kept for each subsystem. In most cases a global scenario will be built using only one partial scenario of each subsystem. However there is no methodological objection to combine two partial scenarios of a given subsystem (as far as they are compatible) to build a global scenario. This is the case of the partial scenarios “World governance and strong institutions” and “Powerful Europe” which are used to build the global scenario “Sustainable towns and corporate farms” that will be described next. Also any partial scenario may be included in the building of two global scenario. “World governance and strong institutions” appears to characterize a global context favourable to the global scenarios “Sustainable towns and corporate farms” and “Towards the nature countryside”.

Table 1 can be read as follows

In the environment of a liberal world with few regulations (Global context subsystem) a decreasing power of governmental institutions leads to a marked increase of urban spread (Residential rural subsystem). In such a case the countryside is no longer organized by agriculture but should meet the needs of its residents. The productive function of farms declines (CAP is weakening) and the farmers provide various services to the rural residents the number of which has dramatically increased (Productive rural subsystem). The management of rural space does not aim at preserving the natural resource (Nature rural subsystem). This combination of modalities leads to a first global scenario named “a generalized residential countryside”.

The second global scenario “Sustainable towns and large corporate farms” is derived from the possible existence of a more regulated society (Global context). The global environment is characterized by strong institutions able to design and enforce policies regarding residence, production, nature etc. A world governance is hypothesized and towns manage to meet the various challenges they face. Towns are sustainable and urban spread is controlled (Residential rural). As a consequence rural areas are organized according to the interests of farmers who are able to meet the environmental demands of society (Productive rural). This demand is managed at the regional and local levels (Nature rural).

Table 1: Partial scenarios

Subsystems	Partial scenarios			
Global context	Liberal world with few regulations 1, 4	World governance and strong institutions 2, 3	Powerful Europe 2	“Law and order” societies
Residential rural	Marked increase of the urban spread 1	Stopping of the urban spread 2	Socially segmented rural areas 3, 4	
Productive rural	rural areas zoned 2	Rural society of local entrepreneurs 4	Rural society for services 1	Rural economy declining 3
Nature rural	Nature in the background 1, 4	Nature managed locally 2	Nature in the foreground 3	
Global scenarios	1. Generalized residential countryside	2. Sustainable towns and corporate large farms	3. Towards the nature countryside	4. Active and competitive rural areas

The third possible future for rural areas entitled “Towards the nature countryside” is underlain by a world concern regarding the nature challenges (climatic change, biodiversity, natural risks, etc.). Such a concern is taken over by world institutions and governments even in a liberal context. Rural residence is possible for wealthy urban people only (Residential rural). Farmers’ influence declines due to the priority given to the preservation and maintenance of landscapes and natural resources that are managed by various rural actors (Productive rural). The whole of rural space is organized to meet the environmental challenges (Nature rural).

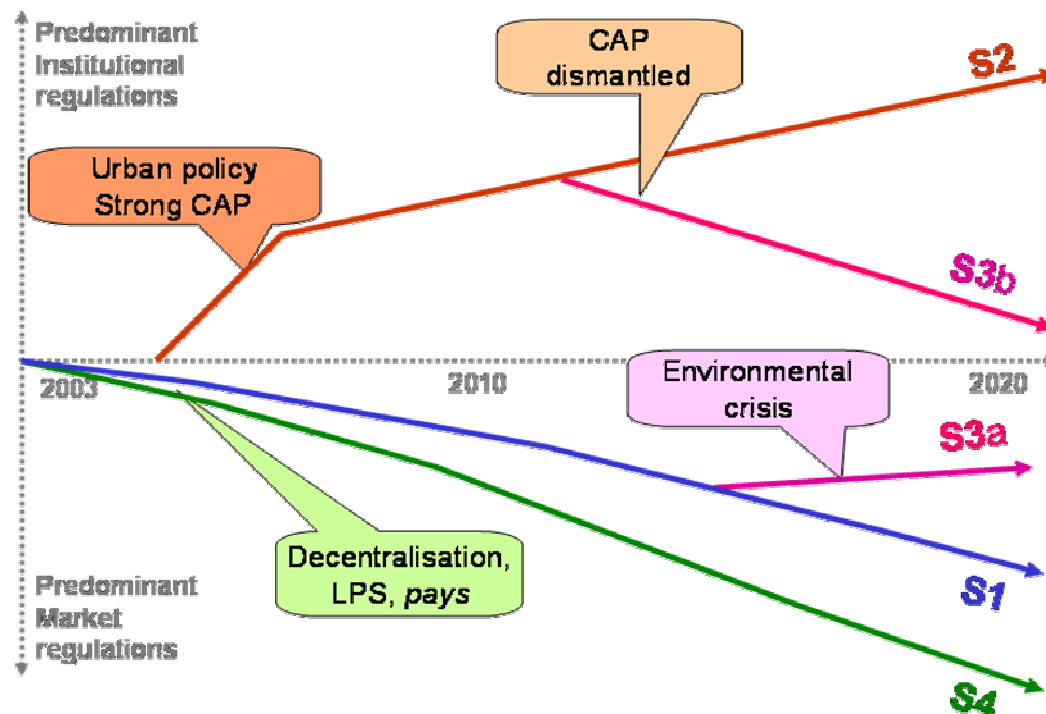
Finally, the fourth scenario “Active and competitive rural areas” emerges when central government and institutions are weakening (Global context). This is assumed to happen in a liberal world environment where individual initiative is encouraged. Middle classes become weaker and rural residence is open to wealthy people only (Residential rural). Local entrepreneurs are the heralds of local productive systems, which allow rural people to live and work at home. Emphasis is put on the competitiveness of the rural territories (Productive rural). This option leads to a less attention paid to environmental issues (Nature rural).

Occurrence probability

These four scenarios are not equally probable (figure 3). Although the “Generalized residential countryside” cannot be seen as a trend scenario only, it seems obvious that its occurrence probability is rather high in the short term in so far as its main components are already present. On the contrary the second one “Sustainable towns and large corporate farms” needs a re-evaluation of urban priorities and a strong willingness to make towns sustainable. Therefore this scenario is likely to describe a more distant future. The “Active and competitive rural areas” scenario occurs in a global context where regulations derive mainly from markets – as in the first scenario – and may appear in the short term if the decentralisation process goes further. Finally the “Nature rural” scenario is seen as a breaking one that may emerge in the medium term as an alternative of the “Sustainable towns and large corporate farms” if there is a dismantling of the CAP. It may also happen in

the case of a serious environmental crisis, which challenges the liberal approach assumed for the “Generalized residential countryside” scenario.

Figure 3: Scenarios Trajectories



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Population and agricultural change in rural Ireland, 1991 to 2002

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Introduction

Characteristics of agricultural production and farm-based enterprises in Ireland have well-established spatial patterns (Gillmor 1977, Gillmor and Walsh 1993, Lafferty, Commins and Walsh 1999). These patterns are underpinned by such factors as the environment, farmer demographics, cultural history, economic considerations, and political influences, namely agricultural and trade policies. Even within a small State such as the Republic of Ireland, distinctive spatial patterns in these factors have been elucidated. The geography of soil, relief and climate interact to produce intensive land use along the east and south of the country as evidenced by the diversity of farming systems in these regions (Lafferty *et al.* 1999). Increasingly however, the implementation of EU and national agricultural policies with their addendum impact on food markets, are the driving forces underpinning the geographic distribution of farming activities in Ireland. Whilst policy has always been a variable in the structure and operation of various farm systems, the advent, subsequent modification and implementation, of the Common Agricultural Policy has come to play a significant role in the decision making process of farmers. This policy influence is seen in the restructuring of farm systems and structures which are becoming increasingly spatially differentiated. This paper assesses the changes to Irish agriculture between 1991, the year before the 1992 CAP Reforms, and 2000, before the implementation of Agenda 2000. This period also coincides with the economic boom experienced by Ireland, commonly referred to as the Celtic Tiger, which resulted in profound social and economic change from which the agriculture sector and farmers were not immune. In the aftermath of these policy and economic developments, we assess how Irish farmers responded to the changing operational environment between 1991 and 2000.

Policy Environment

The Luxembourg Agreement on the Common Agricultural Policy (CAP) which delivers full decoupling and introduces a single farm payment is just the latest, although most dramatic, chapter in policy responses to the effects of the productivist or industrial model of agriculture. These responses commenced with the introduction of production restrictions, e.g. milk quotas, in the 1980s. By that time, the focus on expanding agricultural outputs through a system of production and market subsidies had resulted in food surpluses. Over-production brought with it a variety of problems related to environmental degradation and, particularly, the level of expenditure on agriculture (Tracy 1996). Restrictions on agricultural output were extended in 1992 when the MacSharry Reforms of CAP reduced market price supports for farm products, introduced direct payments to farmers as a form of compensation, promoted extensification in the beef and sheep sectors and encouraged farm diversification via 'accompanying measures'. In response gross agricultural output stabilised following the introduction of these measures (Matthews 2003).

Methods of Research

The main source of data for this research is the Census of Population (1996 / 2002) and Census of Agriculture (1991 / 2000). The Agricultural Division of the Central Statistics Office (CSO) provided data at the level of Electoral Division (ED). These units were formerly known as District Electoral Divisions (DEDs). By November 2003 the ED-level data for the Census

of Agriculture 2000 were released by the CSO. There are 3,440 legally defined EDs in the State and of these, 2,980 were recorded with agricultural activity in the Census of Agriculture 2000. The CSO suppressed agricultural data from 115 EDs for reasons of confidentiality or reliability. This left 2,865 EDs with agricultural data available for analysis. A second source of data is administrative data from the Department of Agriculture and Food (DAF) such as data on the Rural Environment Protection Scheme (REPS) at the ED level.

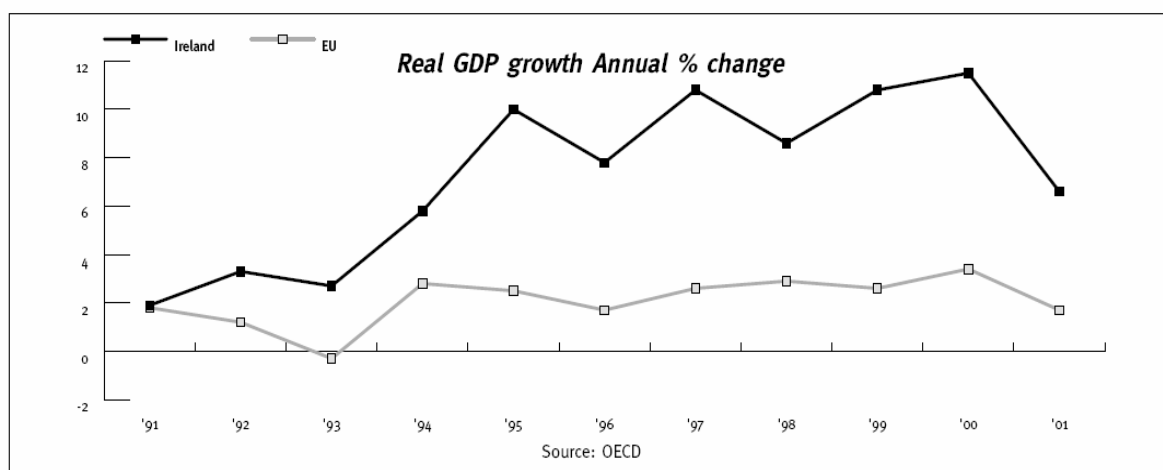
Using a geographic information system (GIS), maps of agricultural indicators at the ED-level were generated. The database was linked to a digital spatial data infrastructure of EDs from the Ordnance Survey of Ireland to map each variable. The data was classified using 'natural breaks' prior to mapping. The mapping output not only served to improve understanding of the complex and large datasets through vivid visual aids, but also provided an effective tool for double-checking the accuracy of any analysis undertaken. Highly fragmented or complex patterns can be an indicator of errors in the analyses.

The definition of a farm in both the 1991 and 2000 Census was, "a single unit, both technically and economically, which has a single management and which produces agricultural products" (p.6, CSO 1994; p.7, CSO 2002). To estimate the economic scale of a farm, standardised economic coefficients, estimated regionally and presented as standard gross margins (SGMs), are applied per hectare of crops and per head of livestock, to farm production. "The SGM coefficient for each product is determined on the basis of a standard 12-month production period and is calculated as a regional average within each Member State" (p.91, CSO 1994). In Ireland there are 2 regions, Leinster/Munster and Connacht/Ulster (part of). Total SGMs per farm give its economic scale, which is expressed in terms of European Size Units (ESUs). In the Census of Agriculture 1991 and 2000, one ESU was equivalent to €1,200.

Scene Setting

Between 1991 and 2002 Ireland witnessed significant social, cultural and economic change. The population boom of the late 1970s fed into the labour force at a time when the economy was growing at record rates in response to State policies.

Figure 1 Ireland's Economic Growth 1991 - 2001

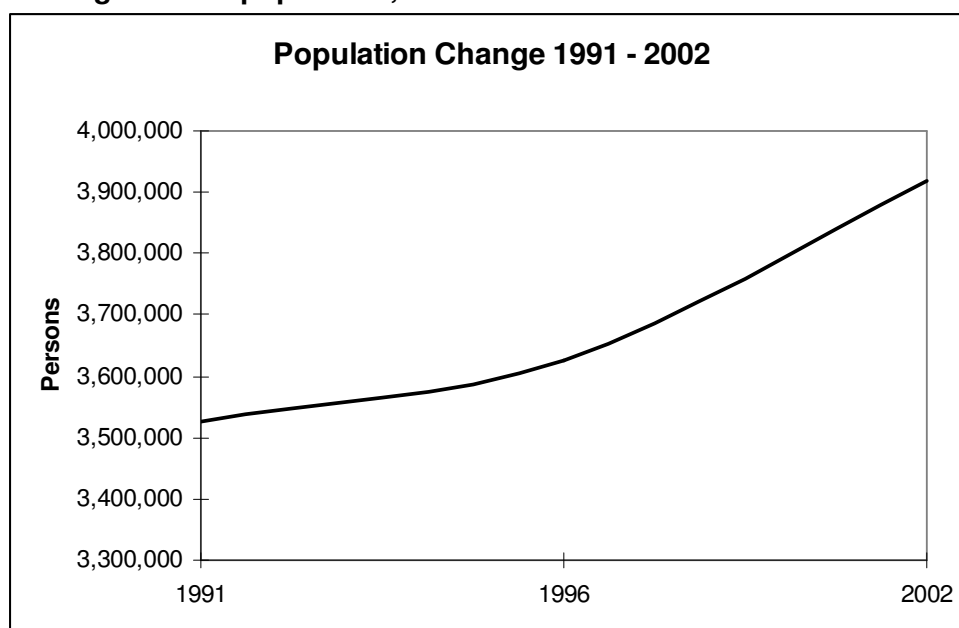


The graph shows that Ireland's economy, as measured by real GDP, grew at an average annual rate of 9.9% in the five years from 1997 - 2001 compared to the EU average of 2.5%.

Source Enterprise Ireland 2002

During the period we are interested in, 1991 – 2002, the population grew by 11.1% or 391,484 persons.

Figure 2: Change in Irish population, 1991 - 2002

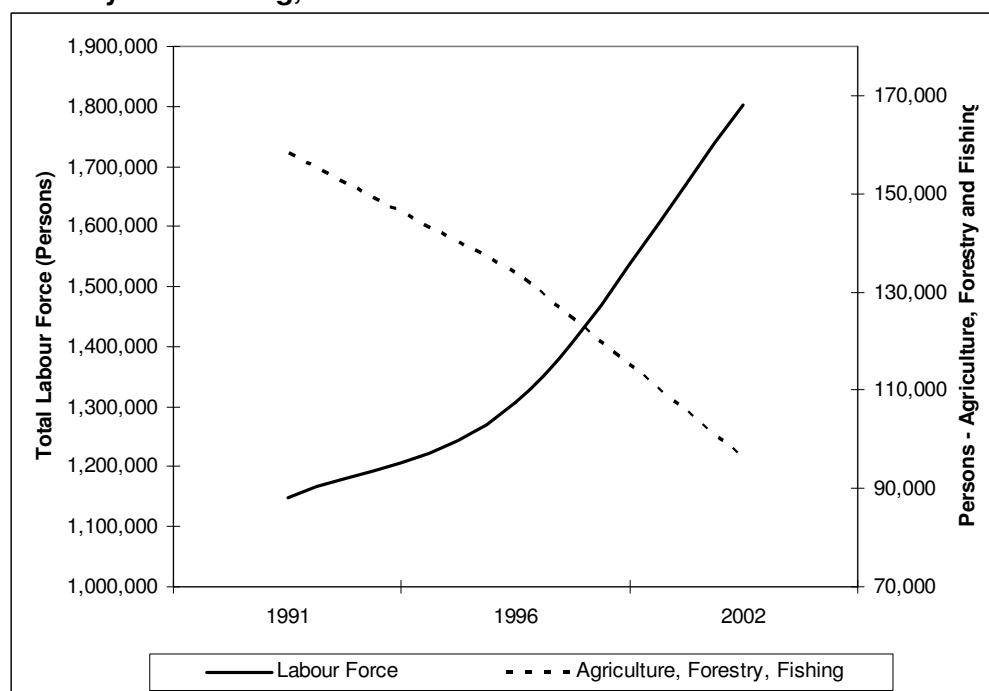


Source: Census of Population 1996 and 2002

As can be seen from Map 1, population growth was not confined to urban centres but also encompassed rural areas. Despite the increase of population in rural areas, fewer inhabitants were employed in traditional rural economic activities, namely farming, forestry and fishing. So, whilst the labour force grew during this period by almost 57%, the proportion of persons employed in agriculture fell from 14% to 5%, a decline of 40% in the total number of persons classified as employed in agriculture, forestry and fishing.

According to statistics from the Central Bank of Ireland (2003), income from agriculture, forestry and fishing grew by only 24.4% between 1990 and 2002 compared with a 200% increase in non-agricultural wages, salaries and pensions. These figures provide an indication of the changes that affected the agricultural sector during the period 1990 to 2002. In spite of population growth in rural areas, the numbers employed in the traditional rural activities, including agriculture, declined. At the same time, income within the non-farming economy grew dramatically in comparison to income from agriculture, forestry and fishing in line with the economic boom. These changes signal the progressively weakening role agriculture plays not only nationally but also in its heartland the rural areas and their economies. The implications are not only of economic significance but of political, social and environmental interest as well. The following section examines spatial patterns of structural change in Irish agriculture, to explore the 40% decline in the agricultural labour force.

Figure 3: Trends in number of overall labour force and those employed in Agriculture, Forestry and Fishing, 1991 - 2002



Source: Census of Population 1996 and 2002

Spatial patterns of structural change in Irish agriculture

Table 1 provides an overview of State-level structural changes in Irish agriculture. The number of farms declined by 17% while the average farm size increased by 21%. The proportion of sole occupation or full-time farmers fell by 24% to just over half of all farmers whereas subsidiary occupation farmers rose by 46% to almost one-third of farmers. Overall, the regular farm labour force declined by 17.5%. These State-level changes all indicated a contraction in the number of people involved in farming in Ireland. The next section looks at the geography of some of those State-level changes.

Table 1: Structural changes in Irish agriculture, 1991 – 2000

Indicator	1991	2000	% Change
Number of farms	170,578 ¹	141,527 ²	-17
Average farm size (ha)	26.0	31.4	21
Agricultural area used (ha)	4,441,755	4,443,071	0.03
Sole occupation farmers (%)	74	56	-24
Subsidiary occupation farmers (%)	21	30	46
Regular farm labour force (number)	312,729	257,948	-17.5

¹Includes 323 specialised farms, which have no agricultural area, used

²Includes 53 specialised farms, which have no agricultural area, used

Source: Census of Agriculture, CSO (1994, 2002)

Farm Numbers and Area

Between 1991 and 2000, the number of farms declined by 17% to just over 141,500 farms. Over the same period, the average farm area in the State increased from 26 ha to 31.4 ha. Total farms less than 20 hectares fell by 46% while those of 50 ha plus rose 23% (Table 2).

Table 2: Percentage and number of farms classified by selected size classes, 1991 – 2000.

Size class	% Total farms in 1991	Number of farms in 1991	% Total farms in 2000	Number of farms in 2000	% Change in number of farms
Farms <20 ha	54	91,576	44	62,709	-46
Farms 50 ha+	11.5	19,610	17	24,146	23

Source: Census of Agriculture, CSO (1994, 2002)

In 2000, the highest number of farms per electoral division (ED), of 65 and more occurred in the northern half of the State, especially in Mayo extending into bordering counties, in Donegal and in Cavan and Monaghan. Farm numbers were lowest in the east and southeast with extensive contiguous areas with 39 farms and fewer per ED. There were statewide declines in the number of farms per ED between 1991 and 2000, with a particularly large fall-off in a northwestern cluster along the borders of Sligo, Mayo, Roscommon and Galway, in North Kerry and in East Meath and northeastern Kildare.

Map 2 shows the average farm area in hectares per ED in 2000 and, as expected, reveals a pattern of larger farm size classes in the counties of the south and east where there were fewer farms, with a maximum average county size of 44.6 ha in Waterford. The uplands of south Kerry, the Mayo/Galway border along with the Burren in Clare are also prominent in this map, highlighting large farms with low quality farmland there. In contrast, the counties of Connacht and Ulster (part of) had average farm sizes less than 27 ha with the smallest values in Mayo (21.9 ha) and Monaghan (21.8 ha).

All counties exhibited an increase in the average farm area between 1991 and 2000 (Map 3). However, in contrast to Map 2, there was a northwest to southeast gradient of higher to lower increases. The largest concentrations of percentage increases occurred in the northwest and along the border in regions associated with smaller farm size classes, particularly western Galway and Mayo, and the northern halves of Leitrim and Donegal. Decreases in average farm size per ED occurred mainly in the east and southeast.

Farms of greater area and economic scale recorded the highest rate of renting-in land. In 1991 and in 2000, a greater proportion of farms of 50 ha plus and farms of 40 ESU plus rented-in land compared with those less than 20 ha and less than 8 ESU (Table 3). The percentage increases in farms renting-in land were also higher for the larger farm area and economic scale categories, showing growing divergence between small and large farms in the employment of land leasing to increase farm area.

Table 3: Land rented-in by selected farm area (ha) and economic scale (ESU) classes, 1991 and 2000

Size class	% Farms with land rented-in 1991	Average AAU (ha) rented-in 1991	% Farms with land rented-in 2000	Average AAU (ha) rented-in 2000	% Change farms with land rented-in
Farms <20ha	13	6	17	6	29
Farms 50ha+	43	34	61	35	42
Farms <8 ESUs	14	9	16	9	16
Farms 40 ESUs+	54	32	66	43	22

Source: Census of Agriculture, CSO (1994, 2002)

Higher rates of land leasing in the south and east implied a higher rate of renting-in land by farmers in the regions, which already have, on average, the largest farms. Characteristic farming systems in these regions were specialist tillage and dairy systems and whereas there was only a 25% increase in the percentage of specialist tillage farms renting-in land between 1991 and 2000, there was a 69% increase in specialist dairy farms doing so. Percentage increases of 62% in renting-in land by both specialist beef farms and mixed grazing livestock farms help explain widespread increases in the numbers of farms renting-in land in other parts of the State.

Scale of farm business

Lafferty *et al.* (1999) observed a positive correlation between farm size measured in both hectares and ESUs for 1991 data. Maps 2 and 4 support this observation for the 2000 data displaying the similar gradient running southeast to northwest from higher to lower values of average farm gross margins. Data from counties in the south and east, encompassing most of Munster and Leinster as well as the eastern border counties, fell into classes above the State average of 21 ESUs, topped by Waterford and Dublin with 37 ESUs. Values in counties throughout the west were in direct contrast to this, culminating with lowest values, ranging from 8 to 10 ESUs, in Leitrim, Sligo and Donegal. Cavan and Monaghan showed up stronger than expected based on average farm area whereas EDs with large farm areas in parts of the west, disappeared from the ESU map, all of which signaled the role of farming system and intensity of production on economic size. For example, farm systems with the highest average economic size in 2000 included specialist dairy farms at 46 ESUs and specialist tillage at 38 ESUs, both of which were characteristic of the south and northeast. 'Other' systems had the largest economic scale with an average of 144 ESUs. This 'other' category includes specialist pig, poultry, horticulture and fruit enterprises, all of which are highly intensive production systems. Highest percentages of these enterprises occurred in the northeast e.g., Cavan, Monaghan, Louth and northern Dublin. Conversely, specialist beef and sheep farming with State averages of 9 and 10 ESUs, respectively, help explain the distribution of low average economic sizes throughout the west and in Wicklow where those systems were common.

Between 1991 and 2000, farms less than 8 ESUs declined by almost 40% whereas those of 16 ESUs and greater increased by almost 30% changing their ratios dramatically from almost 3 farms < 8 ESUs for every farm of 16 ESUs plus in 1991, to a ratio closer to 1:1 in 2000 (Table 5).

Table 5: Percentage and number of farms classified by selected ESU classes, 1991 – 2000

Size class	% Total farms in 1991	Number of farms in 1991	% Total farms in 2000	Number of farms in 2000	% Change in number of farms
Farms < 8 ESUs	60	102,786	44	39,139	-39
Farms 16 ESUs plus	23	39,139	36	50,321	29

Source: Census of Agriculture, CSO (1994, 2002)

The vast majority of EDs underwent increases in the average scale of farm business between 1991 and 2000 (Map 5), around a State average increase of 78%. Mayo, Cavan and Monaghan displayed the largest increases of more than 137%. Areas exhibiting the largest percentage increases in scale of farm business appeared to correlate with those that had the largest increases in farm area (Map 3). These areas also tended to show the largest declines in farms <8 ESUs and highest increases in farms of 16 ESUs plus. In contrast, EDs in southern and eastern counties displayed comparatively smaller increases in average farm business scale. It supports the hypothesis of a greater rate of increasing farm scale in the northwest, especially Mayo, Roscommon and Leitrim, and highlights a similar trend in the northeast, in Cavan, Monaghan and Louth.

Labour

Labour input recorded for the farm holder, spouse, other family members and regular non-family workers, as well as casual, relief and contract workers is expressed as annual work units (AWUs) (CSO 1994, 2002). One AWU is equivalent to 1,800 hours or more per person per annum. Pending receipt of ED-level data, this AWU analysis was performed at the county-level. The average number of AWUs per farm per county in 2000 (Map 6) exhibited a well-defined southeast to northwest gradient. The higher values of greater than 1.3 AWUs were exclusive to the south and east while the lowest classes with values less than 1.1 AWUs were confined to the northwest. Dublin had 1.7 AWUs and continued to return the highest average input of farm labour in the State, reflecting the concentration of vegetable growing and horticulture around Fingal. The lowest value of 1.0 AWU showed up in both Leitrim and Donegal suggesting less labour intensive and higher levels of subsidiary occupation farming there.

Across the State, between 1991 and 2000, the area of agricultural land used remained almost unchanged (0.03% increase) at 4.4 million hectares or 64% of the State's land area (Department of Agriculture and Food 2003), the number of farms declined 17%, numbers employed in the regular farm labour force fell by 17.5%, total time spent on farm work by these workers declined 33%, and yet the average farm size rose 21% suggesting that overall, farm work became less labour intensive (CSO 2002). From Map 7, the common theme is that every county experienced a decline in average AWUs per farm, indicating a statewide trend towards a reduction in farm labour inputs. Wexford exhibited the largest rate of decline in the State with 26.3%, followed by Galway, Mayo and Longford, all with 21.4%. Declines of 17-19% predominated in Munster and Donegal/Leitrim. These graduated into smaller declines towards the northwest and southern Leinster with lowest changes in Meath (6.7%) and Dublin (10.5%).

Importance of farm work

CSO (1994, 2002) defined farm work as an individual's sole occupation if *income* was not obtained from any other job and as a subsidiary occupation if more *time* was spent on gainful non-farming activity or off-farm employment. In 2000, 56% of farm holders were sole occupation farmers. Map 8 revealed a trend of higher percentages (55% plus) of sole occupation farmers throughout Munster, the southeast, the northeast, and eastern Donegal. This corresponds to areas of high incidence of specialist dairy and tillage farm systems in particular. Low percentages of sole occupation farmers (less than 44%) showed up in counties of the northwest especially throughout Longford, eastern Mayo and western Galway, and in areas around Dublin such as southeastern Meath, northeastern Kildare and the northern half of Wicklow. Areas in the west, midlands and Wicklow corresponded with spatial patterns of specialist beef and sheep farms, while most areas, especially those in Meath and Kildare, overlapped areas of high percentage declines in the number of farms.

In 2000, 30.5% of farm holders were subsidiary occupation farmers. The spatial pattern for subsidiary occupation farmers (Map 9) showed relatively higher percentages in the northwest, which extended through the midlands to areas bordering Dublin county. Farming systems common in these regions were farms in the Rural Environment Protection Scheme (REPS) and specialist beef farming in the northwest including parts of the midlands, specialist sheep farming in the upland areas and mixed grazing livestock systems in areas adjacent to Dublin. Decreases occurred throughout eastern Meath into southern Louth, in western Kildare, the west of Donegal, Mayo, and Galway and to a lesser degree in the south. The pattern for this category appeared to complement that of sole occupation farm holders.

Table 4 shows changes in the numbers and proportions of farmers in each occupation class between 1991 and 2000. Sole occupation farmers, by far the largest group in 1991, declined by 37%. In contrast, the subsidiary class which was the next most common group in 1991, increased by over 21%.

Table 4: Number and proportion of farmers per occupation class and percentage change, 1991 – 2000

Occupation class	Number of farmers 1991	% Total farmers 1991	Number of farmers 2000	% Total farmers 2000	% Change number of farmers
Sole	124,746	74	78,723	56	-37
Subsidiary	35,405	21	42,976	30	21

Source: Census of Agriculture, CSO (1994, 2002)

Sole occupation farming declined in all counties with a State average decline of 24% (Map 10). Declines in excess of 45% formed clusters of EDs in the northwestern counties, west Clare, northeast Kerry, east Meath and north Wicklow. The handful of clusters displaying percentage increases occurred in pockets along the northwest as well as northern Dublin and Meath, and northwestern Kildare. In direct contrast, subsidiary occupation farming increased in all counties except Dublin, around a State average of 46% (Map 11). Largest percentage increases of 100% and higher occurred in western Mayo and Galway, central Leitrim up into northern Donegal, in Limerick and the southern half of Wicklow where farm economic viability would be considered comparatively low. Some of the largest concentrations of declines in subsidiary farming greater than 10% occurred in east Meath,

northwestern Kildare and in Louth, areas that also exhibited highest concentrations of EDs with declines in the numbers of farms of 90% and more. They also showed up strongly in the western reaches of Donegal, Mayo, Galway, Kerry and West Cork, where 33% and more of farms participated in REPS. These areas have also high amenity value as tourist areas which suggests an effect of the off-farm economy via, for example, jobs in the service industry and holiday home construction.

Productivity

Average ESUs per hectare and average ESUs per AWU can be used to evaluate the productivity of enterprises in terms of land use and labour input, respectively. Highest values of ESUs per hectare in 2000 emerged in the counties of the northeast, south and southeast, signaling a positive association with intensive farming systems such as dairying, tillage, pig, poultry and horticulture (Map 12). Conversely, along the west coast, especially in the northwest, with the exception of the dairying regions of Limerick and north Kerry, values in the lowest class for land use productivity prevailed. On the east coast, northern and central Wicklow stood out with comparatively lower values signaling the effect of the uplands and specialist sheep farming on land use productivity there. All of the areas with low values were associated with more extensive forms of production and farm types of lowest average economic scale, such as mixed livestock, and specialist beef and sheep farming.

The northern half of the State exhibited relatively large increases in ESUs per ha compared with the south (Map 13). By contrast, the western regions of Galway, Mayo, and to a lesser degree Donegal, showed the largest contiguous areas of declines in ESU per ha suggesting extensification of production in those marginal farming quarters. These areas had relatively high levels of specialist sheep farming (28% plus) and REPS participation (33% plus) in common. The northwestern cluster of east Mayo, Roscommon, Sligo and Leitrim again showed up here exhibiting high rates of increase as did Central Wicklow, the former being strongholds of specialist beef farming and the latter dominated by specialist sheep and mixed grazing livestock systems. Such increases could indicate the positive influence direct payments had on ESU per ha post-1992. For example, in 2001, DACAS payments (Disadvantaged Area Compensatory Allowance Scheme) per farm, which replaced headage payments, were greatest in the northwest and border (Connolly *et al.* 2002). The geography of extensification payment uptake may also have influenced the comparatively larger increases in land use productivity in the north relative to the south. In 2001, the highest extensification payments of €1,432 to €2,486 per farm occurred in the midlands, northern Munster and the southeast (Region 6). These payments were lower for all farm types, in particular dairying systems, in the Objective One Region (i.e., Border, Midlands and West Region) compared with the rest of the State (Connolly *et al.* 2002).

The second measure of productivity, ESUs per AWU, elucidates the value of output by labour (Lafferty *et al.* 1999). Only county-level data is available for this analysis. Map 14 shows a northwest and southeast divide in 2000 with highest values of 19 ESUs per ha plus extending from the south through to the northeast, topped by Waterford at 26.5 and Kilkenny at 24 ESU per AWU. In contrast, all the counties of the northwest fell into the lowest class of values, culminating with Leitrim (7.9 ESU per AWU) and Sligo (9.2 ESU per AWU). This geography again points to the influence of farming systems on this indicator.

Map 15, plots percentage change in ESUs per AWU between 1991 and 2000. Here, the counties with the largest percentage increases were clustered in and around Connacht and the border region. Cavan, Monaghan and Mayo showed up in the highest class of 177% plus, followed in the next class of 123-141% by Roscommon and Leitrim in east Connacht, and Louth, Offaly, and Wexford across Leinster. Specialization in intensive and/or highly mechanized production systems leading to increased labour efficiency may have influenced this pattern in such counties as Cavan, Monaghan, Louth and Wexford. Increases in part-time farming (Map 11), requiring farmers to use their time on the farm more efficiently, may

account for the increases, in Mayo, Roscommon and Leitrim. Counties with comparatively smaller percentage increases included all of Munster and the remainder of Leinster. This accords with the relatively superior labour productivity of farms in those areas suggested by Map 15 and the greater level of mechanization characteristic of those region's specialist tillage and dairying systems.

Discussion

Indications from this initial analysis of characteristics of farm structure are that while spatial patterns in 2000 appear broadly similar to those found by Lafferty *et al.* (1999) for 1991, significant structural adjustments by 2000 in the northwest and along the border, in particular, contrasted with low levels of structural change in the south and southeast. These findings suggest some degree of spatial convergence, most notably in the economic scale of farm businesses in the northeast. They also highlight the comparatively favourable farm structure characteristic of the south and southeast and support the idea of stability there, underpinned by natural resources, farm structure and policy. Apart from emerging trends in the latter region, driven by changes such as a 200% increase in both the average size of poultry flocks and of pig herds between 1991 and 2000, a strong division of the State persisted. Lafferty *et al.* (1999) found a transition zone running from Limerick to Louth that separated the southeast, characterized by large-scale, intensive farming and younger farmers, from the northwest dominated by smaller-scale, less intensive farming and older farmers. Relatively lower values around Dublin County marked a cleavage in this south-eastern subdivision. The data suggest that large percentage increases in farm economic size in the northeast, combined with relatively smaller increases in the southeast and south may be resulting in a comparative reduction in the economic scale of farms in the southeast and a widening of that cleavage in farm economic scale around Dublin. This geography implies the significance of a suite of factors including intensification of pig and poultry systems in the northeast, restrictions on tillage and dairying systems following the 1992 CAP reforms in the south and southeast, and the strength of the pull the off-farm economy exerted on farmers in the Greater Dublin Area. Support for the latter included declines in percentages of sole occupation farmers and increases in subsidiary occupation farmers there, despite the region's comparatively advantageous position in terms of natural resources and climate. Adjustments in indicators of farm structure in the northwest revealed high rates of restructuring there, e.g., in terms of farm size and economic scale, between 1991 and 2000. Yet in spite of these efforts, and the uptake of accompanying measures such as DACAS and REPS, the region did not break out of the lowest class of farm economic scale. Areas that exhibited decreases in subsidiary occupation farming, especially in the east of the State, compared closely with those which displayed declines in the number of farms, suggesting that a decline in subsidiary farming indicated a transition out of agriculture altogether. At the same time, the proximity of EDs displaying percentage increases in sole occupation farmers to EDs with increases in subsidiary occupation may indicate the ability of sole occupation farmers neighbouring those transitioning into part-time farming to expand their land base.

In addressing the question *how did Irish farmers respond to the changing policy and market environment between 1991 and 2000*, some of the main changes found here were fewer active farms and increasing farm size. Despite a decline of 17.5% in the regular farm labour force, there were extensive increases in land use and labour productivity. Declines in labour input in every county occurred within a context of an increase in mechanization from 1.3 to 1.5 machines per farm between 1991 and 2000. Improvements in the non-farm economy during the 1990s provided an important pull factor for farm labour resulting in more women working in service industries and new non-agricultural job opportunities for farm workers (Commins 1999). Between 1990 and 2002, jobs in industry increased by 53.4% while service employment rose by 78% (Central Bank of Ireland 2003). Within that period, the proportion of farms where the operator and/or spouse had off-farm employment rose from approximately

30% in 1993 to 45% in 2001 (Matthews 2003). However, employment opportunities were geographically concentrated (Commins 1999) resulting in different levels of off-farm job availability throughout the State, which may have also contributed to variable rates of change in levels of farm labour inputs (AWUs).

Trends underlying State-wide declines in AWUs between 1991 and 2000 could include decreases in full-time farming as farmers combined off-farm employment with more extensive agricultural production. For example, specialist beef farming, a production system amenable to a strategy of extensification via subsidies available post-1992, was the only farm type that underwent an increase in numbers between 1991 and 2000, of farms by 1%. Compared with other farming systems, specialist beef farming had the largest decline in full-time farmers (1.0 AWU) of 44% and the greatest increase of 202% in part-time farming of less than 0.25 AWU. National Farm Survey results for 2001 confirmed that part-time farmers in cattle production systems received the highest range of extensification payments from €1,100 to €1,400 per farm, compared with only €270 to €370 in dairying systems, and €430 to €440 in sheep and tillage systems, respectively. In other areas, the decline in AWUs may reflect a decrease in the numbers of less economically viable farmers and the persistence of larger scale, more highly mechanized and labour-efficient commercial enterprises. This is borne out by data that showed a decline of 39% in farms of less than 8 ESUs and an increase of 41% in those of 16 ESUs plus.

In Ireland, the Agri Food Committee's vision for the future of agriculture was for a sector that provided a viable livelihood for farm households, focused on consumer demands, closely integrated with the wider rural community and contributed positively to the natural environment (Department of Agriculture and Food 2000). This vision is compatible with the European Model of Agriculture based on the principles of multifunctionality, sustainability and competitiveness, and policy reforms are designed to help support these principles. Despite these objectives of multifunctionality and sustainability, it appears to be competitiveness that is gaining most from European agricultural policy (Evans *et al.* 2002, Matthews 2003), including the latest CAP reforms. In turn, policies which promote competitiveness and market responsiveness, in combination with a growing integration of farmers within an agro-food industrial complex, serve to increase the income gap between small, and less economically viable farms less than 50 ha, and large farms, via economies of scale and a tightening cost-price squeeze. Such income polarization serves to accelerate the decline in numbers of small farmers.

Yet, despite the economic cost of remaining on the land, people continue to do so, albeit in increasingly smaller numbers. This implies the existence of socioeconomic trade-offs whereby social factors act to depress the economic threshold, below that deemed to be economically viable, at which farmers and farm families make the decision to leave the land. Farm families at risk of abandoning the land benefit from accompanying measures of the 1992 CAP reforms, which work to prevent this threshold being reached. One such measure, the Rural Environment Protection Scheme (REPS), attempts to conserve family farms in marginal areas by paying farmers to provide public goods, such as the protection of the physical and cultural rural environment. While REPS appears to fit with notions of multifunctionality and sustainability, it is delivered within the context of an ever-changing political environment and is thus vulnerable to withdrawal. For example, whereas market inability to deliver public goods is used increasingly to justify farm transfers via the second pillar of CAP, it occurs despite uncertainty as regards the value the public places on these goods (Matthews 2002). Questions also arise as to whether agri-environment schemes have long-term effects on farmer planning and thinking (Peterson 2003) and this will not encourage public support for further investment. Another threat to this type of policy instrument is Ireland's high rate of inflation, which Matthews (2003) warned would quickly depreciate the value of direct payments, creating more pressure on farm households to secure income from non-agricultural activities. Since over 100% of farm family income in

cattle and sheep production systems were made up of direct payments in 2000 (Connolly *et al.* 2001), this threat of depreciation disproportionately affects the west, midlands and upland areas.

This context of increasing rationalization in Irish farming and a declining agricultural labour force leaves the question, *how can the multifunctional and sustainable components of the European Model of Agriculture be accomplished?* If agricultural production remains oriented towards the global food economy, it follows that large-scale, intensive and industrial-style farming will continue to dominate at the expense of smaller family farms which, in spite of good farming and business practices, are simply unable to compete at the same level. For example, the number of small farms, defined as those less than 20 ha, is decreasing by 3.3% per annum compared with stability in the number of larger farms (Department of Agriculture and Food 2000). Boyle (2003) identified “scale, scale and scale” as the key strategic issue requiring attention to address the lack of long-run competitiveness of commercial agriculture here. But increasing scale means fewer farms and returns us to problems of sustaining viable agricultural communities and rural populations especially in marginal areas. Maintaining smaller and well-managed family farms in Ireland is an objective under the European Model of Agriculture, to promote diversity in forms of agriculture, support rural communities and population viability, and provide public goods in terms of conserving biodiversity, rural environment, food security and cultural heritage (Matthews 2002). But, persistent trends of decline in small farm numbers shows clearly that these cannot compete successfully in the global food commodity market, either against large, commercial Irish farmers or international farmers. For example, cash costs of beef production in Ireland are over three and a half times Argentinean levels and Irish sheep meat production costs are over three times those of New Zealand farmers (Boyle 2003). Furthermore, the increasing transparency of direct payments following decoupling renders them easier to reform and reduce in the future, especially in the context of growing budgetary pressures due to EU enlargement (Boyle 2003). What, therefore, are the alternative and viable business strategies available to the smaller Irish family farm?

One alternative is to combine part-time farming with off-farm jobs (pluriactivity) and this strategy is well established in Ireland. Between 1991 and 2000, subsidiary occupation farming increased 21% while sole occupation farming declined by 37%. By 2002, farm holders and/or spouses on an estimated 48% of farms had an off-farm job (Connolly *et al.* 2003) and almost 60% of farm household income came from off-farm sources (Department of Agriculture and Food 2003). But this strategy depends on the geographical availability of appropriate off-farm jobs. A second alternative is diversification of farm business strategies whereby agricultural production is combined with a non-farming enterprise on the farm (e.g., farmhouse accommodation) to fully exploit under-utilized farm and labour resources. Significant percentage increases in the numbers of farms engaged in non-agricultural economic activities occurred in all counties between 1991 and 2000, however, this strategy can be capital intensive. A third alternative is a transition into a market-based and ecologically sound production system as in chemical-free or organic agriculture encouraged by the significant growth in demand for organically produced food. In Ireland the market for organic food is €25 million per year with an estimated market growth rate of 25% per annum but only 30% of that food is produced domestically (Food Safety Authority of Ireland 2003) indicating the potential for growth here. Between 1998 and 2000, the area of land devoted to organic farming in the EU grew by 67% to 3.8 million hectares and the number of holdings by 32% to 132,000, increases even more impressive when considered within the context of decline in agriculture overall over the same period (Duchateau 2003). In Ireland, the growth was comparatively low at 12% to 852 farms (Duchateau 2003). However, organic agriculture is subject to pressures to weaken restrictive production criteria more prohibitive to large-scale producers (Norberg-Hodge, Merrifield and Gorelick 2000) and if criteria become more accommodating to larger operators, the same stumbling blocks of economies of scale and cost-price squeeze that threatens small farmers in the current system will arise in the organic

system of production. In response to this argument, a fourth pathway to conserve smaller scale family farming and help prevent rural depopulation is a re-orientation back to the local food economy. This strategy seeks to strengthen consumer-producer linkages through small-scale, diverse and ecologically-sound farming and its existence is evident in the rising popularity of farmers markets that showcase local fresh food and a growing grassroots movement seeking to develop sustainable forms of agriculture and shorten the food supply chain (Norberg-Hodge *et al.* 2000). What is remarkable about this local food movement is its growth despite almost no support from policymakers (Norberg-Hodge *et al.* 2000). The goal is not to supplant the global food economy but to co-exist with it and fulfill specific consumer needs while strengthening the entire rural economy, both inside and outside the farm gate.

Acknowledgements

The primary author is funded by a Walsh Fellowship from Teagasc. The authors are very grateful to Gregg Patrick, statistician in the Agricultural Division of the CSO, who provided the data from the Census of Agriculture and responded to many queries regarding its compilation. Thanks also to Nick Gregg in the Department of Agriculture who provided the data for REPS. Jim Keenan, cartographer in the Department of Geography at NUI, Maynooth, advised on the map layouts. Many colleagues have assisted to date with this research but special thanks go to those in the Spatial Analysis Lab in the Department of Geography at NUI, Maynooth and staff in the Rural Economy Research Centre of Teagasc.

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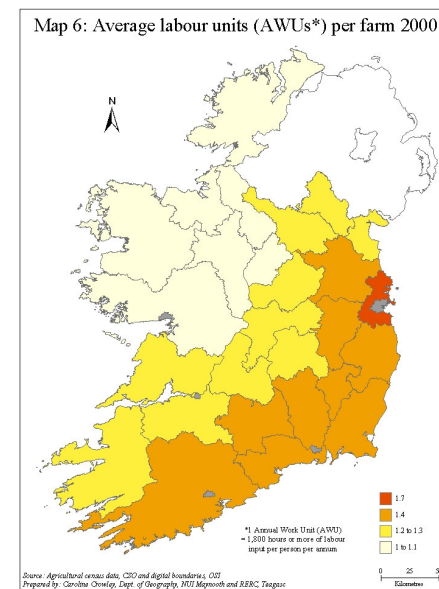
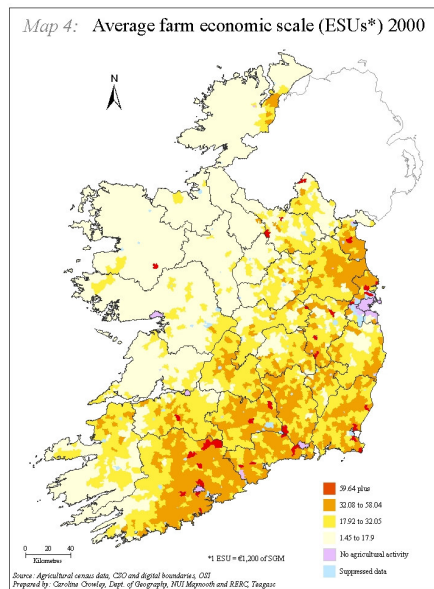
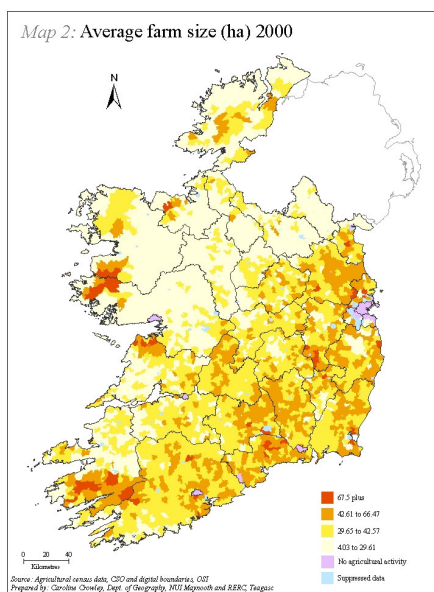
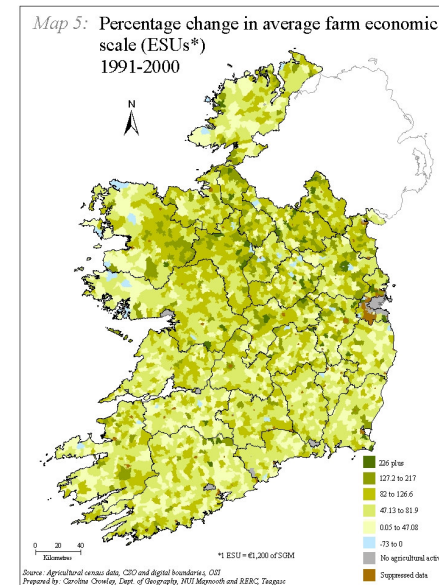
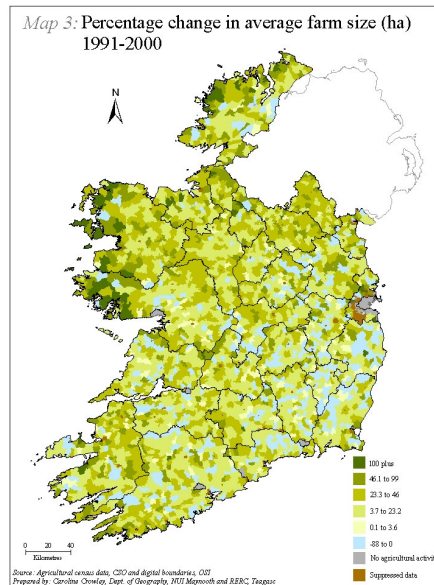
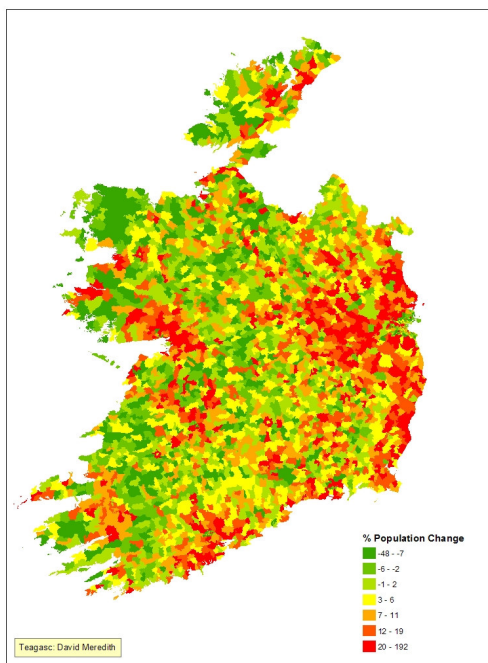
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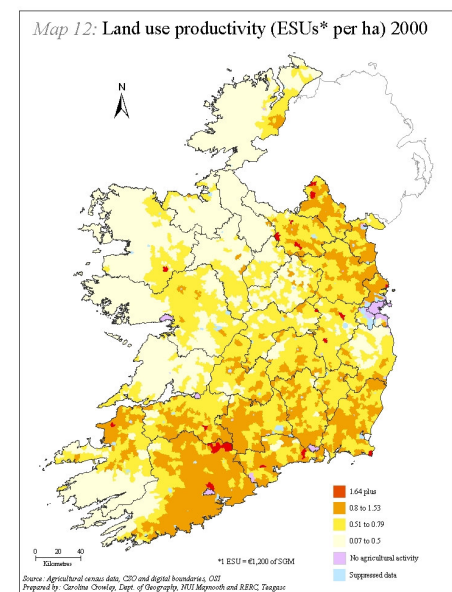
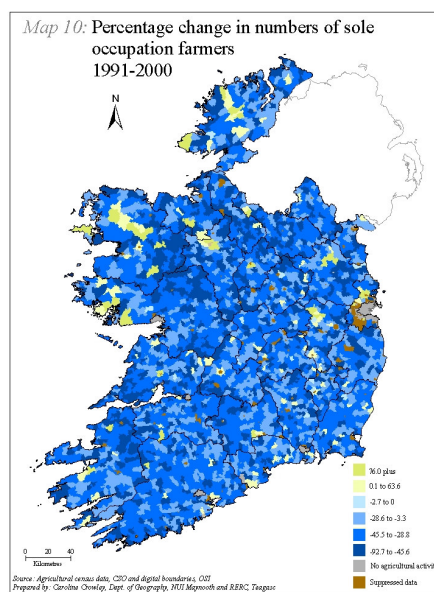
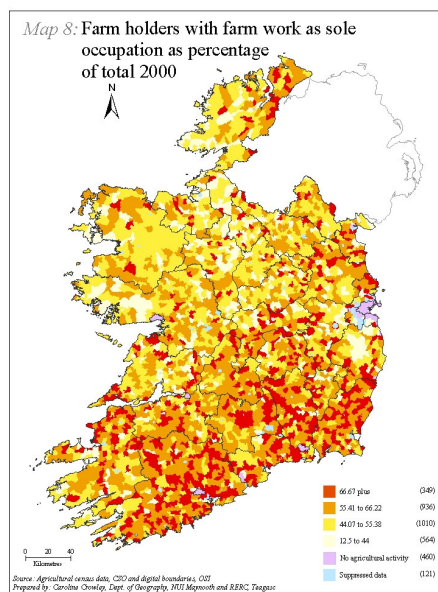
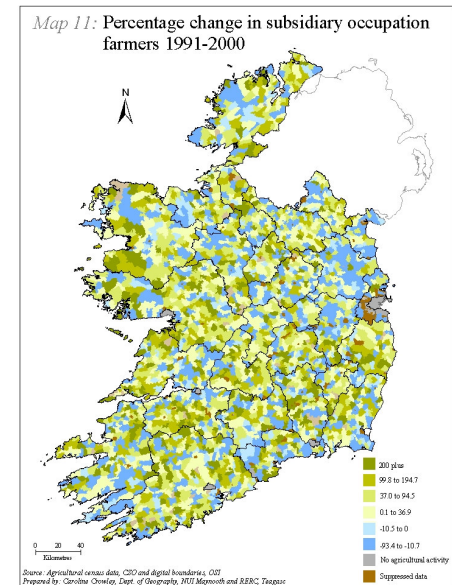
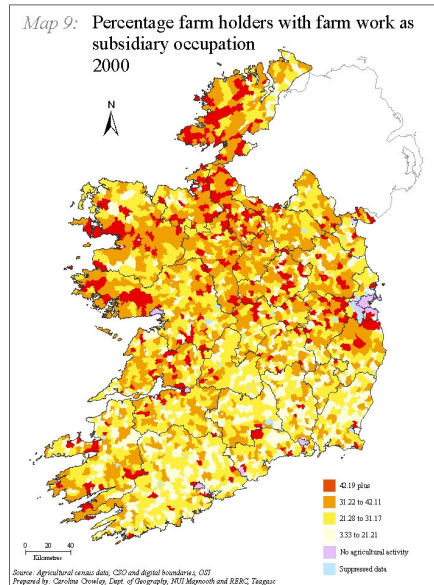
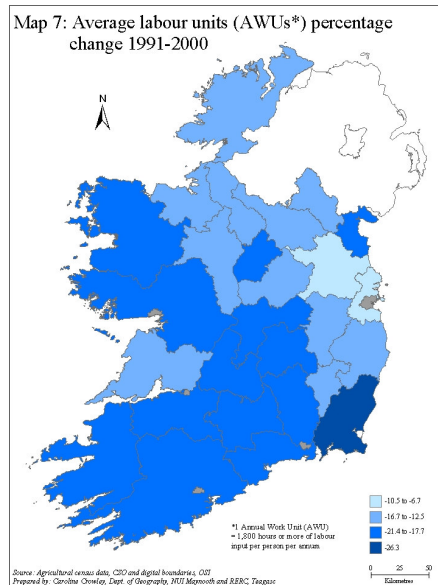
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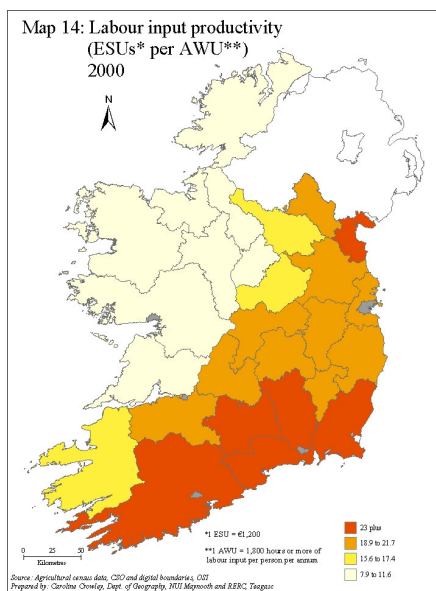
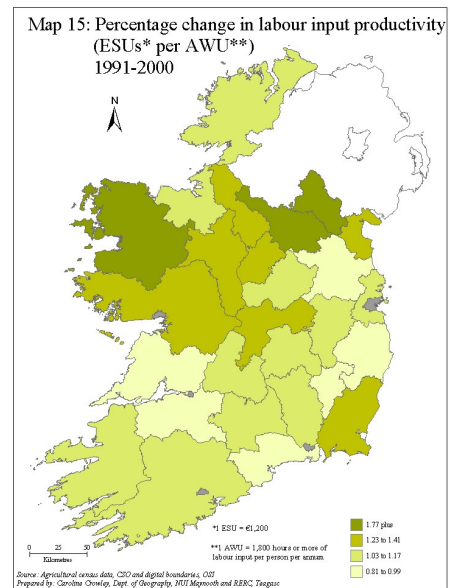
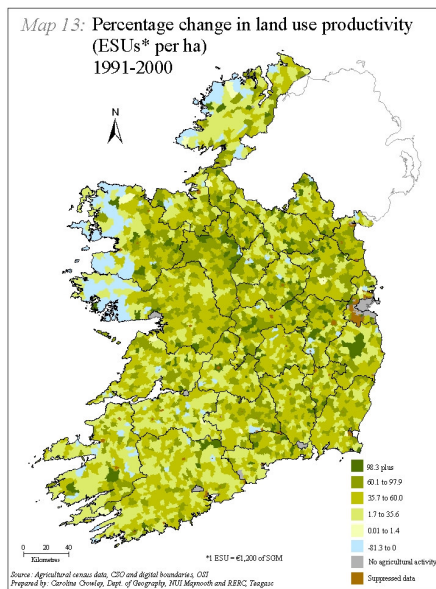
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Development in Diverse Rural Areas- A Case Study in county Galway

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Introduction

In the past decade unprecedented change has occurred in rural areas which has given rise to a diversity of rural settlements. In the short period between 1996 and 2002 census data show a dramatic decline in the population of many areas remote from urban centres and an associated weakening of the demographic structures. Conversely, areas closer to urban centres have experienced major population growth commonly comprised of residents who commute to work to locations outside the area. Likewise with regard to agriculture the last decade has seen fundamental change. Production, which was the essential dynamic driving farming, is no longer favoured by EU policies, in future, farmers will receive most of their farm income in the form of entitlements based on previous production. Furthermore, farm incomes are not keeping pace with those available in other sectors and farmers and their spouses supplement their farm incomes by seeking off-farm employment.

Change by its nature is disruptive of the status quo but not all rural households are positioned to adapt to the changing circumstances. Clearly some are left behind while others adapt and prosper. The focus of this study is to examine how rural households and different rural areas have responded to and absorbed change. In this context two questions arise, namely;

- 1) To what extent have rural areas become differentiated? What are their dominant characteristics and how viable or sustainable are they?
- 2) What is the mix of rural households in different areas, how have they responded to change and what are their critical needs?

To examine these questions a case study of County Galway was initiated in 2002. This was a joint study involving Teagasc and Galway Rural Development (GRD) with the focus on all rural households.

The perspective of the study was rural development, which in its widest sense can be defined as, "*a process, which involves a broad multi-sectoral concept which embraces a wide range of economic and social activity*" (Dept. of Agriculture and Food, 2000 p.19). The essential elements identified are; 1) the rural economy and 2) the rural society or community. The predominant model of development has been in economic terms, with an emphasis on employment and income, where success/performance was measured in financial or monetary terms. More recently these models are tempered with other criteria such as social inclusion, population dispersion and environmental considerations. However, the community component, though well regarded and advocated, seems to have less primacy in models of development. In the broadest terms a community can be taken as a place to live in a social environment where everyday social relationships and discourse occurs. Increasingly, the currency by which community activity is evaluated is participation in local and community affairs.

Clearly those two elements (economy & community), which coexist in society, have major differences in orientation. The economy is concerned with work and business and is

universal, and global in its scope. By contrast a community is based on interpersonal relationships giving rise to familiarity and a shared understanding among residents of a local area. In traditional communities, work was less differentiated from other forms of social relationships but in modern society, work is largely separated from community. This is a major factor impacting on rural areas, especially as farming becomes a less dominant feature of rural life. In this regard, a recent paper (Fischler, 2003) makes reference to the role of agriculture in rural areas, where in the past the outward links between farming and the community sustained and supported the local economy. Because of the changing circumstances, Fischler's view is that these links must be reversed, where the community must be challenged to support and sustain the farm sector. Clearly the topic under discussion is a complex and challenging one.

It is the contention in this paper that sustainable rural development must be built on a viable rural economy, an inclusive and active community, balanced population structures and an amenable physical environment/location. The approach adopted in this study is to examine in some depth a microcosm, which can provide insights to rural development in rural communities.

Methodology

County Galway was selected as a case study where these questions could be examined. Galway was selected not purely because of local interest and support, but also because of its location removed from Dublin and its mix of urban and rural population. The first task was to examine and identify different types of rural areas in the county. Following a methodology applied by Leavy 2001, Haase 1999, and others, a cluster analysis of rural DED's in Co. Galway was used engaging a range of demographic and farming variables. (See Appendix A for list of variables used). The result of this analysis was a typology consisting of five different kinds of rural area (Map 1). Taking into account the main distinguishing factors identified in the analysis, these areas were labelled 1) Peri-urban 2) Remote 3) Forestry favoured area 4) Good farming area and 5) Other farming area.

The peri-urban area consisted of 17 DED's mainly in the hinterland of Galway City and included a population of 21,000 permanent households (CSO 2002 vol 3). The typology labelled remote accounted for 22 DEDs and over 5,000 households while the forestry area was comprised of 14 DEDs and almost 1,000 households. With respect to the farming areas the typology labelled good had 35 DEDs and a population of 3,200 households while the other farm area was by far the largest unit with 125 DEDs and a population of 21,000 households.

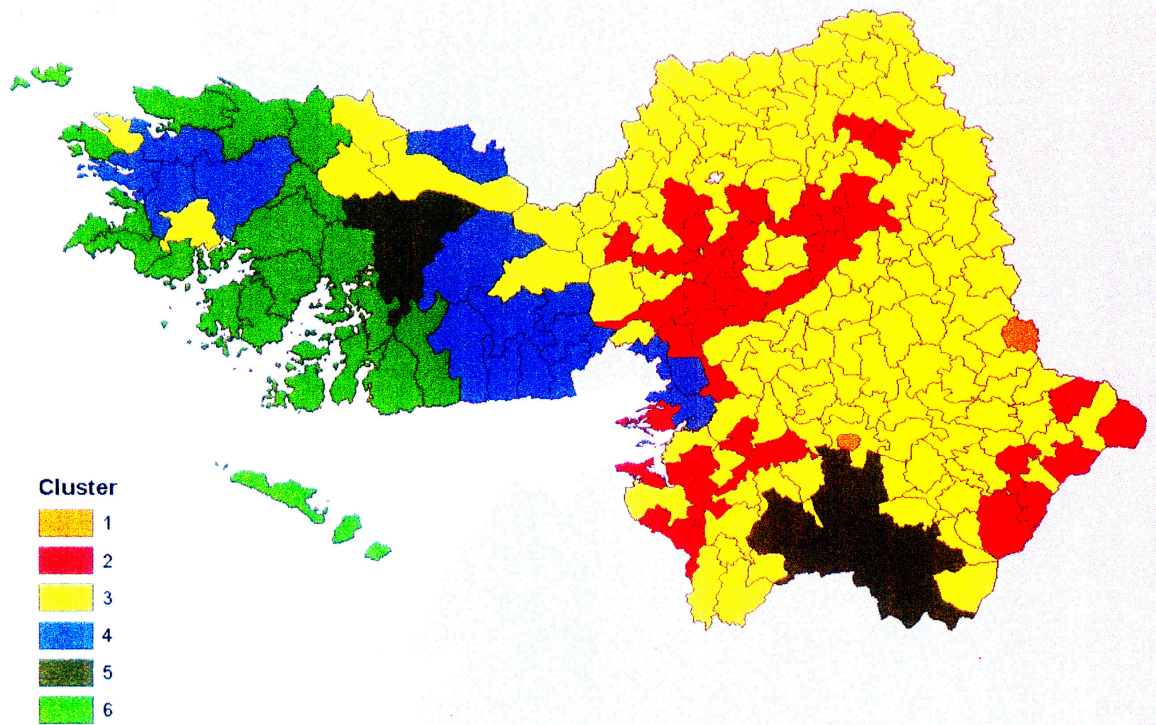
With respect to rural households, five different types were identified, depending on the status of the head of household, namely (1) Farm households, (some income derived from farming). (2) Elderly households (person over 65 years old and living alone) (3) Unemployed household (head of household unemployed) (4) Retired Households (head of household retired) and (5) Employed households (head of household in non-farm employment). Previous Studies, (e.g.: Hickey and Frawley, 2002), also used this typology of rural households.

The Survey

For the five different area typologies a DED was selected to represent that type of area. Consultation and advice from Teagasc personnel and other interested agencies on selection was taken. Two criteria guided selection: firstly it was desirable to select a DED which would have community attributes such as a community centre or focus point for the area, secondly it was necessary to select an area where the co-operation and interest of local influentials was

forthcoming. The five areas selected were (i) Clarinbridge (peri-urban), (ii) Gorumna (remote) (iii) Woodford (forest), (iv) Laurencetown (good farming) and (v) Glinsk (other farm).

Map 1 Typology of Rural Areas



For each selected DED the relevant register of electors was established, and with the assistance of local knowledgeable, a population of private households was obtained. Similarly households were identified according to types; namely Farmer, Elderly, Unemployed, Retired and Other. Where it was not possible to assign 'unknown' households to a category they were assumed to have the same distribution between household types as those who were known. A random sample of households representing all households was then selected. Table 1 is a summary of the population and sample for the selected areas.

Table 1: Population of different household types and sample by different type of rural areas; percent in brackets

Area	Total Households	Farmers	Elderly	Unemployed	Retired	Employed non-farm	Sample Size
Peri-Urban	413 (100)	65(16)	14(3)	1 (0)	57(14)	277(67)	106
Remote	386(100)	85(22)	40(11)	70(18)	94(24)	97(25)	100
Forest Area	181(100)	39(22)	22(12)	17(9)	34(19)	69(38)	89
Good Land	165(100)	65(39)	11(7)	6(4)	29(18)	54(32)	85
Other Farm	219(100)	119(54)	27(12)	2(1)	32(15)	39(18)	104

Personal Interviews with selected households were carried out by Teagasc & GRD staff in late 2002 and early 2003. In all, 484 interviews were completed and analysed. For each area estimates of each household type was weighted by the population for that household type for that area. The original designation of households to particular types was checked against the outcome of the interview data and a high level of agreement was found across the areas validating the original populations derived.

Findings

The results are discussed under four main headings, namely (1) the economy of rural households /areas, (2) rural communities, (3) population balances and (4) the rural environment.

The Local Economy

In terms of the economy, three aspects taken to be indicative of household economies were examined namely, (a) income source, (b) occupations and skills and (c) location of work.

Income Sources

Table 1 shows the composition of population of different area types in terms of household category. These data show clear distinctions between the areas. For instance in the Clarinbridge area only 16% of heads of households were farmers while 67% had non-farm employment. By contrast, Glinsk the typical Galway farming type area had more than half (54%) of heads of households engaged in farming while less than 20% had non-farm employment. Other area types ranged between those two. Retired households were the third largest category across all areas and accounted for almost one-quarter of households in the Gorumna area. A considerable proportion of households in all areas was described as Elderly¹, apart from in the Clarinbridge area where they accounted for only 3%. Generally, unemployed households did not constitute a major proportion of the population except for the Gorumna area, with an estimated 18%.

A closer examination of income sources across all area types, of different household categories gives another view of the local economies and the households within them. The results show that for almost all of the elderly, unemployed and retired households, the main sources of income are pensions and state benefits. In this regard, there is little difference between areas. In most households there is only one person in receipt of those benefits. However in retired and unemployed households there was a small number where other members, (other than the head or spouse), also had an income. However, for households that were actively engaged in work, such as farmers and employed non-farmers, there was a wide range of circumstances.

Confining the analysis to households where the head of household or spouse was actively engaged in work. Table 2 summarises the employment status.

¹ Refers to a person over 65 years of age, and living alone as distinct from retired households where the head of household is retired and living with others.

Table 2: Percent of heads of households actively engaged as employees or self employed by area type

Employment	Clarínbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Employee	68	52	58	64	71
Supported Employee	1	18	8	3	9
Self employed	31	30	34	33	20
All	100	100	100	100	100

Some differences between areas were found but in general, between 50% and 70% of heads of households, who actively engaged in work were employers. Between one-fifth and one-third were self-employed. In the Gorumna area, 18% had assisted type of employment such as working with FAS, back to work schemes etc.

Information on the occupations of employees at work was also obtained. This includes the off-farm occupation of farmers. Table 3 provides an overview for the heads of households.

Table 3: Occupational structure of heads of households at work (employees) for different rural areas

Occupation Type	Clarínbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Prof/Managerial	67	15	31	26	27
Transport/Contr.	10	15	13	21	22
Factory work	6	19	29	17	7
Building	3	10	8	18	12
Services	3	12	7	5	17
Skilled	10	3	4	9	3
FAS	0	22	8	3	12
Other	0	5	0		0
Total	100	100	100	100	100

Table 4 is a summary of spouses occupation (predominantly wives) for those at work.

Table 4: Occupational structure of spouses at work by area type

Occupation Type	Clarínbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Prof/Managerial	70	45	24	43	48
Clerical	3	9	24	11	6
Domestic/Carer	10	10	0	19	11
Factory	2	12	38	8	8
Services	16	0	8	8	21
FAS	0	15	6	5	3
Other	0	9	0	5	3
Total	100	100	100	100	100

These data show a wide range of occupations and skills in terms of those at work in rural areas, particularly for heads of households. Rural spouses have a substantially different

occupational structure, with relatively high proportions at work in professional and managerial positions: a high proportion being teachers or nurses.

Major differences between areas were also evident with a high proportion of professional and managerial occupations for heads of households and spouses in the Clarinbridge area. Engagement in factory work was a feature of the Woodford area. The sectors in which employees worked are summarised in Table 5.

Table 5: Sectors employing heads of households and spouses by area type; spouses % in brackets

Sector	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Agriculture/Forestry/Fishing	3 (0)	10 (6)	25 (22)	21 (0)	8 (0)
Manufacturing/Building	23 (10)	26 (6)	18 (24)	33 (15)	34 (10)
Public Services	46 (44)	54 (73)	42 (40)	24 (64)	44 (75)
Private Services	28 (46)	10 (15)	15 (14)	17 (21)	13 (15)
Other	0 (0)	0 (0)	0 (0)	5 (0)	0 (0)
Total	100	100	100	100	100

The major role of service employment, and especially public service is evident from these data across all area types. The role of the primary sectors in providing employment is relatively small, with the possible exception of Woodford, the forestry area and to a lesser extent Laurencetown.

Returning to an analysis of all households across all area types Table 6 is a summary of the income sources of households.

Table 6: Classification of households by income sources for different types of rural area

Income Source	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Farm Only	5	3	3	6	6
HOH Employed	24	16	27	24	20
Spouse Employed	9	4	1	8	10
Spouse and HOH Employed	43	12	21	25	24
HOH Benefit/Pension	14	50	36	35	30
Both Spouse/HOH Benefit/Pension	3	15	12	2	10
Total	100	100	100	100	100

Clearly there are major differences between areas in the source of household income. The proportion of households depending on farm income alone is quite small across all areas. The major differences between areas are the proportion of households depending on earned income as distinct from those where there is some state or pension support. For instance, in the Gorumna area 65% of households (head of household or spouse) were in receipt of some benefit as compared with 17% in Clarinbridge. Other areas range in between.

The location where people worked was also considered, how far distant it was, and the usual mode of transport. This information was obtained with respect to all household members. Table 7 is a summary with respect to heads of households and spouses.

Table 7: Distance to place of work for heads of households and spouses for different areas

Distance (one way)	Clarínbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Head: <10 miles	69	17	27	10	34
10-20 miles	21	24	37	49	42
20-30 miles	1	16	4	5	6
30-50 miles	3	42	28	11	7
50+ miles	6	0	4	26	11
All	100	100	100	100	100
Spouse: <10 miles	63	24	38	63	41
10-20 miles	28	28	46	25	42
20-30 miles	3	6	16	0	5
30-50 miles	6	41	0	8	11
50+ miles	0	0	0	3	0
All	100	100	100	100	100

Table 8: Distance to place of work of other household members for different rural areas

Distance (one way)	Clarínbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
<10 miles	56	0	25	43	23
10-20 miles	40	44	32	25	44
20-30 miles	0	10	10	13	5
30-50 miles	0	46	17	6	11
50+ miles	4	0	15	13	17
All	100	100	100	100	100

For most workers across rural areas, as detailed in table 8, a commuting distance of ten miles or more is the norm, apart from Clarínbridge. For some areas, commuting 50 miles or more is not uncommon. The mode of transport was predominantly by car, either their private car or otherwise a vehicle provided by an employer. Public transport was practically non-existent. Attitudes towards commuting (for households with members commuting), were examined as Table 9 summarises.

Table 9: Attitudes towards commuting for different rural areas

Attitude	Clarínbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Fact of Life	27	44	34	23	53
Not a problem	32	14	53	63	24
Too long/Costly	7	38	3	6	10
Other problems	34	5	10	8	13
All	100	100	100	100	100

For most households, commuting is not a major problem, with many saying, "it's a fact of life", or that it is necessary in order to get a well-paid job. The exception was Gorumna where 43% felt that commuting was a problem; this area is some distance from Galway. and commuting times were in some instances, quite long. By contrast in Clarínbridge many indicated traffic congestion, which is included in the table as other.

Community Rural

To examine the extent of community, as opposed to the economy, the focus is on non-work activities within the territory of the rural area. The focus on participation is divided into two main aspects, namely (i) contacts and transactions with agencies and services within the area and (ii) a social capital dimension comprised of personal interrelationships in the voluntary local organisations and informal social interaction.

The level of contact of households with a number of selected agencies serving the local community was established and the degree of satisfaction reported by households. Table 10 is a summary of contact level.

Table 10: Percent of households, with local agency contact, in different rural areas

Agency	Clarínbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Health	47	94	66	69	59
Schools	39	36	40	34	42
Co. Council	25	39	32	33	30
Dept. Agriculture	10	9	15	33	43
Dept. Soc. Community Family Affairs	14	57	24	31	15
Teagasc	8	1	8	16	29
GRD/Leader	1	11	10	11	10
FAS	9	15	13	8	21
Dept. Marine and Natural Resources	10	10	14	4	5
Roinne na Gaeltachta	-	27		-	-

In all areas the local health services was the agency with which most households had contact. Clearly, the health services have relevance to all households. Also it was seen that households such as the elderly, the retired and the unemployed had higher contact levels than the generally younger, more active households. Conversely, these were the households with most contact with the local schools. For those in contact with local agencies, the local schools had the highest level of satisfaction. Regulatory type agencies such as the County Council and the Dept. of Agriculture were less well perceived.

In contrast with agencies, which tend to be state supported, services are taken to be activities which serve local needs or functions. In the study, a number of services were selected and information sought on the level of satisfaction with local provision. With respect to selected services the level of satisfaction of households was obtained (Table 11).

Table 11: Degree of satisfaction* expressed by households with local services in different rural areas

Service	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Shopping	87	74	30	57	89
Leisure	92	50	39	27	60
Churches	83	100	93	96	100
Post Office	100	99	99	84	99
Bank	71	85	8	83	69
Youth Activity	74	36	57	34	55
Security for Elderly	62	79	64	76	81
Access to Jobs	92	19	14	12	31
Water Supply	87	74	85	77	43
Public Transport	71	53	9	12	8
Child Care Facilities	71	83	5	94	24

*Including excellent, good, satisfactory (remainder is poor)

Access to jobs was the issue with least satisfaction across areas with the exception of Clarinbridge. Public transport is another need, which is not well served in most of the communities. In some areas, particularly Glinsk the level of satisfaction with water supplies, which is a basic need, was low. In general, these data are in agreement with the perceptions of the most critical needs to improve the well being of rural families. Households were asked which were the most critical support services rural households needed to improve their situation and apart from Clarinbridge, the creation of jobs was the most critical issue identified. Better access to the health services and better public transport, were other critical services identified, by significant proportions of the population.

Social capital aspects of relevance, and the levels of participation of households in social relationships as distinct from more functional contacts were examined. One measure of participation examined was membership of voluntary local organisations. Table 12 is a summary of the results.

Table 12: Membership of heads of households in local voluntary organisations by different type of rural area

Organisation	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
GAA	23	9	9	17	42
Farm Organisations	8	0	9	16	25
Community Association	16	6	9	14	24
Parish Organisation	9	4	8	11	15
Drama/Music Society	5	5	0	0	4
Political	9	3	2	3	18
St Vincent de Paul	4	0	0	0	1
Other Sport	33	2	11	5	13
Other Groups	11	10	13	6	4

It seems clear that the level of participation in voluntary organisations across all areas was relatively low as measured by membership. The GAA was the organisation in which there was most participation and this was especially the case with respect to Glinsk and Clarinbridge. The involvement in drama or musical societies in particular was very low.

Activities in terms of social interaction were also examined such as visiting friends or relatives, going to a match or the pub. The frequency in which heads of household participated in eight selected activities was established and an activity score derived. In this manner, households were categorised into three levels of participation, namely (1) low (2) medium (3) high. [See Appendix B for details].

Table 13 is a summary of the results.

Table 13: Participation levels of households in informal leisure activities for different rural areas

Participation Level	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Low	16	33	27	33	23
Medium	54	55	52	49	49
High	30	12	21	18	28
Total	100	100	100	100	100

Clearly there are differences between areas in the participation levels in informal activities. In general the Clarinbridge area scored best. This may be a function of convenience to specific activities such as night classes, cinema etc or due to the younger more economically active structure of the population. On the other hand the low level of informal activities in for instance, Gorumna could be indicative of the ageing population in the area or to a lack of opportunity as for instance going to the cinema. Visiting friends and neighbours or otherwise having friends or relatives visit was the social activity most often found across rural areas.

Balanced Population Structures

Implicit in the notion of a sustainable or viable rural area is the idea that a 'balanced', structure is desirable. The problem of 'bachelor farmers' is now consigned to history but there are still imbalances such as communities stripped of their young people with ageing populations. In this context it is enlightening to explore such factors as age profiles, skills/training and gender, to examine how different rural areas are structured. Table 14 is a summary of the age profile of heads of households across all areas.

Table 14: Percent of heads of households in different age categories by area type

Age Category	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
<40yrs	19	15	19	14	19
40-50yrs	28	21	20	22	18
50-65yrs	36	30	26	38	29
65-75 yrs	11	24	24	10	24
75+	6	12	11	16	10
All	100	100	100	100	100

These data show that across all areas the proportions of heads of household over 65 years are substantial with the exception of the Clarinbridge area. CSO data for 2002 (vol. 3)

shows that 25% of all permanent households in the state have a reference person over the age of 65. In this context the age profiles in some rural areas seem older than the national average. Information on the highest education levels of heads of households and spouses was obtained. This is summarised in table 15 for heads of households.

Table 15: Heads of households with different educational levels by different rural areas

Education	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
Head of Household:	%	%	%	%	%
Primary Only	24	68	45	50	51
Some Secondary	23	20	26	27	23
Secondary Complete	12	6	13	11	17
Third Level	41	6	16	12	9
Total Heads	100	100	100	100	100
Spouse:					
Primary Only	11	49	21	17	26
Some Secondary	13	27	33	41	20
Secondary Complete	27	17	26	20	32
Third Level	49	7	20	22	22
Total Spouses	100	100	100	100	100

Primary level education was the highest level obtained by most heads of households in rural areas with the exception of Clarinbridge where more than 40% had third level. For spouses the highest levels obtained were better than for heads in all five areas. Reference to the census of population for 2002 for all persons who in Co. Galway have completed their education, shows that 73% of them had higher than primary level. (See Appendix C)

Data from the 2002 census on the gender balance in the rural areas are summarised in Table 16

Table 16: Percentage of Males and Females in populations of different rural areas

Sex	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Male	52	53	48	52	52
Female	48	47	52	48	48
Total	100	100	100	100	100

Source: Census of population 2002 Vol 1

In all areas, except for Woodford, males slightly outnumber females but not to a significant degree. The overall ratio of male to female for Co. Galway was 52/48 in 2002 while the corresponding figure for Galway City was 47/53. It is clear that in the areas studied and in Co. Galway as a whole there is no major problem with gender balance. In terms of a balanced population structure it is evident that except for the Clarinbridge area the populations are generally older and have lower levels of formal education.

The Rural Environment

Increasingly the spatial dimension of rural development is receiving some focus as to how rural areas are linked to urban areas and to gateways and hubs of economic and social

activities. In this study it is clear that many commute to work to locations, sometimes distant from their own community. Clearly for many commuters, the rural environment has a meaning and attraction, which favours their decision to live in rural areas. In the study an attempt was made to understand how rural dwellers perceive their own communities, how satisfied they are to live there.

In the study householders were asked if they liked living in the area and what were the advantages and disadvantages they attributed to life in the countryside. Across all areas the vast majority indicated they liked living in the area. The main advantages are summarised in Table 17.

Table 17: Perceived advantages of living in their own area by area type

Advantage	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Family, Neighbours, Community	14	9	21	35	40
Peaceful Quality of life	32	52	35	27	28
Countyside/open space	7	9	25	21	6
Convenient to work	46	0	17	13	10
Other	0	14	0	2	2
No Advantages given	1	16	2	2	14
Total	100	100	100	100	100

Quality of life/ peaceful environment is one of the main advantages perceived by residents in rural areas. Family, neighbours and community are aspects associated with the farming areas while convenience to work is seen as a major advantage in the Clarinbridge area.

The attitudes and sentiment of local residents to their own place is another dimension, which is indicative of attachment to rural areas. A number of attitude statements were presented to respondents to establish their degree of agreement or disagreement. By scoring replies and aggregating them across all statements, a measure of 'attachment' or 'sentiment' about their own area was derived. These statements included such as (i) "the longer I live here the more I feel I belong" or (ii) "this location is basically a friendly place". A minimum score of 7 and maximum score of 28 was possible for each respondent.

A full list of the statements are given in Appendix D. Table 18 is a summary of the results.

Table 18: Mean score and percent of households with different levels of sentiment by area type

Satisfactions Levels	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
Mean Score	22.6	22.8	21.8	21.1	20.3
	%	%	%	%	%
Highest quartile	38	46	28	14	7
Majority 50%	42	47	55	62	57
Lowest quartile	20	7	17	24	34
Total	100	100	100	100	100

As indicated by the mean scores the level of satisfaction with their own areas was relatively high. Gorumna shows the highest level of satisfaction with a score of 22.8 while Clarinbridge has a score of 22.6. When these scores were categorised in the highest (top

quartile), the majority (the middle 50%), and the lowest, (bottom quartile), these differences are also evident. In the main the strongly farming communities of Laurencetown and Glinsk expressed a middle ground position in terms of attachment while Gorumna scored especially high.

In a similar fashion the perceptions of households toward the safety of living in rural areas was established. For instance, householders were asked if they felt (i) very safe, (ii) safe, (iii) unsafe or (iv), very unsafe to “leave your door unlocked if you were going out for an hour or so” or “being alone in your home at night”. Other safety statements are given in Appendix E. In the same way a score on safety was derived for each householder ranging from a minimum of 4 to a maximum of 16. Table 19 is a summary of the results.

Table 19: Mean Score and percent of households with different safety perceptions by area type

Safety Levels	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Mean Score	11.9	11.9	11.5	11.8	11.3
Highest	38	17	23	32	14
Majority	34	71	57	46	60
Lowest	28	12	20	22	26
Total	100	100	100	100	100

A range of scores between 11 and 12 was found for all areas indicating a high level of safety perception. There was little variation between areas in this respect, and this is borne out by the classification of scores into the highest, majority and lowest categories. A final aspect in this regard was to establish the satisfaction of households “with this neighbourhood as a place to live”. These results are summarised in Table 20.

Table 20: Householders satisfaction with their neighbourhood as a place to live by different types of rural areas

Satisfaction Levels	Clarinbridge	Gorumna	Woodford	Laurencetown	Glinsk
	%	%	%	%	%
Very satisfied	79	82	71	60	88
Satisfied	20	15	26	39	12
Not Satisfied	1	2	3	1	0
Total	100	100	100	100	100

It is clear from these data that most residents of rural areas are very satisfied with their local neighbourhood as a place to live. This is a major endorsement of rural life by those who live there.

Conclusions and Discussions

Five different types of rural areas were identified in County Galway and the study shows considerable diversity between areas, in terms of their economies and of their social and demographic features. Likewise there is considerable variation between areas in the mix of household types.

The study reflects trends already revealed by the CSO (HBS, 2001) that the contribution of farming to the economy of farm households is diminishing, and therefore to the economy of

rural areas. In areas closer to urban centres, non-farm households are now the dominant household types. In the main these are commuters to the nearby city but even in areas remote from urban centres a commuting pattern is established. The absence of indigenous employment in rural areas is a factor in the development in commuting. The lack of local jobs was identified as a particular problem in a number of areas.

In general the range of agencies available to service business and social needs in rural areas is extensive and contact with the relevant agencies is not problematic for the most part. Likewise, there are a range of services in most rural areas but two in particular were identified as deficient; namely a lack of public transport and in some locations there was difficulty with water quality. With respect to informal social relationships within communities and the degree of participation in a range of voluntary groups the level of involvement was relatively low. Involvement in the GAA was the activity most often mentioned while visiting friends and neighbours, or otherwise having friends or neighbours visit was the dominant social activity in most rural areas.

With respect to a balanced population structure, rural areas, (apart from Clarinbridge) had an ageing population with relatively high proportions of households headed by a retired person or an elderly person living alone. This ageing structure was also associated with low levels of education. Another dimension of this ageing population is that the main income was a pension or welfare benefit and this too is reflected in the economy of rural areas. Positive sentiments and perceptions of rural as a place to live are well embedded in the minds of rural households. This is shown in a number of ways in attitudes and attachments to their own area but also in terms of a sense of security and safety, even among those who are elderly and living alone.

Sustainable rural development is a stated priority both at EU and national level. Fischler (2003) asserts the need for “a strong rural development policy” while the Government White Paper advocates the “need for policies which facilitate sustainable growth”.

In this regard a critical need identified by the communities was the creation of jobs in rural areas to strengthen the local economies. Given the ongoing trends in farming these jobs in the main will be non-farm jobs. However, the current policy approach does not seem sufficiently wide to promote economic development in a wide spectrum of possible activities. For instance in the White Paper reference was made to the need for providing, “the necessary physical and telecommunications infrastructure in rural areas to promote development”. Deficiencies in this type of infrastructure are one example of the difficulties, which confront the development of rural enterprise in remote areas. As shown in the study much of the non-farm employment in rural areas is public service driven but by its nature this is a limited area for growth. There is a need for positive and flexible measures to support local initiatives to overcome locational disadvantage in the provision of local employment.

A feature of rural economies is the significant commuting pattern that has developed, sometimes involving long distances to work in urban centres or rural towns. In the absence of local employment this is a necessity for many rural dwellers and is accepted by many commuters as “a fact of life”. In The National Spatial Strategy it was envisaged that a network of hub and rural towns would provide employment centres for those living in the hinterlands. In, Galway that seems to be the case with most commuters travelling by car. In this regard the absence of an adequate public transport system was an issue raised in the communities as well as the poor condition of the roads. But while commuting was acceptable as a means toward getting employment there was also a concern that rural communities would become dormitories,

In this regard Korf (2003) refers to the “spatial rift” between the place where people live and where they work. Clearly the ‘ideal’ development in rural areas is one based on indigenous enterprises, where young people are employed in rural areas.

While it is clear that the principal dynamic for the development of rural areas depends on non-farm enterprises it must not detract from the major role of farming in sustaining rural development. Fischler (2003) observes that there is a need for an integrated approach where the links between farming and the local economy must be strengthened. Farming and the farming tradition is the anchor which forms the core of rural communities and novel ways are required to connect farming with the communities as for instance, through direct marketing, tourism or environmental or landscape activities. In the case of part-time farming there is a need to ensure this activity is compatible with an off farm job.

In the study some emphasis was given to the community dimension and social capital aspects of rural development. The study showed a strong attachment of residents to their local areas and residents in general felt safe and satisfied with their lives in the countryside. This is a significant dimension of rural development and is clearly a rationale for maintaining and supporting rural communities. In some rural areas, where obviously the economy was not strong there was a community dimension and a human resource, which was vibrant, active and attuned to the social and community needs of their areas. Clearly this is a resource which must be facilitated and supported, where community initiatives can prime local development such as the building of village houses for local needs; this activity has been undertaken in two of the communities studied. The high proportion of elderly people living alone and the needs of those retired are other issues, which are probably best managed in a local community context. In the final analysis people live in a society, not an economy, and community initiatives which understand and alleviate those needs are required.

Acknowledgements

The authors would like to sincerely thank many who assisted with the study including members of the steering group who gave invaluable advice and guidance, the five community groups who made the survey possible, the funding agencies and the respondents who freely participated in the study. Thanks are also due to Michael Cushion for technical support and to Anita Cushion and Suzi Egan for secretarial assistance.

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Appendix A.

1. Population Density 1996
2. Age dependency Rate 1996
3. Unemployment Rate 1996
4. % Farms less than 50 AC 1996
5. % Engaged in Farming 1996
6. % Engaged in unskilled manual 1996
7. % Professionals 1996
8. % Adult with 3rd level education 1996
9. % Primary Education only
10. % Long-term unemployed 1996
11. Number of Lone parents 1996
12. Over 65, living alone 1996
13. Change in Labour force (1991 – 1996)
14. Lu's per Ha 1991
15. Number of Dairy Cows per UAA 1991
16. Forest area 1991
17. Tillage area 1991
18. Rough grazing % of UAA 1991

Appendix B.

Activity score based on engagement in a list of spare time activities

1. Visiting friends or neighbours
2. Go playing cards
3. Night Classes
4. Go for a drink
5. Cinema / Theatre
6. Go to a match
7. Have a friend or relative visit

Respondents indicated if they engaged in these activities and were scored

1 = Never, 2 = Once a month, 3 = 2 to 3 times a month and 4 = once a week or more. Low was taken as being the lowest quartile, medium in the middle 50%, and high in the top quartile. Scores were aggregated across all activities and each household. Scores derived from all households and areas were categorised into low (the lowest quartile, medium, (middle 50%) and high (the top quartile)).

Appendix C.

Table A: Percent of Persons in Galway County whose full-time education has ceased by highest by highest level of education completed

Highest Completed	%
Primary	27
Lower Secondary	21
Upper Secondary	29
Third Level	23
All	100

Source, CSO 2002, vol.7

Appendix D.

Attitude statements

1. The longer I live here the more I feel like I belong
2. If I was in trouble most of the people would go out of their way to help me
3. This location is basically a friendly place
4. This place will always be my home
5. Everybody knows everybody else's business
6. Most people in this community can be trusted
7. Young people can have a better life if they remain in that area.

Appendix E.

Safety Index Statements

Respondents were asked if they felt

1 = Very Safe, 2 = Safe, 3, = Unsafe or 4 = Very unsafe in the following circumstances

1. To leave your door unlocked if you were going out for an hour or so.
2. Walking alone in the neighbourhood after dark.
3. Being alone in your home at night.
4. From crime and violence in the community.

An approach to developing tourism in rural areas: lessons learned from a regional case study

Barbara A Hunter¹, Patrick Commins² and Perpetua McDonagh³

Introduction

In the promotion of tourism nationally, Ireland is represented very much as a rural holiday destination. Yet, over the past decade rural areas have not been the main beneficiaries of the expansion in tourist numbers and revenue. A main assumption underlying this paper is that rural tourism development requires its own specific approach in the context of national tourism policy. The paper proposes that such an approach could be formulated under the concept of integrated rural tourism (IRT), which takes account of current thinking about desirable rural development. The main elements of this concept are set out by drawing on studies of tourism development in the counties of the north midlands. Before presenting these, the paper reviews main trends in contemporary tourism, highlighting some concerns about recent trends in Irish rural tourism. Given the diversity of activities and the variety of players involved, the paper concludes that rural tourism development requires a clearer sense of common purpose, expressed through structures that will give cohesion and direction to the efforts of all stakeholders.

Background and Context

The background and context of this paper are set by three main sets of considerations. In the first place, EU and national policy documents recognise that the development of rural areas can no longer be based on agriculture alone. Taken together, the Cork Declaration (1996) and the more recent Salzburg conference (2003) have laid out the principles that must underline the functions of EU rural policy. *Diversification* of economic activity is indispensable to the development of viable rural communities. Development must be *sustainable* in that it ought to preserve the diversity, quality and amenity of the natural landscape and cultural heritage. Rural development must be based on an *integrated approach*, which recognises that rural policy is multi-sectoral and multi-disciplinary in its application. Additionally, rural development policy should be implemented through forms of *partnerships* between public agencies, non-public organisations and civil society with scope for innovative approaches at local level. These ideas are reflected in the Irish Government's White Paper on Rural Development (1999), which also takes a broad multi-sectoral view of rural development, with the emphasis on *balanced regional development*.

Secondly, tourism is a major sector of the Irish economy due in no small way to the country's rural characteristics. It is a fact that in coming to Ireland, visitors are motivated by, inter alia, the perception of beautiful unspoilt scenery, opportunities for sightseeing, and relaxed pace of life (Report of the Tourism Policy Review Group 2003:36). It is necessary therefore to take account of the global trends in tourism, which may impact on the sector in Ireland, and especially on tourism flows to rural areas. The third set of considerations relate more specifically to emerging trends in

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tourism in Irish rural areas. One concern is that although Ireland is marketed mainly as a rural holiday destination, rural areas are not benefiting commensurately from the growth in visitor numbers.

Tourism – the Global Context⁴

There has been significant expansion in international tourism activity over the past few decades, with growth rates outpacing those of general economic growth. This has been accompanied by continued diversification in geographic spread and in the range of products and experiences on offer.

During the 1990s international business travel grew at a faster pace than leisure trips. Other general trends of the past decade include:

- shorter and more frequent trips
- greater consumer use of new information and communication technology
- heightened expectations for quality and value - an outcome of greater travel experience
- individually tailored holidaying, replacing mass marketing
- older people accounting for a greater share of the total market

A number of factors continue to drive worldwide tourism: higher levels of consumer disposable income; increased leisure time; increasing availability of affordable transportation, especially through air travel; access to new communications technology; stable socio-political environments; and public policies supported by strong industry associations promoting tourism development.

With tourism and leisure activity now firmly established as part of modern lifestyles, growth in international travel is expected to continue, especially in the medium and long term. New source markets will be opened up (e.g. Central and Eastern Europe) but competition between destinations will be greater. The factors determining the demand for travel, and the types, frequency and duration of leisure trips will also change. There will be stronger demand for more customised products and services, as well as greater emphasis on value for money, personal fulfilment, authenticity and travel convenience. Trends in policy suggest closer linkages between tourism policy and other policy areas such as arts and culture, environmental management, and general economic and regional development. There is also greater involvement in policy implementation by industry associations and local communities.

Tourism in Ireland

Total visitor numbers to Ireland increased at an average annual rate of 5.5 per cent, during the period 1990-2002. In 2002, 5.9 million visitors produced foreign revenue earnings of €4 billion; the corresponding figures for 1990 were 3.1 million visitors and €1.5 billion in revenue. Employment in the sector grew during the 1990s, with some 140,000-job equivalents being provided currently. Domestic tourism is a significant component of the industry, accounting for almost half of all visitor numbers seeking accommodation in 2002, and reporting one-fifth of the overall revenue generated by tourism.

In examining visitor numbers, it is important to distinguish those for whom a holiday is the main purpose of their visit, and others who come for business or to visit friends and relatives. Holiday visits, at close to 2.5 million, represent about 40 per cent of all visits – a proportion that has not changed very much since 1990. Thus,

⁴ Comments here and in the next section draw from the Report of the Tourism Policy Review Group (2003)

there has been little difference in the overall rate of expansion in holiday and non-holiday visitor numbers. However, considerable differences are observable in the rates applicable to the different markets from which visitors come (Table 1).

Table 1: Changes in visitors numbers 1990-2002

Origin	Holiday Visitors	Non-Holiday Visitors	Holiday Visitors ('000s)	
	(%) increase	(%) increase	1990	2002
Britain	161	70	466	1,215
Mainland Europe	53	118	379	581
North America	42	331	368	521
Other	108	87	61	127
Total	92	91	1274	2444

Source: Derived from data in the New Horizons for Irish Tourism - An Agenda for Action (2003)

Ireland's holiday visitor numbers have been strongly boosted by holidaymakers from Britain; these now account for about half of Ireland's holiday visitors compared to 37 per cent in 1990. By contrast, in the case of the North American and, to a lesser extent, of Mainland Europe the higher growth rates have come from non-holiday travel.

Related to the expansion in the number of the British holiday visitors are changes in the pattern of demand, which have, in turn, implications for tourism in the more rural regions.

Most (56%) British holidaymakers to Ireland opt for a short-stay, mainly in Dublin. Such stays increased by 19 per cent per annum since 1992, in contrast to a growth rate of less than 2 per cent per annum for holidays of 6 plus nights. Furthermore, the number of British holiday visitors not using a car has grown by 18 per cent per annum since 1990, compared to 1 per cent per annum for car users. During 1990-2002, British holiday arrivals by air grew by 17 per cent per annum, while arrivals by sea declined.

Apart from the specific features of British holiday visiting there are other trends with consequences for tourism in rural areas. While all regions have benefited from a growth in Irish tourism, the regional distribution of revenue (overseas and domestic) has strongly favoured Dublin and the South West (Table 2). The lowest growth rates were recorded in the more rural regions of the North West, the Shannon Region and the West region. Dublin's high growth rates are attributable to expansion in the promotable segments - holiday visitors, conferences, language learning - but especially to significant increases in the numbers of visitors and 'short city breaks'.

Table 2: Regional distribution of tourism revenue (%)

Region	1990	2002	Real growth 1990-2002
Dublin	22	30	151
South West	18	19	94
Midlands/East	10	10	85
South East	10	10	82
Shannon	12	10	55
West	17	14	53
North West	11	7	15
Total	100	100	84

Source: *Derived from data in New Horizons for Irish Tourism - An Agenda for Action (2003: xi)*

The other trend of relevance here is in the decline in activity holidays in contrast to the record of considerable growth in the late 1980s and 1990s. Outdoor pursuits such as cycling, hill-walking, angling⁵, equestrian activities and golf were adversely affected by the 2001 Foot and Mouth controls, but walking, cycling and angling were in decline before then, and most recent data show no reversal in the decline. Tourism in rural areas is undoubtedly affected by other problems facing Irish tourism generally. These include falling customer satisfaction rating, especially in regard to good value for money, gaps in infrastructure, and the entry of new competitors in the market place where Irish tourism traditionally competed.

Future prospects

The report of the Tourism Policy Review Group (2003) recognises that after a very successful decade Irish tourism faces a number of severe challenges. It will encounter greater competition; its customer profile will continue to change (e.g. because of the increase in the older persons share of the population); transport and information technologies will change the way tourism business is conducted; visitors will seek value for money, but price deterioration in Ireland related to other European countries has been on the increase; and the level of EU financial support during the 1990s will not be available in future years. Nevertheless, the Group envisaged a target of 10 million visitors in the period up to 2012. The report states that Irish tourism is a complex and diverse sector of economic activity incorporating many players across the public and private arena. The interdependency of different segments of the industry is in fact one of its defining characteristics. Accordingly, the Group considered that a new strategy was required – one which would provide a coherent framework within which the different parts of the industry could operate, to create a development dynamic that is greater than the sum of the individual parts (Report the Tourism Policy Review Group 2003:65).

The focus of the Group's strategy is the development of Irish tourism at national level. It recognises the importance of the distribution of tourism regionally, and the need for policy to facilitate each region in achieving its full potential for tourism

⁵ The decline in angling is attributed to a declining interest in angling as a leisure pursuit, increasing competition and product deterioration in Ireland (*New Horizons for Irish Tourism - An Agenda for Action* 2003:34)

development- in a way that enhances the sustainability of its tourism base. Understandably, it does not elaborate on regional issues, apart from setting a target of doubling the number of overseas promotable visitors staying at least one night in the BMW region over the period 2012.

Integrated Rural Tourism (IRT): A Case Study⁶

The remainder of this paper will, it is hoped, connect with the Review Group's views in regard to the need for a coherent framework to synergise the activities of diverse interests. It will also illustrate the task of creating the 'development dynamic' (as envisaged by the Group), in a rural regional context. It is based on a case study of tourism in the North Midland Counties (NMC) and draws on the concepts of *Integrated Rural Tourism*. These concepts will be explained later but, firstly, a brief description of the NMC study is essential.

North Midland Counties (NMC) Study

The grouping of the North Midland counties selected - labelled the NMC – comprises Cavan, Leitrim, Longford, Roscommon and Westmeath (Figure 1.1). These were chosen because of their high degree of rurality, their heavy reliance on natural resource based tourism – especially the waterways and their in-land (non-coastal) location. Related to the last point was the consideration that the NMC tourism potential was relatively underdeveloped.

Tourism in these counties is small-scale and based on limited special-interest markets, mainly inland cruising, angling, and to a lesser extent walking. Between 1997-2002, the number of overseas tourists visiting the region declined from 351,000 to 307,000. Overseas tourism revenue, however, increased considerably from €66m to €113m. (Table 3).

Table 3: Overseas tourist numbers/spend in the North Midland Counties

	Numbers of <u>overseas</u> visitors (‘000s)		Tourism revenue <u>overseas</u> (€m)	
	1997	2002	1997	2002
Cavan	85	81	19	23
Leitrim	47	32	9	12
Longford	31	31	7	15
Roscommon	56	43	11	14
Westmeath	132	120	20	49
NMC	351	307	66	113
IRELAND	6,850	6,064	3,527.1	2,896
% NMC of Ireland	5.12	5.06	1.87	3.90

Source: Central Statistics Office: Travel and Tourism Statistics 2002 (2003)

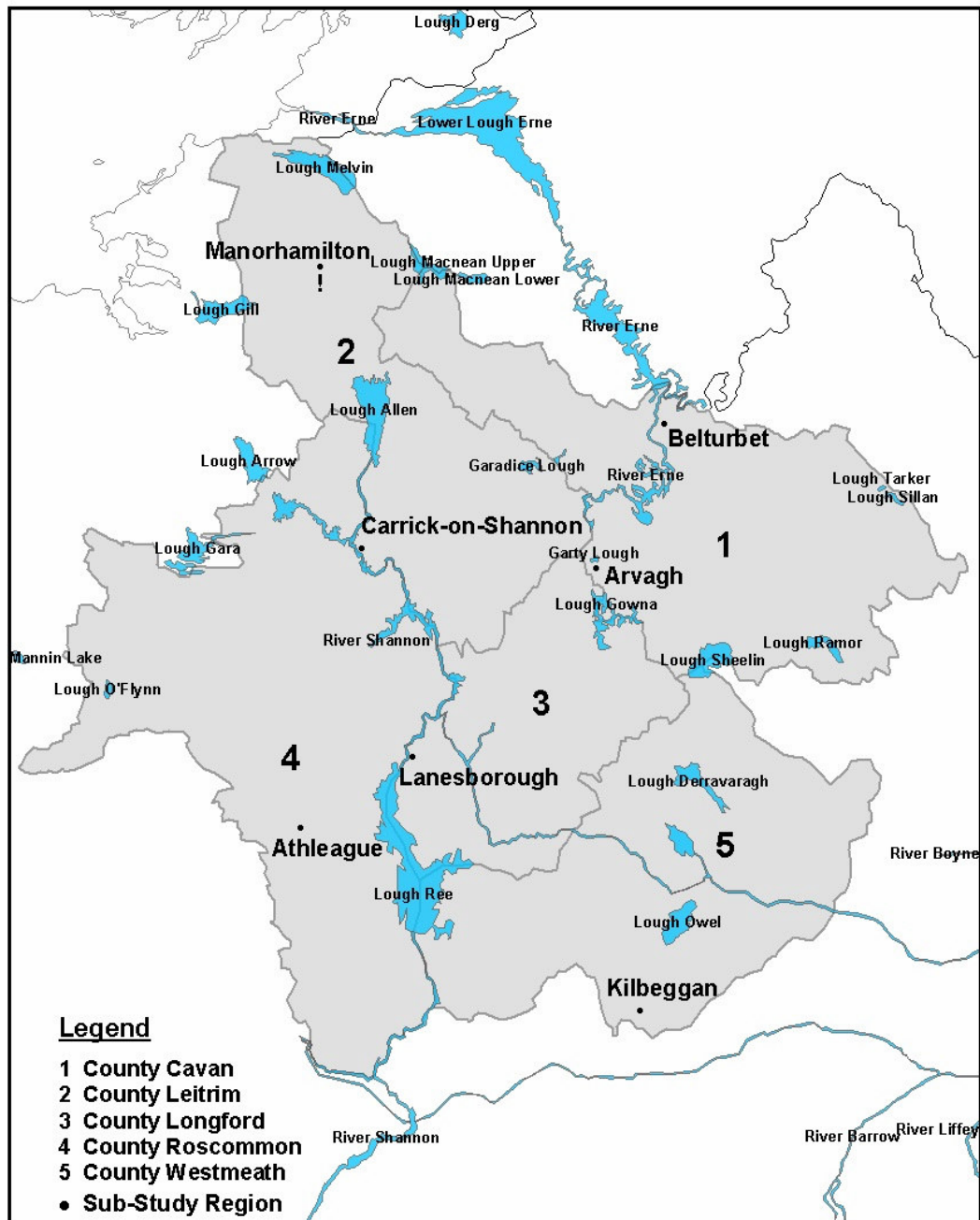
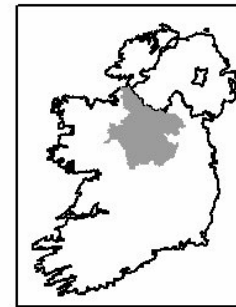
⁶ The study was part of EU 5th Framework Programme. It involved a common research design across 10 partner institutions under the coordination of The Institute of Rural Studies at the University of Wales. Research was conducted in two study regions in each country. Teagac's counterpart in Ireland was NUIG, which studied integrated tourism in Galway and Mayo.

Underlying the idea of IRT is that there is a multiplicity of stakeholders involved, though not all to the same level of intensity. Yet, there must be a degree of commonality of perspective and of a shared sense of the actions needed if tourism development is to take place.

Accordingly, the NMC study was based on surveys (using face to face interviews) among stakeholders. See Appendix 1. These Included;

- *resource controllers (20)* - those who own, manage, control and/or provide resources and infrastructure for tourism
- *businesses (63)* – *providing products and services for visitors*, with a profit-seeking function
- *institutions (20)* – agencies and organisations concerned with policy, planning, regulation and funding
- *gatekeepers (11)* - persons or organisations providing information, and undertaking promoting and marketing activities
- *host communities (49)* – local people in towns and villages where tourism is offered and,
- *tourists (140)* – those voluntary visitors holidaying in the Region

**Figure 1.1 SPRITE Study Region 1
North Midlands Counties Ireland**



Legend

- 1 County Cavan
- 2 County Leitrim
- 3 County Longford
- 4 County Roscommon
- 5 County Westmeath
- Sub-Study Region

Main Findings on Key Elements of Integrated Tourism

Integrated rural tourism is tourism, which is directly and positively linked to the economic, social, cultural and natural resource in the rural region in which it takes place. It seeks to make optimal use of these resources. It is basically a perspective or an approach to tourism development, which is sensitive to the nature of local resources, traditions and opportunities, for sharing in the benefits of tourism development. Operationally, it is characterised by a number of concepts, which reflect adherence to certain guiding procedures and processes judged to be desirable for the development of tourism in rural areas.

These are outlined below, and in the case of each, key findings from the NMC study are reported:

(i) Destination profiling and promotion

Tourism in the NMC is mainly small-scale and centred on the special interest markets. It is heavily dependent on its extensive inland waterways, in particular its lakes, rivers and canals, attracting those seeking water-based activity, more especially angling and inland cruising. In general tourism terms, the region does not hold a definite tourism image that distinguishes nor differentiates it from other similar regions, resulting in a mixed and confused tourism image.

Such mixed images are evident among tourists themselves. Prior to visiting, they perceive the region as being an out of the way place, a nothing to do place, lacking in spectacular scenery but, that it has an excellent road infrastructure which routes them to the more developed tourism destinations of the West and North West.

The gradual decline in angling and inland cruising that has been occurring nationally and in the region made it difficult for respondents to understand why visitors come, or should come to holiday in the region, given its dependence on water based tourism over the decades.

Though some businesses and agencies are firmly built on place-specific resources, their use of images and imagery in their promotional and marketing activity is perceived as weak. Underpinning the concept of IRT is the importance of a distinct integrated tourism image, promoting a destination for its authenticity and distinctiveness, thus allowing it to differentiate itself from other regions. The use of imagery in promotion is characteristic of the tourism industry in that the tangible nature of regions such as the North Midlands product means that potential customers place greater importance on the image being portrayed in order to inform their purchasing decision.

This study suggests that the lack of such an image may be attributed to the fact that the North Midlands has no clear status as a tourism destination, rendering it difficult to have a tourism image associated with it. The associated counties of the North Midlands are also linked to three separate Regional Tourism Authorities, perceived by respondents to be the 'poor relation' within the regional tourism structure.

For effective tourism development to occur there is a real need for the region to expand its tourism image beyond the waterways, and to develop the other resource images such as cultural and human, which are readily available. Distinct regional imagery can add to the differentiation of the regional quality products and services, and there is scope in the NMC to link its defined characteristics with customers' perceptions and values.

(ii) Appropriate scale

IRT envisages tourism development to be appropriate to issues of congestion, carrying capacity and seasonality. For tourism in rural areas to be effectively 'integrated', it must be organised at an appropriate scale, and lean more towards 'soft'⁷, rather than 'hard' tourism. Compared to its spatial extent and variety of resources, the volume of tourism to the NMC is relatively low. The season is short, although some events/activities take place throughout the year. Some local areas have a comparatively high influx of visitors at certain times, placing constraints on catering services, creating traffic congestion, as well as limited parking space. But even then, the scale of tourism activity is not such as to raise serious problems about reaching the limits of 'absorption capacity' – physically, culturally or socially.

The range of tourism activities, attractions and services offered does not entice many non-specialist or general type of visitor to the region; general visitors interviewed expressed dissatisfaction with what was on offer by the way of family-focused activities, local transport, choice of food outlets, and the range of package holidays available.

What the region needs is more tourists as well as a tourism infrastructure that will meet their needs, such as an improved range of accommodation, information, and improved choice of attractions and activities. Tourism development is well within its carrying capacity for resource based tourism.

(iii) Local control and retention of benefits

IRT is based on the desirability for local interests to have a strong influence on decision-making and that tourism benefits remain within the local community. In the NMC, a considerable share of tourism development action is instigated locally, but it is noticeable that the interest levels among actors to participate in the tourism decision-making process is low. Most of them see their role in tourism as minimal and unimportant. At the community level difficulties in; accessing capital; feeling isolated from centralised organisations; disaffected by the bureaucratic procedures, as well as the perception that some national agencies, intentionally or otherwise, pay greater attention to the main tourism destinations, are growing and have led to a feeling of communities being dis-empowered over resource use in their region.

Indirect and direct development agencies operating in the region are extensions of state or semi-state bodies and, as such, are exogenous. The policy of the various state led tourism agencies involved in training, marketing and accommodation approval is determined at the national level, in the national interest. However, national tourism policy implementation has implications at the local level. The key policy decisions still tend to be taken at national level, which respondents felt further reduces their influence in the North Midlands. Core tourism institutions, which operate outside the region, are not built around the specific circumstances of the NMC and similar rural regions.

The fact that three Regional Tourism Authorities govern the region fragments the development of tourism, with different approaches resulting in lack of cohesiveness in strategic marketing and promotion, as well as a coherent framework for the region.

⁷ Soft tourism comprises tourism activity that is place specific and makes use of local products, employs local people and has regard for the environmental, social and cultural fabric of a place

There is also a degree of concern about the influx of outside capital and enterprise in some of the newer types of development, such as self-catering accommodation and cruise hire company ownership.

Establishing integrated and participatory approaches would help define and implement policies for effective IT. The various mechanisms by which local communities can participate in decisions are to be commended. The Community Fora within County Development Board structure, and the County Tourism Committee and LEADER structure has encouraged a bottom up approach to tourism development, but has not as yet had widespread impact.

(iv) Resource complementarity and cross use

Tourism essentially happens if it joins forces with some other resource, thus depending on partnership to some degree. The concept of complementarity and cross use includes a number of ideas: complementarity between tourism provision and provision for the indigenous population; linkages between agency programme, and between tourism and the resources within a place.

Resources can include human, social, natural, cultural and economic, through strategic packaging and marketing of 'linked-up' local products. There are good examples of multiple and compatible resource use in the North Midlands – as in the use of forests for commercial timber and recreation in Killykeen Chalet and Forest Park in Co. Cavan and Lough Key Forest Park in Co. Roscommon; the organic farming and food production as in The Green Box, and the use of the waterways and recreation as in angling, inland cruising, and festivals. Waterways Ireland Ltd. and cruise hire companies are sharing resources and broadening their marketing brief to promote greater use of the waterways, jointly.

However, there are some minor tensions evident, mainly between landowners and tourism interests in relation to land access, and between different types of use of the waterways.

The study points to the fact that complementarity and cross use is not being fully embraced among stakeholders in the region, and tends to be an informal, task-oriented, once-off effort. Many stakeholders do not consciously give practical effect to achieving complementarity in their resource use activities. This may be attributed to their not seeing their role as primarily serving tourism. Other obstacles to complementarity may include the lack of strategic vision for developing the region and lack of complementarity among development activities such as housing, physical planning and infra-structural development.

(v) Sustainability

Potential to increase tourist numbers in certain areas and during low tourist periods was acknowledged. However, the type of tourism development was considered important in determining tourism impact on communities' everyday lives. It was felt however, that the natural resources are being harnessed in a sustainable manner, and thus far have not been affected negatively by tourism. There is concern regarding farming and industry practices, which have shown some minor environmental impacts, and which in turn could impact on the long-term viability of water-based tourism. Further, these environmental impacts may at the same time have a negative influence on the social and recreational life of host communities.

Economically, the consensus prevails that tourism is not a viable option in the region unless serious support from the tourism agencies and Fáilte Ireland is provided, especially in regard to facilitating effective collective action, product development and up-skilling for tourism.

As illustrated in Table 3 there has been a gradual downturn in the number of overseas visitors to the region. While at the same time, the decline in tourism activities, inland cruising, cycling and walking but, more especially angling, upon which the area has depended for some thirty years, is also presenting a real threat to the region.

Coupled with this is the region's attraction for the independent, older tourist, with limited purchasing power, rendering its tourism economically vulnerable. Its short tourism season has stifled commitment to businesses and tourists, and presents a real insecurity to those working in, and dependent on tourism. Most providers, for example are holding down a second job, with their tourism business operating on a seasonal basis.

In the more remote areas, much of the tourism initiatives have depended on voluntary effort within local communities. While volunteerism is an important contributor to locally based tourism, respondents believe that it alone cannot not sustain tourism initiatives in the long term.

To counter such decline, integrated tourism development encourages tourism product and service diversification. In the North Midlands, tourism can be enhanced with further development focusing on the organic sector, the arts and cultural sector, underpinned by an improved range of tourism accommodation and food outlets.

(iv) **Quality**

The pursuit of quality in all aspects of the rural tourism place, product and service is paramount, and increasingly quality has become a major interest among providers in a growing competitive tourism sector. It is also an important determinant of consumers' choice. In the North Midlands, while a high satisfaction rate prevails among tourists, they were critical in some respects. The quality, range and choice of tourism activities and services in the region were questioned and concern was raised as to its ability to remain sustainable or to compete with similar tourism destinations in Ireland and the UK.

Non-specialist tourists in particular expressed dissatisfaction with the range of attractions and services available to tourists in the region. Significant improvements were needed: greater opportunity for family focused recreation activities; improved bus and rail access; ease of access to waterways and walking trails; wider choice of food outlets and tourism accommodation and an improved range of package-holidays offered.

Several other improvements included more provision of public amenities, parking areas, public toilets, lighting, litter control, security and tourist safety. These were seen as the responsibility of the relevant government agencies, local authorities, host communities, farmers and land-owners.

In general, tourists felt that the quality of tourism information needed to be vastly improved so as to encourage visitors to stay in the region and incorporate it into their holiday experience. This would also encourage greater tourist involvement whilst in the region. Information was badly needed re: sign-posting, well illustrated maps of cycling and walking trails; updated and revised waterways maps, to include marinas, mooring points, fishing waters and points of interest, along the 170km of the navigable waterways, which anchors much of the tourism activity in the region.

The high quality natural, cultural and social resources must be exploited as a key differentiating factor between the North Midlands and other similar tourism destinations. It already affords a reputable quality natural and rural environment, but the perception prevails that there is quality slippage leading to inconsistencies.

The lack of 'consistent' quality, especially in the food, accommodation, information and special interest category is becoming evident in light of other destinations being established. Product providers and local tourism committees were deemed responsible for ensuring that these issues were dealt with.

Respondents firmly believed that if quality is not addressed the region would suffer and would face difficulties in remaining comparative and competitive with other similar regions. The value for money apparent in the region must not be lost into the future.

(vii) Networks and Partnership

Integrated rural tourism is characterised by networks, multiple sets of relationships, partnerships, and forms of alliance – both within and outside where it takes place. The Tourism Policy Review Group in its document 'New Horizons for Irish Tourism—An Agenda for Action' recognises the need for a cohesive and coherent tourism framework, involving many players and an inter-dependency from the different segments. Much of the focus however is at the national level. While this is important, it is equally so for this to occur at the regional level. Some of the regional issues become lost in the wider agenda for tourism development.

This study has revealed that while networks are inevitably formed with local communities, landowners, shopkeepers, publicans, accommodation providers, and agencies, there is a low level of consciousness among them as to their importance in the tourism development process.

Resource controllers indirectly associated with tourism recognise that they are not engaged in the structures and processes essential for integrated tourism. Many of the natural and cultural resources underpinning tourism are owned or operated by those outside the tourism loop.

In the case of the NMC, while tourism is minor in their agenda, the indirect resource controllers are implicated into tourism activity. They are central to the smooth facilitation and functioning of the tourism system. Examples are, the Electricity Supply Board in controlling the water levels of the River Shannon, Coillte—the commercial forestry agency in providing forest recreation, and landowners who facilitate access to walking trails and lake-shores. The absence of important indirect resource holders from the 'tourism circuit' is noticeable.

It was also reported that natural informal networks occur between and among landowners, walking /angling holidays and accommodation providers, purely because it is the only way that they can progress. They generally feel isolated from official tourism networks which they believe to be more focused on specific regional effort, more so than at the local level.

Structures such as the County Development Board have however begun to provide a forum for inter agency contact, but because the aim of these agencies is to formulate comprehensive economic and social strategies, tourism is often overlooked.

Moreover, small-scale tour operators and promoters have little or no links with players in tourism. Most have experienced difficulty accessing the regional tourism agencies, particularly in regard to marketing support and product information. However, informality has allowed them to access the local areas and expand their development holiday packages, angling in particular.

Tourists' networks are evident throughout the Region. Anglers and boating enthusiasts in particular are conscious of the importance of networking with local people as a means of acquiring pertinent up to date information – such as, where to fish, navigation queries, or how to access the countryside for walking.

It is felt that host communities need to become more conscious of the importance of networking among and between themselves, in the interest of tourism development. Their perceived over-dependence on agencies such as LEADER and County Enterprise Boards cannot be sustained in the long term.

Such limited networking among host communities may be attributed to the fact that they are experiencing difficulties in accessing capital; feel isolated from centralised organisations; disaffected by the bureaucratic procedures, and their view that some national agencies pay greater attention to the less rural destinations.

Conclusion

The report⁸ of the tourism policy review group provides a thorough analysis of the changing conflict of international tension, the performance of the Irish tourism sector and the challenges it faces in the future. The group set a target to increase overseas visitor numbers from 6 million to 10 million by 2012.

The groups' strategy is developed from an aggregate national perspective. There is now a particular need to give this a clear original and rural dimension, focusing on the special circumstances of rural based tourism. The more rural regions have not benefited commensurately from the expansion of visitor numbers over the past decade. There is also a worrying decline in the number of outdoor activity pursuits in which Irish rural areas could be deemed to have a clear advantage.

On the basis of studies in the north midland counties, this paper has sought to set out key elements of a strategy to promote tourism in rural areas in an integrated manner. These elements include an emphasis on profiling places and place imagery, quality product and services, complementary resource use, appropriate scale, networking and partnership, economic and environmental sustainability and the retention of economic benefits locally. Integrated rural tourism requires a cohesive framework for its implementation.⁹

The study has revealed that, while there are many stakeholders in the rural tourism process, they are involved to different degrees of intensity without a strong consciousness of being engaged in a common effort. It can also be deduced that tourism administration is fragmented and compartmentalised and that there is a need for the region to define a strategy and a precise action plan to manage different activities in a sustainable and integrated manner.

⁸ Published as 'New Horizons for Irish Tourism - An Agenda for Action' (2003)

⁹ Similarly the Review Group identified over 20 agencies, which have lead – not merely secondary-roles in tourism development nationally.

It is also important to note that there is need for improved mutual awareness of opportunities and threats among those indirectly involved in tourism. They need to be brought into a more inclusive structure facilitating a concerted effort in developing the regions potential for integrated tourism. In this context, an important sub-group are the regions' landholders, whose attitudes must be in tune with the need to facilitate the greater use of rural space.

Rural tourism now requires its own dedicated structures to give thrust and focus to the task of rolling out the Review Groups national strategy to rural areas. These structures should be inclusive of all agencies with direct and indirect involvement in tourism.

In this regard the recent Ministerial decision to establish Comhairle na Tuaithe is to be welcomed. In supporting an integrated approach, the ultimate success of new institutional structures will lie in the opportunity and capacity of community groups to achieve greater influence on decision-making.

Additionally, rural tourism interests need to coordinate and strengthen their own constituency in influencing national policy with a firm voice. Current moves to establish a federation of such interests is another step in the right direction.

Acknowledgements

Supporting and Promoting Integrated Tourism in Europe's Lagging Rural Regions (SPRITE) (QLK5-CT2000-01211) is funded under the EU FAIR 5 Framework Programme of research. There are six European partners in the project, based at universities and research institutes in Ireland, the UK, the Czech Republic, France, Greece and Spain. The project is co-ordinated by the Institute of Rural Studies, University of Wales, Aberystwyth.

We the authors are indebted to members of the SPRITE Consultation Panel who provided invaluable information and guidance during the study. We would also like to acknowledge Yasmin Rahemtulla from the Rural Economy Research Centre and Cecilia Hegarty from the Dublin Institute of Technology for their contribution to the research.

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Appendix One

Respondents surveyed as part of the SPRITE integrated tourism study conducted in the North Midland Counties

- Resource controllers - those who own, manage, control and/or provide resources and infrastructure for tourism

No	Resource Controller	Type of resource control
1.	National Waymarked Ways Advisory Committee	Certification
2.	Tourism Accommodation Approvals Ltd. (TAA)	Certification
3.	Cavan County Council (Heritage Section)	Cultural (Heritage)
4.	Leitrim County Council (Arts Section)	Cultural (Arts)
5.	Coillte	Physical (Natural)
6.	Central Fisheries Board (CFB)	Physical
7.	Environmental Protection Agency (EPA)	Physical
8.	Waterways Ireland Ltd. (WWI)	Physical (infra-structural)
9.	National Hill Farming Council	Physical (Natural/Infra-structural)
10.	Electricity Supply Board Ireland (ESBi)	Physical
11.	FÁS	Social
12.	Athlone Institute of Technology (AIT)	Socio-economic / Certification
13.	Westmeath County Council	Socio-economic
14.	Regional Tourism Authority (RTA)	Socio-economic
15.	Mid South Roscommon Development Company	Socio-economic
16.	Roscommon County Development Board	Socio-economic
17.	North Leitrim Glens Tourism Co-operative (NLG)	Socio-economic
18.	CERT	Certification
19.	Longford Tourism Ltd.	Socio-economic
20.	Westmeath Community Development Board	Socio-economic
21.	Fermanagh College of Further Education	Socio-economic

- Institutions – agencies and organisations concerned with policy, planning, regulation and funding

	Institution	Function
1	Department of Arts, Sports and Tourism (DAST)	Policy
2	Irish Tourist Industry Confederation (ITIC)	Lobbyists/ Policy Advisors
3	Heritage Council (HC)	Policy and Planning
4	Bord Fáilte (BF)	Policy/Planning Promotion and Funding
5	Western Development Commission (WDC)	Policy/Planning / Rural Development
6	Border Midlands and Western Regional Assembly (BMW)	Policy and Funding
7	Tourism Ireland Limited (TIL)	Planning Promotion and Policy
8	Western Development Tourism Programme (WDTP)	Planning
9	Excellence in Tourism (EIT)	Regulation
1	INTERREG	Funding
1	CERT	Training and education/recruitment
1	Cavan-Monaghan Rural Development Co-operative Society Ltd.(CMRDS)	Rural development
1	Irish Hotels Federation (IHF)	Lobby
1	Shannon Regional Fisheries Board (SRFB)	Policy/Regulation/Planning/Funding
1	Waterways Ireland Ltd (WWI)	Regulation/Policy/Planning/Funding
1	Inland Waterways Association of Ireland (IWW)	Lobby
1	National Coarse Fishing Federation (NCFF)	Lobby
1	An Taisce (AT)	Lobby/Education
1	Department of Community, Rural and Gaeltacht Affairs (DCRGA)	Policy /Funding

- Gatekeepers - persons or organisations promoting and providing tourism information

Gatekeeper	Capacity
Regional Tourism Authorities	Promotion
County Tourism Authorities	Promotion
Local Attractions (name with held)	Tours/promotion
Tour Operator (name with held)	Tours/Itinerary
Activity Organiser/promoter (name with held)	Cycling holidays
Hotel (name with held)	Package Holidays
Attractions Promoter (name with held)	Promotion

Location for host communities, tourists and businesses surveys.

- Host communities – local people in towns and villages which hosts tourists
- Tourists - those on holiday in the NMC during January and December 2002
- Businesses – directly and indirectly providing products and services for visitors, with a profit-seeking function. These were drawn from the accommodation, catering, leisure, attractions, and activities sector.

County	Host community
Cavan	Arvagh Belturbet
Leitrim	Carrick-on-Shannon Manorhamilton
Longford	Lanesboro
Roscommon	Athleague
Westmeath	Kilbeggan

Soft Factors, Hard Realities: Assessment of location, distance and economic development in Wexford and Clare

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Introduction

The background to this paper is the proposition that there are gradual but fundamental changes in the differences and relationships between tradition 'core' and 'peripheral' areas - defined, as these categories have been, in geographical terms. Conventional thinking regards the 'core' as being geographically accessible, central locations which stimulate or drive economic and social change. The periphery is composed of regions or areas that are less accessible. The relative location of a region on this core/periphery continuum is considered to determine its respective economic performance and prospects, generally with the odds favouring those areas closest to the core.

There are however, new developments and opportunities which, at least, compound the traditional core/periphery relationships and in many cases modify or eliminate the handicaps conventionally associated with distance from the core. Technological advances in transport and communications suggest that physical distance is no longer the constraint it once was to economic development, but the benefits to core and peripheral areas alike may be masked by poor utilisation of new technologies. Some peripheral areas may take advantage, relative to their more central counterparts, of 'new economy' enterprises linking local business networks to global sources of information and markets. Similarly, features of regional governance, or institutional structures, may lessen the impact of distance from core regions. Into this analysis also comes social capital, i.e. the capacity for various actors in any region to organise collectively for their mutual benefit. Additionally tourism flows may affect core-periphery relationships, especially as affordable transportation helps to offset the negative aspects of inaccessibility.

Peripherality may thus, following this reasoning, be considered 'aspatial' wherein non-geographical characteristics exert such benign effects that geographically peripheral regions exhibit higher rates of economic growth than would normally be associated with remote locations. This issue of 'aspatial peripherality' was explored in the context of an EU funded project involving a number of European centres. This paper utilises data from a number of sources, including the AsPIRE study to explore contemporary patterns of regional development in Ireland. Following a review of the spatial distribution of contemporary economic development in Ireland and an assessment of the differences between Clare and Wexford, we examine the role of aspatial factors in understanding these patterns of development before providing some concluding comments which raise a number of issues with respect to balanced sub-regional economic development.

Regional Economic Development

An assessment of Irish economic data reveals spatial differences in the performance of individual regions. Whilst this is to be expected what is surprising is the distribution of less developed regions (Fig. 1). Using conventional core-periphery models one would expect to find, in the case of Ireland, those regions geographically distant from Dublin would be the least developed. However, data pertaining to the economic performance of Ireland's regions and sub-regions contradict this assumption and bring into question the role of distance in understanding contemporary regional economic development and, conversely, the significance of aspatial factors.

Figure 1: Regional Household Income - 2001

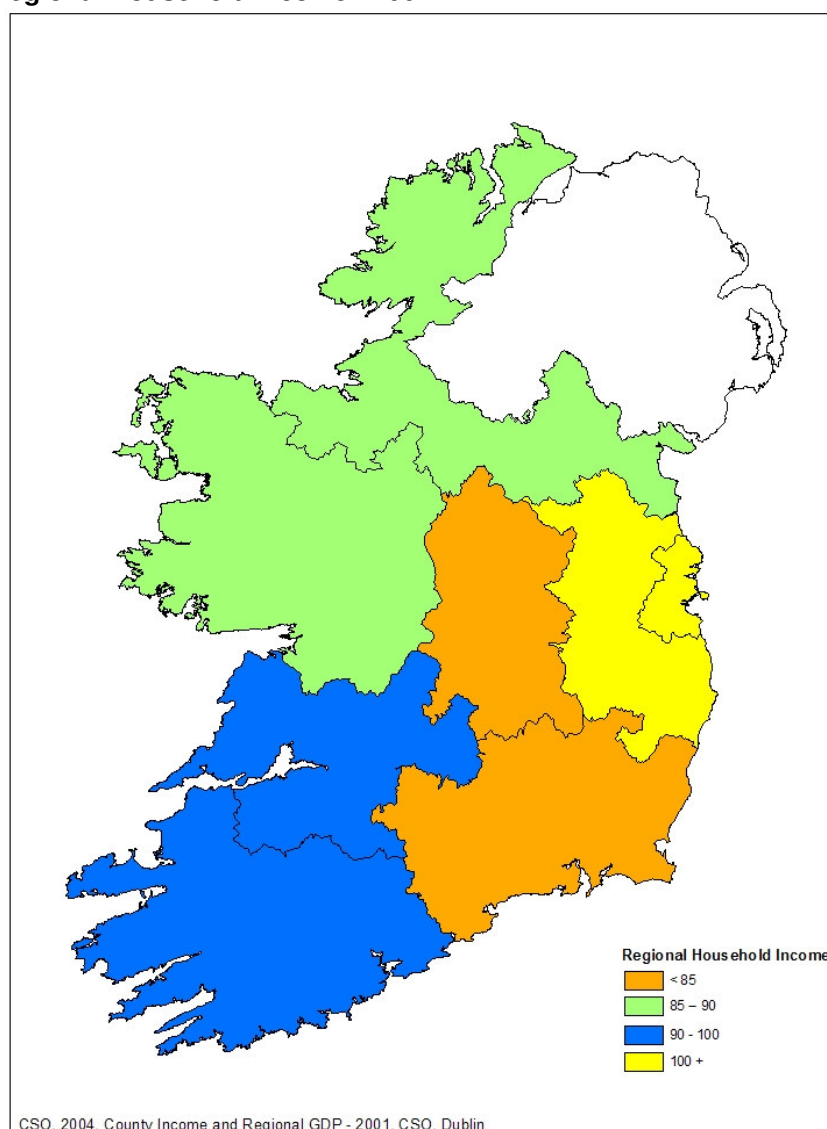


Figure 1 shows the Southeast and Midlands as having less than 85% of the national average household income whilst those regions along the West coast, considered to be Ireland's periphery, have average household incomes greater than this. Figures 2 and 3 provide a more detailed picture of the distribution of economic indicators by county. Here we see four out of five counties in the Southeast having some of the lowest income per person and the lowest disposable income per person rates in Ireland despite their relative proximity to Dublin. This is in comparison to the Midwest

where all three counties have attained income per person and disposable income per person approaching if not exceeding the national average.

Figure 2: Income Per Person

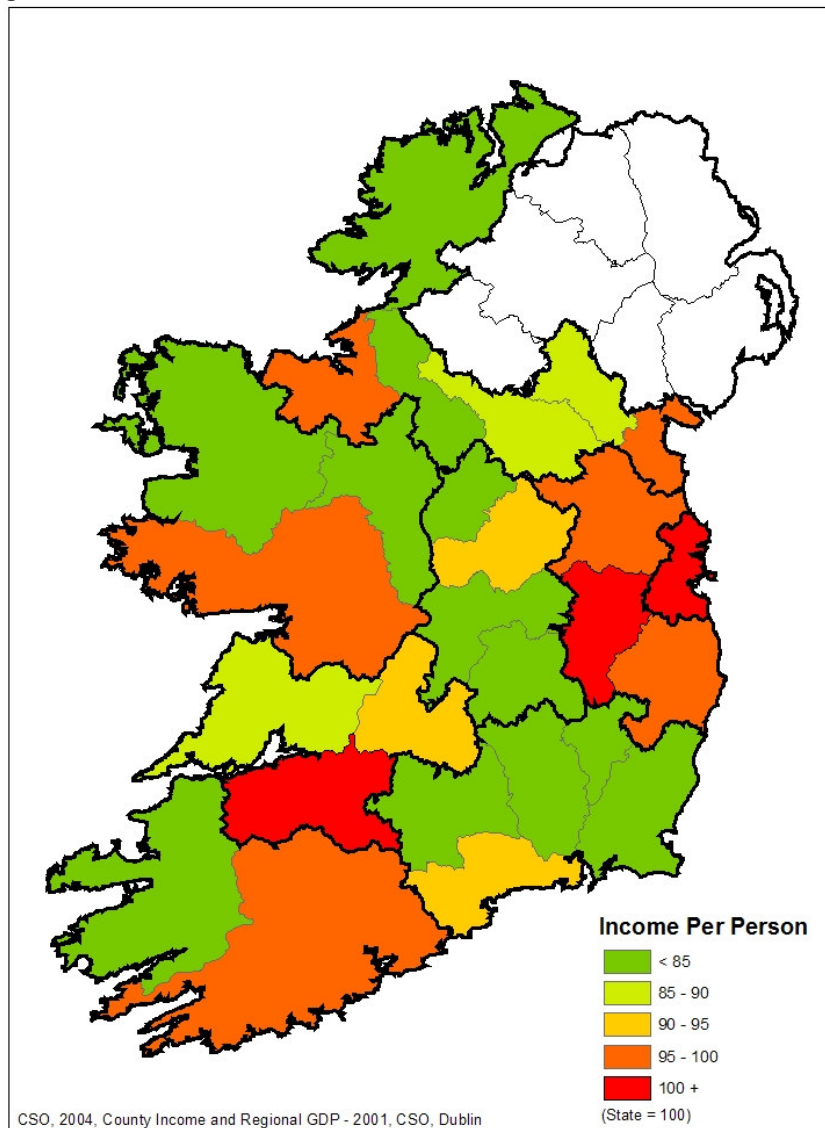
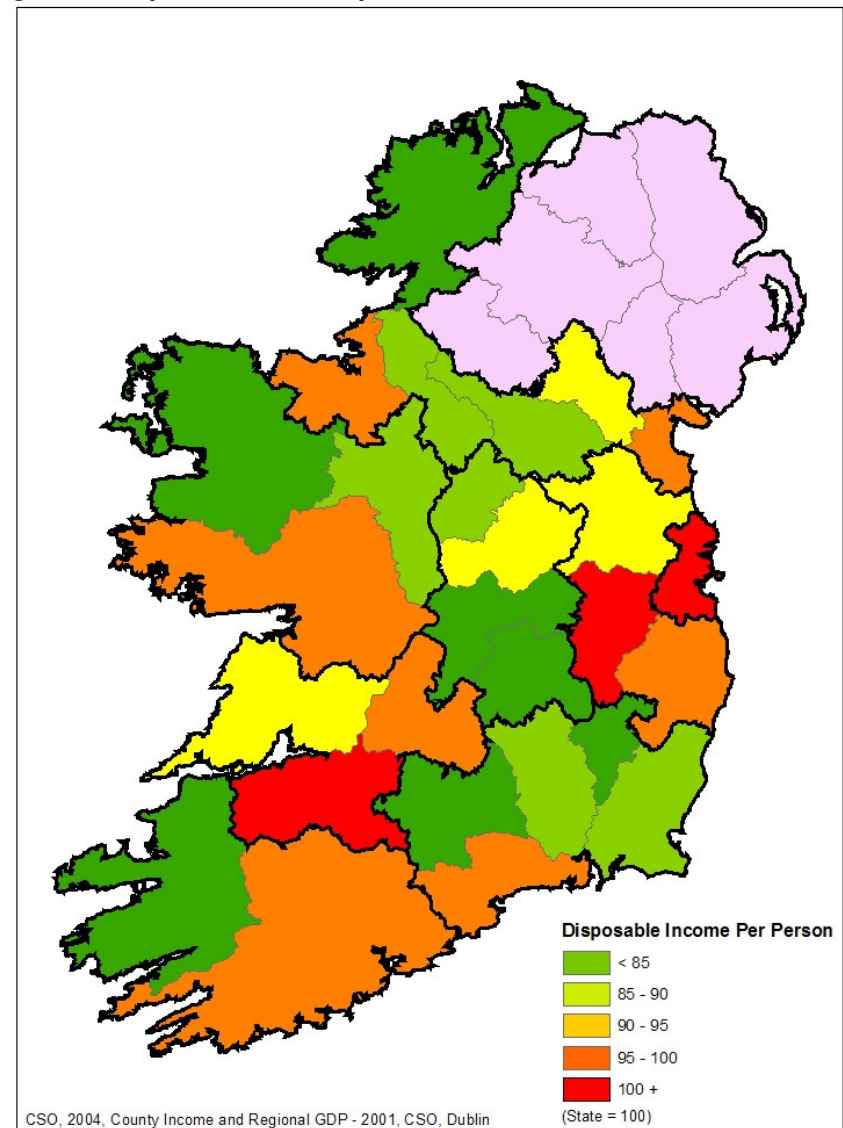
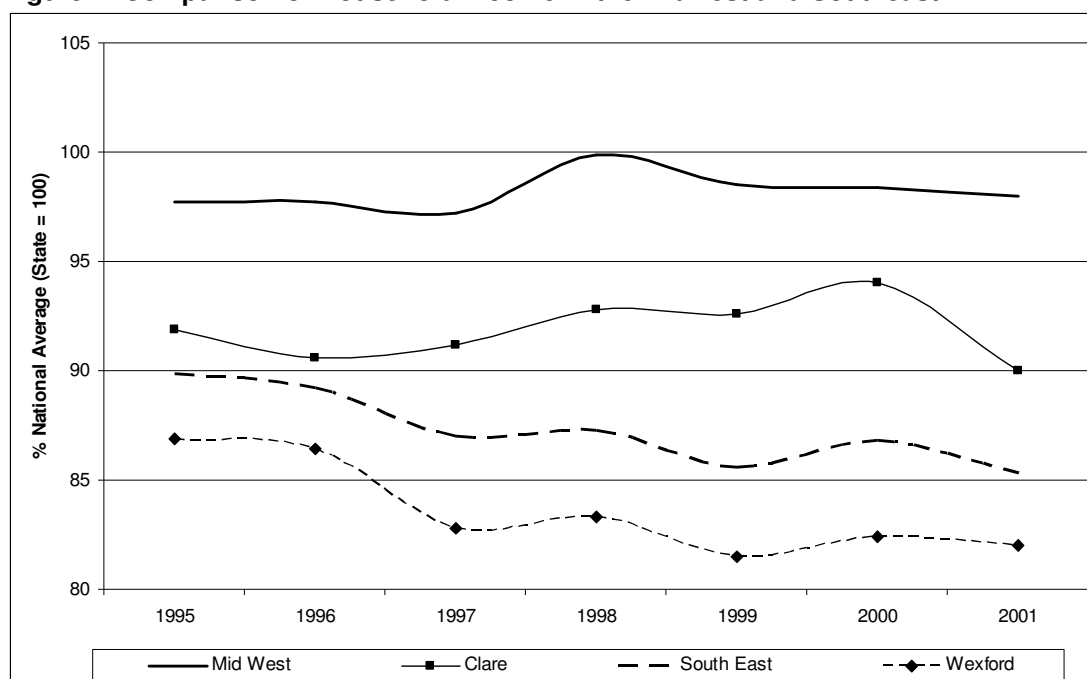


Figure 3: Disposable Income per Person



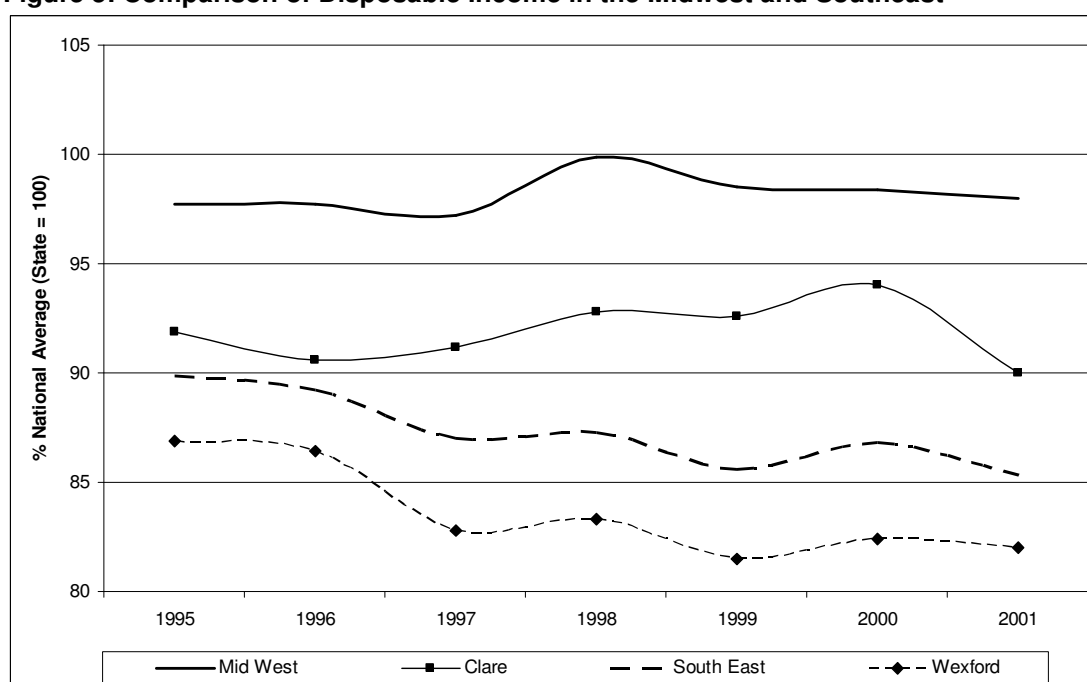
These data highlight the situation in 2001. Analysis of data over a seven-year period shows that household income has progressively declined in Wexford whereas it has, until 2001 progressively increased in Clare (Fig. 4). We see a similar pattern in relation to disposable income per person where, for the past 7 years, Wexford has attained 93% of the rates recorded for Co. Clare (Fig. 5).

Figure 4: Comparison of Household Income in the Midwest and Southeast



CSO, 2004. County Income and Regional GDP – 2001. CSO, Dublin

Figure 5: Comparison of Disposable Income in the Midwest and Southeast

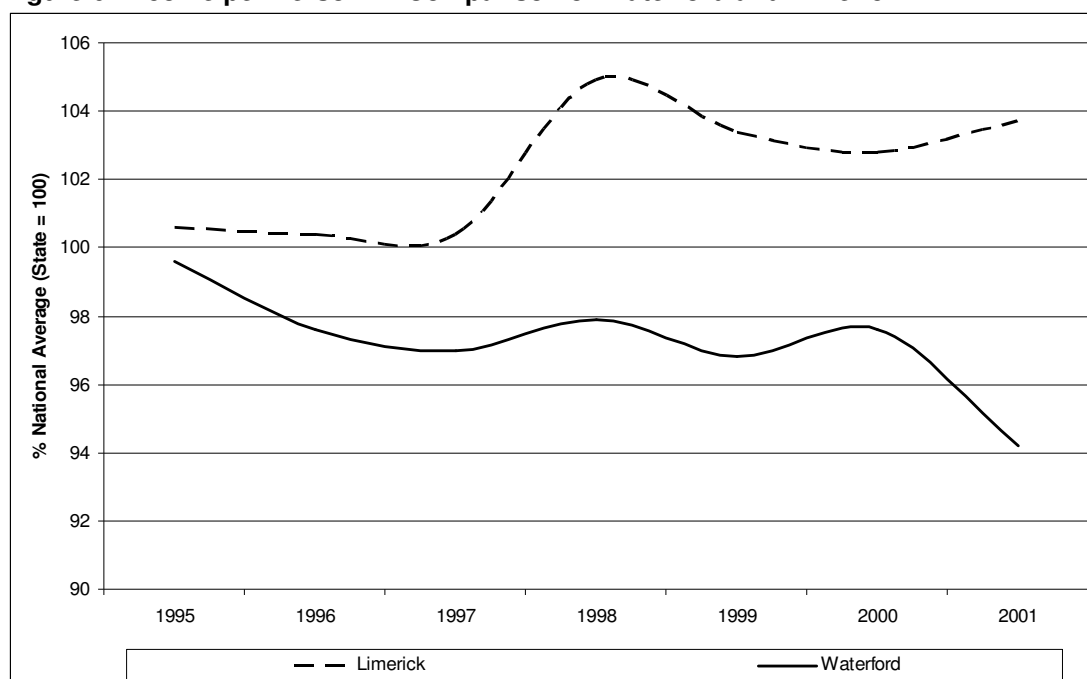


CSO, 2004. County Income and Regional GDP – 2001. CSO, Dublin

Reference to the full dataset on county incomes shows that, for the years between

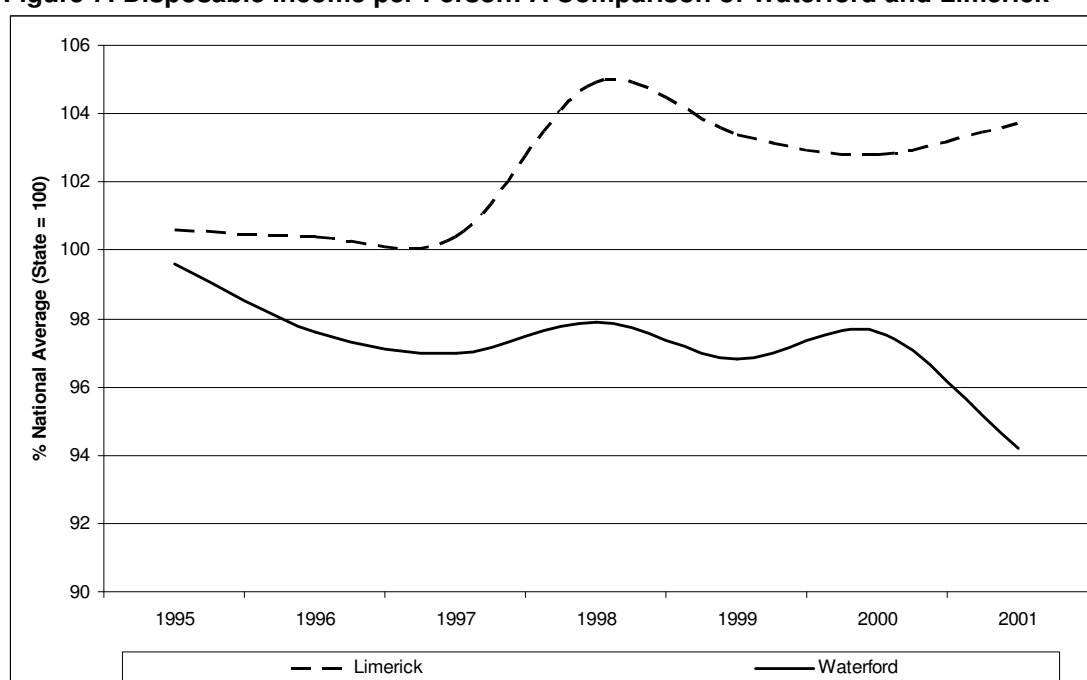
1995 and 2001 inclusive, all counties in the Southeast, except for Waterford, recorded indices lower than 90% of the national average. By contrast, in all Midwest counties, the indices were higher than 90%. Even when the two 'urbanized counties', Limerick and Waterford, are compared, the indices for Limerick are consistently higher (Fig. 6 and Fig. 7). Indeed, the gap between both counties has widened considerably from a 1% difference to 9.5%.

Figure 6: Income per Person: A Comparison of Waterford and Limerick



CSO, 2004. County Income and Regional GDP – 2001. CSO, Dublin

Figure 7: Disposable Income per Person: A Comparison of Waterford and Limerick

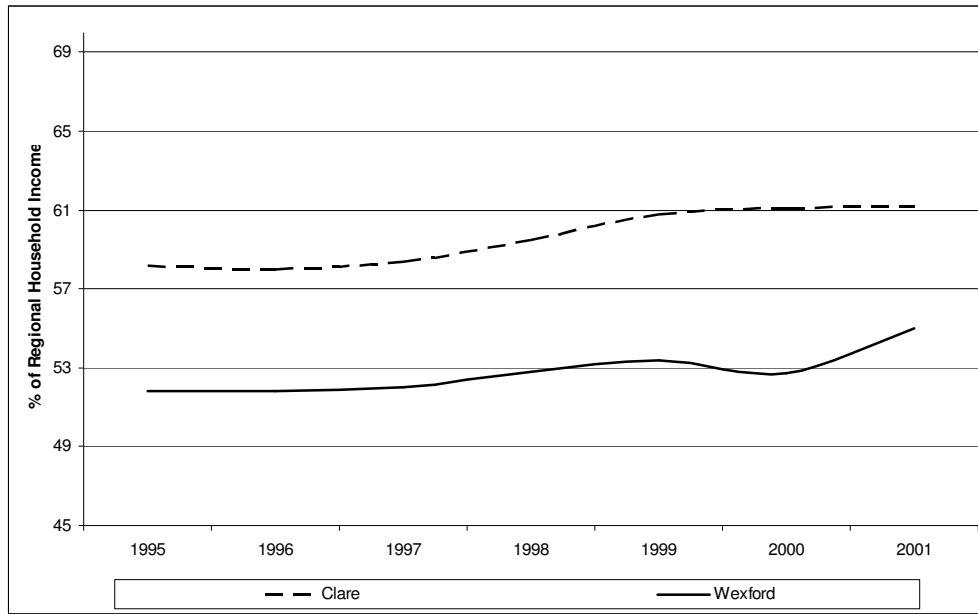


CSO, 2004. County Income and Regional GDP – 2001. CSO, Dublin

Explaining 'Unexpected' Differences

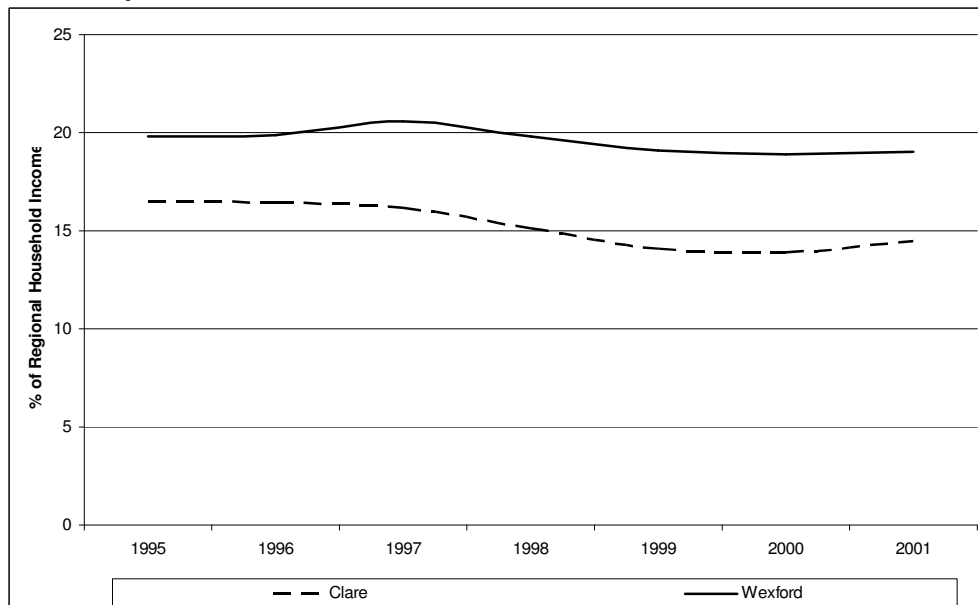
For a first-cut explanation of the differences between Clare and Wexford, we examine the composition of aggregate Total Household Income in the two counties. Compensation to employees (wages, salaries, benefits in kind and employers social insurance contribution) represents a higher percentage of HI in Co. Clare (Fig. 8). Conversely social transfers are a smaller component of the Clare income (Fig. 9). Clare also pays a higher percentage of household income in taxation.

Figure 8: Comparison of Compensation of Employees: Clare and Wexford



CSO, 2004. County Income and Regional GDP – 2001. CSO, Dublin

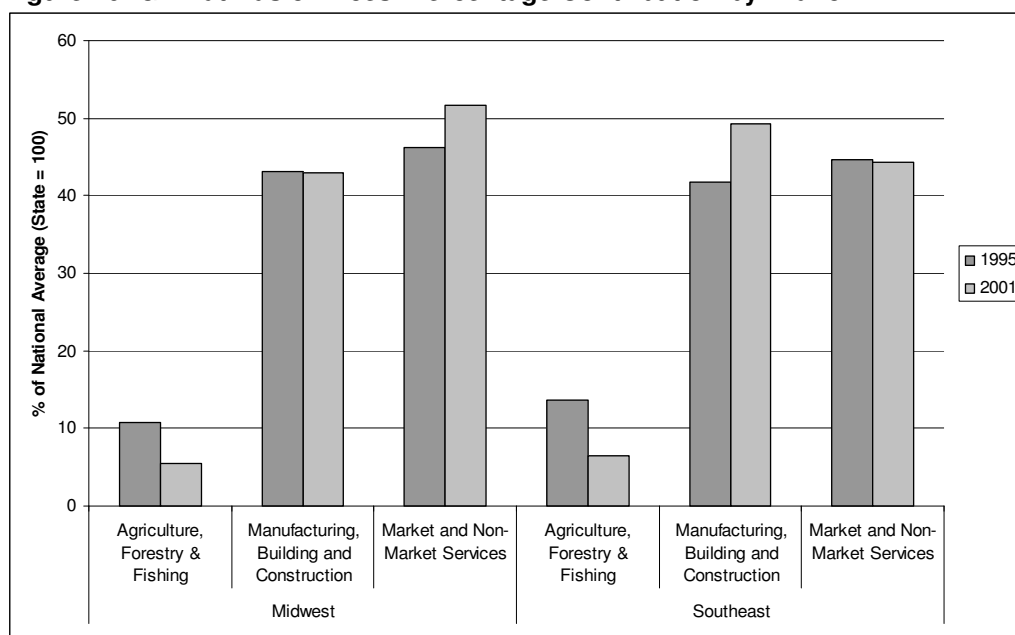
Figure 9: Comparison of Social Transfers: Clare and Wexford



CSO, 2004. County Income and Regional GDP – 2001. CSO, Dublin

The data suggest that the better performance in the Clare economy is associated with structural changes in the economy. This proposition is supported by analysis of GVA data which highlights the growth in significance of market and non-market services in the Midwest relative to the Southeast (Fig. 10).

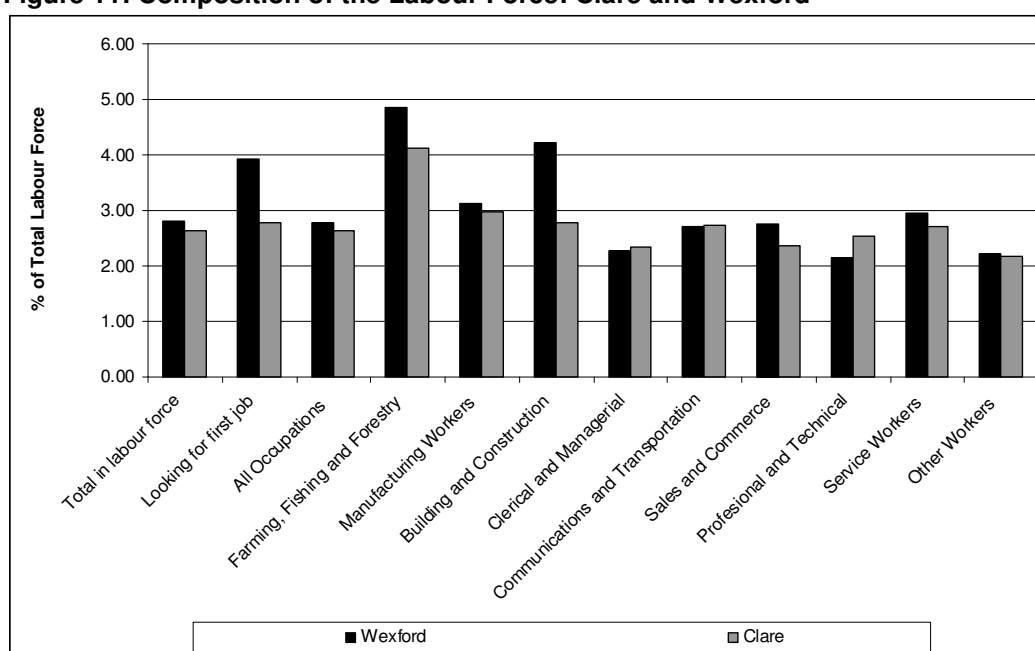
Figure 10: GVA at Basic Prices: Percentage Contribution by Branch



CSO, 2004. County Income and Regional GDP – 2001. CSO, Dublin

These data highlight the restructuring of the Midwest's economy which, in comparison to the Southeast, has managed to capitalise on global trends that have seen a move from manufacturing and assembly towards more knowledge intensive activities (Fig. 10). Assessment of the labour force indicates some minor but important differences in composition (Fig. 11). Most significantly there is a 19% difference in the number of persons classified as professional, technical and health workers in Clare by comparison to Wexford. Reflecting a congruence of contemporary enterprise development policy and the emphasis on human capital, elaborated below, Clare's growth is, in large part, associated with its ability, relative to Wexford, to compete for foreign direct investment (FDI) (Fig. 11).

Figure 11: Composition of the Labour Force: Clare and Wexford

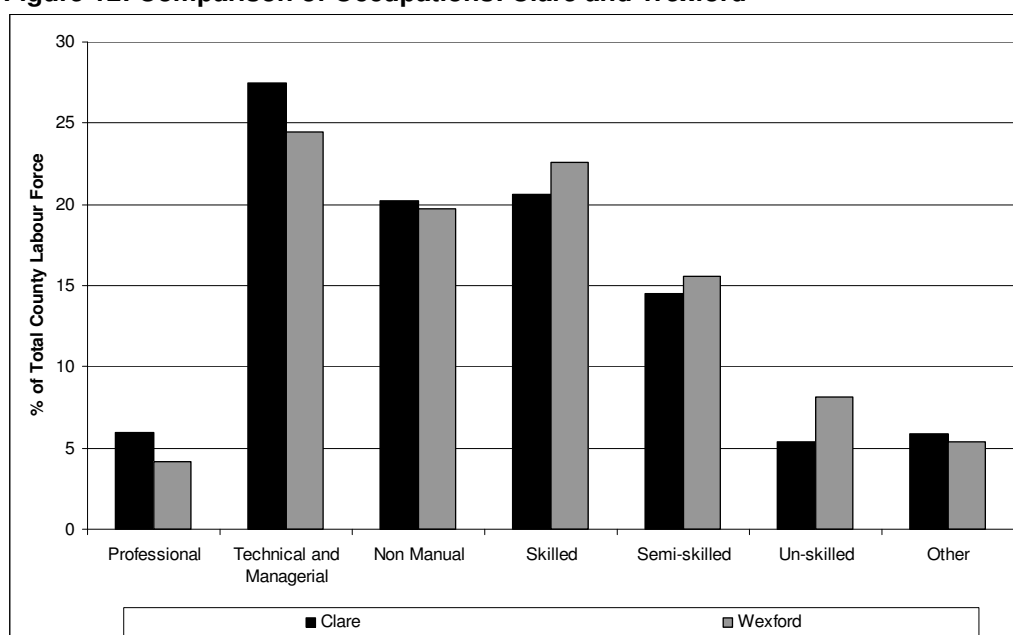


CSO, 2003. Census of Population – 2003. CSO, Dublin

Human Capital

There are substantial differences in the composition of human capital between the regions and counties as represented by levels of education. Of those who had ceased fulltime education 32% of those in Clare were in education at age 20 years + compared to 23% in Wexford. These differences are reflected in the composition of each county's labour force. Clare's labour force contains higher proportions of professional, managerial and technical workers and a lower percentage of semi and un-skilled workers. Even comparing Ennis to Wexford Town shows the latter to have a much higher proportion of semi and un-skilled workers (26% as against 17%).

Figure 12: Comparison of Occupations: Clare and Wexford



CSO, 2003. Census of Population – 2003. CSO, Dublin

Governance Structures & Foreign Direct Investment (FDI)

Data from a number of sources highlight the success of the Midwest in attracting inward investment and FDI in particular relative to the Southeast (Table 1). This, in conjunction with the availability of high levels of human capital, is a reflection of the unique governance structures as represented by Shannon Development. Though holding a number of development functions, Shannon Development has fostered the creation of a regional identity that is central to the successful development of a common vision of the future of the region. This has facilitated strategic planning which is central to the attraction of investment to the region and particularly 'new-economy' related activities.

Table 1: Comparison of Enterprise Investment 1991 - 2000

	National	Midwest	Southeast
IDA job creation 1990 – 1999 ¹	100%	12%	3%
Growth in domestic enterprise employment 1991 - 2000 ²	29%	21%	9%
Growth in foreign enterprise employment 1991 - 2000 ²	68%	63%	14%

1. IDA, 2000. Financial Assistance & Employment Creation 1990 – 1999.

2. Forfas, 2000. Survey of SME Employment

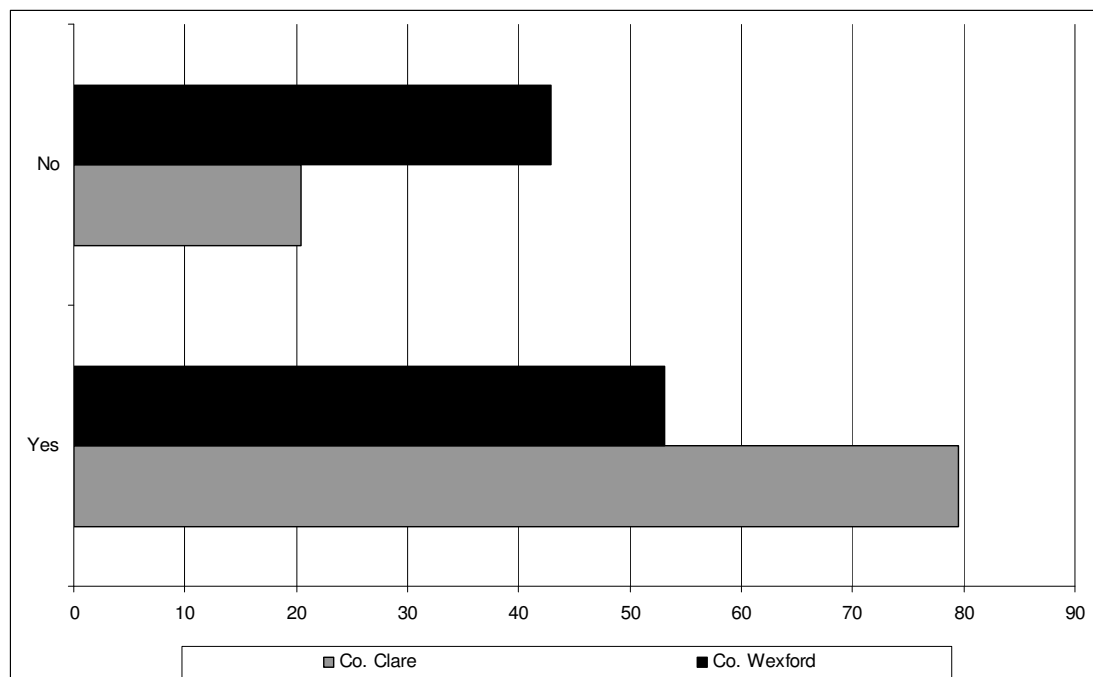
Tourism

There are substantial differences in the structure and operation of the tourist sectors in both regions. Co. Clare's is characterised by a high proportion of international visitors, 61% of the total by comparison to 42% in Wexford. This can, in part, be attributed to the work of Shannon Development. In contrast, Wexford remains largely dependent on the domestic market, particularly Dubliners seeking to holiday close to home. These differences account for structural differences between the respective tourist sectors which hold economic implications as the penetration of tourist spend is magnified or multiplied in the Midwest through the operation of large scale facilities (hotels) and attractions (Bunratty). Compounding Wexford's difficulties in developing the foreign market is the shift in transportation preferences of visitors. Recent trends have seen greater numbers of travellers from the UK choose to come by air rather than car. Conversely, Clare stands to benefit from this development if sufficient air routes between Shannon and UK airports can be developed and sustained.

Information Society Technology (IST)

A lack of IST is frequently identified as a factor inhibiting development in peripheral regions. In general there is no major difference between the regions or counties in this regard. However, from a study of businesses in the counties, it appears that IST is utilised differently. Businesses in Clare reported capitalising on IST to access business networks to a greater extent than Wexford (Fig. 13). It may be that IST can facilitate and enhance business operations and activities in the case of enterprises that are integrated into the 'new-economy'. However, IST is not a critical factor to the development of business networks nor can it, of itself, be considered a panacea for overcoming disadvantage commonly associated with peripherality.

Figure 13: Importance of Information Society Technology in the Operation of Business Networks

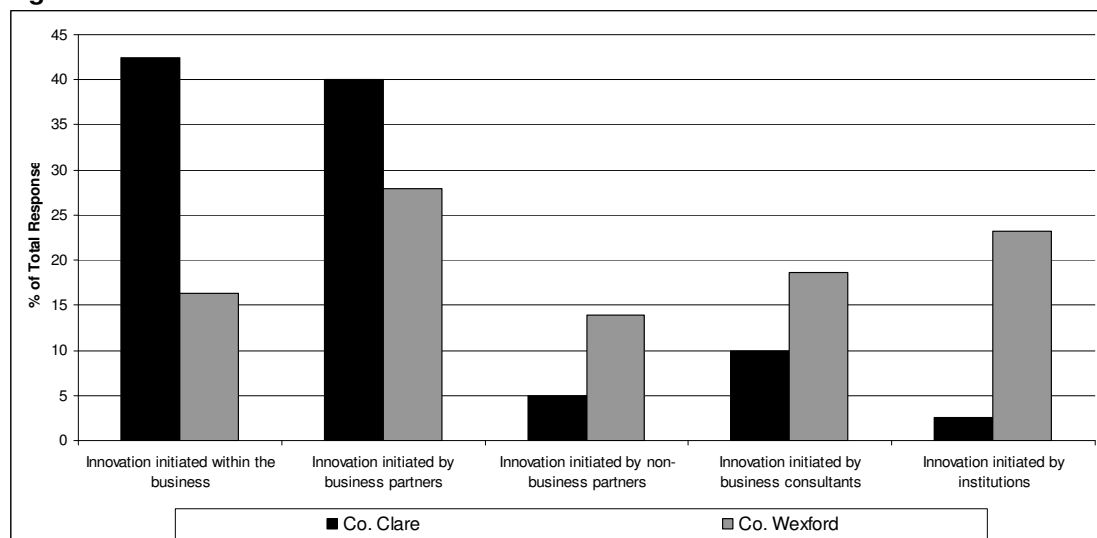


Meredith and Commins, 2004. Results from the AsPIRE Project. Unpublished

Settlement

There are considerable differences in the urban structures of both regions and counties. This has implications for the economic capacity to develop contemporary knowledge based enterprises that rely on access to human capital and critical mass in infrastructure support services and innovation networks. At a regional level there is a degree of clustering around one primary order centre in the Midwest in contrast to a more dispersed pattern in the Southeast. There are four lesser order centres of roughly equal size and, critically, status. This holds major implications with respect to economic development in general and specifically the attraction of Foreign Direct Investment given that, in contemporary economic thinking, the advantages of clustering are advocated in terms of providing high end communication infrastructure, support services and innovation networks. A study of businesses in both counties highlights the implications for knowledge creation and capitalisation (Fig. 14).

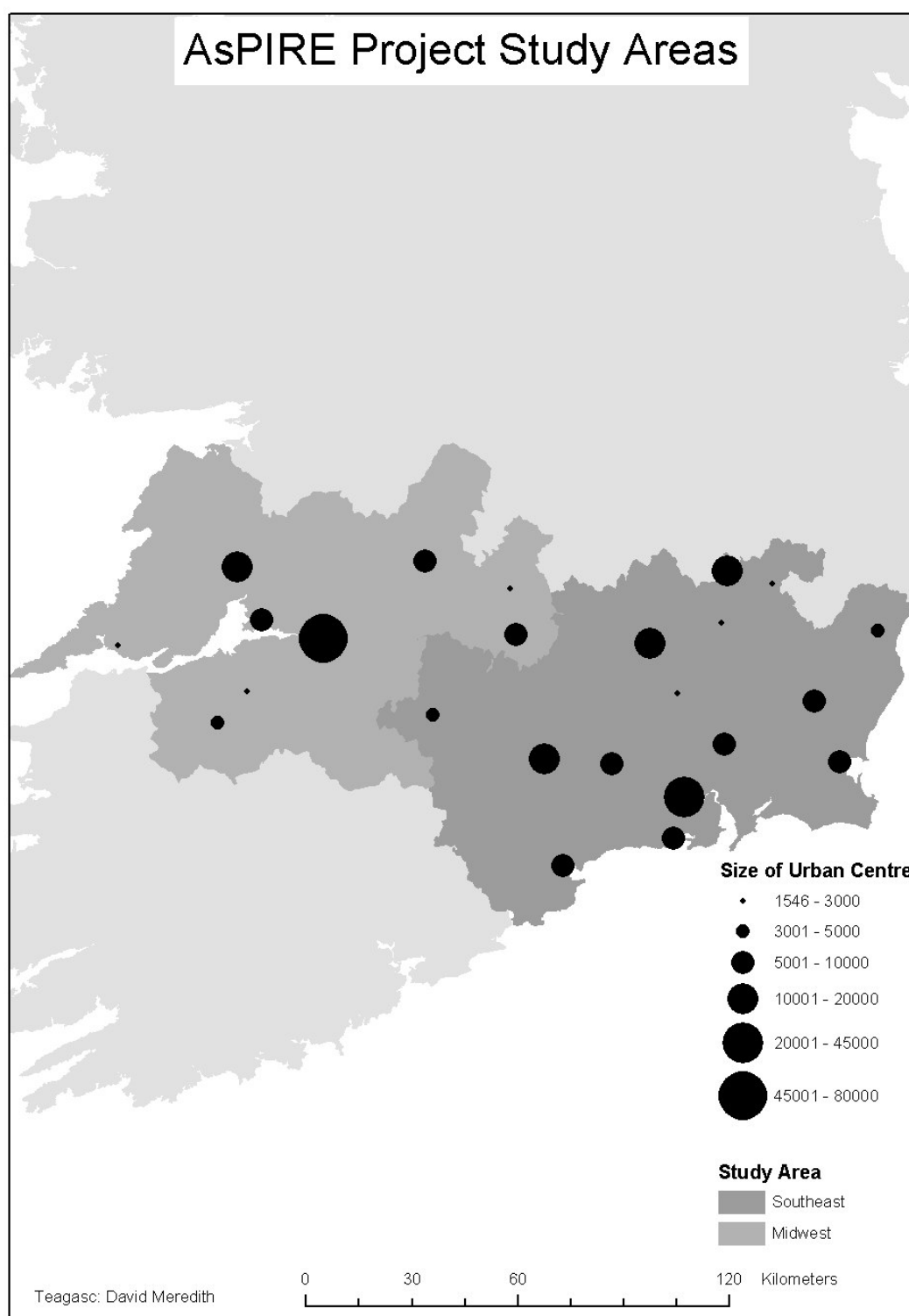
Figure 14: Sources of Innovation



Meredith and Commins, 2004. Results from the AsPIRE Project. Unpublished

At a county level the urban network is more compact in Clare whilst Wexford displays a fragmented urban structure that is dispersed spatially (Fig. 15). This is reflected in the relative small proportion of commuters, 13%, travelling over one hour each day in contrast to Wexford where 21% do so. It is reasonable to suggest that the Clare urban structure is to a degree self contained and yet embedded in an embryonic western corridor. Significantly this emerging structure is independent of the Dublin shadow. On the other hand, Wexford maintains long established relationships in which it is singularly dependent on the Dublin economy (Tourism, commuting). Despite these dependent relationships the transportation networks between Waterford, Wexford and Dublin are insufficient.

Figure 15: Urban Structures: The Midwest and Southeast



Meredith and Commins, 2004. Results from the AsPIRE Project. Unpublished

Social Capital

Development literature suggests that social capital, the establishment and functioning of dense networks of economic actors, e.g. chambers of commerce, producer associations, is an important factor in enhancing economic development.

These networks assist in building a common or accepted set of aims and objectives and fostering collaborative relationships and help to form partnership structures which play a vital role in contemporary economic development in Ireland. Though there is little quantitative data available to support these propositions research in the EU context suggests that when taken in conjunction with other positive factors, e.g. good governance, social capital is a significant factor in engendering positive attitudes and actions towards successful economic development.

Concluding Comments – Rural Futures

We have used basic income per capita indicators to show differential economic performance between two regions and, in more detail, between two rural counties located at different points in the core – periphery spectrum. The core is not strictly geographically central but is conventionally considered to be the centre of economic and social development. Distance from the core, the Dublin metropolitan area in Ireland's case, is generally associated with economic disadvantage, where the problems of access are often accentuated by limited natural resources with, consequentially, lower economic performance.

Data from Clare and Wexford were presented to illustrate the point that peripherality and distance from the core do not inevitably mean poorer economic development. Neither do better natural resources – especially for agriculture – and a more favourable location (proximity to the core) guarantee better economic performance. Of the indicators used, County Clare has shown a consistently higher rating than County Wexford, despite the geo-economic advantage of the latter.

The counties differ in the structure of their respected economies. Wexford's is characterised by traditional sector enterprises, with low productivity and low value added (Bacon and Associates, 2001). It has a higher dependence on agriculture and associated processing activities. Contracting employment in this sector has not been offset by sufficient investment in the non-agricultural sectors. Clare, by contrast, has engaged more actively with 'new-economy' enterprises with their related requirements for skilled labour and professional services.

The experiences of these two counties point up the role of public investment policies, especially in directing new and external investment in rural regions. It is clear also that a rural development model based on an agricultural economy, even relatively prosperous sectors, is much too limited a strategy to ensure development of a rural county. Expansion in the non-agricultural economy, however, does not occur without significant implications for the farming sector. Analysis of the 1991 – 2002 change in agricultural structures, although the data are not presented here, shows that, in comparison to Wexford, Clare witnessed: a more rapid decline in the number of full-time farmers, a higher rate of increase in land renting, a faster rate of growth in larger farms (over 16 ESUs), a more rapid exit rate from specialised dairying, and stronger expansion in farm forestry¹.

Two issues remain in the case of Clare's performance. One is the extent to which progress, as measured here, 'trickles across' different sub areas of the county, given that inward investment in general and services-based employment in particular, appears to favour the larger towns. Assessment of electoral division population data

¹ It is of course accepted that these changes occurred from different base positions.

Highlights declines in extensive parts of West Clare suggesting that balanced *county* development has not occurred. This may be difficult to achieve without more comprehensive planning. The point has implication for the manner in which the National Spatial Strategy can be articulated at sub-county levels so that rural hinterlands can benefit from the growth of 'gateways' and hub towns. The second issue concerns the economic sustainability of the 'Clare type' development in a globalising market environment of increasing competition, competitiveness and mobile international investment. Challenges of this nature will be part of a new set of difficulties for Irish regional policy in general, which will have to be reformulated for the new circumstances that will arise beyond 2006.

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The Changing Face of Food Retailing in Ireland: Developments in Conventional Food Supply Chains

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Introduction

This paper will address key developments in conventional supply chains in the food sector in Ireland. Firstly, it will outline what conventional and alternative supply chains mean. It will then focus on developments in the grocery and food service retail sector that could have a significant impact on market access and competitiveness for small-scale food producers. Finally it will present some conclusions and recommendations.

What are conventional and alternative supply chains?

It is firstly appropriate to explain what a supply chain means. It is a network of companies that are linked to produce value in the form of products and services for the final consumer. Thus for example, a cheese manufacturer may be part of a supply chain that extends upstream to farmers and downstream through distributors and retailers and/or food service operators to provide cheese to the final consumer. Actions at one point in the supply chain can have significant implications for other members of the chain, both upstream and downstream (Coughlan *et al*, 2001, p.504). Thus it is important for food businesses to be aware of the nature of, and key developments in, the supply chain with which they are involved.

Conventional supply chains in this context are defined as the normal or dominant chains in which product is indirectly supplied to consumers, i.e. some entity exists between the producer and consumer in the supply chain. In the Irish grocery retail sector, it is clear that multiple retailers and symbol retailers dominate such supply chains (see Table 1). However, looking at overall consumer expenditure on food, it is apparent that the foodservice sector is becoming increasingly important. Data from the CSO show that that €1 in every €5 spent on food in 1999/2000 was spent on meals away from home (see Table 2). This is a significant increase and Bord Bia (2003a) now estimate that €1 in every €4 spent on food is spent on food eaten away from home. Thus supply chains in this sector may also be considered conventional using our definition.

Table 1: Grocery Food Retail Outlets in Ireland, 1988, 1993 and 1998

Outlet Type	1988	1993	1998	2002 ¹	Change %
Multiples	149	160	157	190	+27.5
Symbol groups	1,134	1,015	1,152	1,300	+14.6
Independents	9,387	8,494	7,872	7,200	-23.3
Garages with shops	673	-	1,429		

Source: AC Nielsen Retail Census, cited in DAFRD, 2001, p54, DAFF, 2002, p61

Table 2: Percentage of Annual Household Expenditure on 'Meals Away from Home'

Year	1987	1995	1999/2000
Percentage of food spend	11	15	20

Source: Derived from CSO, 1989, 1997, 2002

¹ KPMG estimate from 2002

Alternative supply chains in contrast involve direct sales to consumers and include those newly emerging chains that may have yet to achieve critical mass or reach their potential. They are generally short food supply chains and in this category in Ireland we can include farmers markets and online selling over the Internet. These alternative supply chains will be discussed in the next paper so the remainder of this paper will focus on conventional supply chains.

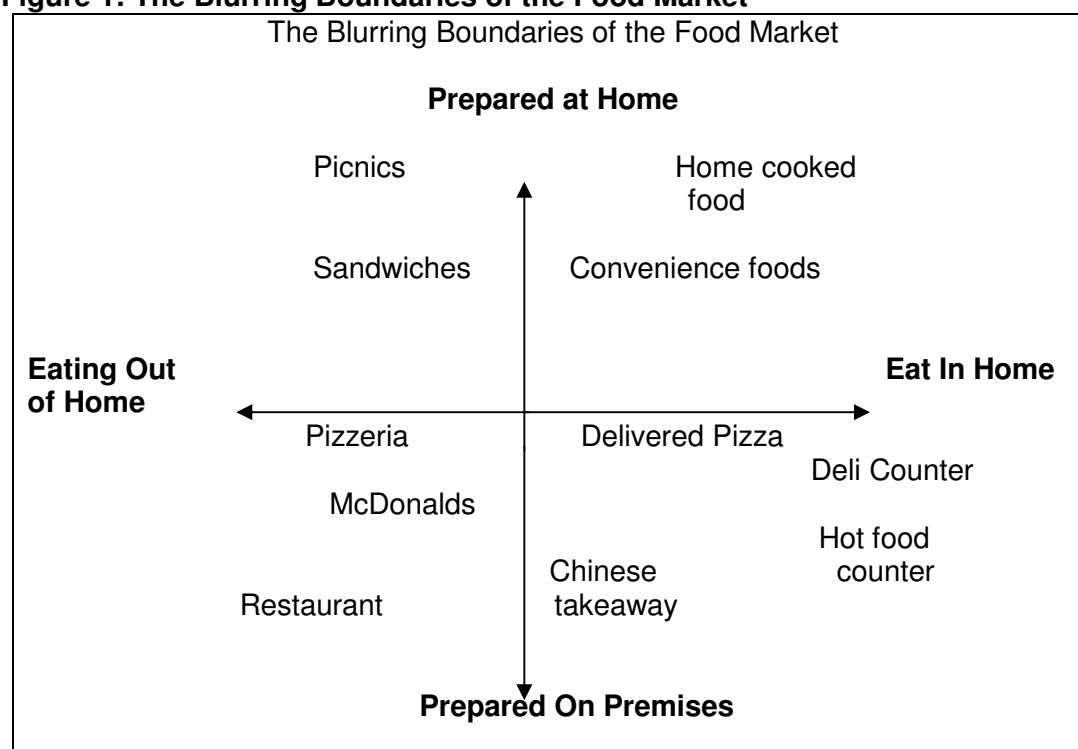
Developments in the Irish Retail Grocery and Foodservice Sectors

Developments in the Irish retail sector can be characterised as structural or strategic in nature. The structural developments discussed here include blurring of the boundaries between the grocery and foodservice retail sectors, and concentration, internationalisation and profile issues. Strategic developments discussed include buying processes, adoption of C&IT², distribution and innovation.

Blurring of the boundaries

A recent key development in the food market had been the involvement of traditional grocery retailers in the foodservice sector, which had led to the division between the foodservice and grocery retail sector becoming increasingly blurred. Traditionally food purchased in the retail grocery sector was prepared and consumed at home. However, now ready meals can be purchased from delicatessens, Chinese, Indian or other takeaways from a supermarket and filled sandwiches from a garage forecourt, i.e. prepared away from, and sometimes consumed away from home, somewhat similar to a take-away or delivery service (see Figure 1).

Figure 1: The Blurring Boundaries of the Food Market



Source: Haines, 1998

² Communication and Information Technology

However, differences in customer requirements still exist between the two sectors, particularly in terms of purchasing and ordering processes so that small food manufacturers cannot offer the same marketing mix to both sectors, and expect to succeed. Some notable differences between the two retail sectors will be highlighted below.

Concentration, internationalisation and profile

The grocery retail sector in Ireland is made up of the major multiples, symbol groups³, independent retailers, local markets and speciality independents, e.g. greengrocers, butchers, etc. In recent years the number of multiples has continued to grow (Table 1), both in numbers and also store size. Market share of symbol groups has grown since the 1990s and market share of the independents is on a continuing downward trend. However, the contraction in numbers of independents has primarily been due to closure of general grocery shops with proportionately fewer closures in specialist shops, such as butchers and greengrocers (it is also due to independents changing to becoming symbol group store owner/operators). The fastest growing segment of the grocery market is garage forecourt shops. This reflects increased car ownership, convenience of accessing forecourt outlets and the increased demand for convenience foods. While the overall share of the German discount stores is quite low, they have achieved significant market share in some geographic and product markets. However it is unlikely that small to medium sized Irish food producers would access shelf space with discounters because of their limited product range, low price and predominantly imported own brand products.

Table 3 shows the concentration ratio of the top three grocers in Ireland, i.e. Tesco, Dunnes Stores and Superquinn. However this is defined from a consumers' perspective, i.e. the top three grocery sellers. From a supplier's perspective, the top three grocery purchasers, Dunnes Stores, Tesco and Musgraves/Supervalu have a market share of about 70%. This difference can be explained by the fact that Musgraves/Supervalu is a centralised buying group that owns the symbol group franchise for a large number of independent retailers who individually have a very small market share.

Table 3: Concentration Ratio for the Top Three Grocery Retailers in the Irish Market

Year	1983	1987	1994	1995	1998	2003
Concentration ratio	44.3	56.1	52.2	52.1	54.3	54.7

Source: AC Nielsen

In contrast, the foodservice is highly fragmented with an estimated 20,684 outlets (Bord Bia, 2001). However, there is increased penetration by chains. While fast food chains such as McDonalds and Supermacs have been present in the Irish market for many years, chains are now entering other sub-sectors. For example CERT (1999) report that one-quarter of hotels were part of a group or chain in 1999 while data from the Irish Hotels Federation suggest that this figure is around 20%. Theme chains are entering the restaurant sub-sector, e.g. TGI Fridays, Mongolian Barbeque and Milano. Table 4 shows that most groups/chains in the hotel sector are concentrated in the 3-star category. It should be noted that despite the increased interest of international chains in the Irish market, many leading hotel groups are Irish, including Jurys Doyle Hotel Group, Great Southern Hotels, Lynch Hotels and Ryan Hotels. In the hotel sector there is also a trend towards the growth of 'umbrella' organisations where groups of independent hotels form a consortium, and joint efforts are put into buying and marketing functions. At present, the Best Western Group is the largest example of such an umbrella organisation, which provides its approximately 20 member hotels in Ireland with marketing services. Such developments indicate a trend

³ Symbol groups are groups of independent retailers operating franchises that are owned by centralised buying groups.

towards increased concentration, which could provide opportunities as well as threats to Irish food manufacturers.

Table 4: Ownership Structure and Grade Status of Irish Hotels

Grade	INDEPENDENT HOTELS		GROUP/CHAIN HOTELS		% of total hotels in that grade
	Independent ownership	% of total hotels (N=650)	Group/Chain ownership	% of total hotels (N=650)	
5-star	14	2.1	4	0.6	22.2
4-star	47	7.2	17	2.6	26.6
3-star	217	33.4	86	13.3	28.4
2-star	187	28.8	4	0.6	2.1
1-star	74	11.4	0	0	0
TOTAL	539	82.9	111	17.1	17.1

Source: IHF, 2001

Internationalisation

In addition to the entry of German discounters, the Irish retail grocery trade is subject to increasing international influences. This includes the presence of the British multiple retailers in the Irish market and the establishment of indigenous Irish retailers in foreign markets (e.g. Musgraves/ Supervalu in Spain and the UK). The presence of the British multiple retailers here in particular had significant implications for Irish food suppliers as they are credited with the trend towards centralised distribution and adoption of more supply chain management practices. However the movement of Irish grocery retailers into other markets could also have significant implications for Irish food manufacturers in terms of providing market opportunities and also stimulating new ways of doing business.

The internationalisation of Irish grocery retailing is being mirrored in the foodservice sector. The presence of international groups is quite established in some sub-sectors, e.g. McDonalds, Burger King and KFC in the fast-food sub-sector, however it is also becoming a feature of other sub-sectors. For example such groups as The Hilton, Radisson SAS, Four Seasons, Sheraton, Forte, Ibis, Choice Hotels and Holiday Inn are present in the hotel sub-sector. Bord Bia (2001) argue that it is likely that the growth in presence of international groups will lead the way to a more disciplined supply chain in the foodservice sector, mirroring practices in the grocery retail sector. Outward investment by indigenous players is occurring in the foodservice sector with Jurys Doyle and Ryan focusing attention on the Irish and European markets.

Profile

While the grocery retail sector has seen an increase in low price operators, the profile of the Irish hotel sector has changed in favour of a higher concentration towards the higher end of the market (see Table 5).

Table 5: Number of Hotel Premises and Rooms by Class in Ireland, 1994 and 2001

Grade	1994		2001		% Change in Room Nos.
	Properties	Rooms	Properties	Rooms	
5-star	14	1,819	18	2,313	+27%
4-star	40	3,516	64	5,569	+58%
3-star	186	9,916	303	18,591	+87%
2-star	219	4,687	191	4,030	-14%
1-star	172	2,787	74	1,079	-61%
Unclassified/other	51	1,982	198	8,360	+322%
Total	682	24,707	848	39,942	+62%

Source: Adapted from IHF, 2001, pp11 and 80

Buying Processes

Concentration of the retail sector facilitates the advent of centralised buying by the multiple retailers and also to a considerable extent by the symbol retailers. (In the latter case, local store managers may source 5% of purchases independently of central billing or distribution). This means that buying is no longer performed by the local store manager but is done at central level, possibly for up to 80% of retail grocery market. This means that food manufacturers require an increased level of professionalism to trade in this sector. Whilst a buyer will be appointed to each product category, the supplier selection process involves more individuals including food technologists and involves clearly defined supplier selection criteria. Research undertaken at The National Food Centre by Cantilon *et al* (2001) states that the most important criteria for retail buyers' product and supplier selection activities are:

- the product's potential commercial performance
- the supplier's food safety systems; and
- the supplier's service performance.

Incidentally, this research found that small suppliers are most likely to lose business as a result of their marginal under-performance with respect to retailers' food safety requirements.

The fragmented nature of the foodservice sector means that, on the whole, the buying process is decentralised. However, some commentators predict that as the presence of groups/chains increases, purchasing practices will become more centralised with new and more rigorous supply chain disciplines imposed, leading to a rationalised supply base moving away from many local suppliers to a few national suppliers. Recent research conducted at The National Food Centre suggests that buying processes in the hotel sector are evolving slowly (O'Connell *et al*, 2003). The chef is the dominant influence on the buying process, however others may also have a role in the decision making process and non-food related job functions, e.g. purchasing managers, may have a role in chain operated hotels (see Table 6). Despite this the research found that across the chain hotels, a narrower range of individuals were identified as the main individual responsible for supplier selection than across the independently owned hotels. Five job categories were mentioned for the main individual responsible for supplier selection in the chain owned hotels compared to 8 in the independently owned hotels. This indicates a more structured approach to supplier selection in chain hotels, with evidence of functional specialisation.

Table 6: Individuals in Hotels who are Mainly Responsible for Supplier Selection, data area percentage of hotels

JOB TITLE	All hotels (N=100)	Independently owned hotels (N=84)	Hotels part of group/chain (N=16)
Head chef	60	64	38
Sous-chef	3	2	6
General manager	8	10	0
Assistant general manager	4	5	0
Owner	10	12	0
Purchasing manager	7	2	31
Food and beverage manager	0	0	0
Cost controller/accountant	3	1	12
Other	5	4	12
TOTAL	100	100	100

Source: O'Connell, *et al* 2003

When asked about changes to the supply base as part of this research, approximately equal numbers of hotel food buyers reported dropping suppliers (47%) as taking on new suppliers (51%). The similarity in numbers suggests that the composition of the supply base of individual hotels is quite dynamic with supplier switching but the size of this supply base is relatively constant at any point in time indicating that supplier rationalisation is not yet a feature of the sector.

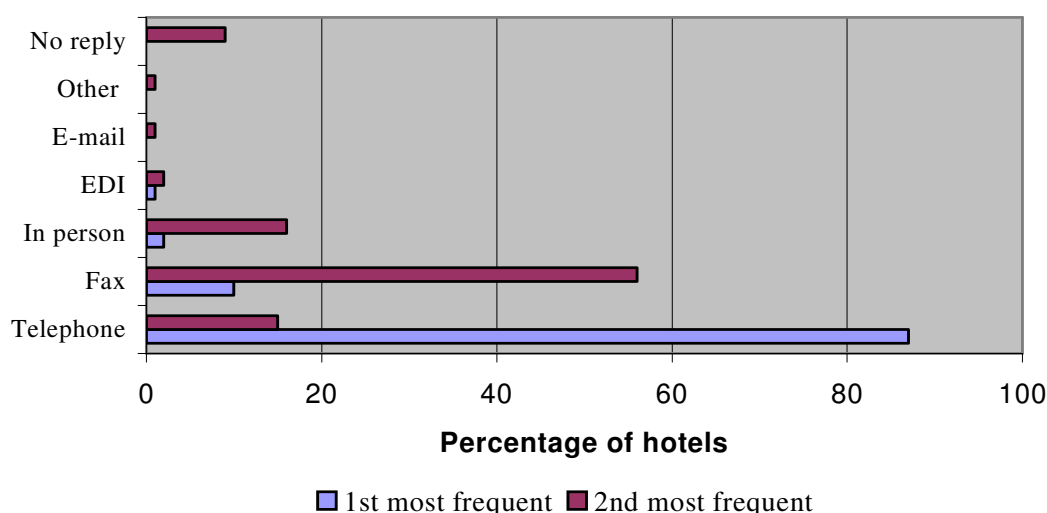
Adoption of C&IT

A key feature of the Irish grocery retail sector has been the growth in the use of C&IT by retailers. At consumer level, two multiple retailers in Ireland (Tesco Ireland and Superquinn) and one symbol group (BWG Spar) have an online presence, (Musgraves/Supervalu performed a trial in 2001 but have ruled out any further major investments for this area at present). Tesco report that they have 110,000 registered customers (up from 27,000 in 2001) with an on-line delivery capability of serving 80% of the population directly (pers. comm). At business level, food retailers are using extranets and e-business tools to drive efficiency in their supply chains, to streamline distribution networks, to improve traceability, to enhance quality assurance, and to build customer relationships and loyalty (Forfas, 2000).

A forecasting exercise undertaken by The National Food Centre forecasts greater use of C&IT in the future across the grocery retail market (Henchion *et al*, 2001). For example, on-line grocery shopping by consumers, e-procurement and the use of EDI are forecast to increase significantly in the future.

However, ordering procedures in the foodservice sector have not yet reached the sophistication levels of the retail sector. The most frequent method used by hotel food buyers to place orders is via telephone and fax, with EDI⁴ of limited importance (see Figure 2). This reflects the lack of centralised purchasing and supports the view that sophisticated supply chain disciplines are being adopted slowly, and have not yet reached the levels of the retail sector. In terms of e-procurement, Bord Bia (2001) identifies 'a high degree of technophobia' in the foodservice sector, especially on the part of the chef. However, in the medium to long term, they suggest it is difficult to believe that professional foodservice operators will not recognise the benefits of e-procurement systems and embrace their use.

Figure 2: Most Frequent Methods Used by Hotel Food Buyers to Place Orders in a Sample of 100 Hotels



Source: O'Connell *et al*, 2003

⁴ Electronic data interchange

Distribution

At present intermediaries (distributors/wholesalers) are the dominant route to market in the retail sector. Whilst this may have been expected in the multiple retail sector due to their centralised purchasing and distribution systems, research conducted at The National Food Centre shows that it is also true in other sectors. Table 7 highlights the prominence of the wholesaler/distributor in the hotel sector also for nine out of the ten product categories examined. For dry goods, the most popular channel of distribution is through the cash and carry. (In the meat category, the retailer was found to be an important route to the hotel market. It is likely that the importance of the retailer to the meat category is because hotels are keeping with the tradition of using local butchers, with whom they can build up relationships, and be guaranteed of quality, traceability and meat of Irish origin).

Table 7: Distribution Channels in the Hotel Sector, data are Percentage of hotels in a sample of 100

	Wholesaler / distributor	Cash & Carry	Retailer	Direct from manuf.	Importer	Other
Meat	53	0	50	11	0	0
Poultry	74	1	17	13	0	0
Seafood	69	0	17	17	0	2
Fruit & Veg.	76	2	20	6	4	2
Speciality cheeses	55	9	9	6	2	3
General dairy	62	2	9	28	0	3
Pre-prepared desserts	37	2	3	9	1	1
Speciality breads	37	1	5	13	2	3
Sliced bread	61	0	12	23	1	
Dry goods	39	62	2	0	0	0

Note: The rows above do not sum to 100 as multiple responses were allowed.

Source: O'Connell, *et al*, 2003

Research at The National Food Centre (Henchion *et al*, 2003) indicates that the use of intermediaries will have to increase in the future to service conventional supply chains in the Irish market. This is because not only multiple grocery retailers, but also other grocery retailers and foodservice operators, do not want to deal with a large number of small-scale food manufacturers. They find it time consuming and an inefficient use of resources to deal with a large number of small-scale suppliers. Furthermore, many of the grocery retailers and an increasing number of food service operators have established centralised purchasing and distribution systems which mitigate against having a large number of small suppliers. Table 8 shows some reasons cited by retail buyers in this research for favouring distributors/wholesalers.

Table 8: Some Reasons for Not Dealing Directly with Small Scale Food Producers

- *I have dropped out of a number of supply chains because there are too many suppliers. I want to condense it to just having a few suppliers because of time, efficiency, paperwork and pricing*, (Foodservice operator, the Northwest).
- *"Trading through the likes of intermediaries who can bring a complete package to the likes of ourselves....is always a good idea"* (Specialist grocery retailer, Dublin).
- *"Dealing directly with small suppliers is good but I would prefer them to go through a distributor. I feel dealing with small suppliers takes up a lot of your time"* (Foodservice operator, the Northwest)

Source: Henchion *et al*, 2003

It is notable that the wholesale sector has experienced rising levels of consolidation in recent years. In the process, a number of family-owned businesses have been acquired by larger

players, some have voluntarily merged with similar organisations to form larger units and some have gone into liquidation.

Innovation

In a stagnant food market, grocery retailers in particular are placing increased importance on innovation to maintain market share or potentially achieve growth. Retail grocery buyers expect suppliers to be innovative and continue to produce new products on an on-going basis. They also expect new products to be presented with a marketing plan and some ideas on how the product fits within the retailer's current category offering. Thus they are raising the ante with regards to innovation. NPD⁵ is required at an increased rate and NPD needs to be focused and to offer a customer as well as consumer proposition. However, there may be a problem of a lack of convergence between product development activities and market awareness as suggested by Cantilon *et al* (2001) and Henchion *et al* (2003). A quote from the latter illustrates this below.

- *"A small supplier met me yesterday with a new product. What I would have expected from them was to come in, present the product and talk to me about the quality etc. and tell me why I should stock them. Where they would fit in our range and talk about forecasting volumes and how it would advantage our business and category in general. Then I would have expected them to talk about promotions and how they would drive volume. I would then have expected a discussion about price. They attempted to do this but what they put forward was very light weight. ...So what I said to them was 'you need to go back and look at this, this and this and come back to me in two weeks'". (Buyer for multiple grocery retailer).*

Many retail food buyers are supportive of food producers' innovation activities. The extent to which retailers are involved in the innovation activity has increased but depends on the type of commercial customer. Multiple retailer and specialist retailers tend to have a greater involvement than do retailers belonging to buying groups where their input into the supplier and product selection process is limited. The type of support provided includes market information, technical support, advice on factory operations, and assistance in sourcing packaging suppliers. Other buyers provide information to suppliers with a view to improving the product after the product has been developed. A specialist retailer interviewed by The National Food Centre stated *"Sometimes we take on a product with the agreement that within six months or so they might be able to improve their packaging. We would give them advice and suggestions on design and materials"*.

The extent of retailer involvement in the NPD process is expected to increase in the future. In a forecasting exercise undertaken at the National Food Centre (Henchion *et al*, 2001), there was consensus amongst the experts involved that the majority of food businesses will develop cross-organisational teams with their retail and food service customers to develop new products. In the grocery retail sector, this is particularly true in the case of developing new private label products. This greater integration with customers is expected to result in new challenges for the food processing sector and improved operating capabilities and the adoption of best practice amongst those who survive supplier rationalisation programmes. (It should be noted that the development of cross-organisational teams is not felt as likely or important in the foodservice sector as in the grocery retail sector due to the fragmented nature of the former).

Conclusions and Recommendations

Developments in conventional food chains means that such chains are not static. Food producers need to be constantly aware of current and forecast changes and consider the

⁵ New Product Development

impact of these on their business. Many of these developments have a negative impact, raising barriers to entry, increasing competition for shelf space, raising standards and increasing complexity, however some can have a positive impact and provide opportunities.

Conventional supply chains are not homogenous or standard. They are made up of two distinct sectors, i.e. grocery and foodservice. While commentators suggest that developments in grocery retail chains are being mirrored in foodservice chains, research conducted by The National Food Centre indicates that this process is at a very early stage and that each sector (and sub-sector) has to be treated as a distinctively different market.

Whilst C&IT is expected to feature in conventional food supply chains in the future, the reality is that the potential of C&IT has not been tapped to any significant extent as yet and some food manufacturers are not, and will not be, in a position to avail of such opportunities. This is particularly true for smaller companies. The Information Society Commission reports a 'clear gap between the preparedness of small to medium sized companies and larger companies for the Information Society' (Information Society Commission, 1999). One of the biggest differences between smaller and larger businesses relates to perceptions of the impact that technologies will have on their competitiveness over the next two years. Only 27% of very small businesses felt that new technology would have a very important impact on their competitiveness compared with 52% of large businesses. Promotion of greater uptake and use of C&IT and other initiatives, including direct financial assistance, market support and training support, already underway by some institutions in Ireland, needs to continue to overcome barriers and improve market access and competitiveness. However, this must be undertaken in a customised manner, recognising that SMEs differ in their capabilities to accept and maximise usage from C&IT services (Gillespie *et al*, 2001).

Distribution is becoming more centralised across all conventional chains and is expected to increasingly feature intermediaries. Murphy *et al* (2001) reported that one-quarter of speciality food was delivered directly to grocery retailers or caterers, suggesting a possible need for change in distribution practices amongst small-scale food producers. It should be highlighted that using an intermediary can create problems and that such intermediaries may not be readily available. Research by Henchion *et al* (2003) indicates that in the Northwest and West the range of intermediaries available is limited, particularly for chilled products and short shelf-life products. Small food manufacturers should consider using intermediaries to reach a larger target market in a more cost-effective way. However, careful consideration needs to be given to the quality of the wholesaler and its ability to make effective representation for the manufacturer's products.

Innovation is identified as important in conventional supply chains. Henchion *et al* (2003) found that retailer buyers see small food producers in general as "*very good at coming up with ideas themselves*". This is consistent with a recent Bord Bia report which claims that in general small businesses in Ireland are a good source of innovation for the food industry (Bord Bia, 2003b). However, some retailers are more critical reporting a lack of interest in innovation and a lack of capacity to present their products to commercial customers. This was also found by Cantilon *et al* (2001) who reported that grocery retailers perceive that small suppliers are under-performing in product innovation activities. It should be emphasised that innovation is a market access *and* market maintenance issue. Food manufacturers need innovative products to achieve market access, but they also need to maintain the momentum and introduce new product lines on a continuous basis.

Food SMEs greatest difficulties seem to arise in commercialising the product. This suggests a lack of market orientation when selecting a new product concept to develop and also a lack of understanding of customer requirements. This is consistent with research by Bord Bia (2003b) which claims that many Irish owner/managers tend to imitate or copy, leading to the development of "me-too" products, with little or no unique selling point. Thus whilst some

food manufacturers may be innovative, their innovation needs to match consumer-led market opportunities for greater effect. When developing new products, food manufacturers need to develop a customer as well as consumer proposition, i.e. the product has to offer benefits to the customer as well as the consumer, possibly through harnessing support from retail buyers at an earlier stage of the NPD process.

It is becoming increasingly difficult for many food manufacturers to supply conventional supply chains. Yet many entrepreneurs' growth ambitions are based on accessing such supply chains so they will have to look at new and creative ways of accessing these markets. However, it should be noted that alternative supply chains are available and may be profitable for a limited number of food manufacturers.

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Integrated Rural Tourism Development in the West of Ireland: Learning from Tourists and Tour Organisers

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Abstract

This paper deals with the West of Ireland component of an EU research project on integrated rural tourism. Surveys of tourists in parts of Counties Mayo and Galway and of tour organisers associated with the area are described. Consideration is given to the profiles of the respondents, to the perceptions, motivations, expectations and behaviour of the tourists and to the opinions of the tourists and organisers. The identified characteristics of the region's tourism, including its strengths and weaknesses, are related to fundamental features of integrated rural tourism.

Introduction

In this paper some results from a part of the EU Framework 5 interdisciplinary research project Supporting and Promoting Integrated Tourism in Europe's Lagging Rural Regions (SPRITE) are presented. The overall aim of the SPRITE project is to analyse and develop the potential for better integrated tourism in the lagging rural regions of Europe as a contribution to their regeneration. Integrated tourism is defined as tourism that is explicitly linked to the economic, social, cultural, natural and human structures of the region in which it occurs. It seeks to make optimal use of these structures.

In the SPRITE project, seven criteria are identified as being relevant to the promotion of appropriate forms of integrated rural tourism: networking, endogeneity, embeddedness, scale, sustainability, complementarity and empowerment. *Networking*, involving relationships and partnerships, both within and outside the locality, is fundamental to integrated tourism. *Endogeneity* relates to the retention of local ownership and control of resources and activities with maximum benefits to the place concerned. *Embeddedness* involves tourism being closely based on local physical, economic, social and cultural resources and on local relationships, so that the tourist experiences are distinctively place-specific. The *Scale* of tourism components should be appropriate to local circumstances and this is most likely to be of small size in the rural context. *Sustainability* relates to the continuity in a healthy state of resources and activities in ecological, economic, social and cultural terms. *Complementarity*, rather than conflict, is desirable between the different components within tourism and between tourism and other economic and social activities. *Empowerment* is associated with integrated tourism through local participation, decision-making, control and self-confidence. These one-sentence descriptions cannot do justice to the complexity and importance of the concepts, nor to the fundamental nature of the linkages between them in integrated tourism.

To achieve the aim of the SPRITE project, research tasks have been undertaken focusing on: (i) the tourists to the study region and the tour organisers or 'gatekeepers' who are involved in the organisation of their visits; (ii) the local human, physical, economic and cultural resources and the ways in which they are used to develop integrated tourism by entrepreneurs and support organisations; (iii) the attitudes of the host communities towards integrated tourism; (iv) the role of the institutions that impinge on integrated tourism development. Some findings of the first research task, relating to the experience of tourists and the role of gatekeepers involved in organising their visits, are presented in this paper.

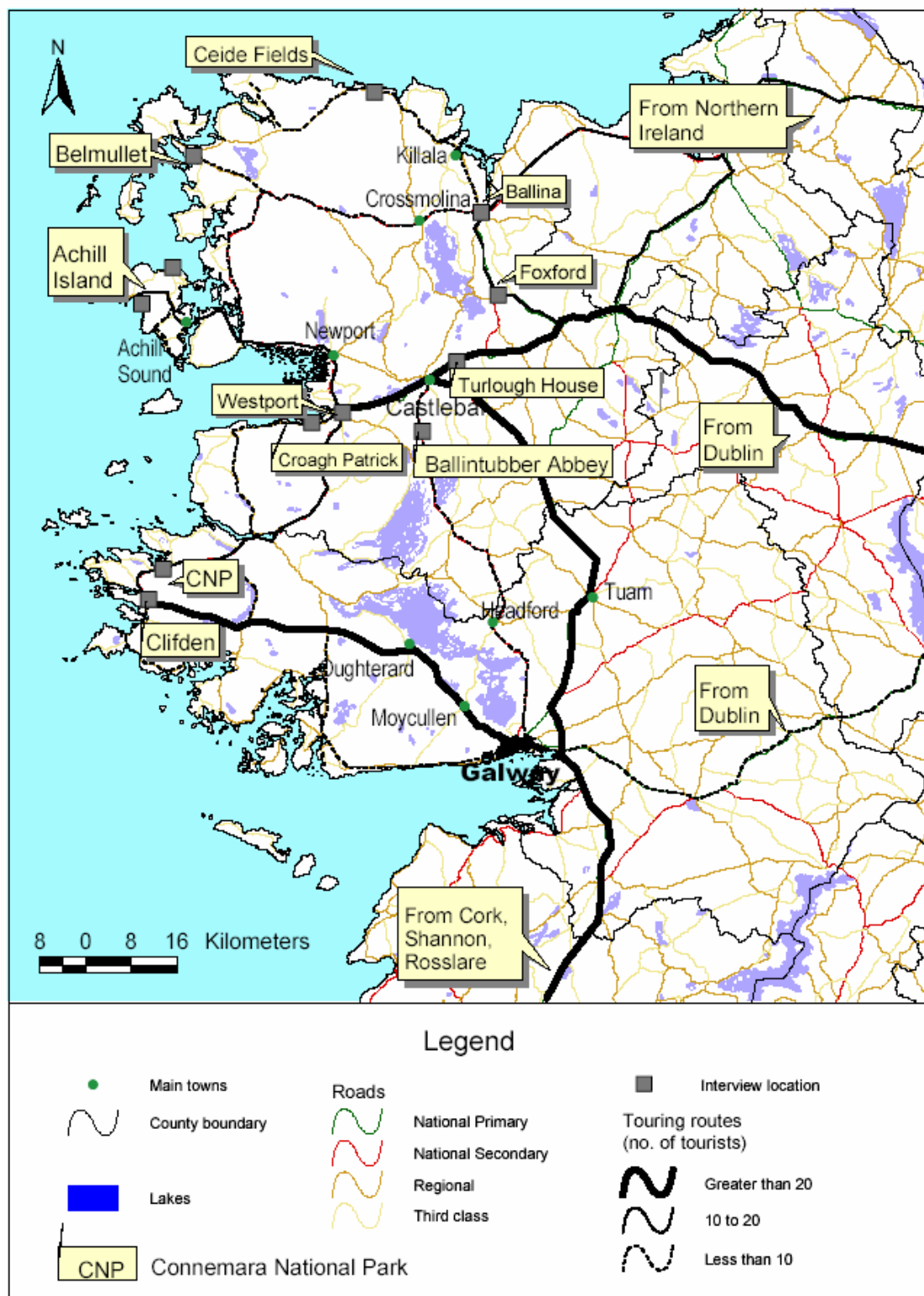


Figure 1 Interview sites and tourist routes in the West Region

The tourism region concerned is the West Region of Ireland with particular emphasis on the coastal and mountainous areas of Counties Galway and Mayo. The region was selected for study as one of two Irish regions, the other being the North Midland Counties, which were studied by the Teagasc Rural Economy Research Centre. The West Region was identified as having a long-established tourism industry that displays integration with the natural and cultural environments.

Methodology

Selection of the sub-region for study within the West Tourism Region was based on a detailed mapped inventory of the physical and cultural resources, tourism attractions and types of accommodation present in Counties Galway and Mayo. Within the sub-region, four sub-areas were identified: Clifden and its environs in County Galway, and Achill Island-Northwest Mayo, Clew Bay-Westport and the Moy Valley-Central Mayo in County Mayo.

Tourist interviewing was done in the main tourist towns and villages and included touring locations (the towns of Ballina, Clifden and Westport) and cultural and recreational sites (Ballintubber/Turlough House, Connemara National Park, Céide Fields, Croagh Patrick), game /angling sites and golf courses (Figure 1). The interviewing was conducted at tourist offices and beaches, in reception areas (at cultural and religious attractions, a national park, angling sites and golf courses) and in accommodation premises in one area where there were few tourists on the street. Interviewing took place between March and September 2002 with a concentration in the main holiday season, during July and August. Tourists were selected for interview purposefully on the basis of profiles derived from Bord Fáilte sources relating to the age and group type (family, couples, etc) of visitors to the region. Large tour groups were deliberately omitted because of the focus of the study on forms of tourism that are closely integrated with the regional and local resource base. Efforts were made to include Irish and overseas visitors. A majority of the tourists had spent at least two days in the region and the remainder were mainly day-trippers or return visitors. Because of the purposeful sampling method used, the interviewees are expected to be representative of visitors to the more rural parts of the region, rather than of tourists more generally. The number of tourists interviewed was 115.

Eleven tour organisers were selected for interview in a purposeful way from the full list of such operators sending tourists to the West Region or providing information and other services to visitors within the region. They included three local, four regional, one national and three international operators. All had a focus on forms of tourism that reflect close integration with local physical and cultural environments. All also catered for individual travellers, even if they handled coach tours, and the primary focus of the interview related to the former.

Profiles of tourists and tour organisers

Slightly more male than female tourists were interviewed (64 out of 115) (Figure 2). They ranged in age from less than 20 years to retirees and more than 60% were over 40 years. Their educational levels were high, with more than 60% having had third-level education. The majority were employed. Over half were in professional or managerial occupations, reflecting the high levels of education reported. Two-thirds of the tour organisers targeted higher-spending tourists and they confirmed the high socio-economic status of their clients. The largest concentrations of tourists in the study area are in Westport and Clifden, with numbers being lowest in its inland parts.

Residents of the Republic of Ireland comprised 39% of the tourists interviewed and 10% were from Northern Ireland, 12% from Britain, 21% from Continental Europe, 16% from the United States of America and the remainder from elsewhere in the world. The proportion of domestic tourists was slightly less than Bord Fáilte profiles report and that from Northern Ireland was higher, but otherwise the geographical origins align closely with the official statistics relating to tourist origins.

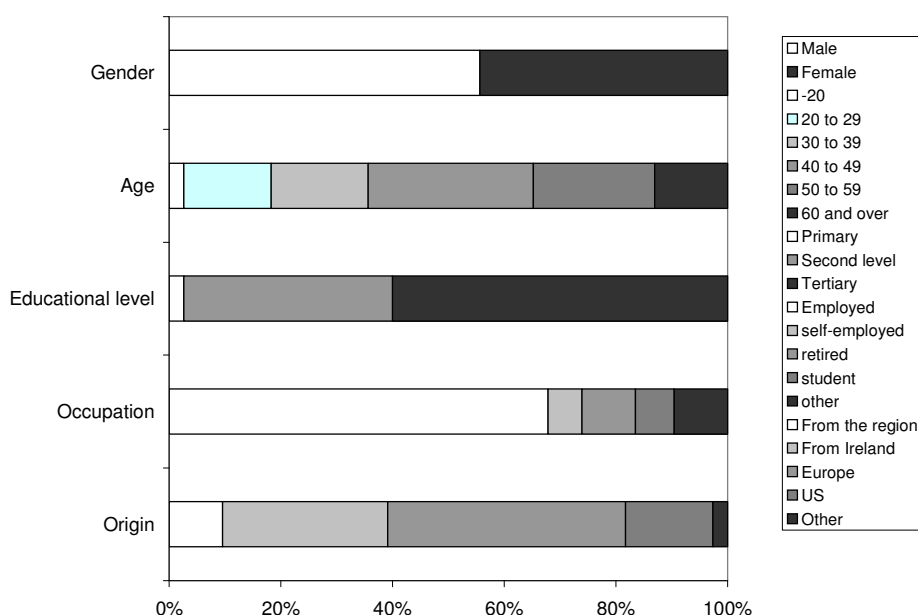


Figure 2 Summary of tourist profiles

The tour organisers focused on a number of different market segments, among which activity holidays were important for several. Three had been established to serve emerging niche markets for cycling holidays, archaeological and nature tours, and English language learning. Two of the owners had commenced their careers in the tourism industry in Ireland, moved overseas, identified a niche market for holidays to Ireland, and established a company overseas to exploit that market. Three of the organisers were departments of a Regional Tourism Authority.

The tour organisers had small staffs of between one and ten people. The majority had managerial expertise, and required their office employees to have basic keyboard and computer skills. Languages (French and German) and marketing skills were considered desirable in several instances. The majority had developed a website (in some cases in several languages) with provision for on-line booking.

One-third of the tour organisers engaged in the direct promotion of the West Region or parts of the region to the tourist. The remainder had developed specialist tourism products, e.g. activity holidays, environmental or cultural based tourism. One-third targeted particular markets. The West Region accounted for all of the business of five gatekeepers (based in the region) and for between 25% and 90% of the remaining organisers' business. Connemara was seen as the most important area, attracting the greatest number of tourists.

Tourists' perceptions, motivations and expectations

The three primary outcomes that the tourists had expected prior to their visit to the region related to experiencing nature (the beautiful scenery), renewing personal contacts (visiting family and friends) and participating in outdoor pursuits (freshwater and sea angling, golfing, walking, etc.) (Figure 3a). In particular, they had expected to experience the beauty of the Atlantic coastline and a high-quality environment. Anticipation of visiting family and friends was important for tourists going to Mayo, which has a large emigrant population in the UK. At a more personal level, the opportunity to relax was highlighted. Other reasons for selecting the West Region for a holiday

included, both not having been to the region before and having a tradition of visiting the region, and recommendation from family or friends.

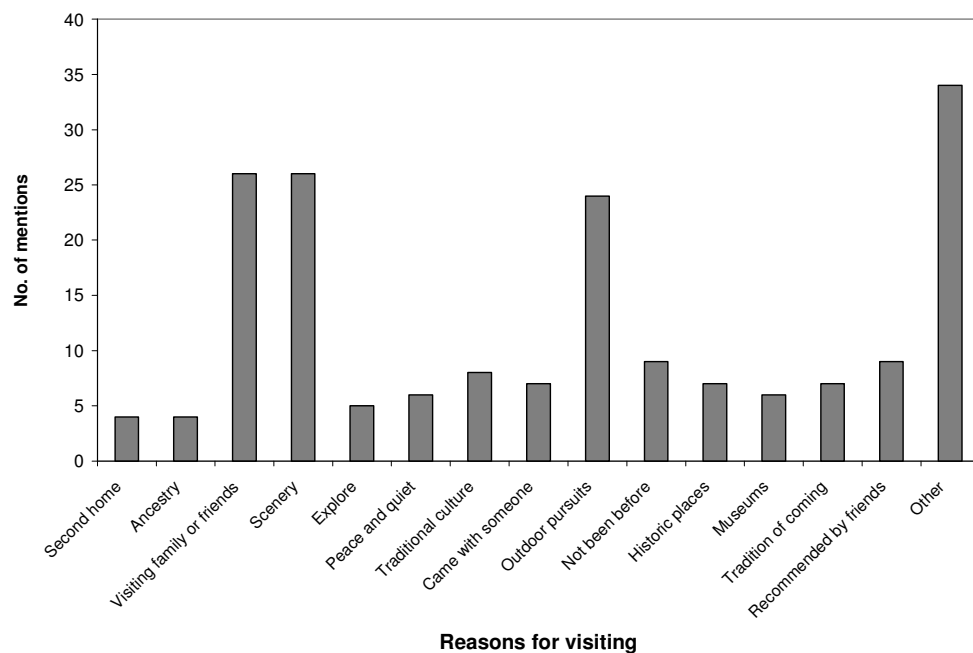


Figure 3a Primary reasons for visiting, as stated by tourists

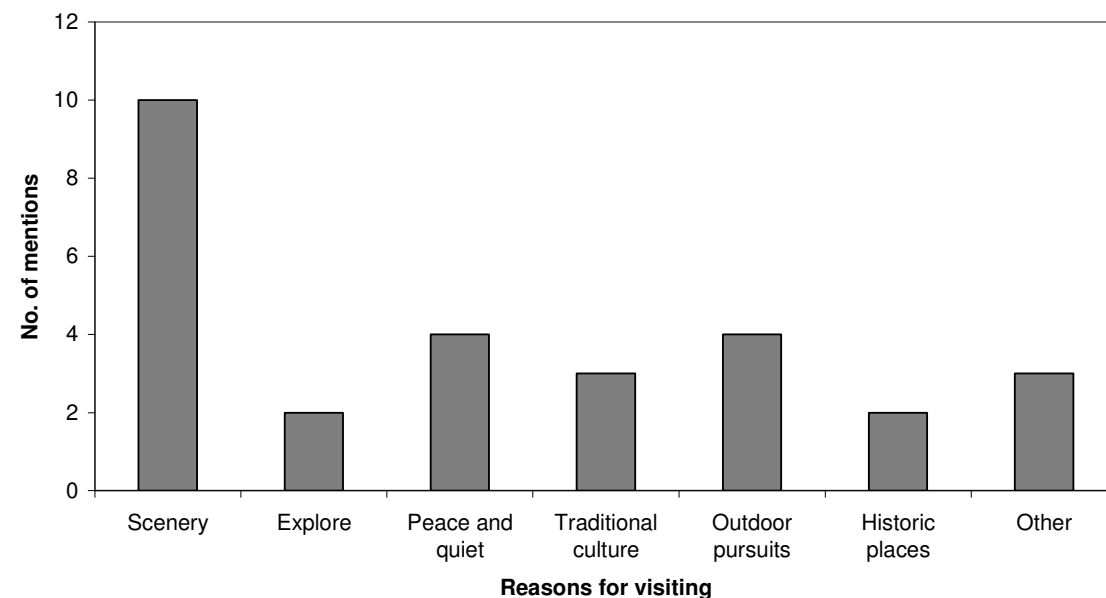


Figure 3b Tour organisers' perceptions of why tourists visit

The striking difference in the reasons for tourists coming to the region as perceived by the tour organisers relates principally to their proportionately much greater emphasis on the scenery and much lesser significance of visiting family and friends (Figure 3b). The fact that few of those tourists coming for the latter reason use tour organisers must contribute substantially to the different perceptions. Activities based on the natural environment (angling, walking) and the

relaxed pace of life were emphasised as attractions. Over half the gatekeepers felt that the tourists and their reasons for coming had changed over the last ten years, e.g. there were fewer visitors coming from Germany because of the economic situation there, activity tourism had increased and greater numbers of visitors had values relating to the environment. Ireland was perceived as an expensive destination and tourists are making decisions based on this.

The primary sources of information used by the tourists before visiting the region, particularly Irish visitors, were informal 'word of mouth' advice from family and friends and their own experience from previous visits. The Internet was the third most frequently used source of information, with the Bord Fáilte website being that mentioned most frequently. Guidebooks were important, particularly for overseas visitors. During the visit, the Internet dropped significantly as a source of information and use of local information points increased. Recommendations were still important for some, particularly from service providers (in B&Bs, restaurants and hotels).

Most tourists held an image of the region based on landscape and sea in advance of their first visit. Images of water (sea, lakes and rivers), mountains and rurality dominated. Other images mentioned by a limited number included green, wild, barren and rugged landscapes. One-third of the tourists felt that their image of the area had changed after they first visited. Fifteen of these referred to the region being more developed than they had anticipated and having more facilities and amenities. Small numbers felt that their image of the region had deteriorated, including references to traffic congestion, even in small towns.

Tour organisers felt that the tourist image of the region involves features such as greenness, scenic landscapes, meeting friendly people and having a slow pace of life. It was seen as remote and underdeveloped. They felt that tourist images were formed both from targeted promotional literature and indirectly from traditional music, films and television programmes. Promotional literature published by Bord Fáilte was seen to play an important role in defining the image. However, the image that Bord Fáilte was projecting was changing and becoming more modern. The green image was in decline and more focus was placed on activities for younger people.

The majority of the tourist interviewees had not considered travelling to any destination other than the West Region when planning their holiday. Most felt that they had already visited similar regions in Ireland and overseas. Over one-quarter felt that the Southwest was similar to the West in terms of scenery (mountains and sea). The main contrast with the Southwest reported was that the West was less developed, which was seen as advantageous. Similarities between the West Region and other European countries visited also related to scenery. Eleven tourists commented on similarities with Scotland, particularly in terms of landscape, but the Scottish landscape was seen as more rugged and harsh. Small numbers highlighted similarities between the West Region and southwest England, northwest and rural Spain, the Massif Central in France and Nova Scotia in Canada.

Tourist behaviour

Only 30% of the tourists were on their first visit to the region and over half had been three or more times. Repeat visits were most prevalent amongst Irish tourists and especially amongst game anglers, most of whom were from the Republic of Ireland or Northern Ireland. Most tourists were travelling as couples or small groups of family and friends. There was considerable variation in their length of stay, with an approximate three-way division between short breaks, week-long visits and longer holidays. More than half of the tourists did not plan to travel outside the region. The places referred to as constituting part of a wider tour were principally in the southwest and northwest, areas that were felt to be most like the West Region. Twenty percent planned to spend some time in Dublin. Motor transport, principally by their own vehicle but also in hired cars, dominated travel to and within the region. The region was accessed mainly along the national primary road routes (Figure 1). The tour operators reported that many of their clients travelled to the region by air and then hired a car.

Two-thirds of the tourists planned to stay in one place and the remainder, with the exception of the ten on daytrips, were travelling around the region. Touring by car was the main activity reported by most of those interviewed. Tourists who engaged in recreational activities, e.g. angling, golf or diving, were less likely to tour. Most of those touring did not follow a pre-defined itinerary but had planned to visit particular areas rather than specific attractions. Touring along the coast was common. The main sites visited were Kylemore Abbey, Connemara National Park, the Céide Fields Interpretative Centre, The National Museum of Country Life, Foxford Woollen Mills, Achill Island and Croagh Patrick. Important bases for touring were Clifden (to Westport and through Connemara) and Westport (to Achill and Connemara). Westport and Castlebar were important shopping towns.

The tour organisers confirmed the importance of touring and visiting cultural attractions and their clients take part in recreational activities (golfing and angling). Tourists with interests in nature and archaeology are targeted by some of the respondents and others focus specifically on walking and cycling tourists. One tour operator provides island visits.

Bed and Breakfasts were the principal type of accommodation, both as used by the tourists and perceived by the tour organisers (Figs. 4a and 4b). The rankings of the next categories differed, however, being self-catering, friends and relatives and hotels by the tourists, and hotels, self-catering and friends and relatives by the gatekeepers. This reflects the fact that the clientele of the latter differs from the total tourist population. Hotel usage was most common in Westport and Clifden and almost all of those staying with friends and relatives were in County Mayo. Accommodation was booked by 72% of the tourists, three-quarters of these in advance and the remainder on arrival. Booking was mainly by telephone, using accommodation guides, and to a lesser extent the Internet. Repeat visitors used personal contacts with accommodation providers and local knowledge.

The majority of tourists reported interacting with local people, principally with family and friends and, to a lesser degree, with other local people. Contact with local people was valued and usually occurred in places of accommodation, restaurants, pubs, shops and recreational activities. The overseas tour operators mentioned the opportunity of meeting local people in accommodation premises as being a distinctive feature of the holiday experience in Ireland. The specialist holiday providers in Ireland deliberately include this type of accommodation in the packages offered. The operators reported that the level of interaction was diminishing and that it was becoming less spontaneous; this was viewed as posing a threat to Ireland's reputation as a friendly holiday destination.

Tourist expenditure was quite widely dispersed but was considered to be principally on accommodation, restaurants (and food by those self-catering), transport, gifts/souvenirs, attractions, leisure activities and pubs. The increase in prices of accommodation and dining-out was mentioned by a number of tour operators as having a negative effect on tourism. Tourist expenditure was identified by both sets of respondents as contributing to local incomes and to the regional economy.

Opinions of tourists and organisers

The experiences that gave tourists the greatest satisfaction were the scenery, the friendliness of the people and the local culture. These paralleled their expectations prior to visiting the region. Almost all planned to return to the West Region. The reasons for returning included enjoyment of the visit (27), to visit family (21) and to re-engage in a recreational activity such as golf, angling or cycling (19). Many tourists expressed an attachment to the region and an interest in its affairs, mainly through family and friends. None of them felt that they had any adverse effects on the area.

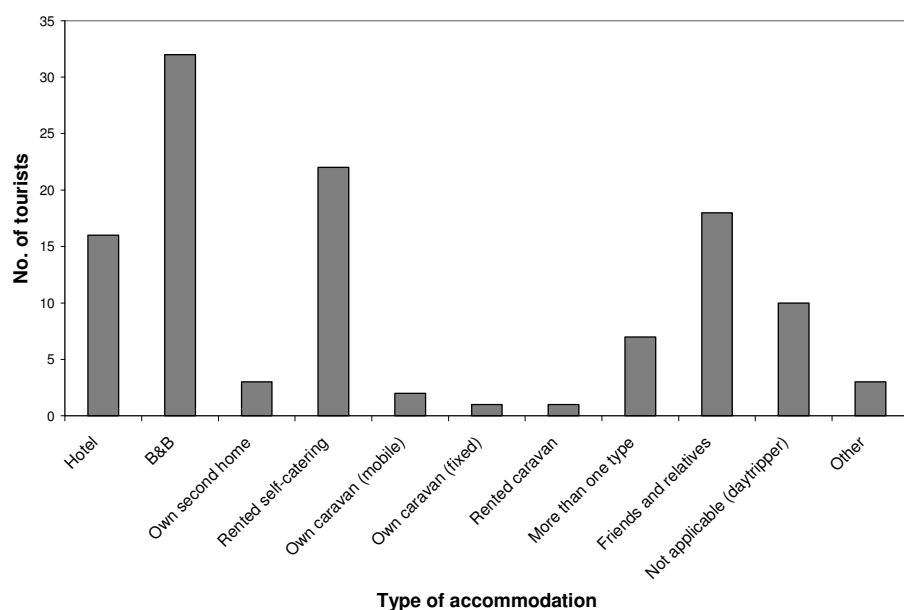


Figure 4a Types of accommodation used by tourists

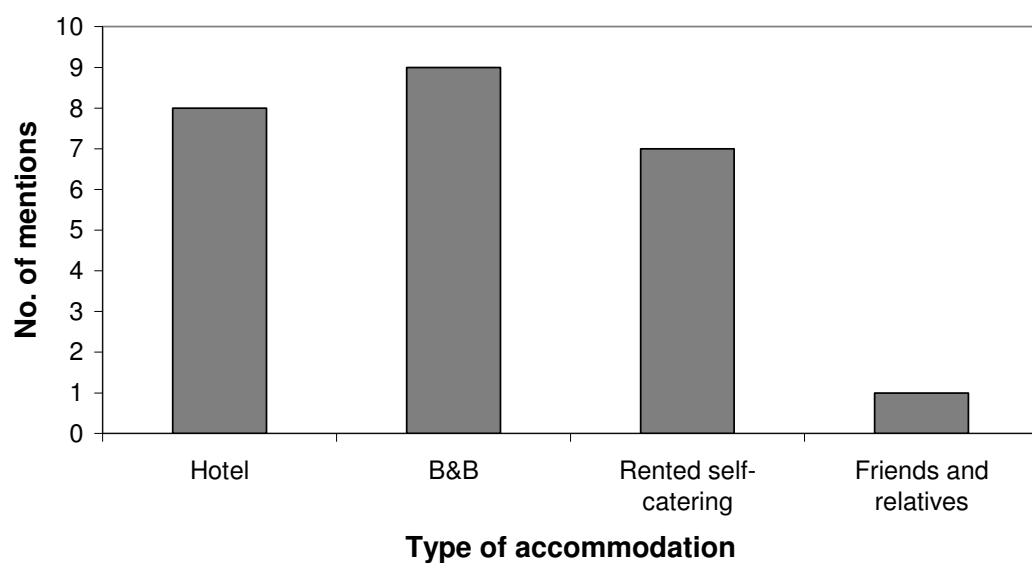


Figure 4b Tour organisers' perception of tourist use of accommodation types

Half of those interviewed reported experiences that they found dissatisfying. The main complaint related to the wet and windy weather. A limited number thought that the roads are dangerous and narrow and, in three cases, that Irish drivers are reckless and drive too fast. Some felt that the region is an expensive place to visit, a small number being unhappy with the prices of items. A lack of quality service in restaurants or accommodation units was commented on also. A number felt that the area could be improved so as to enhance the tourist experience. The road network, in

particular, was singled out as needing to be upgraded. A limited number felt that the area was in the process of being overdeveloped and there were also references to the litter problem.

Based on responses from surveys and contact with clients, half of the tour organisers felt that tourists' experiences exceeded their initial expectations and the remainder felt that they were matched. All felt that the region attracts a large proportion of repeat visitors, up to 50% in some instances. Possible negative effects of declining friendliness and increase in prices were mentioned. Negative comments were made on large-scale self-catering developments and modern housing which do not meet the tourists' expectations relating to ambience and traditional architecture. Access to the region was identified as a hindrance to tourism development, in terms of the inadequacy of both air services and road routes.

Tour organisers recommended a number of possible strategies that could be undertaken by a range of interests to improve tourism in the region. Tourist infrastructure in Mayo needs to be developed and the provision of a new hotel in the northwest of the county should be supported. More indoor facilities would be beneficial, especially in the remoter areas. Greater effort and friendliness from accommodation providers were recommended, with the official training agencies having a role to play in developing service skills and promoting friendliness among staff. Access to farmland for walkers needs to be improved. Both tour operators and tourists emphasised the vital need to conserve the quality of the environment if the attraction of the region is to be maintained.

Conclusion

Some of the findings from the surveys and the views of the tourists and tour operators can be related briefly to the seven criteria of integrated rural tourism identified in the SPRITE project:

Networking of tourists with friends, relatives and other local people and of repeat visitors with B&B owners in particular are established features, especially in County Mayo. Family links, friendships and well-established working relationships contribute to the extent of repeat visiting. There was much evidence of increased networking of gatekeepers with local businesses and tourism organisations and with their own clients. Further development of networking would increase the integration of tourism.

Endogeneity was indicated by references to the predominantly local ownership of tourism resources and businesses. This promotes tourist interaction with local people, which was identified as an important and distinctive feature of the holiday experience that should be protected. Family-owned accommodation is deliberately promoted by overseas operators. Employment of non-Irish workers unfamiliar with the local area was seen as posing a threat to the interaction and friendliness features of the tourism product. External ownership is most common in the tax-incentive self-catering developments.

The strong *embeddedness* of tourism is a function of the great extent to which it is based on the scenic natural environment, the distinctive features of the local culture, the friendliness of the people and the opportunities for outdoor pursuits, as perceived by both sets of respondents. Damage to the environment, including the pollution of angling waters and large-scale self-catering accommodation developments, pose threats. Embeddedness is reflected also in the extent of local connections in visiting family and friends and of repeat visits to the area. Most of the gatekeepers were closely embedded in being either located in the region or having come from it and in their local contacts and knowledge.

The general *scale* of tourism in the region is appropriately small. It had increased over the past decade, in terms of the number and types of visitors, of diversification in the range of accommodation, recreational and cultural opportunities offered and of extension of the tourism

season. This diversification was viewed positively and reflects the establishment of new niches for integrated tourism. Some deterioration in the tourist experience related to scale was identified, however, as being associated with: increasing size and commercialisation of accommodation units with reduced family participation and personalised service; large-scale self-catering developments; and the large tourist numbers and traffic congestion during the high summer season, especially in Westport and Clifden.

The financial *sustainability* of tourism had improved over the last decade but with some difficulties in recent years. Tour operators felt that the increase in prices, their transparency associated with the euro and lessening friendliness pose threats to financial sustainability. The widely-distributed sources of tourists, the extent of repeat visits and the increasing number of activities based on local culture were seen as contributing to sustainability. Environmental sustainability was regarded as fundamental and threats to it were seen to relate to the water pollution, litter, traffic congestion and large-scale self-catering developments referred to previously.

Complementarity was seen to exist and to have increased through the recreational activities that are resource-based (eg. angling, golf, walking, surfing, diving, etc.) and culture-based (eg. archaeological and historical visits and tours, Irish language, song and dance, etc.). The various facilities and services in general complement each other in providing for the requirements of the tourist. Damaging elements of conflict were seen to exist between the use of the environment and its protection and between landowners and walkers. There is a need to guard against any threats to complementarity.

In terms of *empowerment*, the income and employment contributions of tourism were identified as a key factor in local economies and they have increased over time. Local people were seen to have considerable power in the tourism marketing chain. Some facilities provided for tourists are of benefit to local people and tourism affords a heightened appreciation of their own environment and culture. Integrated tourism was seen, by both tourists and tour organisers, as making a valuable contribution to rural economic and social development in the West Region and hence its proper promotion is important to the region's rural future.

Acknowledgement

Supporting and Promoting Integrated Tourism in Europe's Lagging Rural Regions (SPRITE) (QLK5-CT2000-01211) is funded under the EU FAIR 5 Framework Programme of research. There are six international partners in the project, based at universities and research institutes in Ireland, the UK, the Czech Republic, France, Greece and Spain. The project is co-ordinated by Dr. Tim Jenkins and Dr. Tove Oliver, Institute of Rural Studies, University of Wales, Aberystwyth. The authors acknowledge the input of colleagues at the Institute for the Administration of Enterprises, University of Caen, France, the Department of Geography, University of Valencia, Spain and the Institute of Rural Studies at Aberystwyth to the development of the tourist and tour organiser survey methodology and questionnaires. Elizabeth Muldowney and Carol McLoughlin assisted with the tourist interviews in the West Region.

Opportunities are often disguised by hard work: The Ballindrum Farmhouse Experience

Vincent and Mary Gorman

Ballindrum Farmhouse, Athy

Ballindrum farm is a working Dairy and tillage farm situated near Athy in Co. Kildare. It is home to the Gorman family since 1999.

In October 1989 we purchased a 75-acre farm in Athy, Co. Kildare. This was a tillage farm with no milk quota. In 1990, we built a milking parlour, holding yard, silage pits and slatted tank for waste. I leased 50,000 gallons of milk quota from my brother and began milking cows and rearing replacements. We also sowed 20 acres of sugar beet, which I had a quota for. My brother and I had been in a share milking agreement for 12 years on our home farm in Co. Offaly.

We also built our family home, which comprised five bedrooms. In late April 1990 we moved from our home near Mountmellick to Athy. Because this farm was a tillage farm, it required a lot of work to make it suitable for a dairy herd.

In 1991, we decided to offer *Farmhouse Bed and Breakfast*. Later that year, we got Bord Fáilte (now Fáilte Ireland) approval for three bedrooms. In 1992 we began offering Bed and Breakfast in Ballindrum. We were then the second Bord Fáilte approved farmhouse, in the Athy area, to provide Bed and Breakfast.

In 1993, three other farmhouses in the area got similar approval. In order to generate more business we contacted these homes and collectively we produced the 'Athy Farmhouses' tourism brochure. The idea behind this brochure was to accommodate coach groups and generate more business for the area for all concerned, to give them an alternative to hotels and stay in a unique rural setting. When we produced this brochure, Mary and I posted 30 of them to tour operators at home and abroad. CIE International contacted us on receiving one of these brochures to know would we provide a tea and scones stop for tourist groups, not an overnight stop, which we envisaged.

Since Mary was a full time school teacher and I was full time farmer and we also had the Bed and Breakfast, we decided we were not interested but we would invite the others in the group to inform them of the CIE offer. On hearing the details that 50 people would stop off for afternoon tea and coffee and use their facilities, they too decided to turn the offer down until I pointed out to them they were turning down a contract for £14,000, almost €18,000. This contract was for two coaches, twice a week from April to September. So they needed two homes to take the contract between them. After sleeping on the matter they all contacted me and asked me to inform CIE, that they were interested. The rest is history.

In 1993, we got a contract from CIE Tours International to provide tea and scones to **coach tours** from North America on the strength of this brochure. This has been a tremendous success. The following year we won the **AIB Agri-Tourism Award for Farmhouse Bed and Breakfast**. A year later in 1995, we won a National Award of

Excellence from CIE for our tea and scones service. This was voted upon by the customers who travelled with CIE and who enjoyed the Ballindrum experience.

In 1997, we won the **Leinster Regional Family Farm of the Year** award. Two years later in 1999, we won the **National Family Farm of the Year Award**. Teagasc, Health and Safety officer, ICOS Environment and FBD insurance judged this award under five headings. They were Efficiency, Environment, Health and Safety, Pollution control, and the ability to use all our resources. Also this year we won the **National Dairy Farmer of the Year** award for quota holders less than 100, 000 gls. Dr. Pat Dillon, Moorpark, Eddie McQuinn Accountant and the Farmers Journal Con Hurley judged this competition. We were also Leinster winners of the **Bed and Breakfast of the Year Award (1999)**.

Last December (2003) we won the Leinster region of the **Lyons Tea Welcome of the Year Award**. This was judged by comments sent to Fáilte Ireland from people who stayed with us. All of the above success has a tremendous positive effect on our business. We are now seen as a provider of excellent quality service to our customers and we do a substantial business throughout the tourist season.

In 2000, we were runners-up in the **Millennium Family Farmer of the Year Award**. This competition was run for all the national winners who had previously won the competition. During this time, we won many prizes for our dairy herd and for the last three years we have achieved 3rd place in the silage competition run by Teagasc and Kildare Breeders club.

During all this time we developed the farm, imported some pedigree cows from Germany and France and upgraded the herd to full pedigree status. Today, we milk 55 pedigree cows, producing 83,000 gallons of milk quota, which we own. Also, 60,000 gallons of this quota is liquid for the Dublin market, which we send to Glanbia. This has been achieved through a lot of hard work from Mary and myself.

We joined Irish Farmhouse Holidays (IFH) when we got Bord Fáilte approval in 1992 and have remained actively involved. This has been our number one marketing outlet. I have moved up through the ranks over the last few years, and in 2002 I was elected Chairman of Irish Farmhouse Holidays.

I do a lot of the marketing with the help of our office and IFH's marketing manager Eileen McDonough in our Limerick office. We have three full-time staff and I see a very bright future for our members in providing rural and agri-tourism accommodation. Our biggest problem is the age profile of our members. We are hoping to recruit many new members over the coming months involved in farm self-catering, and other agri-tourism related activities.

Last year we extended our tourism business by building the first **four star Validated Access Scheme (VAS) Level 4 Unit in Ireland**. We work with five other Farmhouses in the Athy area, and I am coordinator of this group. We have a contract with Irish Ferries for coach tour groups where we have put in place a four-day tour. This service has been put together with the help of Irish Ferries; we plan day trips to Kilkenny, Wicklow, Laois, Offaly and Kildare. We also provide a four course evening meal in all the farmhouses, which is followed by evening entertainment in local pubs.

The final day is spent in Dublin before returning to Britain. By working together with our neighbours, this tour, the tea and scones stop, and the fact that we can now cater for a full coach of customers has opened up many opportunities for us. Also over the past ten years by working together we have brought in an extra €250,000 worth of business into our homes. But I must add, not without hard work.

Thank you

Vincent and Mary Gorman
Ballindrum Farm
Athy
Co. Kildare

Our web site can be accessed at www.ballindrumfarm.com



Owen McKenna

Knockatallon Development Company Ltd

Knockatallon is a small rural area in North Monaghan. It is situated on the foothills of Sliabh Beagh Mountain that straddles the border areas of Tyrone, Fermanagh and Monaghan. It is an area, which was affected very much by the conflict in Northern Ireland. Any publicity the area had received had been very negative because of our close proximity to the border. The area had become a virtual cul-de-sac with closed border roads and one way traffic into the area or probably more accurately out of the area. In 1994 the people of the area decided that something would have to be done if the community was not to fall apart. It was also apparent that it would have to be community driven.

A study of the parish had been done two years previously and it had highlighted the potential for the development of tourism but it had also found that there was a lack of accommodation in the area. A plan for the development of a Rural Tourism Centre was developed. The Centre comprises of fourteen en-suite bedrooms, licensed restaurant functions room, training and meeting rooms and a doctor's surgery. The project has been constructed at a cost of €1.2m. Funding was received from the International Fund for Ireland, INTERREG, Programme for Peace and Reconciliation, Co Monaghan Enterprise Fund, Co Enterprise Board, the local community and bank loans. The centre opened in July 2000.

We are also part of the Sliabh Beagh Cross Border Partnership, which is a partnership of 13 community groups in Monaghan, Tyrone and Fermanagh. This group has developed a Sliabh Beagh Way, 37 walking routes and a number of cycle routes. A Voluntary Board of Directors runs the centre.

Finding the Optimal Timing of Forestry Investment

Emily Wiemers¹ and Jasmina Behan²

Teagasc¹ and Fas²

Introduction

Virtually all farmers own land and face decisions over its best use. Examples of land use options include drystock, dairy, tillage production and planting forestry. In this paper we examine a method to describe how farmers make decisions about land use and particularly about forestry.

Forestry investment differs from other land use decisions for three important reasons. First, forestry investment is largely irreversible. Under the current regulations, planted land on which the premium is claimed is bound in forestry in perpetuity. Farmers investing in forestry agree to exchange agricultural returns on their land for the relevant forestry premium and planting grants. The premia are paid for 20 years and vary with the type of plantation. Broadleaf plantations qualify for a higher premium than conifer plantations but because conifers, particularly Sitka spruce, grow well in the Irish climate, they form the most common type of plantation in Ireland. The premia are paid under the condition that the land will be permanently converted to forestry. If the trees are removed the premia and planting grants must be repaid in full.

Second, forestry investment entails a high sunk cost. Because planting grants cover the cost of planting, there is not an explicit sunk cost in the forestry investment. However, since the price of agricultural land tends to exceed that of forestry land, the conversion of agricultural land to forestry leads to an irreversible sunk cost equal to the reduction in the land value.

Finally, forestry investment is not a “now or never” proposition. Because the decision to invest in forestry can be delayed, farmers can choose the timing of forestry investment to maximise returns while reflecting the lower price of forestry land.

Methods of Research

Traditionally investment decisions are taken by comparing discounted revenue and cost streams. We expand on this method to include the irreversibility, high sunk costs and the ability to delay present in the forestry investment decision (Dixit, 1989a, 1989b, 1992, Pindyck, 1991, Dixit and Pindyck, 1994, Tegene *et al.*, 1999). The advantage of this model is that it compares the value of the investment at different points in time and chooses the point in time with the highest value.

We apply this model to three scenarios representing different types of farms. First, we examine a farm with low agricultural returns and a low land price sunk cost. Second, we consider a farm with high agricultural returns and a low land price sunk cost. Third, we analyse a farm with high agricultural returns and a high land price sunk cost. We then discuss the implications of the recent policy statement by the Minister for Agriculture on each of these scenarios.

Results

Scenario One

This scenario is concerned with a farm where the agricultural returns are relatively low and the difference between the value of the land in forestry and in agriculture is small. An example of this scenario would be rough grazing land in remote areas. Many farmers who have already planted forestry have planted on such land.

We make assumptions about the returns from agriculture and the land values. The value of forestry returns is equalled to the premium for farmers planting 20 per cent diverse conifers on enclosed land. Table 1 shows our assumptions for this scenario.

Table 1. Assumptions for Scenario One

Variable	Value
Agricultural returns per hectare	€200
Forestry returns per hectare	€390
Value of agricultural land per hectare	€8,000
Value of forestry land per hectare	€6,000
Difference	€2,000

Using these assumptions we calculate the forestry premium required for the farmer to invest under optimal conditions. In this case the current premium of €390 is more than sufficient to trigger forestry investment. In fact, the premium that would be sufficient in this case is €300/hectare. If agricultural returns were lower than €200/hectare, the forestry premium required for investment would be lower. Likewise, if the difference between the value of forestry and agricultural land were less than €2,000/hectare, the premium required for investment would be lower.

This result shows that farmers who planted on marginal land in the past, whose situation is similar to that described above, were acting optimally in doing so.

Scenario Two

This scenario is concerned with a farm where the agricultural returns are high and the difference between the value of the land in forestry and in agriculture is small. An example of this scenario would be commercial farms in more remote areas. Table 2 shows our assumptions for this scenario.

Table 2. Assumptions for Scenario Two

Variable	Value
Agricultural returns per hectare	€350
Forestry returns per hectare	€390
Value of agricultural land per hectare	€8,000
Value of forestry land per hectare	€6,000
Difference	€2,000

Using these assumptions we derive the level of the forestry premium required for the farmer to invest under optimal conditions. In this case the current premium is insufficient to trigger forestry investment. The premium required in this case is €450/ hectare. If agricultural returns were lower than €350/hectare, the forestry premium required for investment would be lower. Likewise, if the difference between the value of forestry and agricultural land were less than €2,000/hectare, the premium required for investment would be lower.

In general, farmers on this type of farm have not planted forestry. Our model suggests that their decision to wait was optimal.

Scenario Three

This scenario is concerned with a farm where the agricultural returns are high and the difference between the value of the land in forestry and in agriculture is high. This would describe many commercial farms in the vicinity of urban areas. Table 3 shows our assumptions for this scenario.

Table 3. Assumptions for Scenario Three

Variable	Value
Agricultural returns per hectare	€350
Forestry returns per hectare	€390
Value of agricultural land per hectare	€17,000
Value of forestry land per hectare	€6,000
Difference	€11,000

Using these assumptions we derive the forestry premium required for the farmer to invest under optimal conditions. In this case the current premium is not at all sufficient to trigger forestry investment. The premium would need to increase by nearly 75 percent to €700/hectare to trigger forestry investment. If the value of agricultural returns per hectare were higher, the forestry premium required to trigger investment would be higher. If the difference in value between forestry and agricultural land were higher, the returns from forestry required to trigger investment would be higher.

Policy Change Scenario

On 20 February 2004, the Minister for Agricultural and Food, Mr. Joe Walsh, announced that farmers who plant forestry on some of their land between 2000 and 2004 could avail of the single farm payment along with the forestry premium. The scheme would operate in the following manner:

- The single farm payment would be determined by the farmers' claims over the reference period.
- This payment would be divided by the number of hectares farmed in 2005 to obtain the single farm payment per hectare.
- Forestry land would be excluded from the number of hectares in 2005 but would not affect the farmer's ability to claim his full Fischler entitlements.
- The forestry premium would be paid on the forestry land planted between 2000 and 2004.

This means that farmers who have planted since 2000 will not need to buy or rent land to activate their full Fischler entitlements. It also means that farmers who plant in 2004 have the opportunity to claim the forestry premium in addition to their Fischler single farm payment.

This announcement has important implications for forestry investment. We examine the implication of the announcement on each of the scenarios above. In the first scenario, the farmer had found it optimal to plant under existing regulations. This farmer would be better off under the new arrangement because he would receive a decoupled single farm payment in respect of his entitlements in the reference period in addition to the forestry premium. Farmers in this situation who have not yet planted would have an even stronger incentive to do so.

In the second scenario, the forestry premium was only slightly less than that required to trigger forestry investment. It is likely that many farmers in this category would have high enough decoupled payments to make forestry attractive. For example, if a farmer had a decoupled single farm payment of €300/hectare on 40 hectares of land in 2004 and planted forestry on 20 hectares, the farmer's return per hectare would be calculated as follows:

Fischler entitlements: €300/ha. x 40 ha. = €12,000
Forestry premium: €390/ha. x 20 ha. = €7,800
Total payments = €12,000 + €7,800 = €19,800
Total payment per hectare = €19,800/20 ha. = €990

A total payment of €990/hectare is more than sufficient to trigger forestry investment. Many farmers are in a situation similar to scenario two. Our results suggest that these farmers should consider forestry as an alternative to other enterprises.

In scenario three, the forestry premium is still likely to be insufficient to trigger investment. The sunk cost of the land is too high reflecting its development potential.

Discussion

In this paper, we have analysed the decision to plant farm forestry while accounting for sunk costs, irreversibility and the ability to delay investment. We have described three scenarios including low returns from agriculture and low land prices, high returns from agriculture and low land prices and high returns from agriculture and high land prices. These scenarios cover the situations in which many farmers make forestry investment decisions. We have shown that the only scenario in which forestry investment is optimal is the one in which the returns from agriculture and land prices are low.

We have examined these scenarios in the context of the policy changes introduced recently in which farmers planting forestry can avail of single farm payments in addition to forestry premia. We have shown that this policy change may entice some farmers with high returns from agriculture and low land prices to invest in forestry. We have also shown that for farmers who have high agricultural returns and high land prices, investment in forestry will still not be the optimal investment decision.

Our results suggest that farmers who are considering forestry investment should account for the irreversibility of the investment decision, the high sunk cost of investment and the ability to delay investment before deciding to invest in forestry.

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The Needs of Farm Families in County Galway

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Abstract

The aim of this paper is to investigate the needs and related issues of farm families in five contrasting areas of County Galway. A cluster analysis 'typology' was used in identifying these areas. The study has shown that the farm household adjustment process is well underway for many farm families in terms of the choices being made to sustain viability. This is particularly true in the case of off farm employment and self-employment where such a pattern is well established. However a significant proportion of farm operators, mainly full time and older in age, cannot envisage any realistic options to alleviate their current situations. While this holds for all rural areas types, there is still a preference for full time farming in the better land area while the significance of supported employment in more remote areas was quite evident. Training / up-skilling in the trades and IT areas were considered most while time constraints and investment costs hindered consideration of alternative enterprises. Therein lies a challenge; in particular for farm households who cannot see where adjustments can be made. The role of the agencies in assisting and stimulating the choices and adjustments is therefore critical.

Introduction

Fundamental changes in the policy environment have transformed agriculture in the past two decades. The production dynamic, which drove farm development, was first weakened in 1984 with the introduction of milk quotas. Since then CAP reforms have gradually eroded the links between increased production and income to the point where production technology is no longer the driving force on most farms. Rather the role of farming is a multifunctional one where other outputs such as environmental practices and public goods are favoured. Accompanying this de-emphasis on farm production is the growing concern for the viability of farm households, and the maintenance of the traditional family farm structure of rural areas.

One of the major changes in the recent past is the way farm incomes are supported. Increasingly, farm incomes are comprised of the "cheque in the post" as distinct from market returns. For example in 2002 direct payments comprised 90% of family farm incomes as compared with 27% in 1993. Despite these major transfers farm incomes remain static and are not keeping pace with those in other sectors. In 2002 the average Family Farm Income (FFI) was 57% of the industrial wage while five years previously (1997) the percentage was 71. Clearly these trends give rise to pressures of income in farm households.

The increasing participation of farmers and their spouses in off-farm employment has been one of the major adjustments. The latest figures show (2002) that 48% of farmers and/or their spouses had an off-farm job. This adjustment is especially associated with drystock farming but is widespread across all systems, especially in respect to spouses. The upturn in the economy in recent times has facilitated the adjustment with more jobs available within travelling distance of farmers residences. However, these changes have difficulties for farms in terms of hours required to sustain two jobs (Galway Relief Services, 2003).

It is in this context of changing farm and rural life that the present study examines the needs of farmers in County Galway.

The data used in this study are derived from a study¹ in County Galway. Five areas were selected to represent different types of rural area. Within these areas farm households were sampled and a survey conducted in late 2002 and early 2003. In all 165 farmers responded in which details on the farm, household and future options were examined.

Results of Study

The area types are presented in Map 1². For labelling purposes they will be referred to:

1. peri-urban
2. peripheral / coastal
3. forestry
4. good land and
5. other farm.

Clearly, there is a degree of diversity between these areas with respect to farming patterns. From each of those area types a District Electoral Division (DED) was selected to represent the different area category. Advice from Teagasc and local development company colleagues in Co. Galway was taken with respect to selection in terms of the representativeness of the DED and the co-operation of the local community required to conduct the study. The details of these areas and the proportion of farm households within them are summarised in Table 1

Table 1: No. of households and % farm households in different rural areas

Area	% Farm households	Total No. Household
Peri-urban (Clarinbridge)	16	413
Peripheral (Gorumna)	22	386
Forest (Woodford)	22	181
Good Land (Laurencetown)	39	165
Other Farm (Glinsk)	54	219

**Farm household was taken to mean any household where there was some income from farming.*

Clearly, there were major differences between areas in the proportion of farm households. In Glinsk (other farm type and representing the largest part of rural Galway) more than half of them were farm households. Laurencetown, the good farm area had 39% of households described as farm. In contrast, Clarinbridge, which is close to Galway city, had only 16%.

In the survey detailed information on the farm structures were obtained such as size and main enterprise. These data are summarised in Table 2.

¹ Refer to Frawley, O'Meara Paper in this proceedings

² See page 37 in Frawley, J and O'Meara, in this proceedings.

Table 2: Farm Structure Characteristics for Different Rural Areas

Characteristic	Clarinbridge %	Gorumna %	Woodford %	Laurencetown %	Glinsk %
Size (ha.)	27	9	24	43	29
Size Categories					
< 20 ha.	38	100	44	26	40
20 < 50 ha.	49	0	56	51	47
50 ha. +	12	0	0	23	13
Main Enterprise					
Suckling	29	100	87	49	56
Dry Cattle	25	0	9	29	15
Sheep	12	0	0	22	13
Dairy	8	0	4	0	8
Others	26	0	0	0	8

There was considerable variation between areas in respect to size with an average farm size of 43 ha in Laurencetown compared with 9 ha for Gorumna. It is also seen that drystock systems are the main farming activities. Using data available from the National Farm Survey (NFS) 2002 for different livestock systems in the objective 1 region it was possible to impute farm incomes within an order of magnitude. The results of these analyses are summarised in table 3.

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Table 3: Estimated percent of farms in different FFI³ (Farm Family Income) levels for different rural areas

Income Band	Clarinbridge %	Gorumna %	Woodford %	Laurencetown %	Glinsk %
<€5,000	33	91	44	23	32
5000<10,000	34	9	35	35	31
10,000<20,00	25	0	17	27	27
20,000+	8	0	4	15	10
Total	100	100	100	100	100

By and large farm income levels are low, with Gorumna in a very weak position. This low farm income situation on drystock farms is demonstrated by the NFS 2002 estimates for objective 1 region. For instance in 2002 the average FFI for cattle rearing was €6,698, for cattle/other €8,370 and for mainly sheep €11,441. The overriding conclusions from these analyses are that farming incomes are generally low across all areas, with the possible exception of Laurencetown while the predominant structure is one of relatively small dry stock systems.

Information on the household structures was also obtained with regard to age, education levels and off-farm employment (Table 4).

³ Farm Family Income (FFI) refers to the total financial return of the farm to the family labour, management and investment in the farm business.

Table 4: Demographic Characteristics for Heads of Farm Households for different types of Rural Area

Characteristic	Clarinbridge %	Gorumna %	Woodford %	Laurencetown %	Glinsk %
Off-Farm Employment*	55	33	46	60	67
Age					
< 40	19	12	21	8	19
40 < 50	28	12	22	25	20
50 < 65	36	38	30	53	46
65+	17	38	27	14	15
Education					
Primary only	58	74	40	61	47
Some Secondary	20	14	43	28	28
Secondary completed	17	4	13	8	22
Third Level	4	8	4	3	3

* Refers to operator and spouse

These data indicate that in most rural areas off-farm employment either by the operator or spouse or both is the norm. The exception to this is Gorumna where there is quite a skewed population in terms of the age structure and levels of education obtained. Moreover, there are significant differences in the demographic features of full-time and part-time farmers. In the main those with off-farm jobs tend to be younger and have higher levels of education. When account is taken of the income sources of operators and/or their spouses a picture of the economy of farm households is derived (Table 5).

Table 5: Farm households with different income sources by different type of rural area.

Income Sources	Clarinbridge %	Gorumna %	Woodford %	Laurencetown %	Glinsk %
Farm operator farming only	29	12	13	14	11
Operator with job	16	21	29	22	33
Spouse with job	30	5	0	14	19
Operator and spouse with job	8	7	18	25	16
Operator with pension or benefit	17	43	26	25	14
Spouse with pension or benefit	0	0	4	0	0
Operator and spouse with pension or benefit	0	12	9	0	8
Total	100	100	100	100	100

These data show that when incomes from other employments or from pensions and social welfare benefits are taken into account only a small proportion of farm households are completely dependent on farming with the exception of Clarinbridge. The relatively old age structure in Gorumna is reflected in the high proportion of farm households with other incomes from pensions or other benefits.

The type of off-farm employment by operators and their spouses is another dimension of the household economy (Table 6).

Table 6: Percent of Operators and Spouses with different occupations for different types of rural area

Occupation Type*	Clarinbridge %	Gorumna %	Woodford %	Lawrenc. %	Glinsk %
Transport (drivers)	50	0	0	37	30
Builders labourers	0	29	0	30	15
Factory work	0 (12)	0	14 (34)	18 (7)	11 (14)
Professional	0 (21)	0	35 (34)	0	4 (32)
Lr. Professional	0 (11)	0 (20)	14	8 (51)	11 (27)
Sales/Service	0 (22)	0 (20)	0	0 (7)	7 (9)
Skilled	50	14	0	0	0
FAS Schemes	0	43 (20)	14 (32)	7	19
Domestic	0	0 (20)	8	0 (21)	0 (14)
Clerical	0 (23)	14 (20)	8	0 (14)	0
Other	0 (11)	0	7	0	3 (4)
Total	100	100	100	100	100

**Spouse in brackets*

The type of jobs in which operators were employed are mainly unskilled such as transport workers (drivers), builders labourers and factory work. By contrast spouses were employed in more skilled jobs such as lower professional (teachers, nurses, etc.) and other professional jobs. The presence of FAS schemes is notable in the more remote areas. In the case of Gorumna and to a lesser extent in Glinsk and Woodford the impact of FAS employment or supported employment is especially evident. Overall these findings indicate that farm operators (predominately male) have low level skills and may be vulnerable if there was an economic downturn.

With respect to inheritance and succession it was established if there was a potential heir in the household and if there was, the likelihood of he/she taking on the running of the farm in the following five years. Table 7 is a summary of the results.

Table 7: Potential heirs and succession likelihood of farms for different type of rural area

Potential Heir	Clarinbridge %	Gorumna %	Woodford %	Laurancetown %	Glinsk %
Yes	50		35	42	31
No	38	N/A	22	34	31
Not Applicable*	12		43	24	38
All	100	-	100	100	100
Succession possibility **					
Yes, full-time	8	N/A	12	14	4
Yes, with job	33		75	73	25
No, will not take over	50		13	13	63
Don't know	8		0	0	8
All	100	N/A	100	100	100

**** For those who identified a potential heir to take over the running of the farm in next five years.**

*** If operator less than 60 years and no obvious heir in household.**

The proportions of farm households where a potential heir identified varied between areas. As shown in the table only a small minority of the potential heirs were likely to take over farming on a full-time basis with the majority likely to combine it with an off farm job. If these views of farmers come to fruition it is obvious that the trends towards part-time farming will continue or increase.

Household Income Adequacy

In the study an attempt was made to establish, in farmers own view, the adequacy of their household incomes given the level of household expenditure to cover the ongoing costs of running a household, paying mortgages, medical expenses and for children's education. In a once off survey it cannot be claimed that this methodology provides definitive results but rather a subjective view on the part of respondents of the economic well being of the household. The options given varied from very adequate to very inadequate in respect of their household income. The results are summarised in Table 8.

Table 8: Adequacy assessment of household income for full time and part time farms by different types of rural area

Adequacy	Clarínbridge %	Gorumna %	Woodford %	Laurencetown %	Glinsk %
Full-Time Farms					
Very adequate	0	0	0	0	0
Adequate	73	57	26	42	38
Inadequate	18	39	74	58	52
Very inadequate	9	4	0	0	10
All	100	100	100	100	100
Part-Time Farms					
Very adequate	0	21	0	9	9
Adequate	68	71	73	55	60
Inadequate	32	7	27	36	24
Very inadequate	0	0	0	0	7
All	100	100	100	100	100

*Operator, spouse or both have off farm employment.

These results show that substantial proportions of farm households do not have sufficient incomes to meet their expenditure requirements, especially in the farm areas of Laurencetown and Glinsk. Moreover, the situation is considerably worse for full-time farmers. Faced with this problem those who indicated their household income was inadequate were asked if they saw any realistic way to improve their position. Table 9 is a summary.

Table 9: Realistic options to improve household income for different types of rural area

Realistic Options	Clarínbridge %	Gorumna* %	Woodford %	Laurencetown %	Glinsk %
Yes	72	6	33	10	25
No	28	94	67	90	75
All	100	100	100	100	100

* Applies to households other than farming

On face value this analysis is fairly pessimist where, apart from Clarínbridge, only a minority of farm households under income pressure perceive a way to improve their position. Considering that many already have opted for an off-farm job and possibly other changes it

may well be that this adjustment process is well underway. For those however, who do not see options the challenge must be to heighten their awareness and exploration of what options there are likely to be. This is one of the key objectives of the Teagasc Planning post-Fischler Programme to analyse and document individual farm household situations and to guide and clarify possible options. Similarly, the national Low Income Farm Household Initiative is in place where engagements are made to assist the least well off farmers.

Those who indicated a possibility to improve their income position were asked what the options might be. Taking into account the small numbers in their category those responses can be taken as indicative only. Table 10 is a summary of the results.

Table 10: Perceived options to improve household income for different types of rural area

Options	Clarinbridge %	Gorumna* %	Woodford %	Laurencetown %	Glinsk %
Farm changes	38	N/a	40	0	33
Operator gets off-farm job	0	-	20	29	33
Spouse gets job	0	-	0	42	22
Operator improves off-farm job	0	-	0	0	12
Other	62	-	40	29	0
All	100	-	100	100	100
Total Number	(42)	-	(8)	(6)	(17)

* question not asked

For those who identified possible options it is clear that a range of adjustments were considered, including a farm option. However, the numbers involved were too small to merit further analysis as to the type of change envisaged. With respect to those who did not envisage options to earn more income two situations were further examined; farm options and off farm employment.

Farm Options

Farmers who did not consider farm change were asked how feasible it was to expand or improve their own farm to attain a higher income. The results are presented in Table 11.

Table 11: Possibility of expanding/improving farm operation for different type of rural area

Possibility	Clarinbridge %	Gorumna * %	Woodford %	Laurencetown %	Glinsk %
Not possible	61	N/a	70	78	83
Too much work	0	-	20	0	7
Just about	39	-	0	16	2
Good possibility	0	-	10	6	8
Total	100	-	100	100	100

*not asked

Clearly the vast majority of farmers did not consider it feasible to improve their income from the farm. This situation holds true across all area types and only in Laurencetown and Clarinbridge were there some possibilities envisaged. This further illustrates the need to

challenge farm families and to instigate a process that stimulates ideas. Information on the constraints perceived is summarised in Table 12.

Table 12: Perceived constraints on improving farm income by different area type

Constraint	Clarinbridge %	Woodford %	Laurencetown %	Glinsk %
Small Scale	36	62	8	31
Not financially feasible	0	13	50	21
Too old	32	12	8	20
Too busy	0	0	8	16
Low returns/prices	32	13	0	10
No family support	0	0	25	0
Other	0	0	0	2
All	100	100	100	100
Total Number	(8)	(14)	(21)	(87)

A number of constraints were identified with small scale of farming being a particular difficulty in Woodford. The financial feasibility and the low returns from farming were other difficulties mentioned. In particular farmers in Laurencetown perceived it was not financially feasible to improve farm income.

Off-Farm Job Option

The circumstances of farm operators and spouses who did not have an off-farm job, and were younger than 65 years were examined as to their possibility of getting a job off the farm. The results are summarised in Table 13.

Table 13: Consideration of taking an off-farm job by area type

Farm Operators	Clarinbridge %	Woodford %	Laurencetown %	Glinsk %
Considered but didn't take job	13	0	18	23
Had a job previously	0	33	19	15
Did not consider	87	67	63	62
All	100	100	100	100
Spouse*				
Considered but didn't take job	22	13	3	21
Had a job previously	34	26	5	9
Did not consider	44	61	92	55
All	100	100	100	100

* Where a spouse <65 years was present

Farmers who did not have an off farm job by and large did not consider that option and spouses were similarly in that category. Smaller proportions did at some time consider the possibility but however did not follow through. The main reasons for not considering an off-farm job were ascertained; Table 14 gives the results.

Table 14: Constraints on taking an off-farm job by operator and spouse* for different types of rural area

Constraint	Clarinbridge %	Woodford %	Laurencetown %	Glinsk %
Full-time farming -Time constraint	80 0 (100)	50 0 (51)	68 0 (58)	40 30 (77)
Family commitment	0	33 (33)	0	15 (9)
No jobs available	0	0	9	0 (1)
Don't have skills	20	17	23	10
Prefer to farm	0	0 (16)	0 (42)	5 (5)
Prefer at home	0	0	0	0 (8)
Other				
All	100	100	100	100

* Spouse in brackets

The main constraint indicated by operators to taking up an off-farm job was the time constraint and the work input required in full-time farming. The availability of jobs was a factor in the more remote rural areas while very few indicated a lack of skills as a problem. Preference to farm was a factor highlighted by a relatively high proportion of operators. In contrast with operators family commitments were the main issue for spouses, or otherwise a preference for being at home.

Farmers were asked whether or not they would be interested in participating in further training or education, what that training might be and what reasons might prohibit them from taking up training courses. Forty percent of all farmers had already pursued some form of a training course, most had undertaken Teagasc courses followed by previous training in the skilled trades. Just over a quarter (28%) of all farmers interviewed stated that they would be interested in pursuing further training while 66% stated that they had no interest. Table 15 reveals the results for the former group.

Table 15 Type of Skills Interested in Pursuing by Farm Operators by Area Type

Type of skills	Clarinbridge %	Woodford %	Lawrencet. %	Glinsk %
Information Technology	19	14	45	23
Trade skills, blocklaying, carpentry	62	29	9	23
Teagasc courses incl. REPS	0	0	10	18
Health & Safety courses	10	43	0	14
Other Adult education courses	0	14	18	9
Business / accounting training	9	0	0	0
Other	0	0	18	13
All	100	100	100	100
Estimated Population	(24)	(12)	(19)	(41)

Farmers seem most interested in acquiring trade skills such as blocklaying, carpentry etc; 62% in Clarinbridge, 29% in Woodford and 23% in Glinsk. The construction boom in Galway city may be reflected in the relatively high figure for the Clarinbridge area. Information technology is the next most frequently mentioned with it being of particular interest to farmers in the 'good land' or Laurencetown area.

Farmers were then asked might there be any particular reason for not taking up training courses in their local areas. Table 16 shows the results

Table 16 Reasons that prohibit the take-up of training/education courses by farm operators by area type

*Prohibiting Reasons	Clarinbridge %	Woodford %	Lawrencet %	Glinsk %
No time	27	36	35	42
Courses not available or too far	27	16	28	16
Too old/health reasons	18	36	31	19
Family commitments	4	5	3	12
No particular reason	24	5	3	11
All	100	100	100	100

Time constraints are evidently a major reason for not pursuing further training. Farmers in the Glinsk area were most time constrained (42%). Interestingly, the non-availability or the distance needed to access training courses was problematic in all areas but particularly in the Clarinbridge and Laurencetown area. This was also noted in Frawley, J., Commings, P., Scott, S. and Trace, F. (2000) regarding training opportunities for work outside agriculture, where the location, delivery and focus of such programmes were not structured so as to give any special emphasis to those displaced from farming.

Alternative Enterprises

Regarding alternative on-farm enterprises, farmers were asked whether they considered an on-farm enterprise into which they would diversify. Table 17 shows these results.

Table 17 Type of other farm enterprise considered by area type

Enterprise considered	Clarinbridge %	Woodford %	Laurencetown %	Glinsk %
Organic farming	0	17	0	17
Forestry	0	35	51	0
Restore old property to let	0	17	8	50
Agri contracting	25	0	0	0
Nothing specific	0	15	23	17
Other	75	16	17	17
All	100	100	100	100
% of farmers	(17)	(26)	(37)	(9)

Forestry as an alternative on-farm enterprise was most commonly mentioned and especially in Laurencetown (the good land area) by fifty one percent of farmers and by thirty five percent of farmers in Woodford. Other on-farm enterprises that feature include restoration of an old property to let, particularly in Glinsk, organic farming and agricultural contracting. It's notable that rural tourism did not feature as a prospective enterprise.

A final question enquired as to what were the main reasons for not considering another on-farm enterprise. Table 18 is a summary.

Table 18 Reasons for not considering other farm enterprises by area type

Constraint	Clarinbridge %	Woodford %	Lawrencet. %	Glinsk %
High cost	23	8	20	28
No time or have off farm job	23	30	26	21
Family commitments	0	0	4	16
Don't have necessary skills	0	8	0	10
Farm too small	0	8	14	5
Too old / no family assistance	31	38	18	9
No reply / other	23	8	18	9
All	100	100	100	100
% of farms	(54)	(56)	(60)	(89)

Time constraints followed by age and lack of family assistance were the most common reasons cited. Farmers in all areas highlighted time constraints while age and family assistance were particular reasons cited in Woodford and Clarinbridge at 38% and 31% respectively. Other reasons mentioned included the high costs associated with diversification, small farms and family commitments.

Conclusions and Discussion

- Except in the Glinsk rural area farm households were in the minority.
- The main findings show that farming in County Galway is predominantly based on drystock systems, relatively small scale and returning farm income for the most part less than €20,000.
- The farmer population is relatively old with generally low levels of education, which is a major constraint in adopting change, on or off the farm. Part-time farming is a well-established pattern in the County.
- Only a small proportion of farm households depend on farming alone, in the order of 10 to 15%.
- Farm operators who have off-farm jobs are for the most part in relatively unskilled employment such as the construction industry and in transport. In contrast, spouses predominantly female who have jobs tend to be in more skilled or professional occupations.
- A considerable proportion of farm households have incomes, which are inadequate, or barely adequate to meet the required household expenditure. This problem is most acute for full-time farm households.
- For those with income pressures only a small proportion envisaged any realistic option to alleviate the problem.
- Considering farm options to increase household income it was clear that most farmers did not see this as a viable proposition.

- Similarly, in farm households where neither the operator nor the spouse had an off-farm job the option of getting off-farm employment was not considered very favourably. Time commitments for full-time operators and family duties for spouses were the main constraints perceived.
- Farm operators had most interest in considering training courses in the trades area following by courses in Information Technology. Time constraints and the non-availability or distance of such courses was problematic for many who could not attend.

Discussion

The relatively small proportion of farm households who depend solely on farm income was a main finding in the study. However, these are the farm households who seem under most pressure in terms of inadequate income. In this regard the study explores the main options in the way farm households could improve their incomes mainly (1) farm level changes and (2) engaging in off farm employment or self-employment opportunities.

With regard to the farming option only a small proportion of farmers visualised farming as a realistic way to improve household income. The main constraints perceived were small scale, low returns for farm output and the financial feasibility of required investment. Clearly there were considerable difficulties in achieving satisfactory household income on relatively small farms but the risk of interpreting these perceptions, as a generally negative view of farming must be avoided. In fact a contrary view of farming is expressed in the Government White Paper (DAF, 2000) as follows;

'Agriculture is and will remain in future critical to the well being of the rural economy and, in many areas, represents the main option for economic activity'.

The challenge must be to position farming in the rural economy, not as an accessory to the main household activity, but as an integrated element to the household economy. In a different way the existence of other incomes can alleviate pressure on farm income and provide an opportunity to produce high quality marketable outputs in smaller volumes or to take risks in new and innovative activities. In this regard the Teagasc Planning post-Fischler Programme for farm families can provide a respite where farmers review their options and in this way consolidate a progressive farming sector.

Another option considered was for farm families to engage in off farm employment. In many farm households this option has already been adopted and had proved an effective measure in achieving a satisfactory household income, thereby ensuring the viability of the farm household. However, studies show (e.g. Galway Farm Relief Study) that many farmers combining an off farm job with farming entails long hours of work, a reduced quality of life and probably not sustainable in the long run. A major issue therefore is to modify the farm business to accommodate the commitments of an off farm job and this too is a problem currently addressed by the advisory services. For those farmers and their spouses not engaged in off farm employment the possibility of this option was explored. For most farmers it was not perceived as an option mainly because of farm commitments, and family reasons especially in the case of spouses. Lack of appropriate attitudes did not emerge as significant factors.

With respect to skills the study showed that in the main farm operators worked in relatively unskilled employment. From a job security and income perspective this can be taken as a weakness of part time farming. Indications however were that a considerable proportion of farmers view positively upgrading their skills and partaking in training opportunities. This too is an issue of concern in the Planning post-Fischler Programme and in ideal terms will establish a sector of skilled workers and competent farmers in a sustainable farm economy.

In assessing therefore the 'needs of Galway farmers' it is necessary to outline the adjustment paths for farm families (see Appendix A) that are taking place. This aims to look at the present household adjustment, the needs and issues that arise and some possible engagements and agencies to act on those needs.

Acknowledgements

The authors express their sincere gratitude to the following that assisted in the study:

- The 484 County Galway householders including the 165 farm households who kindly agreed to participate in this study
- Clarinbridge Development & Market Association
- Glinsk Community Development Council
- Woodford Enterprise Committee
- Laurencetown Development Group
- Comhairle Ceantar na n-Oileain, Tir an Fhia, Gorumna, Conamara.
- Galway County Council in providing the register of electors
- The funding agencies:

Galway Rural Development Co. Ltd.
Udaras na Gaeltachta
Galway County Council
Cumas Teoranta.

- Rural Economy Research Centre, Teagasc: Mr Michael Cushion
- Mr John Whiriskey, Head of Rural Development, Teagasc; Mr Brendan Heneghan CAO Teagasc Athenry & Mr Eamon Kealy, Galway Rural Development Co. Ltd., Athenry.

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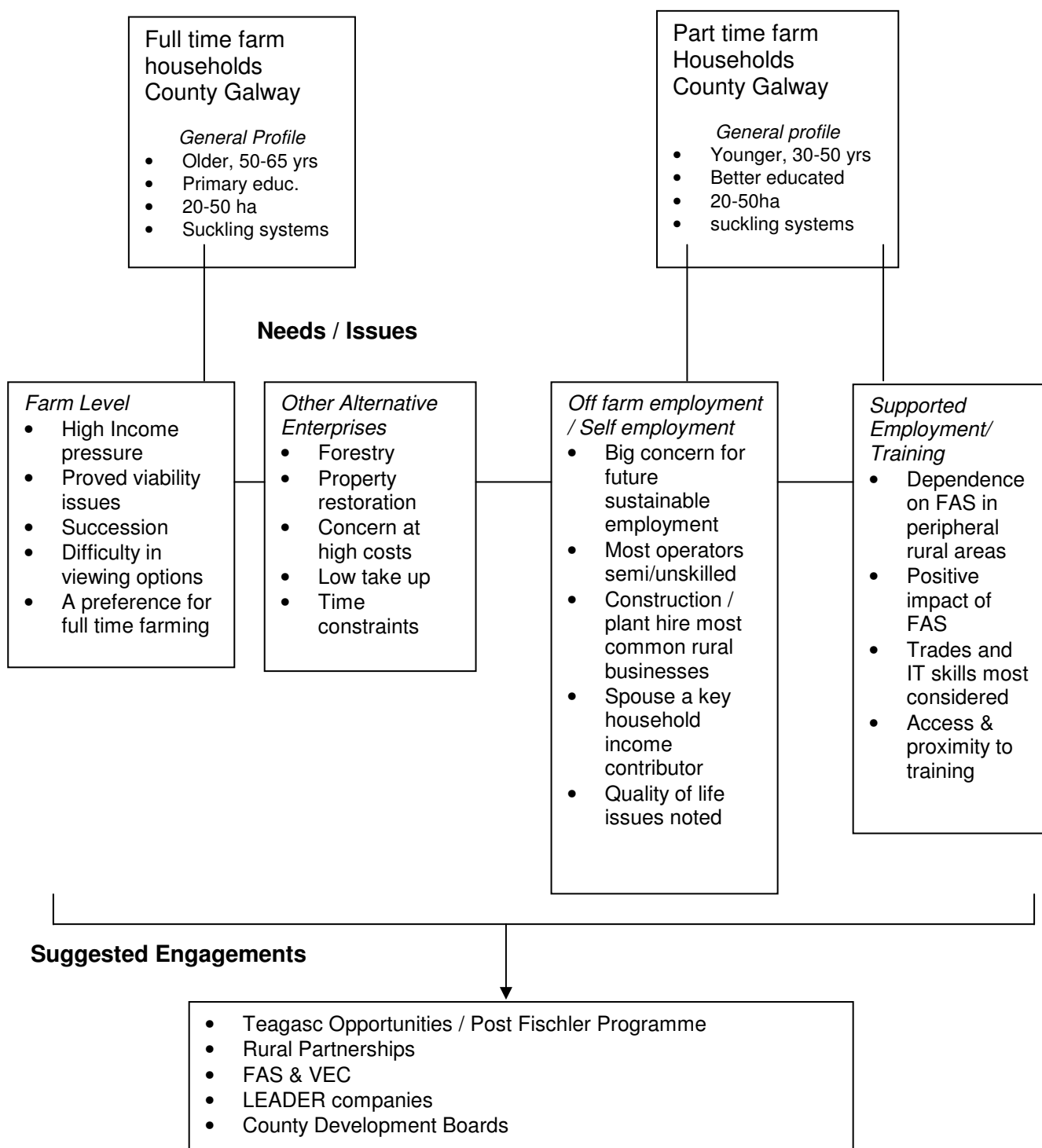
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Appendix A

Present Household Adjustment Paths - Full time and part-time farm households in Co. Galway



An Assessment of the 'Opportunities for Farm Families Programme'

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Abstract

The 'Opportunities for Farm Families Programme' introduced by Teagasc in 2001 represented a change in both the content and provision of advice to farm families in Ireland. The objectives of the programme were to support farm families in improving their income and/or quality of life. The programme aimed to broaden the traditional farm operator/advisor contact to engage with other family members and to address both technical and family/household issues. This was in recognition of the fact that decision making on family farms is influenced by more than the farm operator even though there is less overall involvement of families in the day-to-day operation of farms. The aim of the research presented in this paper was to assess the programme by way of determining the views of the programme participants (farm families) and deliverers (advisers). The programme was viewed as successful by advisers and farm families in examining the reality of the current situation on farms and exploring possible future options. Farm families valued both the information provided and the process (discussion sessions) involved in the programme. Families who participated derived a greater benefit than individuals, endorsing the family approach adopted by Teagasc. The facilitation skills of the advisers were critical to ensuring an interactive process and a discussion on the wider family and household issues. The programme has been modified to accommodate the changing agricultural policy regime but it is imperative that the focus of the programme for the future is balanced between the technical and socio-economic concerns of farm families.

Introduction

Teagasc introduced the 'Opportunities for Farm Families Programme' in 2001. It was envisaged that this programme would represent a change in both the content and provision of advisory services to farm families in Ireland. The mission statement of the programme was: *'to proactively encourage, stimulate and support farm families in building the capacity of the farm household to achieve and sustain viability'*.

The fundamental objective of the programme was to help farm families generate additional household income and to improve their quality of life. A further objective of the programme was to change the method of delivery of advice to farm families by providing training to support advisers. This training helped advisers facilitate group meetings and explore on-farm and off-farm options in a systematic way.

The programme represented a considerable change in approach by Teagasc (facilitated discussion sessions with a family focus) to the delivery of advice to farm families which required both staff and farm families to adapt. This paper presents a summary of an assessment of the perceptions of participants (farm families) and deliverers (advisers) to the programme.

It is important to note that the programme was modified and re-launched as the 'Planning Post Fischer Programme' in January 2004. The development of the new programme was influenced by the changing agricultural policy environment (CAP Reform) and was informed by this research.

Programme Outline

The original programme was free to families with less than 100 income units¹ (180,000 litres of milk quota; 100 beef cattle; 600 sheep; 100 hectares cereals or equivalent). Stage 1 involved viability appraisal leading to the identification of a 'Way Forward Guide'. In this stage the family identifies their main household viability concerns and explores possible options (on-farm and off-farm). This stage was delivered by way of three facilitated group discussion meetings².

Stage 2 involves options analysis leading to the development of a 'Way Forward Action Plan'. Specific measures to generate additional income and/or improve quality of life are identified by the family in conjunction with an adviser. It also identifies the specific advice and training needs of the family and makes appropriate referrals to other agencies.

In Stage 3 the farm family implements the actions specified in the 'Way Forward Action Plan'. Advisory support is provided to the family during this period. Referrals to other agencies are also pursued during this Stage.

Research Aim

The aim of the research study outlined in this paper was to assess the 'Opportunities for Farm Families Programme'. The assessment was based on determining the views and attitudes of advisers and participants to the programme. The specific purpose of the research was to inform the development and enhancement of the programme. Specific objectives were set for both advisers and participants (farm families).

The specific objectives of the research with advisers were to:

1. Determine the views of advisers on the achievement of the objectives of the programme;
2. Determine the views and attitudes of the advisers towards the programme in general; and
3. Determine the views of advisers on the programme content and delivery.

The specific objectives of the research with participants were to:

1. Determine a personal profile of programme participants;
2. Determine their reasons for participating in the programme (and expectations);
3. Determine the views of participants on the achievement of the objectives of the programme;
4. Determine the views of participants on the programme content and delivery;
5. Determine the views of participants on the Way Forward Action Plan (Stage 2); and
6. Determine the views of participants on the benefit of the programme.

Research Methodology

Data was collected from a sample of 61 co-ordinators and advisers who were involved in the delivery of the programme at local level. A sample of farm families who were participants in the programme were interviewed in three counties: Mayo; Meath and Offaly (which were selected as being representative of the country overall). It was intended to collect 50% of the sample who had completed Stage 2, and the remainder who had only completed Stage 1. However, the reality in collecting the data was that there were much fewer farmers who had both stages

¹ Upper limit increased to 150 income units in October 2003.

² Reduced to 2 sessions in November 2003.

completed and this is reflected in the sample which includes 175 farm families who had completed Stage 1, 56 of whom had completed Stage 2. The sample was selected from the Teagasc Client Management System. The main criteria in the selection of the sample was those families who had most recently completed Stage 1 or received their 'Way Forward Action Plan'. Both sets of data were analysed using the Statistics Package for the Social Sciences (SPSS).

Results

The research findings are provided separately for the advisers' and participants' surveys.

Advisers Survey

The findings represent the views of advisers who were actively involved in the delivery of the programme.

Views of Advisers on the Achievement of the Programme Objectives

The majority (88.5%) of advisers believed that the 'Opportunities Programme' can help farm families take a realistic look at their current situation, the main reason being that the process focuses their thinking on their own situation (21%). The process also encourages families to discuss wider household and family issues (non-technical). Three-quarters (74%) of advisers believed that the programme could help farm families generate additional income (a further 11% thought that it possibly might), mainly through improved efficiency (31%). Almost one-quarter (24%) of advisers identified outside the farm-gate opportunities for increasing income, while 16% identified the REPS. The main reasons cited by advisers for why farm families could not increase their income was because they already had other income earning activities and that opportunities were limited.

Similarly 73% of advisers believed that the 'Opportunities Programme' could help farm families to improve their quality of life, mainly through better work organisation (54%). Other areas included: streamlining of enterprises; better financial control; and reduced workload. The constraints on improving quality of life were the fact that quality of life was not a major issue for some families and that quality of life is dependent on income.

Views and Attitudes of Advisers to the Overall Opportunities Programme

Four out of five (81%) advisers believed that the 'Opportunities Programme' had something to offer their clients, while only 13% believed that it had nothing to offer their clients. This highlights that the programme was not 'more of the same' but involved an overall change in approach to the provision of advice. The most important aspect was an opportunity for clients to appraise their own situation and options (47%). The opportunity to appraise their situation was the main selling point for the programme identified by advisers, others included: access to advice on income/quality of life; and planning for the future.

The time constraints on advisers in dealing with farm families was cited by one-fifth of advisers as the main weakness of the programme. Some 16% of advisers identified a lack of options for farm families as a weakness and 14% considered recruitment into the programme as a weakness.

Views of Advisers on the Opportunities Programme Content and Delivery

Practically all (95%) advisers believed that the Stage 1 sessions provided for good interaction and discussion among participants. Some 39% of advisers stated that the level of interaction depended on the facilitator and a similar proportion stated that it depended on the

composition of the group. One-fifth (22%) of advisers stated that the facilitator needs skills to be able to control the discussion and the level of interaction.

Seven out of ten (72%) advisers believe that the Stage 1 sessions generated enthusiasm among participants, while 16% of advisers stated that they did not. One-fifth (21%) of advisers believed that the level of enthusiasm of participants depends on the input of the facilitator, while 18% believed that the level of enthusiasm decreased if Stage 2 did not follow promptly after Stage 1. Almost two-thirds (64%) of advisers believed that Stage 1 of the 'Opportunities Programme' instils a belief among participants that they can improve their income/quality of life, while only 13% considered that it definitely did not. One-fifth (19%) of advisers stated that the level of belief of participants in what they could do to improve their income/quality of life depended on the attitude of participants coming into the programme, while 12% stated that it depended on the facilitator.

Stage 1 was considered to be a necessary component of the programme by 77% of advisers. This was mainly because it allowed for an exchange of views and opinions and it prepared participants for change. However, one in five (19%) advisers felt that a one-to-one advisory session would be better than the group sessions.

Nine out of ten (90%) of advisers stated that they delivered the programme mostly in line with the guidelines set out and a further 8% delivered it as set out in the guidelines. The main difficulties, improvements and the best approach to the Stage1 sessions are presented in Table 1.

Table 1 Main Difficulties, Improvements and Best Approach to the Opportunities Programme Stage 1 Sessions Identified by Advisers

	Difficulties	Improvements	Best Approach
Session 1	<ul style="list-style-type: none"> • None (26%) • Generating discussion (26%) • Recruitment (17%) • Content too simplistic (13%) 	<ul style="list-style-type: none"> • None (24%) • Spend more time on financials (20%) • Get more family involved (8%) • Keep a clearer focus (8%) • More Discussion openers/Ice breakers (8%) 	<ul style="list-style-type: none"> • Ensure group is interactive (34%) • Let group do the talking (29%) • Questions and Answers Session (14%) • Put people at ease (11%) • Split into smaller groups (11%)
Session 2	<ul style="list-style-type: none"> • Reluctance to discuss financial matters (16%) • Generating discussion (13%) • Getting worksheets completed (13%) • None (11%) 	<ul style="list-style-type: none"> • Simplify the worksheets (26%) • Less information – more discussion (15%) • Financial case studies (11%) • Introduce financial aspects in session 1 (11%) 	<ul style="list-style-type: none"> • Use real case studies (20%) • Group work on case studies (11%) • General discussion not specific (11%) • Complete worksheets in session (9%) • Farm women in attendance (9%) • Avoid detail (9%)
Session 3	<ul style="list-style-type: none"> • Generating discussion (19%) • Meaningful discussion for diverse group (14%) • Uncertainty about options (14%) • Inconsistent guest speakers (14%) 	<ul style="list-style-type: none"> • More links with other agencies (14%) • Present success stories (11%) • Be specific about options (11%) • Keep guest speakers focused (11%) 	<ul style="list-style-type: none"> • External Speakers (33%) • Workshop Discussions (12%) • Discuss Real Examples (12%) • Examples of Success Stories (12%) • Deliver to Farmers needs (9%)

Over nine out of ten (92%) advisers considered it important that more than one family member participated in the programme. The vast majority (84%) of advisers believed that the local co-ordinator and one adviser should deliver the Stage 1 sessions. The ideal number of participants for Stage 1 was identified by advisers as an average of 15 people. If there were too many participants, some people would not get involved in the discussion and if there were too few, there would not be a good exchange of views.

Some 95% of advisers considered the programme worksheets to be important to the overall programme. Advisers estimated that 60% of participants completed or attempted to complete the worksheets. Two-thirds (67%) of advisers believed that the purpose of the worksheets was to help farm families (and advisers) to establish their current situation and 40% believed that their purpose was to get farm families thinking about their own situations. The main comments made by advisers on the programme worksheets are outlined in Table 2.

Table 2 Main Comments Made by Advisers on the Programme Worksheets

Comments	Problems/Difficulties	Improvements
<ul style="list-style-type: none"> • Very Useful • Important • Necessary 	<ul style="list-style-type: none"> • Getting them completed • Accuracy of information • Too intrusive/sensitive • Confusion on what is required • Too much information required • Information not known by family 	<ul style="list-style-type: none"> • Simplify • Provide support in their completion • Clarify and explain • Complete during farm visit • Explain the benefits to farm families

Recruitment was the main concern about Stage 1 identified by advisers (25%). However, one in five (21%) advisers had no concerns about the delivery or content. Other concerns included: limited options available for families; advisers are not trained as facilitators; too many sessions; and content needs to be strengthened (mainly in terms of technical aspects). The main change suggested by advisers to Stage 1 was to reduce the number of sessions and increase the income units' limit for participation. Other comments included the fact that the gap between Stages 1 and 2 was too long, the programme was placing an increased workload on advisers, more time was needed with farm families and the targets for the programme were too high.

Participants Survey

A total of 175 participants were surveyed in three counties (Mayo, Meath and Offaly).

Personal Profile of Participants

Two-thirds of the participants surveyed were the farm owners, while 30% were joint owners with their spouses. Half (49%) were aged between 35 and 50 years, 22% under 35 years and only 2.3% over 65 years. The majority (71%) of respondents were married and two-thirds (67%) had children. One-quarter had identified a successor, over half (53%) of those successors were farming either part-time or full-time. Some 96% of respondents were clients of Teagasc.

Some 58% of respondents were employed full-time on the farm, while over half (54%) of their spouses were either in off-farm employment or involved in an alternative enterprise. Part-time employment was significantly more popular than full-time employment (26% versus 14% for respondents and 41% versus 8% for spouses). Overall, 63% of households had another source of earned income (non-farm).

Current income/expenditure problems was the main issue/concern for two-thirds of farm families. One in ten were concerned about their future prospects, 7% wanted to improve quality of life and the same proportion were concerned about succession.

Reasons for Participation in the Programme

The main reasons why farm families participated in the Opportunities Programme were because they were asked (53%) and loyalty to their adviser (43%). Only 14% of respondents stated that concern for the future was their reason for attending the programme.

Couples who attended the programme together were more likely to have done so out of loyalty to their adviser than individuals (60% versus 36%). Those who were fully dependent on their farm income were also more likely to attend out of loyalty than those with an off-farm source of income (58% versus 34%).

Over half (55%) of participants had attended the Stage 1 sessions at night which reflects the preference among farm families for night-time courses (70%). The majority (71%) of respondents attended the Stage 1 sessions on their own, 23% attended with their spouse. Both partners attended the programme together for 33% of married couples. The main reason cited for why other family members did not attend the programme was a lack of time (70%) and for 13% it was because the spouse was working.

Two-fifths (39%) of farm families had no expectations about the programme prior to their participation, while one-fifth (21%) expected to improve their income. One in ten (11%) did not know what the programme was about prior to their participation.

Views of Participants on the Achievement of the Programme Objectives

Some 71% of farm families believed that the programme helped them to take a realistic look at their current situation, while a further 26% believed it could possibly do so. Couples who attended the programme together were more likely to have considered that the programme helped them to take a realistic look at their own situation than those who attended the sessions on their own (88% versus 68%). The main way that the programme helped was by clarifying the financial situation (32%), other ways included: looking at options; and examining family living expenses.

Some 86% of farm families considered the programme useful or possibly useful in terms of new ideas for generating more income. Half of the respondents believed that the programme was useful in terms of giving them ideas to improve their quality of life. Similar to improving income, couples who participated together were more likely to consider the programme beneficial in providing ideas for improving quality of life than individuals (68% versus 44%). The main ways cited for improving quality of life were spending more time with family (20%) and reducing the time spent working on-farm (18%).

Views of Participants on the Programme Content and Delivery

Overall the views of respondents on the programme content were positive: 83% of respondents considered the information presented in the sessions to be either mostly or all relevant to them; 42% considered the facilitators good; and 41% considered the content interesting. The main comment with regard to the relevance of the information presented in the sessions related to the difficulty of meeting the needs of a diverse group – some material would not be relevant to all (56%). Some 99% of respondents considered that the information presented was clear and understandable, while 68% stated that the sessions were well explained. Some 98% of participants felt that they had adequate opportunity to participate/contribute to the discussion in the programme.

Some 84% of participants stated that they completed or attempted to complete the programme worksheets. While 98% of couples attempted the worksheets, only 80% of individuals did likewise. Some 80% found the worksheets to be worthwhile/useful. Some 27% of participants commented that the worksheets were time consuming, 12% found them to be difficult and 12% believed them to be an eye-opener.

Some 92% of participants considered the Stage 1 discussion sessions to be either important or very important to the overall programme. Couples who attended were significantly more likely to consider the discussion sessions to be very important (23%) than individuals (8%). Three-quarters of participants considered the number of sessions in Stage 1 to be about right with only one participant stating that 3 sessions was too much. One-third (35%) of couples who attended indicated that there were not enough sessions compared to 11% of individuals. For those participants who considered there were not enough sessions, the average preferred number was 5 sessions.

Views of Participants on the 'Way Forward Action Plan'

Only one family member was involved in the development of the 'Way Forward Action Plan' for over half (54%) of respondents, while 38% were jointly involved with their spouse. Almost two-thirds (65%) of respondents identified the one-to-one consultations with their adviser as the most beneficial aspect of the Programme.

Some 96% of participants with income concerns considered that their 'Way Forward Action Plan' addressed those concerns. Some 93% of those respondents stated that their quality of life concerns were addressed in their 'Way Forward Action Plan'. However, only 44% of those farm families with other (non-income/quality of life) concerns stated that their 'Way Forward Action Plan' addressed those other concerns (inheritance/succession for example).

Two-thirds of the participants had their 'Way Forward Action Plans' completed within two months of Stage 1. While half of the participants considered the gap between Stages 1 and 2 to be about right, 46% considered it to be too long. Some 95% of participants were happy with the level of contact with their adviser during the development of their plan. Some 93% considered that the 'Way Forward Action Plan' was clear and understandable and 94% of participants stated that the actions in their plan were realistic/achievable. Some 45% of participants stated that they would implement or start to implement the actions in their plan in the next 12 months, while a further 50% said they would possibly do so. The majority (84%) of participants considered their 'Way Forward Action Plan' to be important to their future.

Views of Participants on the Benefit of the Programme

Three-quarters (76%) of respondents considered the programme to be either some or a significant benefit to them. Those participants with an off-farm source of income were significantly more likely to indicate that the programme was of some or a significant benefit to them (86%) than those who were fully dependent on the farm income (59%). The most important benefit of the programme identified by participants was that it provided ideas to improve income (14%) and helped to improve financial management (13%). Some 84% of participants would recommend the programme to a neighbour/friend, the main reason being that it focused on the reality of their situation.

Programme Update

Teagasc reviewed the 'Opportunities for Farm Families Programme' in late 2003 and a number of key changes were made. It was re-launched in January 2004 as the 'Planning Post Fischler Programme'. The main focus within the new programme was on adjusting to changes post-CAP reform and identifying farm household income post decoupling. The key changes included:

- Reduction in the number of mandatory Stage 1 sessions to 2;
- Inclusion of the CAP reform measures in the discussion sessions;
- Programme available to all farm families and free to those with less than 150 income units;
- Programme worksheets have been simplified;
- Reduction in the number of mandatory worksheets;
- All advisers to be involved in the delivery of the programme; and
- Programme of in-service training for all staff.

Conclusions

Based on the views of advisers and participants, it can be concluded that the 'Opportunities Programme' was successful in getting farm families to assess their current situation and to identify measures to improve income and quality of life. However, the success is based on expectation (plans have only been drawn up and are currently being implemented) and therefore it is not yet possible to identify the actual impact of the programme.

The success of the programme relates to the fact that it gets farm families to focus on the basics of their farm and family situation, the solutions drawn up are not dramatic (in most cases) and are a refocusing or redirecting of resources or activities (for many families). The success of the programme is as much based on the process as the content – farm families appreciate the fact that they have an opportunity to appraise their own situation in addition to receiving technical information. However, the management of the programme requires striking a balance between the process and the provision of technical information. Many advisers feel that there is a need to provide more technical information because they believe that this is what farmers require and are not entirely comfortable with exploring some of the non-technical 'softer' issues such as quality of life, time management, succession and family/household issues. Participants were very satisfied with the discussion sessions, their ability to contribute/participate and the material presented even though some advisers were concerned about the suitability of discussion sessions and the fact that they considered some aspects 'soft'.

The programme was viewed as beneficial by the majority of advisers as they stated that the programme had something to offer their clients (in addition to their existing advisory contact) and therefore was not viewed as more of the same but involved an overall change in approach to the provision of advice. However, there appears to be a contradiction between having something to offer and the selling of this, as many advisers found it difficult to sell the programme to farm families and convince them to participate. The difficulty in selling the programme relates to the fact that there was limited farmer-led demand for the programme. Farm families have to be asked to participate in the programme, they are not seeking out the programme themselves but are responding when asked by their adviser. This is not to be interpreted that farm families are not concerned about their future but rather that they had not recognized what the programme had to offer them. It is a challenge for an advisory service to sell a process driven programme following a period which had led to the emergence of a technical and scheme focused service – farmers have an expectation for a definite tangible

output from advisory contact e.g. scheme application, grant/subsidy applied/received, technical targets established/achieved.

The programme aimed to broaden the traditional farm operator/adviser contact to engage with more family members. However, it has proven difficult to attract farm families into the programme, nonetheless, Teagasc has successfully increased the participation of other family members, particularly spouses. It is evident that families who attended the programme together derived more benefit from it and were more positive about the programme than individuals. It is also likely that there was more family ownership over the 'Way Forward Action Plan' where more than one member was involved in its development. This endorses the family focus of the programme and the success in involving families in the program. However, it also highlights the need for further effort to be employed in order to encourage more families to participate. Greater effort needs to be made to convince the other family members that the programme is relevant to them and that they should participate. Women in particular need to be personally invited to participate and the relevance of the programme explained to them. It is not adequate to tell the farm operator to bring their spouse or partner along to the programme. It is important to recognize that even though there is less family involvement on farms, more than the farm operator is involved in the decision-making.

The other family members (mainly spouse) tend to be more concerned about the wider household issues (succession, work organisation, quality of life) and financial issues. The original format of the Opportunities Programme provided more opportunities for discussion on these issues than the new format. It is therefore a concern that in the efforts of Teagasc to encourage greater farmer participation in the programme, that less family participation may result due to the change in emphasis to adjusting post-CAP reform which focuses on the technical aspects of farming which many spouses do not feel competent about.

Initially, while many advisers adapted to the programme, others did not get involved, some approached the programme with a traditional lecture/talk style and others were not satisfied that the programme had enough to offer farm families, who lacked technical information. The changing agricultural environment (Fischler Reforms) and the change in the programme has resulted in all advisers getting involved in the delivery of the programme, however, I would urge caution that the programme does not lose its integrity and become a technical lecture and farm operator dominated programme – that is the challenge for the organization.

The facilitation skills of the advisers are critical to the success of the programme in order to generate discussion and ensure that the programme is interactive. To date both the advisers and participants were satisfied that the programme was interactive and generated discussion on farm and family issues. However, it is evident that one of the major problems encountered with Stage 1 was the difficulty in generating discussion. The facilitation skills of those delivering the programme need to be continuously improved and enhanced (particularly in the area of encouraging quieter and shyer members to participate in the programme).

Advisers concluded that the programme worksheets were useful, important and necessary. However, there was a difficulty in getting them completed. There was concern about the level of detail required, the sensitivity of seeking this information and the level of accuracy. However, given that the purpose of the worksheets is to encourage farm families to establish their current situation, therefore the worksheets are necessary. The benefits of completing the worksheets need to be reinforced with farm families and Teagasc must not be afraid to challenge farm families. If Teagasc does not challenge farm families to focus realistically on

their current situation and their future options, then Teagasc will have done them an injustice. In fact farm families, recognized the benefits of the worksheets after their completion but were apprehensive about them prior to completion.

While the 'Opportunities Programme' has resulted in a change in the approach to advice, further change is necessary. This is evident in the fact that while the 'Way Forward Action Plan' in general addressed income and quality of life concerns (primary aims of programme), it was less successful in dealing with 'other' concerns of farm families. This is not to be interpreted as a failure of the advisers but highlights the need for more emphasis to be placed on training advisers to deal with wider family and household issues (areas which the service has moved away from over time in an effort to service the technical and scheme related issues which were demanded by farmers).

It is important that the *Planning Post Fischer Programme* builds on the success of the *Opportunities for Farm Families Programme* in supporting farm families in assessing their current situation and securing their future viability.