



West Regional Authority Draft Regional Planning Guidelines 2010-2022

Submission from the
Western Development Commission
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Submission from Western Development Commission (WDC) to the West Regional Authority on Draft Regional Planning Guidelines 2010-2022

1. Introduction

The Western Development Commission (WDC) welcomes the opportunity to make a submission on the draft Regional Planning Guidelines (RPGs) 2010-2022 for the West Region.

The WDC is a statutory body whose primary purpose is to promote economic and social development in the **Western Region**, comprising the West region counties of Galway, Mayo and Roscommon, as well as counties Sligo, Leitrim, Donegal and Clare. The WDC operates under the aegis of DCEGA¹ and further details of its work can be found at www.wdc.ie.

The WDC previously made a submission to the public consultation on the review of the West RPGs in April 2009 and is pleased to note that many of our suggestions have been included in the draft RPGS.²

The West RPGs play an important role in setting out the strategy for achieving development of the region and it is vital that the RPGs be supported through spending Departments and Agencies adopting a spatial perspective in their sectoral expenditure decisions.

In this submission, the WDC concentrates on those areas within the draft RPGs of relevance to the WDC's work areas which we feel have not been fully addressed or require clarification. We also highlight, where appropriate, the inter-regional linkages between the West region and the Mid-West and Border regions. This submission follows the headings and structure of the draft RPGs.

2. Context

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

The WDC believes the recognition, in the draft RPGs, of the links between the western gateways of Sligo, Galway, Shannon, Limerick, Cork and Athlone is very important and that the development of strong transport links to stimulate growth will best be achieved by co-operation among the different regions as well as with central government.

¹ Department of Community, Equality and Gaeltacht Affairs

² The submission can be downloaded from <http://www.wdc.ie/publications/submissions/subs-2009/>

Interregional issues

The WDC believes that Balanced Regional Development occurs when all regions have the opportunity to achieve their potential and to make the most effective and productive use of their resources to bring economic and social benefits to the region. Balanced Regional Development is broader than the development of two growth poles or centres in the country; it is not simply a matter of balancing East and West. Supporting all regions to achieve their potential brings the widest regional and national development benefits.

Thus while the link to the Mid West region is very important for the West region, the development of linkages with the counties of Sligo and Leitrim in the Border region and with towns in these counties, is particularly important to the less developed, northern part of the West region. As noted in the draft RPGs these counties face similar issues of peripherality and lack of critical mass for services and infrastructure, hence a focus on the linkages with the neighbouring counties will help to support development in this part of the region.

It should be noted that interregional linkages potentially cover a wide range of issues and activities including human resources, labour flows and commuting between Regions as well as the management of natural areas, provision of energy and communication routes and development of retailing. The way in which these linkages and synergies are developed could usefully be explored in the RPGs.

Pg. 8 Please note that Castlebaldwin is in Co. Sligo.

Pg. 12 Figures released by the CSO in March 2010 from the QNHS³ indicate that the unemployment rate in the West region was 12.5% in Q4 2009, which was a significant increase from 9.4% in Q4 2008 (but represents a decline from 14% in Q3 2009).

Pg. 13 The section of the Western Rail Corridor between Ennis and Galway has now opened.

Pg. 14 The focus on retaining employment should include indigenous companies, from both the manufacturing and local and international services sectors, as well as multi nationals in medical devices, pharmaceuticals etc. In 2009, 48% of all assisted employment in the West region was in Irish owned companies.

3. Strategic Vision for the West Region

The WDC welcomes the broad strategic vision for the West region and the fact that the goals are consistent with the WDC's inputs made in its submission last year on the Review of the RPGs. We particularly note the importance of the recognition of the role played by centres and areas beyond the gateway and hubs and the need for them to be supported through the RPGs to develop at an appropriate scale. This is especially important in the context of increasing emphasis on the role of large cities at a national policy level.

³ Quarterly National Household Survey

While the broad focus of the strategic goals is welcome, and the economic development goal refers broadly to the need to enhance regional competitiveness and ability to attract FDI and promote and sustain local indigenous based industry, a more a more specific reference to creating jobs and sustaining employment in the region would be helpful in this section.

4. Economic Development Strategy

Economic Context

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

Pg. 18 Please note that more recent GDP, GNP, GVA and Disposable Income figures are now available. The figures for 2007 were released January 2010.

Pg. 21 These figures are available for 2009, but a special run for regional data on employment by sector would have to be requested from the CSO for the West Region.

Economic Strengths and Opportunities

This section focuses on the strengths of the West region and the opportunities these present. It would, however, also be helpful to consider some of the economic challenges being faced by the region.

The WDC's report *Work in the West: The Western Region's Employment & Unemployment Challenge* identifies three main employment challenges for the Western Region:

- *Challenge 1: Adjusting to the Decline in Construction Employment:* At the peak of the building boom in 2007, 1 in 4 men in the Western Region worked in construction, a higher share than in the rest of the state. Since then a third of the region's construction workforce (16,400 people) have lost their jobs. This has led to very substantial increases in unemployment among men in the region, especially in more rural counties and is associated with some significant changes:
 - During the building boom the availability of relatively highly paid jobs in the construction sector led many young men to forego third level education and enter the labour market earlier. As many in this group are now becoming unemployed, they will find it particularly difficult to get other jobs because of their low level of qualifications.
 - Rising unemployment among professionals from the construction sector, and the danger that this human resource could be lost to the region, is a cause for concern in terms of growing the region's knowledge economy.
 - The loss of supplementary off-farm employment in the construction sector for part-time farmers in the region has implications for the viability of the region's already vulnerable agricultural sector.

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

These challenges are examined in detail in Chapters 4-6 of the report. The WDC believes they are of relevance to the West Region and may be useful in this section of the RPGs.

The WDC's *Work in the West* report also includes a list of sectors which the WDC believes have future growth potential for the Western Region. Many of these are discussed in the draft RPGs, but a number of additional ones are highlighted here.

- Creative sector: the features of businesses which are based on creativity (such as design, digital media, fashion, crafts, visual arts) are compatible with the characteristics of the Western Region. They are often small scale with quality of life an important location factor. The WDC published an examination of the Western Region's creative sector in 2009, *Creative West: The Creative Sector in the Western Region*⁴ which sets out the potential of this sector for growth.

⁴ This report can be downloaded from www.wdc.ie

- Caring sector: the region has a higher share of its population in the older age categories (outside of Galway city) and the demand for elder care will grow in future, as will the requirement for formal qualifications among those working in the sector.
- Marine: the Western Region has significant and under-developed marine resources and there is potential to tap into these in the areas of ocean energy, water-based tourism, marine food and transport and shipping activities.

In addition the Life Sciences, Biotechnology and Medical Technology cluster around Galway and Mayo is a key regional strength while the strong potential for Tourism and Leisure activities should also be highlighted, including specific reference to water-based activities and tourism. The potential for these is explored in some detail in *Work in the West*.

Specific reference could be made to the opportunities which would arise from an increase in the increasing direct international air access into the region, in particular through Ireland West Airport Knock, and the benefits for tourism, enterprise and accessibility that this provides.

Planning and Economic Development-Priority Policies and Objectives

The mechanisms by which growth of the gateways will support development of their wider hinterlands were not clearly outlined in the NSS and remain an issue of concern for the WDC. Research by the OECD has found that growth of cities and urban areas does not automatically lead to growth of their wider hinterlands.⁵ Cities and urban areas do not necessarily drive economic growth nor bring overall improvement in national living standards. Indeed some of the highest growth rates in Europe are in rural areas.⁶ This is particularly relevant to the West Region where the urban structure is relatively weak and much of the development and economic activity occurs outside designated gateways and hubs.

It is thus a fundamental issue for the RPGs in relation to the development of the entire West region. While the recognition of the importance of developing gateways and hubs is important in the RPGs, the development of other parts of the West region is also essential. Many rural enterprises have similar issues and concerns to those in urban areas, and while some enterprises are specifically associated with rural areas (such as agriculture, renewable energy etc) these are not the only enterprises in rural areas. The WDC's 2007 report *Rural Businesses at Work: Case Studies of Rural Enterprises in the Western Region* highlighted the diversity of rural enterprise and identified the key issues facing enterprises in rural areas. Hence the WDC believes that this section should not only refer to city and urban development but should be broader, incorporating and applying to all enterprises located in the region.

By referring only to the role of cities and urban areas in relation to business environment requirements there is an imbalance within the discussion in the RPGs. At the very least reference should be made to the fact that there is a section on rural enterprise later in the chapter.

Pg. 31 'development of the grid' should refer to the 'electricity and gas grids' for clarity.

⁵ OECD (2006), *Competitive Cities in the Global Economy*

⁶ OECD (2009) *Regions Matter: Economic Recovery, Innovation and Sustainable Growth*.

Rural Enterprise Development

Pg. 33 The WDC welcomes the recognition that *local* job creation is required to discourage unsustainable commuting patterns, reduce ecological footprints and create a better quality of life for rural based communities. Sustaining local jobs is also important given the numbers already employed in rural areas. The 2009 WDC report *Travel to Work and Labour Catchments in the Western Region: A Profile of Seven Town Labour Catchments* (discussed further below) highlighted the importance of local jobs in rural areas and showed that in the Galway city labour market catchment (in 2006) 29.4% were working in rural areas and 32.3% of those in the Castlebar labour catchment and 46.8% of Roscommon labour catchment were working in rural areas (see Appendix 1).

Pg. 34 As noted in the draft RPGs improved uptake and usage of broadband in rural communities is important, but the provision of high quality broadband infrastructure in rural areas is essential to their economic development too as well as facilitating access to distance education for rural dwellers. This could be noted here, in addition to its mention in the infrastructure section of the draft RPGs.

Pg 34 The role micro regions can play in the development of the wider rural areas needs to be explained or clarified, and the term ‘micro regions’ should be defined.

Pg. 34 The role of agriculture in the provision of public goods which provide benefits for the wider economy and society (for example in terms of landscape and tourism) should be mentioned.

Pg. 35 A policy to encourage the sustainable use of forestry and its by products (e.g. thinnings) as renewable energy for heat should also be included in the section on forestry policy. The West Region has a significant proportion of the national forestry asset (19%).⁷ In addition to the opportunities referred to in the draft RPGs, it is an important renewable energy resource which can be used for producing heat. The WDC Wood Energy Strategy⁸ outlined the potential for the development of the sector in the region and a Strategy and Action Plan for doing so. In addition an EU Northern Periphery Programme Project RASLRES⁹, for which the WDC is the lead partner, will provide a framework for the increased production of energy using locally produced biomass and increased local business development and employment opportunities in the renewable biomass sector.

5. Settlement Strategy, Population and Housing

The WDC welcomes the selection of Scenario 4 as being a broadly based balanced scenario which provides for balanced development of the West region through all parts of the settlement hierarchy.

The role and nature of the “Settlement Strategy Map” which apparently indicates a spatial settlement strategy and which accompanies the Draft RPGs is unclear. Although it provides a very general picture of different types of rural areas, no explanation is provided on how these

⁷ Forest Service (2007), National Forest Inventory, Republic of Ireland

⁸ WDC (2008) Wood Energy Strategy

⁹ RASLRES: Regional Approach to Stimulating Local Renewable Energy Solutions

were developed or how the designation of these areas might affect their planning and development. If the map indicates varying policies for planning and development in the region, according to rural area type, the definition of the areas becomes very important and the varying policies for the different rural areas need to be explained and agreed. If the map is simply indicative of possible rural area types and potentials this needs to be explained.

Population Projections

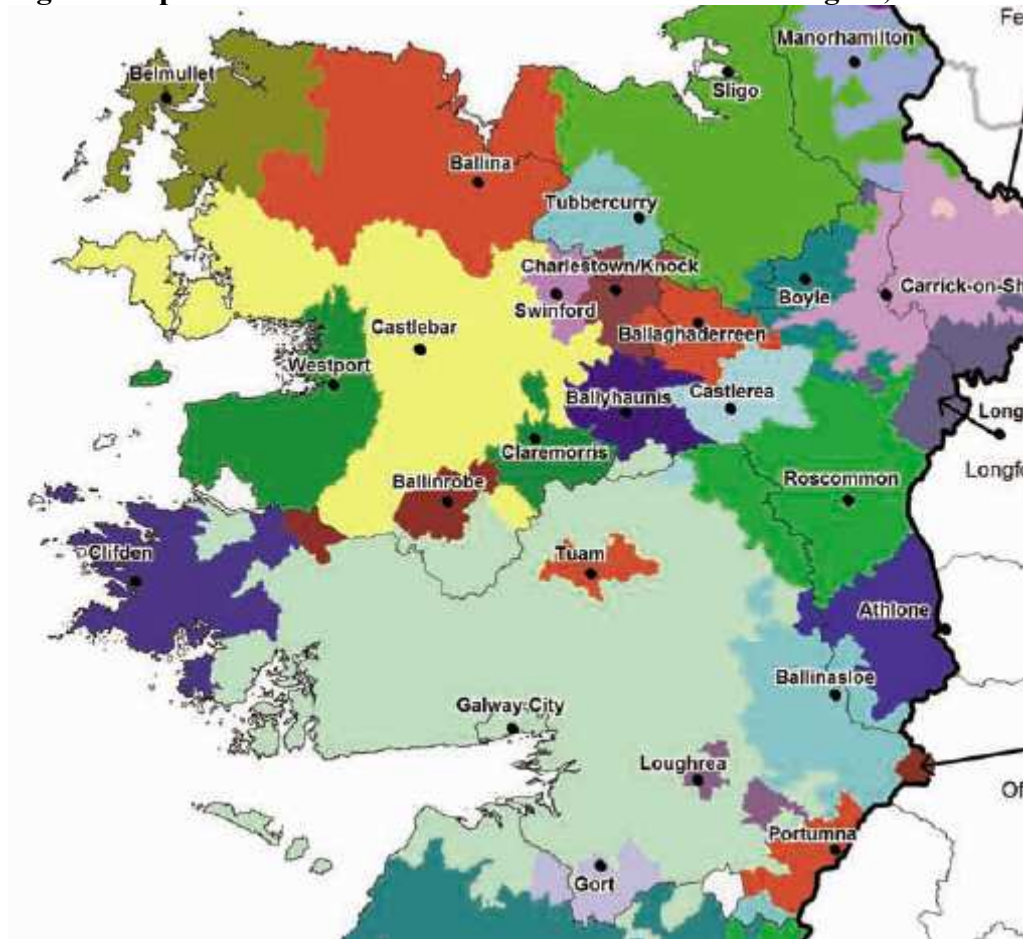
Although based on the lower DoEHLG population targets, the projected populations for the gateway and hub towns and for counties appear rather high in the context of the current economic downturn and its likely impact on the rate of population growth and migration patterns. While it is important to plan for growth and development in the hubs and gateways, and it is commented in the draft RPGs that some of the population targets are aspirational, it is important that the population targets are reviewed regularly to ensure that planning is for realistic population projections.

6. Transport and Infrastructure Strategy

The WDC commissioned an analysis of the POWCAR dataset (which covers the entire Census 2006 results) to identify travel to work patterns and labour catchments in the Western Region. This research identified 45 labour catchments in the Western Region. In July 2009 we produced the report *Travel to Work and Labour Catchments in the Western Region: A Profile of Seven Town Labour Catchments* (attached) which profiles the labour catchments of the seven principal towns in the Western Region, including Galway City, Castlebar and Roscommon town (and four other key towns in the Western Region). The analysis of the three labour catchments in the West region which were profiled is contained in Appendix 1. The WDC also has data for all of the smaller town catchments identified by the research but not profiled in our 2009 report.

As can be seen from Figure 1, the West region has a significant number of labour catchments. This analysis of labour flows and movements within the region may be helpful in the preparation of the RPGs and in consideration of infrastructural requirements for the region.

Figure 1: Spatial extent of labour catchments in the West region, 2006



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

Although a significant labour force lives in the catchments of the Gateway/Hubs in the West Region (Galway, Tuam, Castlebar and Ballina), not everyone who lived in the catchments actually worked in the Gateway or Hub centres. In addition, as can be seen from Figure 1, there are many labour catchments, outside the influence of gateways and hubs. This highlights the significance and extent of rural employment, a fact that must be borne in mind in development plans, in particular in the context of the recognition of the importance of developing rural employment and sustainable travel.

Pg. 63 Sustainable travel in the region may also be supported by employment growth occurring close to residential locations, be they urban or rural. Similarly, working from home, or teleworking could also be mentioned as an important opportunity to support more sustainable transport. This option of course requires high quality telecommunications infrastructure as discussed below.

Roads

Pg. 64 The term Atlantic Road Corridor (ARC) should be used rather than Western Road Corridor, as the ARC term is in common use by the National Roads Authority. It could also be noted that this link continues north of Charlestown to connect the Gateways of Sligo and Letterkenny and south of Gort to connect to Limerick.

Airport and Surrounding Industrial areas:

Pg. 67 Improved access to Ireland West Airport –Knock, an international airport, in the region should also be supported.

Pg. 67 The WDC welcomes the support for a Strategic Development Zone at Ireland West Airport-Knock, as it will position the airport to act as a focal point for a regional innovation hub.

Cycling and Walking

Pg. 68 A policy should also be included to promote better environment for pedestrians and cyclists in rural areas, as well as in cities, towns and villages.

Renewable Energy

Pg. 76 It would be helpful to note that renewable energy can be for electricity, heat or transport in an introductory paragraph before discussing reinforcement of the grid. These are then addressed at a later point in the section.

Telecommunications

Pg. 78 In highlighting the importance of quality telecommunications infrastructure the problems with access to broadband in many areas of the Region should be highlighted, followed by a comment on how this constrains development in such areas. Difficulties for enterprise, business start-ups, home-working, distance education and accessing online public services for people living in areas without adequate broadband access could be noted.

7. Social Infrastructure and Community Development Strategy

Education

The importance of education for the development of the region is recognised in the draft RPGs and the contribution of all education levels is noted. The links between higher education and innovation, research and skills is important and could be expanded.

The need to support innovation, both product and process, right across the regional economy should be recognised. Current international policy debates on regional development place a lot of focus on the critical role of innovation in stimulating regional growth, particularly during a period of recession.¹⁰ While this is relevant to the point about linkages between Higher Education Institutions (HEIs) and enterprises, innovation is a broader concept that is not always associated with HEIs or science-based R&D activity. It is relevant at all education levels and across all sectors.

¹⁰ OECD (2009), Regions Matter: Economic Recovery, Innovation and Sustainable Growth

Given the central role of human capital to innovation and regional development, examining this issue under a separate heading would be useful. The West's human resource in terms of numbers in the labour force, education and skill levels and also the possible re-emergence of emigration, is critical to its future economic growth. This topic is examined for the Western Region in Chapters 5 and 6 of the WDC's report *Work in the West: The Western Region's Employment & Unemployment Challenge*; while the WDC's report *Travel to Work and Labour Catchments in the Western Region: A Profile of Seven Town Labour Catchments* examines issues of labour supply in the Western Region.

8. Next Steps - Implementation Strategy

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

Pg. 96 Adding more detail to the vision of encouraging the development of other settlement centres and appropriate development of rural areas in the region should be an important part of the implementation process.

Cross-regional implementation: increased co-ordination between Regions will be important for implementation of the West RPGs and the RPGs of its neighbouring Regions. It would be useful if the RPGs provided some additional information on the means by which cross regional implementation will be facilitated and the areas it will address.

Monitoring and Indicators

A wide range of indicators have been included in the draft RPGs and the WDC welcomes the scope of issues which will be covered by these indicators. The main (though not exclusive) focus of these indicators is on the development of infrastructure and amenities and on employment patterns. The WDC recognises that the collection and monitoring of indicator data is time consuming but believes it would be helpful if some broader demographic, social and innovation indicators were also collected regularly as these would give a broader view of the development of the region and reflect the multi-dimensional nature of regional development.

Following publication of the NDP 2007-2013 the WDC prepared a report *Indicators, Balanced Regional Development and the National Development Plan 2007-2013* (attached). The purpose of this paper was to identify a basket of indicators which could be used to assess the achievement of balanced regional development. We believe a number of these may be useful in providing a broader indication of regional development. The 19 chosen indicators were based on six themes ranging from demographics to innovation performance. Some of these might usefully be considered for the West RPGs.

1. Demographic Indicators

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

2. Labour Market Indicators

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

3. Economic Structure and Performance Indicators

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

4. Education Indicators

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

5. Income and Poverty Indicators

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

6. Innovation and Technology Indicators

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

9. Conclusion

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

**Western Development Commission
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Appendix 1:

Travel to Work and Labour Catchments in the Western Region: A Profile of Seven Town Labour Catchments

(WDC, 2009)

Chapter 3: Galway

Chapter 7: Castlebar

Chapter 8: Roscommon