



**Presentation by IFA President Joe Healy to the Joint Oireachtas Committee on
Arts, Heritage, Regional, Rural and Gaeltacht Affairs on**

What it takes to sustain a viable rural community

Wednesday 26th October 2016

Chairman, Deputies and Senators I would like to thank you for your invitation to address the Committee.

I am joined here today by Thomas Cooney Chairman IFA Environment and Rural Affairs Committee, Bryan Barry IFA Acting General Secretary and Thomas Ryan IFA Environment and Rural Affairs Executive.

For those of us who live and work in rural Ireland, it is a really good place to live, to work in and indeed to enjoy.

As President of IFA, I am proud to say that farming is the backbone of economic activity across the countryside. Farming and the agri-food sector is Ireland's largest indigenous productive sector, exporting food and drink worth almost €11bn last year and providing employment to over 300,000 people directly and indirectly. It has been a key driver in Ireland's economic recovery. However, the recovery is not being felt evenly between those in the large urban centres and in rural Ireland.

Brexit

The vote by the UK to leave the EU earlier this year is already having a disproportionate impact on the rural economy, as the depreciation of sterling has had an immediate and negative price impact on agri-food exports and exports from Irish owned SMEs, for whom the UK is the destination for over 40% of their product.

The strategic response by Government to the UK's BREXIT decision will have a defining impact on Ireland's rural economy.

The Government must use its strong relationships with the UK and EU to influence as positive an outcome to the negotiations as possible, with the maintenance of a positive trading relationship with the UK, the retention of a strong CAP budget, and the maintenance of free movement of people as key priorities.

Budget 2017

It is clear that the Government recognises the importance of a vibrant countryside, not just for farmers, but for the wider rural community. This was reflected in the recent Budget, which provided increased funding support for farm schemes, the amendment of the income averaging system to deal with income volatility and cash-flow pressures and the provision of low-cost borrowing for farmers.

The reversal of cuts to Farm Assist is also hugely positive, providing a vital support to low income farmers, and allowing them to remain farming.

Broader support for the rural economy was provided through measures such as the increased allocation for LEADER and CLAR funding, increased number of places for the Rural Social Scheme and increased funding for the National Broadband Scheme.

The reduced rate that applies to the capital gains tax entrepreneur relief will also make a difference, because there are great small business success stories in rural Ireland, many of which are unheralded micro-enterprises providing vital employment and income.

IFA Policy for Rural Ireland

IFA has, over many years, developed clear proposals to sustain rural communities and has published two key policy papers in this area, namely *A Policy Framework for Supporting Rural Ireland – The Irish Countryside. A Place for living, working and enjoyment* and *A Policy Charter for Rural Ireland*.

These proposals have contributed to the significant work undertaken by the Commission for the Economic Development of Rural Areas (CEDRA) and will also hopefully feature strongly in the Government's proposed Action Plan for Rural Ireland.

Action is now required. The CEDRA report itself recognises that rural areas outside of the State's five main cities have been particularly affected by the post-2008 economic downturn, with an increase in unemployment of 192%.

The action to be taken must be a whole-of-Government response. The national consultation meetings on the development of this Action Plan have now concluded and it is absolutely essential that further progress is made.

The CEDRA report and its 34 recommendations cannot just be remembered as good ideas. Actions, responsibilities and delivery timelines are required if the Programme for Government commitment to create 135,000 jobs outside of Dublin by 2020 is to be delivered.

To support this, IFA has identified the following policy priorities, which we believe will sustain viable rural communities:

- A high quality **rural fibre broadband network** across the countryside, to support farm business, job creation, investment and rural development;
- A three-year exemption from **local authority rates** for new business start-ups, to support local enterprise development in rural areas;
- Measures, such as **tax-credits**, to encourage employers to take on **apprentices** and create long term employment;
- **Tax incentives for businesses** to locate in villages and town centres, which have been decimated during the recession;
- Increased and measurable targets for **policing hours and presence of mobile units in rural areas** by An Garda Síochána, to reduce crime and create a greater sense of security in the countryside;
- An increased and ring-fenced **annual rural roads** budget from the Department of Transport each year, allocated to local authorities as part of a planned repair and maintenance programme;
- The re-establishment of a separate **local improvement scheme fund** in each local authority;
- An increase in the number of voluntary **rural walk schemes** to support economic development and tourism in rural areas;

- A package of measures to facilitate the development of proposed **Greenway projects**, which works in co-operation with landowners impacted and protects their rights;
- A review of the **hedge cutting dates**, to reduce the closed period, in line with the nesting season, and
- Increased fines and greater enforcement by local authorities to **tackle the scourge of littering** by passing motorists and users of the countryside.

On the issue of broadband, the case is well made, but the need for action is long over-due. The plan needs to be announced and rolled out as quickly as possible and the following elements must underpin this plan:

It must be fibre based, and to the home, it must be as cost competitive for the homeowner living in Dingle to receive it, as it is for their Dublin cousins, and there must be clear and equivalent download and upload criteria and measurable targets set out in the tenders.

Our apprenticeship proposal is based on the Canadian model, whereby the employer receives an annual tax credit equal to 10% of the apprentice's salary, up to a maximum of \$2,000 per year.

In relation to rural security, the additional Garda resources announced are welcomed, however the basic question remains, what will this mean for rural Ireland?

Objective and measurable hours of policing carried out in rural Ireland must be published by An Garda Síochána. We need to know that the extra resources are delivering for rural Ireland.

Regarding littering – it is a blight on the countryside.

In 2014, the Association conducted a survey which found that almost two-thirds of members are concerned about the issue of rural littering, and 95% of those surveyed would support the introduction of stronger penalties being imposed on anyone who dumps litter out of cars and along roadside verges.

IFA would welcome the support of the Committee on this issue and also to address an anomaly in the existing littering legislation, which presently holds a landowner legally responsible for the rubbish dumped on their lands by third parties who use the countryside as a dumping ground.

I am happy to expand on the other points made.

In conclusion, I would like to once again thank the Committee for the opportunity to present IFA's proposals on *What it takes to sustain a rural community*.

Thank you.