



Cynulliad Cenedlaethol Cymru	National Assembly for Wales
Pwyllgor yr Economi, Seilwaith a Sgiliau	Economy, Infrastructure and Skills Committee
Blaenoriaethau ar gyfer Pwyllgor yr Economi, Seilwaith a Sgiliau	Priorities for the Economy, Infrastructure and Skills Committee
EIS 22 CLA Cymru	EIS 22 CLA Cymru

National Assembly for Wales

Economy, Infrastructure & Skills Committee

Consultation: Priorities for Economy, Infrastructure & Skills Committee

Response from CLA Cymru, Director, Rebecca Williams

**Ty Cymru
Presteigne Enterprise Park
Presteigne
LD8 2UF**

Tel: 01547 317085

Rebecca.williams@cla.org.uk

Summary of Recommendations

We suggest that the EIS Committee focus on the following subjects during the Fifth Assembly:-

1. The development of the rural economic strategy in the context of the new opportunity created by the UK's process to exit the European Union
2. Investment and growth in the rural economy in the context of recent legislation in Wales, the Environment Act and the Wellbeing of Future Generations Act
3. The effect on rural economic growth of the development of new transport and technical infrastructure – notably broadband and mobile phone connectivity
4. The opportunity to encourage growth in the rural economy through a positive planning application process
5. Rural employability: the rural skills-base, rural-skills qualifications, learning opportunities, and the importance of overseas workers in the rural economy

CLA Cymru: The Voice of the Rural Economy in Wales

One-third of the Welsh population lives in rural areas; in England the same statistic is 20%¹. Our rural economy supports some 459,000 people. CLA Cymru represents the broadest possible range of economic players, rural businesses and service-providers, manufacturers and the supply chain for primary producers and those who provide land as amenity. In Wales rural business totals nearly 105,000² enterprises – remarkably, only 16% of these are defined as *agriculture, forestry and fisheries*, the largest other sectors are in professional, technical, wholesale and retail services. Our members include a large proportion of SMEs.

While we participate as experts in agricultural issues, we offer the expertise and the requirements of the whole rural community including issues affecting business concerning planning, investment and economic management, education and skills provision, connectivity and physical infrastructure and social issues which affect the rural economy, such as housing.

In Wales CLA Cymru's membership reaches over 3,500 rural businesses. Here we play a full and dynamic part in government and stakeholder engagement. Part of a well-established UK wide organisation, the CLA includes some 35,000 members.

CLA Cymru's Activity

Standing Up for Rural Business <http://www.cla.org.uk/latest/lobbying/standing-rural-business>

This year the CLA launched a briefing document of the above name, defining four vital areas that will define the future for the rural economy in Wales. The four critical areas are:-

1. **An Effective Framework for Economic Development.** Focused effort working with business is required to create sustainable economic growth in rural areas. The Committee should scrutinise

¹ Welsh Centre for Health, Profile of Rural Health in Wales, 2007

² P4-5, Standing Up for Rural Business

the Welsh Government's economic development strategy with a critical eye to delivery for rural enterprise, notably in the context of the dominant role of EU investment into the farming and land-management and the supply chain. The Committee should examine the City Regions strategy regarding its delivery for rural areas. Before the Assembly elections and the EU referendum, CLA Cymru was calling upon the Welsh Government to adopt a coherent vision for the rural economy, avoiding policy-making in silos, encouraging investment into rural businesses, infrastructure homes and communities and ensuring regulation encourages and does not hinder growth.

2. **Universal Service for Broadband and Mobile.** The CLA successfully lobbied for the Universal Service Obligation to be enshrined in legislation. The matter is critical in Wales where business is hindered by the absence of an adequate service. The EIS Committee should influence service-providers, call upon the Welsh Government to take action where it is able, and to exert pressure on the UK Government to act within its powers – to ensure the rural economy becomes competitive. Equally, the Committee should encourage rural communities' empowerment to overcome technical barriers and a lack of determined effort by providers.
3. **A Planning System that Unlocks Investment in Rural Business.** A prosperous rural community is the optimal way-forward to protect the rural landscape and serve countryside communities. An imbalance which stifles rural business investment is counter-productive and creates a culture dependant on "hand-outs." Seeking solutions rather than erecting barriers to development is essential.
4. **Solving the Housing Crisis in Rural Areas.** In Wales 54% of rural rented property is privately tenanted³. Many Welsh rural businesses provide homes enabling other businesses to recruit and employ people at a competitive level. We must acknowledge the economic and social contribution of landlords. They must be provided with a government strategy which recognises the contribution they make to tackling the housing crisis.

The EU Referendum and Post Brexit Strategy <https://www.cla.org.uk/newopportunities>

The CLA has been prompt in producing a quartet of briefings (link above) making recommendations about the way-forward for the rural economy following the result of the referendum. Brexit will deliver a sea-change in economic management – a monumental, wide-sweeping adjustment for the rural economy with implications beyond agriculture into the whole supply-chain including service-industries. Well handled, it's an opportunity to improve economic management, take further control for the benefit of the Welsh economy and explore fertile ground between economic, agricultural and natural resource management policy. CLA Cymru has already asked Assembly Members to support our New Opportunities campaign. These calls upon the governments at Cardiff and Westminster to:-

1. **Deliver a fully-funded world-leading Food, Farming and Environment Policy.** Noting that the rural economy is not *confined* to agriculture, how the CAP is replaced has an effect on a wider economic base.
2. **Prioritise Welsh exports in trade negotiations.** Retaining and growing our export markets for Welsh products must be a high priority. A starting-point must be to establish clarity about the role the Welsh Government will play.

³ 2011 census.

3. **Reducing burdens on rural business while improving protection for consumers and our environment.** The opportunity must be taken to optimise the regulatory regime to deliver economic growth.
4. **Ensure rural businesses have access to the workers they need.** EU labour plays a vital part in rural supply chains.

CLA Cymru is ready to work with government to establish a momentum in post-Brexit economic strategy to promote growth in the rural economy and the prosperity of the Welsh countryside community.