

Macra na Feirme Pre-Budget Submission 2024

AN INDEPENDENT, VOLUNTARY ORGANISATION FOR RURAL YOUNG PEOPLE.

Macra na Feirme (Macra)

Macra na Feirme is a vibrant, independent, non-profit, national voluntary organisation for rural young people and young farmers between the ages of 17 and 35. We represent the interests of rural youth in the development and implementation of relevant policies, products, programs and services at national, regional and local levels and by advocating on their behalf.

Macra na Feirme actively contributes to the sustainable development of rural communities in Ireland by supporting the social, economic, cultural, personal development and well-being of young people who have a rural connection, including young farmers.

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TABLE OF CONTENTS

Executive summary	1
Introduction	2
Rural Affairs Action Area 1: Youth Participation in Rural Development	3
Rural Affairs Action Area 2: Rural Social Capital	4
Rural Affairs Action Area 3: Health, Safety & Well-being Services	5
Rural Affairs Action Area 4: Rural Infrastructure & Housing	6
Agriculture Action Area 5: Farmlife - health, safety & well-being	7
Agriculture Action Area 6: Generation Renewal & Farm Succession	8
Agriculture Action Area 7: Supports for Young Farmers	9
Agriculture Action Area 8: Agricultural production & the environment	10



EXECUTIVE SUMMARY

Macra na Feirme Pre-budget Submission 2023 into 2024

Macra na Feirme urgently requests that the government takes a participatory and active approach to rural sustainability, which is the central theme of this submission. Macra na Feirme strongly encourages the government in this budget to more fully embrace the interdependence between rural and urban areas, and recognise rural development is integrally linked to effective policies across a wide range of areas including climate, heritage, agriculture and service provision. Rural sustainability is therefore critical to the challenges we face as a society in terms of food security, biodiversity and climate change.

Macra na Feirme seeks to amplifying the voice of the youth of rural Ireland to create the engagement required for informed and effective decision-making on the rural environment informed by rural youth. In effect, we advocate for a holistic, community-based approach to rural development as it people who are at the heart of ensuring rural resilience. We want the choice to live in rural Ireland to be a realistic option for young people, and for recognition that this is integral to the economic, social, cultural and environmental well-being of all.

Following a thorough consultation process, our members arrived at 8 key action points that are required to support rural dwellers across to two central pillars; agricultural and rural affairs. The action points outlined below represent the key challenges affecting young people who live and work in rural Ireland. These actions points were also those which were presented to An Taoiseach in the 'Steps to our Future' Spring 2023 Demonstration.

ACTION AREAS FOR RURAL YOUTH

- 1. Youth Participation in Rural Development
- 2. Rural Social Capital
- 3. Health, Safety & Well-being Services
- 4. Rural Infrastructure & Housing
- 5. Farmlife Health, Safety & Well-being
- 6. Generation Renewal & Farm Succession
- 7. Young Farmer Supports
- 8. Agricultural Production & the Environment

INTRODUCTION

Fostering Sustainable Development through Collaboration and Innovation

The out-migration of young adults from rural areas is a common occurrence, with a 'culture of leaving' for education and job opportunities an integral part rural life. The decline of youth in rural areas and within the farming profession poses a significant threat to the viability of rural communities. For example only 6% of farmers in Ireland are under 35 years which is of considerable concern to the industry's survival. Moreover, agriculture functions beyond food production, contributing to public goods and services such as cultural landscapes and biodiversity preservation. Therefore, focusing on the interconnections between place-based resources and the environment, society, and economy is critical to rural resilience and its sustainability.

It is important to acknowledge that family farming is a key sector of Irish society and farmers are the backbone of rural life and are the true custodians of the land. Therefore, the relationship between youth and the agri-sector is key to diversifying the rural economy. Inclusive strategies are required to help make agriculture and rural livelihoods more attractive for rural youth. A central part of this submission presents a proposal on reducing the older age imbalance in the farming profession and how farms can become a more attractive and viable livelihood for individuals, delivering for the environment and wider rural community.

While there is cause for concern for rural demographics, rural regeneration presents significant opportunity for innovation and to re-imagine the future together with the youth for better rural socio-economic and environmental sustainability. However, the importance of youth in sustainable rural development is complex and needs to be approached in a transversal way, linking it to sustainable economic development and the challenges young people are facing in a rapidly changing world. Lack of youth consultation and representation avenues to policy for rural inhabitants along with poor infrastructure and difficulties accessing health care services are some of the key elements which are influencing the viability for young people to live in rural Ireland. These needs of rural youth must be reflected in policies, and we are calling on the government to begin to address this immediately through the eight action areas identified in our 'steps for our future' campaign and in our 2024 pre-budget proposel.



Action Area 1: Youth Participation in Rural Development

Justification:

A key issue for the future sustainability of rural communities is the out-migration of young people. Policies to date have failed to address the full complexity of the factors influencing people's decision to move away from rural areas in an integrated and participatory manner.

Macra strongly advocate for sustainable development of rural areas informed by rural youth. The 'voice' of young people is rarely considered in the formulation of rural development policy, nor in the evaluation of policy success. There is a need for greater provision for youth 'participation' and feedback mechanisms to demonstrate that young peoples ideas are considered.

Macra supports the policy ambition of 'Our Rural Future' for rural development. In particular, the commitment on a Rural Youth Assembly is welcomed by our members as well as the acknowledgement of the importance of inclusive policy making which values the contribution of young people.

MACRA RECOMMEND:

 Development of a tailored investment programme informed by rural youth for young people in Rural Communities across Ireland.



- Establish a Citizens Assembly on the Future of Rural Ireland led by of Rural Youth and their representative organisations.
- Review of the Local Authority rates for commercial properties for young people in business.
- Accessibility of paths and sensory routes in rural areas: a review of the accessibility of rural spaces with particular consideration for passing places in villages and towns. A single funding provision should be made available for paths and sensory routes in rural areas to support the outcomes of this review process.

Action Area 2: Rural Social Capital

Justification:

Rural social capital has four key dimensions: co-operation, sense of community, culture and tradition. This is critical for the achievement of a high quality and standard of living for rural dwellers, and to ensure that the state of the rural environment is attractive to young people.

How people relate to each other and interact with their local environment is critical for rural preservation and development. Macra strongly advocate that for effective agricultural and rural development each of these four elements of rural social capital must be addressed alongside the voice of young people.

Macra actively advocate, and provide for, the development of 'sense of place' and 'community' which is an important part of boosting youth participation as well as improving health and well-being outcomes in rural communities.

MACRA RECOMMEND:

- Development of work activation measures to support rural youth employment.
- Development of a cooperative model of enterprise for rural areas as a way of supporting young people in business.
- Investment in additional education, training and apprenticeship opportunities for rural youth.



- Youth Work Funding: provide an additional €9.4 million investment in youth work.
- Youth Work Funding: Review the €5
 million cap on the VAT Compensation
 Scheme for Charities.
- Training supports: Eliminate apprenticeship charges.
- Employment support: Equalise rates of Jobseekers' Allowance for young people under and over 25 years of age.
- Job Opportunities: Increased capital funding to support apprenticeship programme through the Higher Education Authority with provision for 1,000 additional spaces.

Action Area 3: Health, Safety and Well-being Services for Rural Dwellers

Justification:

The aim of publicly provided healthcare services is to increase the health status of individuals, and that all individuals have equitable access to these services. Fair and equitable access to a good quality public health service is essential to encourage people to inhabit rural areas. It is also critical to the sustainability of rural communities, as rural dwellers must have access to services that enables community well-being.

MACRA RECOMMEND:

- Community Health Services: Set-up a
 working group to develop a strategy to
 ensure local rural healthcare services
 (such as GPs, dentists) are maintained in
 the short term, and increased in the midto long term. This should address
 requirements of health care
 professionals (e.g. pay incentives, career
 progression options) as well as the
 supports needed for the families of
 health care professionals in rural areas.
- Community Safety: an awareness campaign for 'keeping people safe in the countryside'. This would include awareness of the countryside code and how to act in a respectful manner in agriculture and rural environments.



- Sexual Health: Provision of modern and consistent sexual education to those in education, including consent training.
- Sexual Health: Extension of free contraception from 26 to 35 years.
- Mental Health: €200,000 funding to support national role out of the 'Make the Moove' initiative.
- Substance Use Awareness: A National Awareness Campaign on 'Spiking' (Drug and Alcohol).
- Rural emergency Services: Improved operational processes for the National Ambulance Service in rural areas, and specifically more ambulance stations.
- HSE Student Nurse & Paramedic Bursary: an annual non-means tested €1000 grant for student accommodation.

Action Area 4: Rural Infrastructure & Housing

Justification:

Radical change is required in how infrastructure is delivered to rural Ireland. Macra urgently see a review of the 1) transports needs, 2) the rural planning guidelines; and 3) the national electric vehicle charging infrastructure structure so as to better support the everyday requirements of rural dwellers.

MACRA RECOMMEND:

- Extension of the Help to Buy incentive & Equity Loan Scheme to December 2027.
- Investment in the bus service to include 1) upgrading bus stop; and 2) bus tracking for user interface.
- Increase the Early Learning and Care and School age Childcare Capital programme to €10 million.
- Free Public Travel for under 25 years.
- Increase the provision of rural 44KW/50KW charging points by 10%.
- Increased provision of Park & Ride locations for greater accessibility to public transport for rural dwellers.
- Increase the number of stops on operational train lines to support rural dwellers.



MACRA PROPOSE:

Transport: Increased frequency of Rail Services from commuter areas surrounding all major cities.

Transport: Timetabling of Rural Bus services to align with standard working hours to support commuters.

Transport: Increased funding for the Local Link services to support gaps in the national service.

Housing: Increased supports for bringing vacant houses back into use. Specifically, the extension of the period for work completion from 13 to 24 months, a phased payment of the grant and increased budget provision.

Rural Broadband: Targeted increase in geographic coverage of the existing 4G network to address black spots.

Rural Broadband: High-speed broadband available to all homes and businesses.

Action Area 5: Farmlife - health, safety & wellbeing

Justification:

Family farms are central to the agricultural sector ensuring competitiveness, sustainable rural communities, food security and environmental protection. However, the realities of farm life are radically changing. Supports are needed to protect the commodity of the family farm.

- A review of the concept of the 'family farm'
 with consideration given to all components
 involved beyond solely the business model
 to ensure a fit for purpose definition for
 policy instruments.
- Dedicated Debt & Hardship Mediation Service for farmers to provide fair and reasonable access to mediation for financial and extreme hardship.
- Funding to support the national development of the 'Farmers Matter – Making the Moove' project which promotes positive mental health and quality of life for farmers.
- Safety Equipment & Skills: a VAT exemption within EU VAT Directive on safety equipment across all sectors. Funding for a farmer focused health & safety programme to include courses such as 'driving skills' is also required.
- Office for Fairness and Transparency in the Agri Food Supply chain: requires sufficient powers and adequate funding to support the most vulnerable in the agri-food supply chain, and specifically young farmers.



MACRA RECOMMEND:

- A full review of the concept of family farming.
- Funding for a farmer focused health & safety programme.
- Sufficient funding for the office of Fairness and Transparency in the Agri-Food Supply chain.

- A fit for purpose definition of family farm to support CAP implementation.
- Funding for a Debt & Hardship Mediation Service for farmers.
- €200,000 funding package for the 'Make the Moove' initiative to enable national roll-out.
- Government to seek VAT exemption within EU VAT Directive on safety equipment for farmers.

Action Area 6: Generation Renewal and Farm Succession

Justification:

Generation renewal in agriculture requires urgent attention as currently only 6% of Irish farmers are under 35 years of age. Macra seek priority funding for a pilot of its proposed succession scheme.

Funding is also sought for the successful Land Mobility Service which has been instrumental in enabling young and old farmers work collaboratively.

With respect to taxation and farm reliefs, Macra specifically seek an extension of the consanguinity relief which expires on 31st December 2023. Relief on the leasing of farmland needs to broadened to include agreements between young trained farmers and family members. Macra recommend a once-off tax relief of five years, with €9,000 per annum relief available to young trained farmers up to the age of 30. For Capital Acquisition Tax, we seek a 20% increase on the current threshold bands. For Indexation Tax Relief, an update on the reference year from 2003 to 2017 is recommended.

A review is required of the current suite of tax exemptions with the purpose of finding innovative ways of increasing farm transfers. This should also include EU State Aid Restrictions on Young Farmer Relief (ABER). Macra also recommend the broadening of qualifying criteria e.g. to increase the qualifying age for taxation reliefs for young trained farmers to 40 years.



MACRA RECOMMEND:

 Review of National and EU taxation reliefs and exemptions to promote greater farm transfers in Ireland.

- Implementation of a pilot of Macra's proposed Succession Scheme.
- Funding of €100,000 for the Land Mobility Service.
- Relief for lease agreements of farmland to family members.
- To extend Consanguinity Relief to 31st December 2027.
- To increase Capital Acquisition Tax thresholds by 20%.
- Increase the ceiling of €70,000 to €140,000 for the aggregate amount of relief (State aid) granted to a person under the three ABER schemes: Section 81AA SDCA 1999; section 667B TCA 1997; and section 667D TCA 1997.

Action Area 7: Supports for Young Farmers

Justification:

Supports are required to increase the ability of a young farmer to develop and practice evidence based management decisions facilitated by best available technology and science to increase outputs while reducing environment impacts.

MACRA RECOMMEND:

- Restrictions: The removal of restrictions for young trained farmers under Targeted Agricultural Modernisation (TAMS) schemes.
- On-farm Nutrient Management
 Infrastructure: Scheme to upgrade nutrient infrastructure for young farmers including those who are not eligible under TAMS.
- Capital Allowance for Environmental Infrastructure: Similar to the UK model, a targeted Annual Investment Allowance is sought focusing on smart agriculture, renewable energy equipment and climate change mitigation infrastructure.
- Costs of production: Supports addressing the high cost of production arising from farm input inflation, as well as high energy and fuel costs, to ensure farm viability.
- Income stabilisation: A voluntary initiative
 to allow farmers to deposit a defined
 percentage of profits to a fund in a good
 year and withdraw funds during poor years,
 with drawings being subject to income tax.
- Agricultural Apprenticeships: Leniency from DAFM on its delegated sanction for Teagasc staff numbers to facilitate the drawdown of resources by Teagasc from DFHERIS for the roll out of the new Agriculture Apprenticeship programme.



- A full VAT review is required to support farm efficiencies. E.g. Sexed Semen, Forage Analysis, Faecal egg.
- Increased R&D into tools to improve production systems e.g. "Beef-on-dairy", and the broader use of smart technologies on farms.
- Infrastructural funding to support the incorporation of technologies into farms.
 Specifically, increased investment into laboratory availability and capacity to meet demand for areas such as sexed semen and dung sample analysis.
- Supports for the practical adoption of new management practices, such as sexed semen, at farm level. E.g. training courses, awareness campaigns.
- Dedicated financial support for the 'forgotten' farmers in budget 2024.

Action Area 8: Agricultural production and the environment

Justification:

Land is a finite resource providing many vital functions for ecosystems, biodiversity, climate and society. Farmers are facing unprecedented challenges in terms of land use and the environment. Engagement policy on therefore critical to a sustainable future.

Proposed EU Nature Restoration Law: The introduction of any proposed wetting scheme should be voluntary with no new designations. Macra propose that an Environmental Impact Study should be undertaken prior to the commencement of re-wetting. Moreover, the introduction of re-wetting scheme should be incremental and undertaken through a pilot scheme in the first instance.

Land Use Policy: Macra seek active engagement with respect to Land Use Policy development, implementation and review. Macra also seek the re-opening of the energy crop support scheme to offer farmers an alternative land-use option.

EU Green Deal: The 'Farm to Fork' and EU biodiversity strategies set a target of 25 % of the EU's agricultural land to be under organic farming by 2030. Organic farming in Ireland needs to be addressed urgently with greater supports put in place to ensure the growth of this sector.

EU Nitrates Directive: Macra advocates that current derogations under the Nitrates Action Programme (NAP) are maintained at 250 kilograms organic manure nitrogen per hectare from 2024. Macra also request active engagement in the review of the overall NAP programme that is due to commence in 2024.



MACRA RECOMMEND:

• To achieve our ambitious environmental targets there must be active engagement with the farming community.

MACRA PROPOSE:

- Specific supports for the organic sector including a Market Development Fund.
- Advocate that derogations under NAP are maintained at 250 kg N/ha
- Proposals for re-wetting under the Nature Restoration Law should be implemented incrementally through a pilot scheme in the first instance. There should be a full environmental impact assessment undertaken. Participation should be voluntary, and there should be active engagement with all stakeholders.
- Environmental Infrastructure: Capital grants for on-farm AD units and solar projects; increased budget for the 'Support Scheme for Renewable Heat'; and re-opening of the energy crop support scheme.

10



MACRA NA FEIRME Irish Farm Centre Bluebell Dublin 12.

Tel: 01 426 8900 Email: info@macra.ie Website: www.macra.ie