

EXCERPTS FROM THE RURAL DEVELOPMENT PLAN FOR WALES 2003–2006

Economic Position of Rural Wales

The former counties of Dyfed, Powys and Gwynedd have levels of both GDP per head and Household Disposable Income which are considerably lower than for the UK as a whole. In turn, Dyfed, Powys and Gwynedd have GDP per head which is considerably lower than that for Wales. The lower GDP per head figure is partly explained by the higher than average number of pensioner households. Net out-commuting is a further contributory factor.

Industrial Distribution in Rural Wales

Hotels and restaurants account for 8.7% (23,800) of employee jobs in Rural Areas (defined here as the unitary authorities of Anglesey, Carmarthenshire, Ceredigion, Conwy, Denbighshire, Gwynedd, Monmouthshire, Pembrokeshire and Powys) and is the fourth highest contributor after Health and social work, Retail, and Education. Recreational, culture and sporting is ninth highest, accounting for 2.9% (8,000). The data was taken from the Annual Employment Survey. Agriculture, which has a very high proportion of self-employment was therefore excluded but of the 19,977 total employment in food processing and related activities for Wales as a whole, an estimated 10,000 are dependent on Welsh agriculture plus other jobs involved in agriculture purchase inputs from Welsh industry.

Tourism in Wales

Tourism visitor expenditure to Wales from UK residents and overseas residents is estimated from Regional Trends (which uses figures from the UK Tourism Survey) at over £1.35 billion per annum, or about 5% of Welsh GDP. Additionally, leisure day visits to Wales could account for around another £550 million (UK Day Visits Survey). Employment in tourist related industries in West Wales and the Valleys (includes all hotels, pubs, restaurants and other leisure activities) is around 8% of all employment. In parts of West Wales this rises to over 20%.

It is difficult to encourage day visitors far beyond the accessible regions close to the main east-west road links along the north and south coasts. As such, it is difficult to open up the more traditional and culturally distinct areas of West and mid Wales to day visitors, many of whom would have to travel more than two hours to reach destinations. Overseas holiday makers to the region are in the main tourist looking for heritage, cultural tradition and landscape.

The key priorities for the tourism sector are:

- marketing initiatives to raise the profile of the region's tourist potential;
- maximising the potential for ICT developments;
- support for the development of key niche markets including eco tourism;
- action to attract larger numbers of overseas visitors;
- extension of the full range of business support services to the tourism sector;
- maximising the potential of arts and cultural activities;
- improving professionalism and innovation through development of higher skills levels, and
- provision of tourism infrastructure and tourism information facilities.

There is also a need to extend the tourism season. There needs to be a concerted and co-ordinated programme of marketing Wales throughout the year to achieve this. Festivals, the arts and sporting events can all play a major role in this and an annual programme of 'calendar events' could help with the planning and promotion of events throughout the year. This could promote a wider distribution of activity throughout the year with better opportunities for developing packages, linking in events with accommodation and ticketing and transport deals.

Strengths, Weaknesses, Opportunities, Threats (SWOT)*

Strengths

- Established tourism destination
- High quality visual landscape
- Strong cultural and linguistic identity
- Ability to produce high quality lamb, beef and milk from grass

Weaknesses

- ICT infrastructure lagging behind other parts of Wales
- High tourism employment but often seasonal and low paid
- Remoteness of centres of learning a barrier to acquiring new skills and training

Opportunities

- Developing sustainable tourism and niche marketing
- Developing "green" tourism income and employment
- Development of a sustainable integrated transport network
- Scope to ensure farm viability by maximisation of all income sources
- Exploit potential for adding value to local products
- Maximising the growth potential of cultural industries
- Diversification of the economy into service sector industries
- Promoting the development of indigenous companies
- Developing local markets for local products
- Taking advantage of tourism growth sectors such as short break and activity holidays

Threats

- If investment in ICT is not implemented there is potential for further job losses and businesses will not be able to capitalise on efficiency gains.

* Only those relating to tourism have been extracted.

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