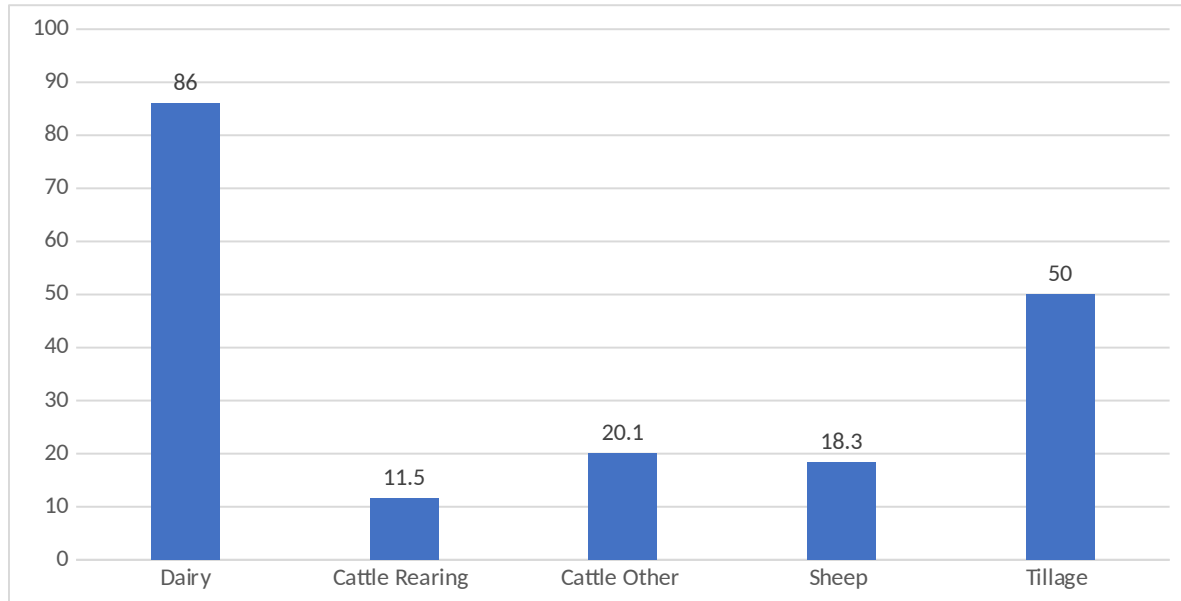


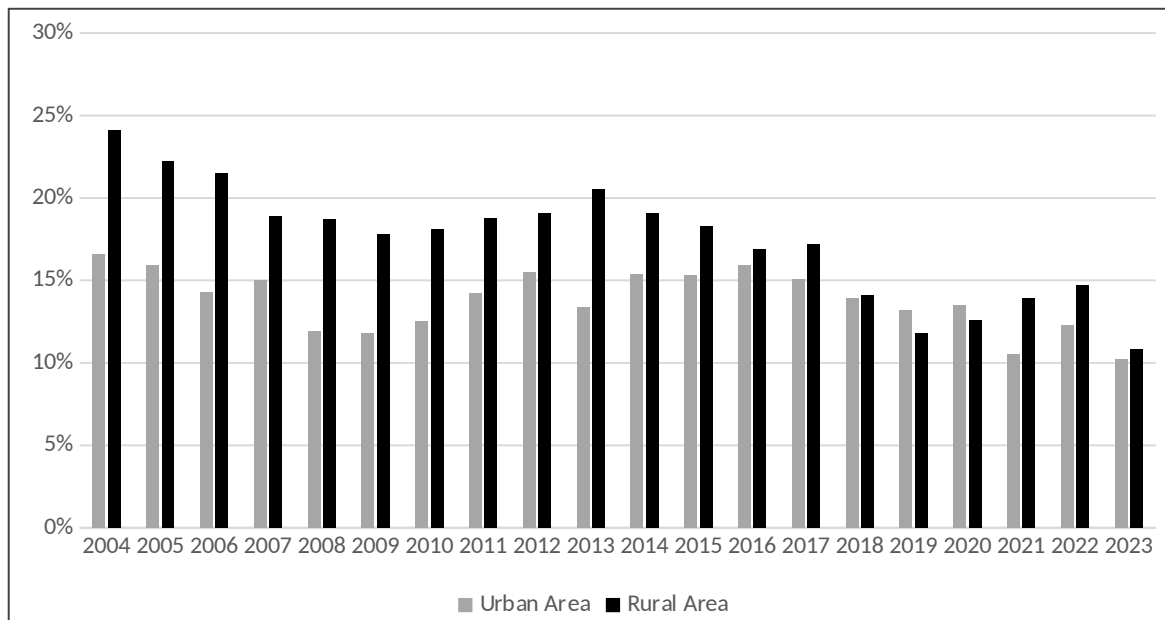
Rural Development

Chart 4.1 Average Family Farm Income Forecast 2024, €,'000



Source: Outlook 2024 - Economic Prospects for Agriculture, Teagasc, 2023.

Chart 4.2: At Risk of Poverty Rate by Area Type, 2004-2023



Source: CSO, PxStat 2024

Rural Development

Farm Incomes

Projected farms incomes for 2024 (Chart 4.1) show wide variations with dairy projected at €86k per annum compared with cattle rearing at €11.5 per annum (bearing in mind that Individual farms can have multiple enterprises). In 2022, the average family farm income was €44,936¹, a substantial increase on the 2021 figure. Two-thirds of Irish farms earned an income of less than €30,000 in 2022, which points to the ongoing precarious nature of farm incomes, and the viability challenges in the sector. Average farm income is highest on dairy farms and in the South East region. The Northern and Western region is the most disadvantaged region with the lowest farm income and the highest reliance on subsidies.

It is clear that farming itself is not enough to provide an adequate income for many families as evidenced by the over reliance on direct payments and the number of farmers engaged in off-farm employment. In 2016, around a quarter of farm holders in Ireland were aged 65 years and over, and just 5 per cent were aged less than 35 years.²

Rural Poverty

Supporting rural households to ensure that they have sufficient incomes will be crucial to the future of rural Ireland. This requires both social and economic supports, and broader skills and economic development strategies. Low-paid, part-time and seasonal work and long-term underemployment are significant factors in rural poverty and exclusion.

Looking at incomes on a county and regional level in 2021, the Midland region and the Border region had the lowest disposable income per person, with persons in the Border, West, and Midlands regions consistently reporting a disposable income below the state average since 2004 (Chart 4.2)

The amount of money required to achieve the Minimum Essential Standard of Living (MESL) ranges from an estimated amount of €167 per week higher for rural couples with younger children (pre-school and primary age), to €164 per week for rural couples with children of primary and second-level school age, than for their urban counterparts according to the latest MESL figures from the Vincentian MESL Research Centre.³ Higher costs in 2023 related to household energy, transport, fuel, and food (as was the case in 2020, 2021 and 2022), however, these costs increased significantly between 2022 and 2023. A consistent trend over the past decade is the increased at-risk-of-poverty rate in rural areas (see chart 4.2).

Policy Priorities

- Ensure rural development policy is underpinned by social, economic, and environmental wellbeing.
- Ensure that development initiatives resource areas which are further from the major urban areas to ensure they do not fall further behind.
- Increase the provision of public transport in rural areas.
- Provide integrated supports for rural entrepreneurs, micro-enterprises and SMEs.
- Sustainable agricultural practices and sustainable land management must form the basis of future agricultural policy.

¹<https://www.teagasc.ie/publications/2023/teagasc-national-farm-survey-2022.php>

²<https://www.cso.ie/en/releasesandpublications/ep/p-urli/urbanandrurallifeinireland2019/introduction/>

³<https://www.budgeting.ie/publications/mesl-2023/>