

Dundalk Newry Economic Zone

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Terms of reference

- To ...“evaluate and create a compelling report, to frame the clear **imperatives** and policy recommendations necessary to establish a Cross Border Zone that will ensure the Zone enjoys accelerated growth and engineers economic catch-up in a Sustainable manner across the border, all to our mutual advantage.”

Newrydundalk – 2006

Colin Buchanan

- **Key observations:**
- The region suffers from a range of structural problems .. (and) has not benefited from the 'success' of the cities at either end of the corridor.
- As transport infrastructure, for example, improves, bringing Belfast and Dublin closer together, the risk for the intervening settlements of Newry and Dundalk is that they will be physically and psychologically bypassed.
- The principle of counterbalancing growth at either end of the corridor by focusing attention and, concentrating development in the centre is seen as presenting a real opportunity for enhancing the prospects for Newry and Dundalk.

Newrydunkalk – 2006

Colin Buchanan

- **Strengths:**

- Collective critical mass;
- Untapped shared environmental resource;
- Good access, good infrastructure;

- **Weaknesses:**

- Two currencies;
- Two tax regimes;
- Lack of symmetry in environmental management policies;
- Mismatch in local authority functions;
- Recognition & comparability of qualifications issues.

Newrydunkalk – 2006

Colin Buchanan

- **Recommendations:**

- Establish a strategic planning group to lobby and prepare an integrated spatial framework plan with a feasibility study of a cross border “national park”;
- Promote “all island” policies for industrial development, skills, energy, planning, healthcare, etc. and max inter agency cooperation;
- Set up a cross-border Economic Development Forum to plan initiatives, compile a common database, brand the twin city initiative, focus on “Quality of Life”, telecomms & waste;
- Get governments to address currency fluctuations - the principal barrier to cross-border industrial cooperation;
- Facilitate use of both euro and sterling in the region;
- Develop a tourism sub-brand for the region;
- Progress new ferry & secure INTERREG funding for ICT in ports;
- Address skills deficits.

Newry & Mourne in Focus – Apr 2008

Regional Forecasts

- **Strengths:** location;
- **Weaknesses:**
- Scale is small relative to Belfast, Derry and Lisburn;
- Population growth in rural, not town, areas;
- Heavily dependent on consumer & secondary sectors;
- Lack of high value-added professional service sectors;
- Poor skills levels;
- Limited local power & no overarching body for urban regeneration;
- Negative domestic migration, suggesting N&M is not an attractive area to live in.

Newry-Dundalk Twin City Region Jan 2009

ICLRD

- **Objectives:**
- Coordinated approach;
- Joint actions;
- Common databases;
- Alignment of legal and institutional frameworks.
- **Proposals:**
- Joint Centre of Excellence for sustainable energy;
- A cross-border international services zone;
- Geo Tourism;
- Coordinated regeneration strategy for older areas;
- Skills, education and training programmes

The challenge

- Evidence clearly indicates that, for a sub-region to attract significant domestic and international investment, it must contain at least one city-region of sufficient size.
- This implies access to sizeable pools of suitably qualified workers, adequate supporting infrastructure, and good-quality public and commercial services.
- A joined-up approach not only assists in meeting these requirements but also supports efforts to attract and leverage scarce public and private funding for wider regional infrastructure and regeneration initiatives.
- In sum, Newry and Dundalk need to think and act regionally if they want to compete in the market place....With urban populations of 28,000 and 35,000 respectively, neither Newry nor Dundalk has the critical mass to compete (separately) in the global economy.
- ***Source: The Newry-Dundalk Twin City Region – ICLRD, Jan 2009***

NI Deprivation measures

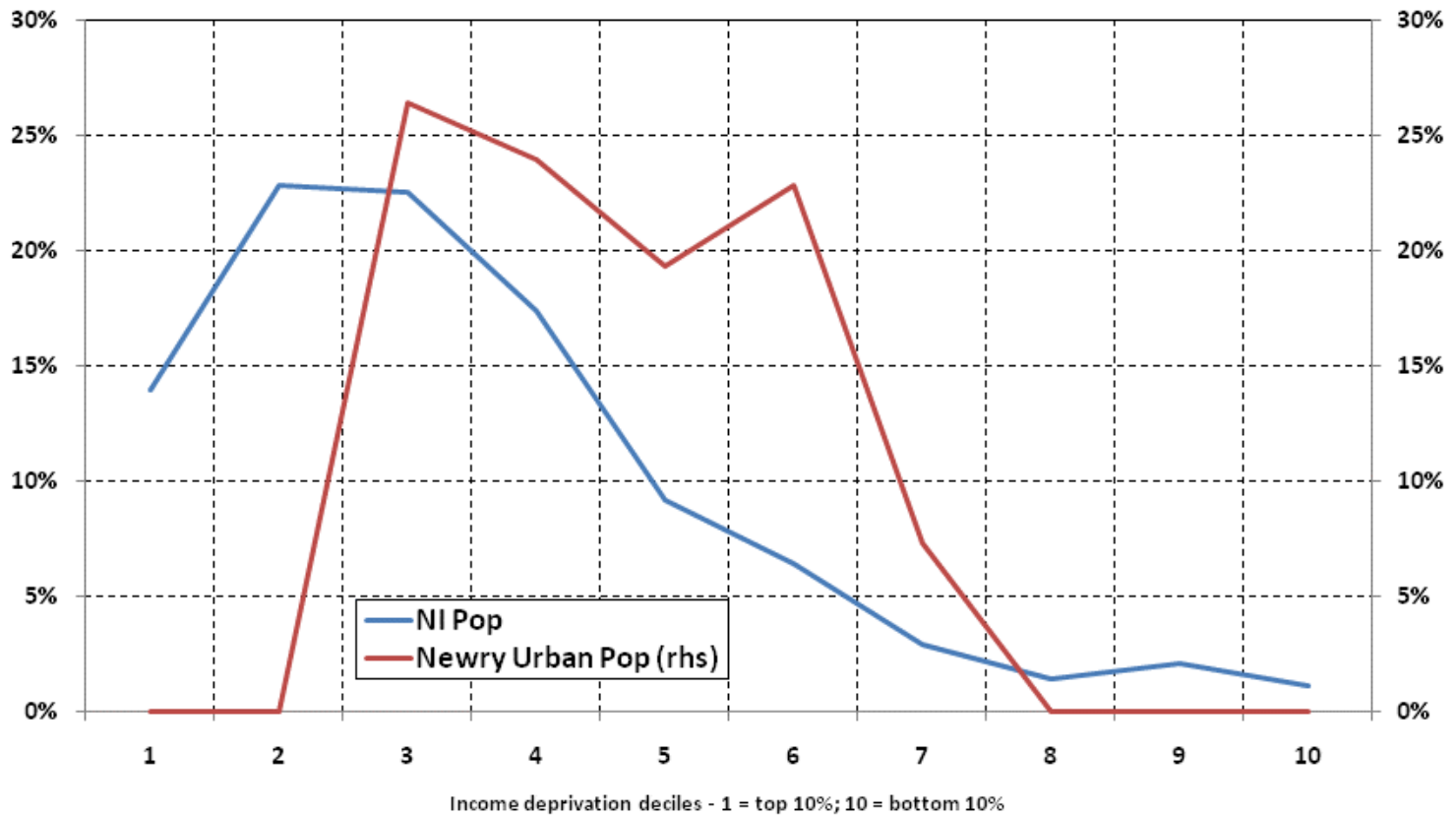
- 582 Electoral Wards (EWs) in NI are ranked in order by reference to income, employment, health, education, proximity to services, living environment and crime and disorder.
- In practice income and employment are the dominant influences
- Nine EWs were amalgamated to get a picture of deprivation in Newry
- The population coverage was 28,800 out of a total population of 30,000.
- The income deprivation measure for each EW was weighted by its population to get a deprivation measure for Newry as a whole.
- Newry's score was 33, i.e. 33% of people live in income deprived households.
- The range is from Derryleckagh (20%) to Ballybot (52%), i.e. more than half the population in Ballybot live in households classified as deprived.

33% of Newry Population is deprived

Deprivation - Newry		
Wards	% Deprived	Population
Derryleckagh	20.5	4,493
Windsor Hill	22.0	3,120
Drumalane	25.6	3,211
St Patrick's	28.6	3,702
St Mary's	34.7	2,401
Drumgullion	37.1	3,164
Derrymore	41.4	3,203
Daisy hill	45.4	3,388
Ballybot	51.9	2,106
Total	32.8	28,788
% of pop in "deprived" households		

Newry compares poorly to NI

Distribution of population by income deprivation



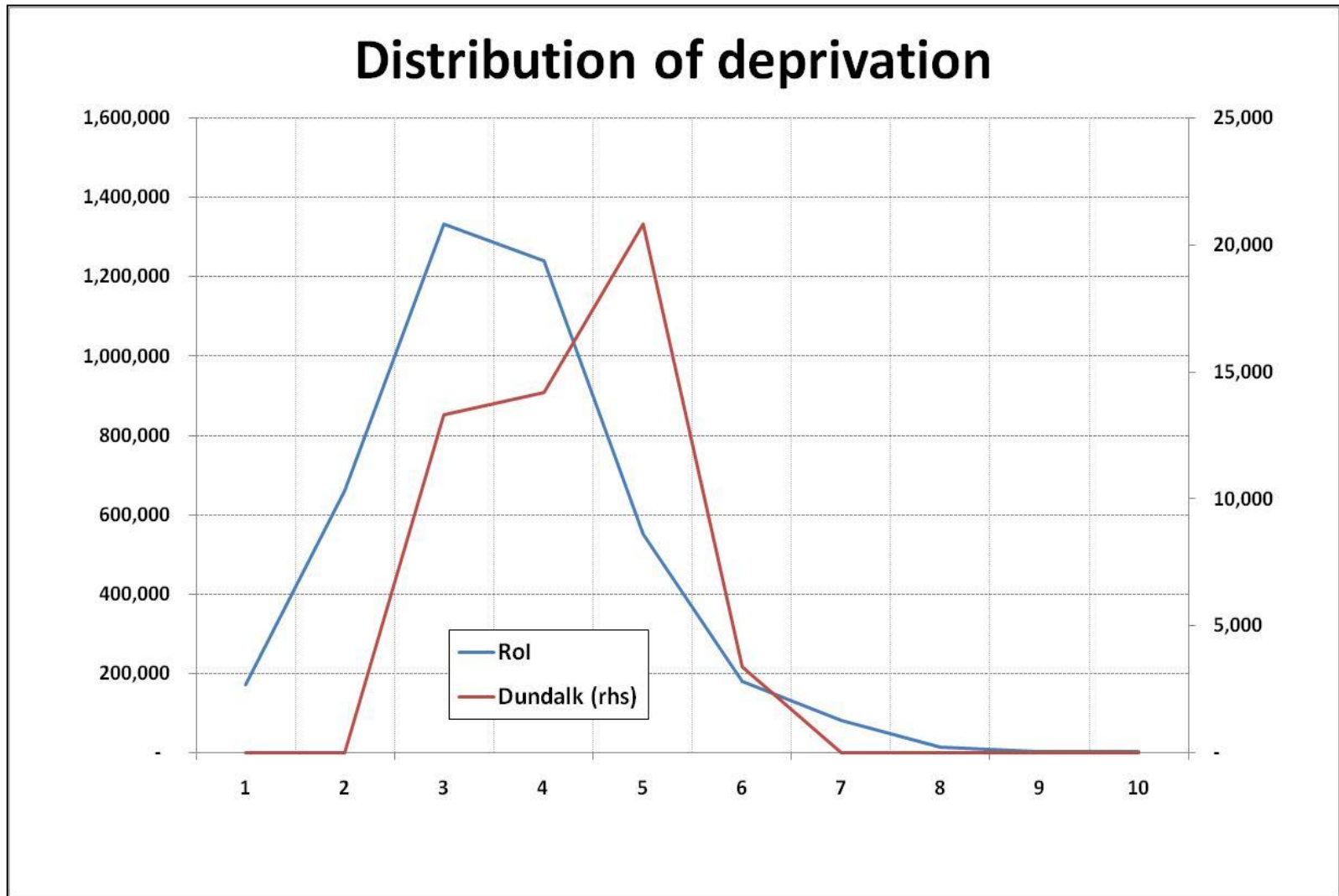
It is the third most deprived border town

Deprivation - Border Regions		
	% Deprived	Population
Dungannon	25.1	15,142
Enniskillen	27.5	13,598
Armagh	28.7	15,104
Omagh	28.8	20,889
Newry	32.8	28,788
Derry	40.7	60,594
Strabane	42.3	13,949
Total	34.5	168,064
% of pop in "deprived" households		

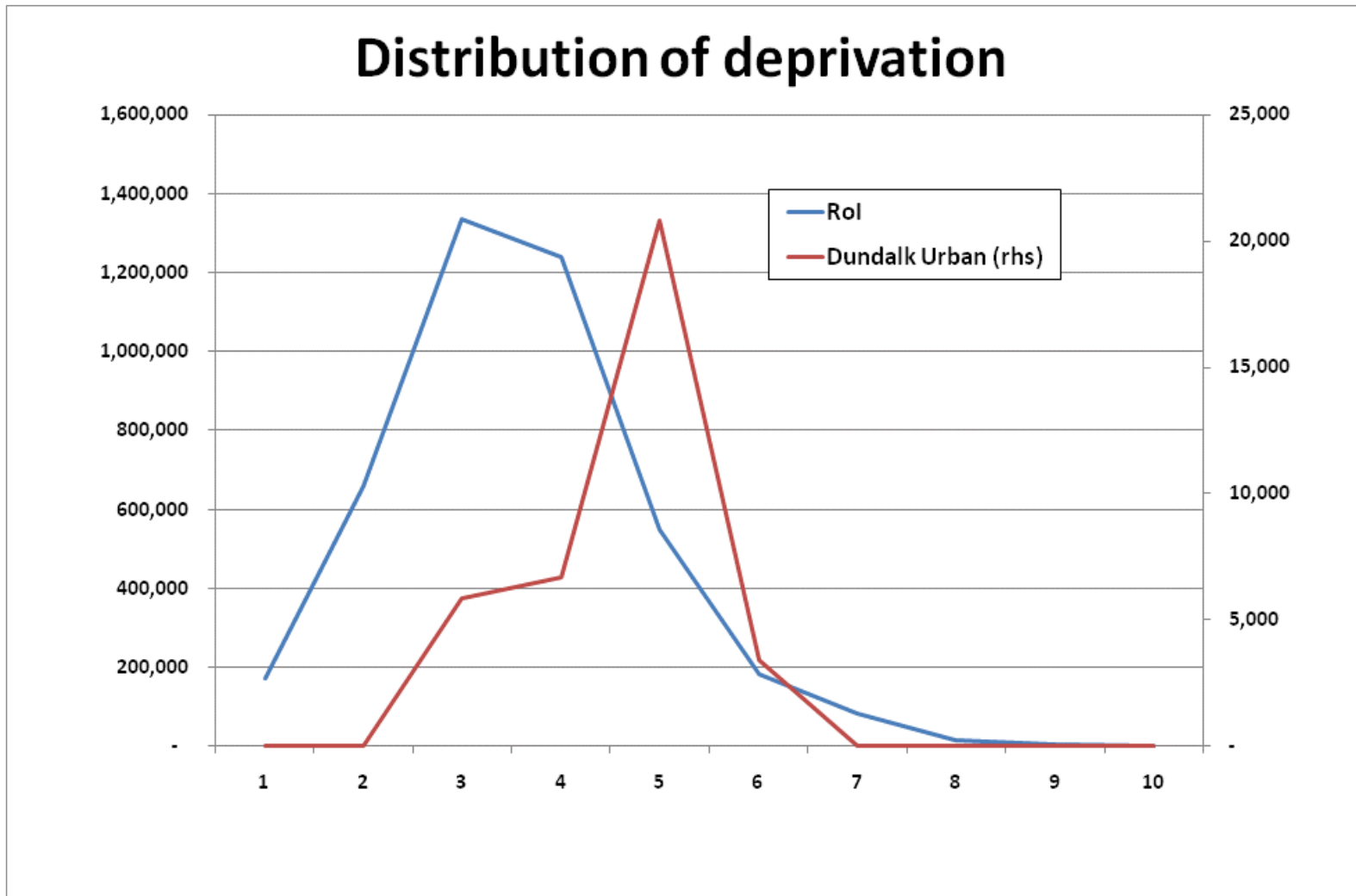
ROI Deprivation Indices

- Semi-official statistics have been compiled by Haase and Pratsche.
- They used the various various censuses.
- Now well established, they used by PESP, Combat Poverty, etc.
- They have three main components:
 - Demography (pop change, age dependency, educ.)
 - Social Class (educ., class, skills, persons per room)
 - Labour Market (unemp, HH skills, lone parents)
 - No income measure as such.

Dundalk, too, compares poorly



Dundalk urban even more so



Dundalk urban deprivation scores

EDs	Score	Population
DUNDALK URBAN NO.1	-23.3	2,190
DUNDALK URBAN NO.2	-17.9	1,211
CASTLETOWN (PT.)	-10.4	3,939
DUNDALK RURAL (PT.)	-9.3	15,534
DUNDALK URBAN NO.3	-7.2	1,347
DUNDALK URBAN NO.4	-2.2	6,677
HAGGARDSTOWN (PT.)	10.5	5,864
Dundalk Urban	-6.0	36,762
Dundalk Region	-3.5	51,758

Dundalk is most deprived border region

Relative scores	Region	Urban
Sligo	3.4	-2.5
Carrick-on-shannon	3.1	na
Monaghan	-1.2	-1.6
Letterkenny	-1.8	-4.8
Cavan	-2.8	-12.7
Dundalk	-3.5	-6.0

New Gateway development measures

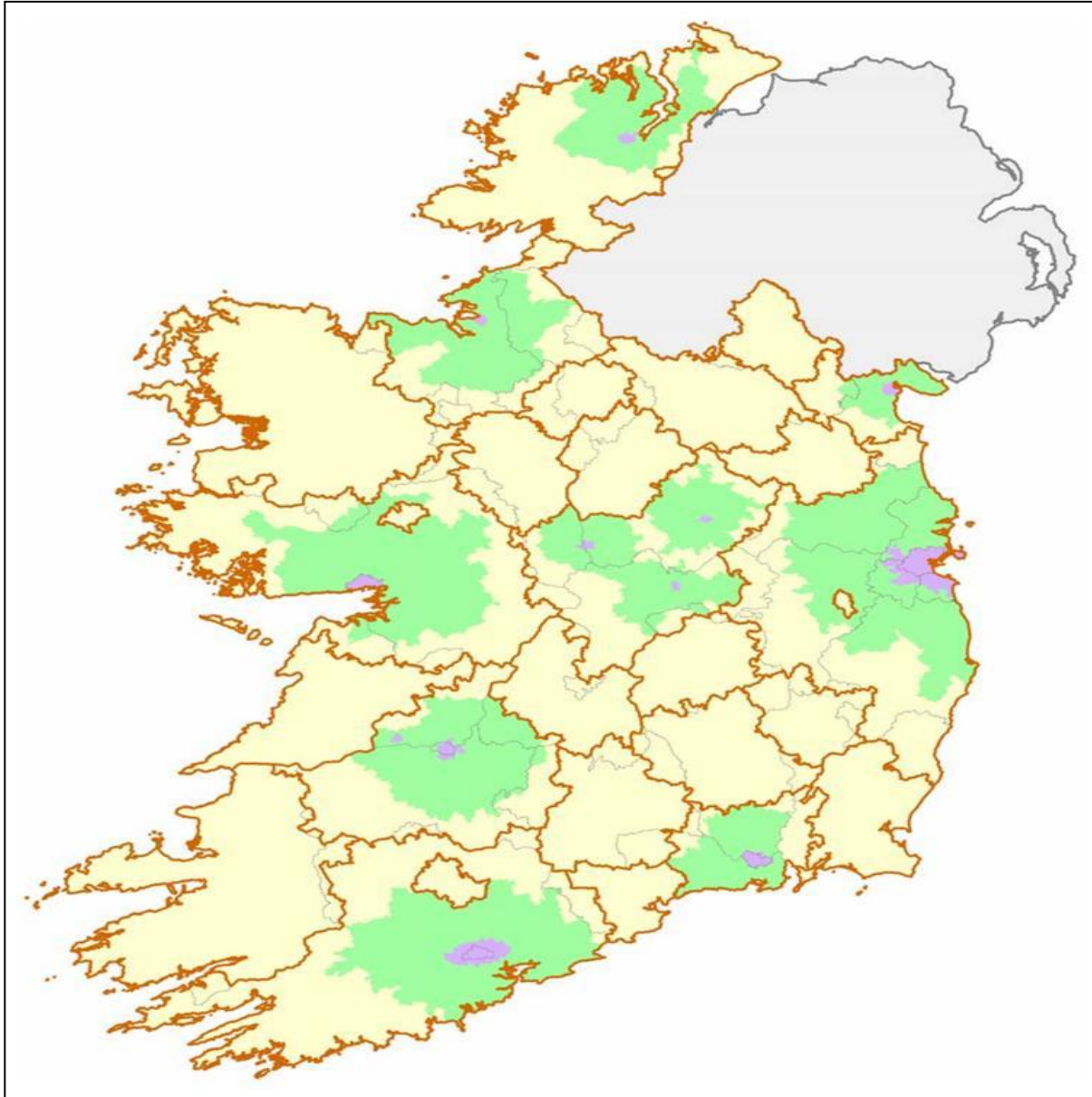


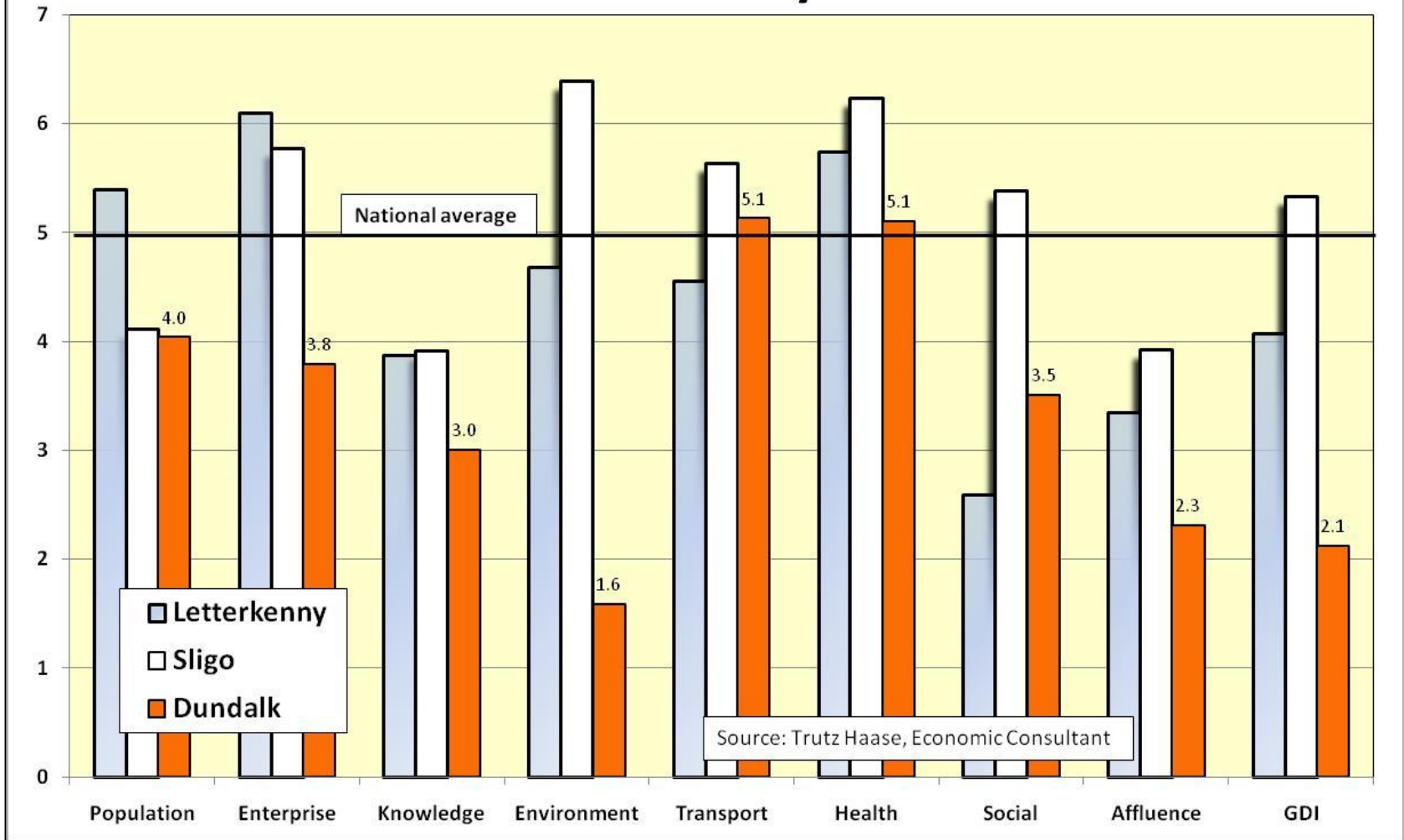
Table 9: Gateway Development Indices

Gateways	Core (Zone 1)		Catchment (Zone 2)		Region (Z1+Z2)	
	GDI	Change	GDI	Change	GDI	Change
	2006	1991-06	2006	1991-06	2006	1991-06
Galway	7.1	-0.3	5.9	0.2	6.5	-0.1
Cork	5.5	0.0	6.3	0.1	5.9	0.0
Sligo	5.3	-0.5	5.1	0.1	5.2	-0.2
Dublin	5.1	0.1	5.4	0.0	5.2	0.1
Letterkenny	4.1	-0.3	2.6	0.5	3.3	0.1
Limerick	3.8	-0.4	5.1	-0.3	4.5	-0.4
Midlands	3.5	-0.8	4.0	-0.1	3.7	-0.4
Waterford	3.4	-0.3	4.1	-0.2	3.8	-0.3
Dundalk	2.1	-0.1	3.8	-0.1	3.0	-0.1

Source: Fitzpatrick Associates and Trutz Haase, Economic Consultant

Gateway Indices components

Chart 4 Border Gateways - urban zone GDIs



Recommendations

- Establish a Cross-Border advisory service, (Oersund, Denmark/Sweden)
- Improve regional & cross-border statistics
- Participate in the St Andrews review
- Counteract the view that the NW is the most deprived border area
- Assess the Vienna-Bratislava attempt to attract inward investment
- Review the implications of the downgrading of the NW Gateway objective to a Virtual Cross Border Technology Park
- Seek formal Gateway status similar to the North West
- Participate in the review of the next State Aid guidelines
- Explore possible designation as a cross-border zone for State Aid
- Review progress in implementing the ICLRD recommendations
- Prioritise practical steps in context of the Memo of Understanding between Newry and Dundalk

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