

Mark Lawson

Welcome to the rural exchange podcast. This first podcast I'll be interviewing Steven Thomson project lead of the NISRIE project. NISRIE - novel insights on Scotland's Island and rural economies is a project with four work packages, rural enterprises, community wealth building, agriculture beyond Brexit, and regional food economies. The aims and objectives of the project are discussed with Steven in this podcast.

Steven Thomson

My name is Steven, and I'm an agricultural economist to trade and I've been with the college for 30 years now, and have done a lot of work on agricultural policy developments. But also in the wider rural development field, a looking specifically at population changes house prices, the rural economy and what happens there. And this project is just a natural progression from that long time period of work could expand

Mark Lawson

A bit on the aims and objectives of the project. And maybe a little bit of background.

Steven Thomson

So, the background to the NISRIE project is that there's a bit of an evidence gap in terms of the rural economy in Scotland and beyond actually, in that their traditional economics statistics focus at regional level or at national level. And I've not really managed to work out the true economic impact that rural economies actually have, so what we're trying to do is drill into the datasets that are available, the publicly available datasets that is, and actually tell the story of Scotland's rural economy, in terms of what the contributions are from different types of sectors, the relative importance to local geographies, including on the islands, and then what that means in terms of workforce on the success of these areas. So it's kind of looking at the whole picture of what rural Scotland is currently contributing, and then also what the sort of risks and opportunities are within there.

Mark Lawson

So the project itself is broken down into four work packages. Can we just dive a little bit deeper into some of these, the first one discusses and investigates rural enterprises? What kind of enterprises we'll be looking at, and what kind of data do you expect to see reported on this.

Steven Thomson

We're going to look across the across the piece, and then we're going to look at all sectors. To establish that picture of what these rural economies are actually contributing or real rural businesses and enterprises are contributing, we need to understand the wider economy, including public sector employment, which is a significant employer in certain localities. The key thing is we're going to primarily in the first couple of years, or maybe three years is look mostly at Office for National Statistics data, things like the business register interdepartmental business register, datasets that we have seen. Geographical summary, statistics, perhaps at our local authority level, we want to delve deeper into a different type of analysis where we're looking at peripherality looking at islands, separating islands

separating out the very remote mainland areas that are more automated mainland areas accessible and urban, and actually giving a slightly different lens on what the official statistics normally we'd look like. And then we would look at things like in business terms, we look at what we would call survival analysis, how individual businesses are progressing through times in terms of turnover and employment, that gives us insights into how sectors are performing, and gives us a new insight into performance of these sectors. The other thing that we're hoping to analyse is things like the business panel data to say that the Scottish Government are running just now, a rural business panel, which builds on the work that Highlands and Islands enterprise have done over a number of years, where they've had a panel dataset of over 1000 businesses where they're, they're doing quarterly sound bites as to the mood music of those businesses. Beyond that we aim to beyond year three, once the population census data becomes available, we aim to start analysing that or hopefully analyse that so that we get a better understanding of the people behind enterprises. So, the rural workforce where people live, where people work, what protectors of employment, what's their socio-economic status, etc. And over the entire five years, those two different approaches those two different lenses will enable us to hopefully fill some of the knowledge gaps that exist on the digital economy in Scotland.

Mark Lawson

Community wealth building is based around a number of case studies and an evidential review, what kind of insight do you expect to get from this?

Steven Thomson

So, community wealth building looks at a slightly different approach to the rural economy than the traditional method which is the sort of an enterprise development perspective, whereas the community wealth building is thinking about enterprise from a community perspective or from within a community. And somehow making sure that that money flows and the benefits of enterprise falls back to the community. So it's a relatively new model, *per se* and what we aim to get from it is actually for what works and what doesn't work, and actually try and make sure that we've got evidence that can support that the Scottish Government's initiatives on community wealth building that can help communities through that process to reimagine and re-invigorate their communities and the business side of their communities.

Mark Lawson

Can you give us some insight into the topic around agriculture beyond Brexit?

Steven Thomson

Agricultural policy is evolving pretty rapidly post-Brexit and the Scottish Government are designing a new agricultural policy for Scotland. At the same time, we've got new trade relationships at UK level with many countries across the globe. And there are issues about access to labour for certain sectors of agriculture, particularly the horticulture sector, but increasingly things like the daily sector are struggling. And what this piece of work is trying to do is actually assess the impacts of Brexit and the impacts that potential policy reforms might have on rural areas in particularly the islands and making sure we island-proof and the

reforms and make sure that the islands Act and the requirements for the Scottish Government to consider the implications for islands and are being looked at.

Mark Lawson

And also presumably the agricultural support network as well on framework that's in place for the post Brexit.

Steven Thomson

Oh, absolutely, that support framework is where we'll probably be running most of the work and modelling, looking to see how there was how there was reforms made in part impact on the rural economy, beyond the agricultural gate, the farm gate, or Croft gate, because the important aspect within this is that there's a large multiplier effect from agriculture in rural economies that flows upstream, which is backward into the, into the suppliers and downstream into processors and into the food and drink sector. And actually, trying to get a better handle on those flows. through things like the input-output tables, and disaggregation of them, the agricultural component of that into different sectors will be will be a component of this over the next five years.

Mark Lawson

And the final element of the Work Packages is to do with regional food economies and the local food sector. What how do you think that will manifest itself?

Steven Thomson

Well, it's a really interesting one, because there's a push on the Good Food Nation, there's a real interest in local food. We saw that post-break during the COVID pandemic because people actually, when they were sitting at home or working from home there was more interest in and local food, and what we're trying to do here is probably get some perspectives and some thought into what do we mean by due to food economies? What is local food? And what are the impacts of that in terms of economic contributions. And what we're trying to do is work with organizations such as Scotland's food and drink, so that we're working in a relationship with them rather than duplicating effort, and making sure making sure that we are adding volume to each other's work streams. But the real ideas here about freight, are these regional food producers or regional food clusters? What kind of what kind of insights can we give through case studies? And that can link in to the rural economy work packages as well? So things like shellfish sector, how have they dealt with post-Brexit, trade restrictions, or trade opportunities? They're things like the potato sector, and things like the dairy sector and the sort of the dairy products and what opportunities exist within Scotland, a to supply more of its products to itself, but also for export opportunity.

Mark Lawson

That's great. And you touched on the fact that be other stakeholder groups that may well work in harmony with the NISRIE project as well. That probably manifests itself more towards the rural exchange, a subsection of NISRIE, can you give you a bit of insight into what you expect to get from the Rural Exchange

Steven Thomson

The Rural Exchange is something that's probably been much needed in that across Scotland and that we aim to try and every all the pieces of analysis that we're doing and all the case studies and all of the knowledge that we're trying to generate here, we aim to try and make it freely available to people to pool from our website, a rural exchange, where they can also interrogate somebody datasets that we can put up so they can pull information about a local authority area, their sector of employment, or whatever, whatever we think we can provide them in terms of some of the data providing it's within our data sharing agreement, to share this summary level data. And we will provide so we aim to have this fully accessible to everybody so they can interrogate that data. The other really interesting component of the rural exchanges, the exchange bid is not just one way, it's not just as giving knowledge exchange or providing access to reports and data. It's also hopefully allowing people to be able to submit ideas, concerns, suggestions for future analysis on the rural economy, but also in rural communities. So, this rural exchange is delivering across multiple projects within Scotland's Rural College. And within it, we will be running simple soundbite service so that we can actually get feedback from people on the ground on things like the cost of living crisis on the impact of sea, for example, fairly concentrations on the islands, our weather events, we can we can be as flexible as we need to be on this. But that gives the voice to the communities on the population on the businesses that are out there, who we can then take and synthesize that information and actually feed that back to policy officials.

Mark Lawson

That's great, very exciting prospect.

For more information about NISRIE or Rural Exchange, please visit nisrie.scot, or ruralexchange.scot for more information about the projects and how to get involved.