

Confor response to Select Committee on the Rural Economy Call for Evidence

Confor: Promoting forestry and wood (www.confor.org.uk) is a not-for-profit membership organisation which represents 1500 sustainable forestry and wood-using businesses across the UK. Confor represents the whole forestry and wood supply chain and focuses on strategic issues vital to the success and sustainable future of the sector.

Confor is happy for this response to be published.

1. What do you understand by the 'rural economy'? How has it changed over recent years, and what has been the impact of these changes?

The rural economy encompasses a very wide range of activities including:

- Production of food, timber, and renewable energy
- businesses that add value to local produce including food and timber processing
- local, national and global natural capital including carbon sequestration, flood mitigation, air and water quality, biodiversity and beautiful landscapes
- tourism
- rural service industries

Over the years, food production has become economically less significant compared with other parts of the economy. The impact of these changes has been to diversify the rural economy. This should have resulted in a more economically, socially and environmentally sustainable rural economy, but successive government policies which focus on farm production (including food as well as fodder and energy crops) at the expense of all other sectors has held back the potential for enriching and modernising our rural economy.

2. Could you give examples of notable success and good practice in the rural economy? How might rural success be replicated and better promoted?

3. How do you see the future of the rural economy? Where is the greatest potential for growth and what might be the impact of technological and other changes?

There is huge potential for growth in timber production.

- England is one of the least afforested countries in Europe with only 10% tree cover, compared with around 40% in the rest of Europe.
- The UK is the second biggest net importer of forest products in the world, after China
- Global timber prices have risen sharply this year, and are set to continue long-term growth. WWF estimate that global timber demand will treble by 2050 as economies develop and renewable alternatives to materials like cement and plastic are sought. Most recent Forestry Commission data shows that domestic timber prices have risen by approx.. 30% in the last 12 months.
- England has a high demand for new housing and other timber products, but as an importer the UK is vulnerable to prices rises.
- There is growing pressure on governments to cut carbon emissions. Growing trees and storing their timber in harvested wood products (such as houses) is the only cost-effective, scalable mechanism we have to *sequester* carbon, taking substantial pressure off other pressures like transport and industry to make substantial cuts on a short timescale.

For all these reasons, timber is likely to become increasingly valuable. England has excellent conditions for growing timber and, when integrated into livestock farm businesses, can have substantial co-benefits in terms of profitability, animal welfare and natural capital enhancement.

4. How can access to transport be improved in rural areas?

The transport of 10 million tonnes of timber per year across rural Britain raises particular issues. Forests are often located in remote locations with poor road infrastructure.

Rural roads require modernisation to allow for 21st Century land uses.

The Timber Transport Forum has done detailed work on the challenges and solutions for transporting timber and should be consulted in any detailed consideration of this issue.

5. What barriers to growth are created by poor digital connectivity? How can connectivity be improved across the board?

The most important effect of poor digital connectivity is its implications for health and safety.

It is a serious barrier for forestry workers and timber processors. If a forester cannot be contacted when working on site, they may lose the next piece of business. If a sawmill or wood processor cannot keep up with the digital technology used on the continent, our industry will be globally uncompetitive.

The government must ensure that this service is provided to all rural businesses.

6. What can be done to support local shops, community pubs and other rural amenities at risk of closure?

No answer.

7. How can rural businesses be helped to thrive, and how can new industries and investment be supported? How might labour and skills shortages be overcome?

Public sector rural funding and resourcing must be distributed more equally across the rural economy according to agreed priorities, rather than being overwhelmingly concentrated on agricultural production for historic reasons. This will not only help to develop businesses which are not directly land-based, it will also help farmers and landowners to diversify, modernise and become profitable.

8. How can deprivation and inequality in rural areas be tackled?

9. How can more young people be encouraged to stay in or return to rural areas and contribute to their local communities?

Forestry and timber processing provides a wide range of career opportunities, including graduate-level management and technical positions, and a wide range of jobs at every level of skill. Forestry careers run right through the supply chain and are as diverse as tree nursery technician, planter, deerstalker, management agent, machine operator, haulier, saw doctor, or office work such as administration and marketing. The structure of the sector provides strong opportunities for diverse career paths in large or small companies, self-employment, and seasonal work, with opportunities for promotion within the sector or to switch from other careers. The Institute for Chartered Foresters drives professionalisation within the sector.

Promoting the growth of the forestry sector would not only help to improve profitability of farms, it would create significant opportunities for associated rural careers to tackle deprivation and inequality and encourage young people to remain and develop careers in their local communities.

10. What can be done to address the challenges associated with an ageing rural population, such as social isolation and social care provision? What opportunities are there for the older retired population to help support the rural economy?

No answer

11. How can the affordability of rural housing be improved? What are the other challenges associated with rural housing and how can these be addressed?

A challenge associated with all housing in the UK will be the rising cost of materials. Being so dependent on timber imports makes us vulnerable to changes such as weakening Sterling and rising prices of timber internationally, both of which have occurred this year causing a sharp spike in timber prices which will inevitably impact the cost of rural housing.

Building houses which are lower in their 'embodied' carbon footprint and higher in energy efficiency will require increasing use of timber.

Developing an integrated 'home-grown homes' initiative which connects woodland creation today to the need for a supply of material for sustainable and affordable rural housing in the future is vital to solving this challenge in the long term.

A 'home-grown homes' policy will also result in investment in rural industry which adds value at every stage from trees to timber homes: sawmills, engineered timber plants to create the materials used in housing (for example, cross-laminated timber, glulam, particle board); and offsite timber construction which means not merely rural homes but our cities of the future are grown and manufactured within a vibrant, green and local rural economy.

A more immediate way in which forestry can help to solve the challenges of rural housing is to develop the use of sustainable wood fuel heating to address fuel poverty. This can also help incentivise better management of native woodlands, which at present are often uneconomic and unmanaged. The Woodsure certification scheme for wood fuel is an important tool for ensuring this is achieved sustainably.

12. How have recent planning policy reforms affected rural housing and the wider rural economy? What changes, if any, are needed to planning rules?

No answer.

13. Do the Government and other public bodies pay sufficient attention to the rural economy and if not, why not? What might be done to ensure that Government and other public bodies hear and act on rural voices?

Government is uneven in the attention it pays to the rural economy. Far too often it uses 'rural economy' to mean agriculture, or gives agriculture far greater attention compared with other rural sectors than its economic or social significance merits. The government must develop a more holistic and integrated understanding of the rural economy

14. What is being done in local government to support rural economies? How effectively do other public bodies such as Local Enterprise Partnerships operate in rural areas, and how might co-ordination between bodies be improved?

No answer.

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