

# Valuing our Environment



# Key messages

It is time to think more broadly about the economic impact of the environment. The cumulative effects of falling farm incomes, BSE, Foot and Mouth Disease, and the associated short-term collapse in visits to our countryside have served to emphasise how much the future of our countryside and its communities are vulnerable to events in one sector.

The National Trust, with partner organisations, has commissioned independent research that demonstrates the critical link between the quality of the environment and the future economic sustainability of rural communities. The striking new findings illustrate the dependence of the rural economy on visitors, residents and businesses attracted by a high quality environment. Investment in sustaining the environment will foster more diverse rural economies and communities in the future.

Without better resourcing to support the nation's primary environmental and cultural assets, tens of thousands of rural jobs will be put at risk. Rural unemployment is expensive, socially and financially, and the level of new government investment should reflect these costs.

## A New Rural Economy

The studies highlight the radical changes which have taken place in the rural economy over the last two decades. 'Traditional' industries which sustained the regions containing some of the nation's most attractive rural areas – especially agriculture and fishing but also manufacturing and mining – are all in long term decline. Some have been lost altogether.

Rural communities and businesses increasingly look to service industries, especially tourism and leisure, as the focus for a 'new economy'. This potential for growth requires investment in the quality of the natural and built environment, on which future employment depends.

## Investing in Assets

These findings show that the assets of a beautiful countryside and high quality built environment must be safeguarded because they act as the primary driving force in ensuring future employment and growth in the rural economy, and contribute to quality of life for rural and urban communities.

Tourism and recreation are at the heart of this. When the data produced for the studies in Wales, the North

East and Cumbria are combined with that already collected in the Trust's 1999 "Valuing our Environment in the South West" study, our new research shows that:

- **Some 40% of employment in tourism depends directly on a high quality environment**
- **In a rural context, this dependency rises to between 60% and 70%**

## A New Type of Rural Tourism?

The studies also challenge the accepted wisdom, reflected in most tourism strategies, that holiday staying visits are always more economically beneficial than day visits. Evidence from Wales and Cumbria indicates that day visit expenditure, especially in rural areas, can be as economically powerful as staying visits. This trend is confirmed in the latest (1998) official data for 'tourism day visits' in Britain that shows a shift in the relative importance of 'day' and 'stay' visits in the 1990s. Indeed, because tourism day visits are year round, they can be more valuable locally than seasonal holiday visits. These findings have significant

implications for the way future tourism in the countryside should be marketed and managed. To illustrate:

- **In Cumbria, tourism day visits in 2000 generated £344 million: in the same year holiday staying visits accounted for £468 million**
- **In Wales, tourism day visits in 1998 generated estimated expenditure of £893 million; in 1999 holiday staying visits accounted for £895 million**

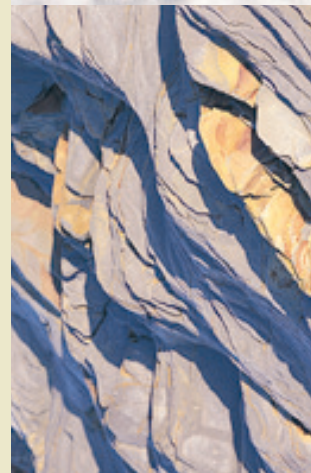
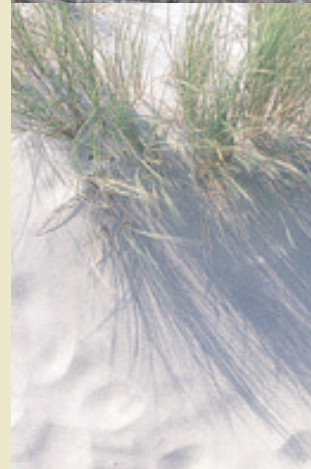
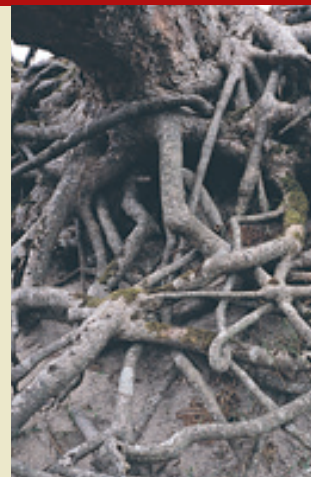
## The National Trust as a Driving Force

The National Trust is a mainstay and key influence in the rural economy and a central player in the future regeneration of the countryside. We invest in the environment as a land and property owner and as a leading practitioner of environmental management. We invest in the economy as an employer and catalyst for local initiatives, a partner in business and through our expenditure on goods and services. The research also shows that our sites are a primary motivation for additional tourism expenditure in the wider rural economy.

Depending on the size of our operations in each Region, it is estimated that we:

- **Generate between 5 and 9 additional Full Time Equivalents for each job for which we are directly responsible in the regions studied**
- **Influence, through our commitment to environmental quality, a total of just over 137,000 full time job equivalents in the four regions, mostly in the rural economy**

The National Trust is committed to sustaining high quality natural and built environments. The Trust's local and national influence is founded on its reputation for best practice.



## North East

**Population (approx):** 2.6 million **Total employment (approx):** 920,000 FTEs  
**Area covered:** Northumberland, Durham, Tyne and wear, Tees Valley

### Area characteristics



Much of the economy and the bulk of the population are urban, but most of the region is rural and coastal. 67% of the land area is used for agriculture and forestry.

The rural economy is estimated to account for 11% of regional GDP and 13% of employment, which rise to 34% and 21% in the more rural counties of Northumberland and Durham.

### Changing patterns of employment

Total manufacturing jobs fell from 40% in the early 1970s to 21.2% by 1998. It remains a vital sector unlike coal mining which accounted for only 2,760 jobs in 1998, a fraction of the jobs sustained in the 1970s.

At the end of the 1990s 1.4% of jobs were in agriculture and forestry but the sector is declining here as elsewhere. Tourism employs an estimated 67,000 FTEs directly and a further 28,000 indirectly.

### The influence of environmental quality on tourism-related employment in each region

Total FTEs generated in region by the high quality of the environment (includes multiplier effects)	<b>38,000</b>
Percentage of all tourism related employment in region motivated by high quality of the environment	<b>40%</b>

### The influence of the National Trust on regional employment

Direct FTEs <sup>1</sup> employed by NT (administration/properties/estate)	<b>244</b>
Total FTEs generated by NT activities in Region (includes farm tenancies, supplies etc and multiplier effects)	<b>455</b>
Total FTEs generated by visitor expenditure leveraged by NT operations (includes multiplier effects)	<b>1260</b>
Number of FTEs directly influenced by each NT employee <sup>2</sup>	<b>5</b>



### Supporting Local Business – G Wouldhave Ltd

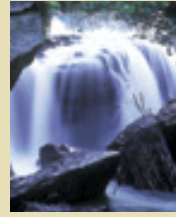
George Wouldhave set up his building business in 1993 and now employs 20 skilled craftsmen in the North East. One of his first jobs was restoring the Column of Liberty for the National Trust at Gibside. Their success reflects a capacity to balance old and new, developing traditional skills such as lime pointing and masonry carving while

also keeping abreast of new developments such as health and safety issues and the recent Construction Act.

George Wouldhave said of his involvement, 'The National Trust was one of my first clients and working with them over the years has meant that I'm still in business!'

## Wales

**Population (approx):** 2.9 million **Total employment (approx):** 964,000 FTEs  
**Area covered:** Whole of Wales



Again, much of the economy and the bulk of the population are urban but the bulk of the land area is rural and coastal with 90% used for agriculture and forestry.

The rural economy is estimated to account for between 10 and 12% of the total economy. In counties in Mid Wales, the rural economy is the dominant sector.

Coal, iron, steel and manufacturing still provide vital jobs for Wales, but by 1998 these sectors had suffered a combined loss of over 127,000 jobs. In 2000, iron and steel job losses amounted to a further 3,400.

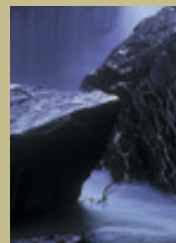
In 1999 47,000 direct FTEs were in agriculture and forestry but numbers and incomes are declining with a shift from full to part time work. Tourism visits are estimated to account for 66,400 FTEs directly.

### The influence of environmental quality on tourism-related employment in each region

Total FTEs generated in region by the high quality of the environment (includes multiplier effects)	<b>30,000</b>
Percentage of all tourism related employment in region motivated by high quality of the environment	<b>36%</b>

Direct FTEs employed by NT (administration/properties/estate)	<b>311</b>
Total FTEs generated by NT activities in Region (includes farm tenancies, supplies etc and multiplier effects)	<b>950</b>
Total FTEs generated by visitor expenditure leveraged by NT operations (includes multiplier effects)	<b>1540</b>
Number of FTEs directly influenced by each NT employee	<b>5</b>

## case studies



### Nantgwynant Integrated Land Management Project

This project illustrates how partnership can address some of the key issues facing rural Wales. Partners are working to increase prosperity while maintaining the sense of community and conserving one of the most spectacular landscapes in Europe. The project, supported by European funding, aims to restore the natural environment of

the Nantgwynant valley. It will create jobs, increase biodiversity, protect watercourses, provide local business opportunities, and stimulate tourism. It will provide training in countryside and environmental skills, and use new technologies to share lessons learnt.

<sup>1</sup> FTEs are Full Time Job Equivalents estimated from the number of full time, part time and casual jobs involved in each case

<sup>2</sup> This is derived by dividing 'total FTEs generated by visitor expenditure leveraged by NT operations' by 'direct FTEs employed by NT'

## South West

**Population (approx):** 5 million **Area covered:** Cornwall, Devon, Dorset, Somerset, Wiltshire, Gloucestershire  
**Total employment (approx):** 2.2 million actual jobs



### Area characteristics

This large Region comprises six counties of which half the population is resident in rural areas.

Traditional rural employment industries can no longer adequately sustain the populations' employment needs.

### Changing patterns of employment

Employment in traditional industries such as agriculture and fishing is in long-term decline, highlighted in 2001 by the Foot and Mouth crisis.

Tourism and leisure are major growth sectors across the region. In 1997 these were estimated to sustain 225,000 full and part time jobs, directly and indirectly, around 10% of the regional economy.

Total holiday visits were estimated at 16.2 million, spending over £3 billion in 1997.

### The influence of environmental quality on tourism-related employment in each region

Total FTEs generated in region by the high quality of the environment (includes multiplier effects) **54,000**

Percentage of all tourism related employment in region motivated by high quality of the environment **43%**

### The influence of the National Trust on regional employment

Direct FTEs employed by NT (administration/properties/estate) **1156**

Total FTEs generated by NT activities in Region (includes farm tenancies, supplies etc and multiplier effects) **2600**

Total FTEs generated by visitor expenditure leveraged by NT operations (includes multiplier effects) **7350**

Number of FTEs directly influenced by each NT employee **6**

## Cumbria

**Population (approx):** 495,000 **Area covered:** Cumbria, The National Trust holds just under a quarter of the Lake District in its care.  
**Total employment (approx):** 162,500 FTEs



With a few exceptions, Cumbria is essentially a rural county. Agriculture, forestry and lakes cover over 95% of the total area.

In 1997 the rural economy was estimated to account for 75% of all tourism expenditure in the county.

Whilst remaining important, manufacturing, shipbuilding, mining and quarrying declined significantly between 1982 and 2000.

Agriculture and forestry employment has fallen by 30% since the early 1980s, a loss of 4,600 jobs. Prior to the impact of Foot and Mouth Disease, tourism employed some 26,000 FTEs, directly and indirectly. A recent report by PION Economics estimates 19,000 jobs at risk in the county by the end of 2001.

Total FTEs generated in region by the high quality of the environment (includes multiplier effects) **15,000**

Percentage of all tourism related employment in region motivated by high quality of the environment **57%**

Direct FTEs employed by NT (administration/properties/estate) **255**

Total FTEs generated by NT activities in Region (includes farm tenancies, supplies etc and multiplier effects) **530**

Total FTEs generated by visitor expenditure leveraged by NT operations (includes multiplier effects) **2300**

Number of FTEs directly influenced by each NT employee **9**



### Clearing the Clutter on the Lizard

A ten year programme to restore the landscape and improve public access has transformed Britain's most southerly point. A disfiguring rash of electricity, telephone poles and cables has been cleared, and a new footpath provided to separate pedestrians and wheelchair users from a busy road.

The National Trust has worked with tenant farmers to replace unsightly buildings and change farming practices to encourage wild flowers on the cliffs. More than £700,000 - 40% of it raised through grants - has been invested. In an area where jobs are scarce, the Lizard's increased capacity to attract and sustain 250,000 visitors a year without spoiling the beauty they come to admire, has made a significant contribution to maintaining a stable local economy.



### Lake District Tourism and Conservation Partnership

In 1993, the National Trust, Cumbria Tourist Board and Lake District National Park Authority founded a Partnership involving local conservation bodies and tourism businesses.

The aim is simple: to raise funds from visitors and tourism businesses to enhance and protect the Lake District.

An innovative Visitor Pay-Back Scheme, enabling guests to add a voluntary contribution to their bill has been particularly successful. In 2000/2001 the Partnership contributed £45,000 to the National Trust and £25,000 to the Lake District National Park Authority for practical conservation work.