Chapter 5. Supply

5.1. Evaluating the importance of supply

As the literature review has outlined, within the debate on local economic development, there appears to be increasing recognition of the need to acknowledge the importance of local specifics in terms of existing resources, culture and human capital within the community itself, and the possibility of this being tapped into through the approach of local co-operation and networking. In order to evaluate the relevance of this general approach to the specifics of the Gaelic economy, an accurate mapping of actual supply side conditions needed to be undertaken. Such an investigation would allow confirmation of the extent to which the reality of supply side conditions could give support to the theoretical premises upon which areas of the literature was based. Together with an investigation of the demand side conditions (see chapter 6), it would also allow consideration of how the overall market for GLAC related goods and services operated in practice in the period under study, and implications which might be drawn for general economic development and future public policy.

5.1.1. Mapping the supply side

Identifying the components of the supply side had involved adopting a definition of this sector (procedures adopted for this having been outlined in chapter 4). Within the sector, two distinct sub components were evident: firstly the Gaelic related cultural and artistic establishments and organisations operating within this sector; secondly those individual practitioners of art and culture (ranging from singers, poets, writers to those involved in media such as Gaelic television and radio within the Gaelic economy). Conceptually it would also be possible (and might be useful), to explore any disparity in views between 'front-end' suppliers (individuals, Feisean, -etc,) and those who provided the framework for this provision - LECs, arts bodies etc, thus allowing an evaluation of the reasons for any such difference.

5.1.2. GLAC related establishments and organisations

Details of the procedure adopted to identify these organisations has been outlined in Chapter 4, as have response rates, estimated as high enough (76%) to allow confidence in the results obtained.

5.1.3. Individual practitioners

Similar to the above sub-section, details of the procedure adopted to identify the individual practitioners has been outlined in Chapter 4, together with the implications of the lower response rate (17%). It is suggested that despite the lower rate of return, the very detailed responses which were received enable us to add qualitatively to the existing knowledge on attitudes and opinions in this area.

5.1.4. Aims of investigation

Table 2-7 page 86, identified four significant themes within the literature review. Chapter 1 of this thesis has outlined the main aims which the supply side questionnaire sought to answer in exploration of these issues and in furtherance of the aims of this thesis, e.g.

- Having identified the components of the GLAC sector of the Gaelic economy, was it possible to ascertain the direct economic impact of their activities, and isolate, in the views of practitioners, the factors which were promoting their economic development and those which were constraining it?
- In the range of activities being carried out by GLAC practitioners, what were the discernible trends which would allow us to predict future patterns of development?
- Was it possible to identify the reason why practitioners had chosen GLAC as their sphere of economic activity, rather than be engaged elsewhere?
- What impact did the practitioners themselves believe that their activities had on questions such as those identified in the Sproull/ Ashcroft study and on the role of the language as a spur to economic and social development?

5.1.5. Mapping the interaction of Supply and Demand

Having outlined the actual circumstances prevailing in the supply side, comparison with the results of the demand side investigation (Chapter 6) would allow an estimation of issues such as

- The existence of possible mismatches between supply and demand - shown in unfulfilled demand or apparently badly targeted supply
- The impact of the market for GLAC related goods and services on wider societal issues such as the amount and quality of jobs available; the willingness of young people to return to their communities after receiving higher education elsewhere etc.
- The implications of the above for public policy. How is public policy practice being perceived by those who supply GLAC related goods, and are impacted directly by it? What are the lessons for public policy from the actual interaction of the demand and supply sides of the market for GLAC related goods and services?

5.2. Building a picture of the supply side

In accordance with the general areas identified in the literature as having a possible impact and in line with the approach of section 5.1.4, questions within the supply side questionnaire were therefore formulated in order to explore the following four research issues:

5.2.1. Research issue 1:

Was it possible to identify the components of the GLAC sector of the Gaelic economy, ascertain the direct economic impact of their activities, and isolate, in the views of practitioners, the factors which were promoting their economic development and those which were constraining it?

The rationale and methodology behind the identification of the components of the supply sector having been already outlined, the following points can be made on the issues outstanding:

5.2.2. The overall economic impact of the sector

Assessing the economic impact of the sub-sector of the economy associated with the production of GLAC related goods and services involves calculating the number of jobs and incomes directly generated by these activities and adding to these figures estimates of the extent of further economic activity stimulated elsewhere in the economy as a result of the spending from this direct income (the multiplier concept) This is irrespective of other dynamic effects of such activity on economic development, such as any perceivable impact on community confidence, rates of migration from and in-migration to the geographical area in question issues which are dealt with in subsequent sections. In doing so, care must be taken to ensure the jobs and impacts calculated are additional to any which would have existed anyway in the absence of Gaelic, through the provision of similar activities in the medium of the English language (i.e. displacement).

5.2.3. The concept of the multiplier

The concept of a multiplier is based upon the interdependencies and interlinkages which exist between industries and the firms within them. In this way a change in the demand for one firm or industry's output will have an effect on the level of demand for industries which supply the original firm with intermediate goods and services. Normally the effect of the original exogenous injection (the multiplicand) can be calculated to have an effect on income, employment, output, government revenue and foreign exchange, with three discrete effects – a direct; indirect, and induced effect – being perceivable at each stage of the multiplier process.

At each stage of the multiplier process, leakages will occur from the regional economy in the form of savings, taxation and imports, with the size of the overall multiplier effect determined by the size of the leakages and the strength of the intersectoral linkages in the regional economy(Fletcher and Snee 1989). High leakages and high co-efficients of intersectoral linkage are associated with larger multiplier coefficients. These characteristics are more often to be found in larger regions therefore it is normally acknowledged that smaller regions will have lower multiplier co-efficients than larger regions.

Within the Gaelic Economy itself (essentially the Western Isles and Skye and Lochalsh[1]), the existence of Input-Output tables for the Western Isles allowed an estimation to be made of the indirect and induced effects of direct job creation through GLAC related activities, in particular the media industries (see below Page 173), however for Skye and Lochalsh, no similar tables exist. As Milligan has indicated, multiplier analysis is by its own nature, dependent on the leakages and linkages found within a given economy or economic region at the time of the specified study. Thus the ad-hoc transposition of multiplier values from one survey to another may introduce errors, and devalue a models accuracy in prediction (Milligan 1994). Fortunately, multiplier estimates calculated by 2 studies (Sproull and Ashcroft 1993; EKOS Limited 2000) covering similar economic sub sectors to that of this thesis, and at a similar time period allow a reasonably accurate estimation to be made of the impact of GLAC within Skye and Lochalsh in the absence of Input-Output tables.

As will be indicated below, questionnaire returns and supplementary information received indicated that the Gaelic Television Committee/ Gaelic Broadcasting Committee (CGT/CCG) was by far the main source of funding and employment within the GLAC related sub-sector of the Gaelic economy.

In addition, the procedure for calculating the economic impact of the CGT/CCG was slightly different from that of non-CGT/CCG linked activity (given the more precise multipliers available to media (i.e. CGT/CCG) activities. The structure of the following sub section of this thesis (5.2.4) is firstly therefore to report on the non-CGT/CCG linked activity, and its direct economic impact; secondly, the CGT/CCG linked activity and its full impact (direct/indirect/induced) is reported, and finally the indirect and induced impact of the non CGT/CCG sectors (procedures for the calculation of which are contrasted with the procedures adopted for CGT/CCG related activities) is given. Summaries of these total impacts are found at the end of sub sections 5.2.8 and 5.2.9

[1] As previously indicated, the use of this area allowed the quantification of the impact of GLAC related economic activities. Having previously been adopted as the framework for investigation of the impact of more generalised *Gaelic Related Economic Activities* (see below p.**Error! Bookmark not defined.**) this allowed, where

5.2.4. Building a picture of impact from the questionnaire returns

Despite incomplete returns by some organisations, the information outlined below indicates *a substantial impact on the local economies* concerned. Also important was the fact that this impact was seen to be growing within (and also outwith) the Gaelic economy in almost all cases, and was often integrated with a related increase in education and skills provision. *In addition* to the measurable economic impact, several respondents made the point strongly that there was an important supplementary impact, often unquantifiable in direct economic terms.[2] This would tend to re-inforce the approach within the literature review which differentiated development from solely growth.

A summary of the direct economic impact is given in Table 5-15 below p176, the implications of which are further analysed following the table.

Preceding this however, a summary of employment and turnover/impact issues relating to each sub-section of the supply side is given directly below:

i.) The Feisean

The Feisean nan Gaidheal are local Gaelic arts youth tuition festivals which first appeared on the Isle of Barra in 1981, following an initiative by local parents, worried that their children were not being taught traditional music skills in the formal education system.

Following the first Feis, individuals in other areas took up the idea, and at the time of the survey there were just over 20 Feisean held regularly in different parts of Scotland[3], which from 1988 had been aided by a full time development worker who services the network of local organisations.

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appropriate comparison with the larger earlier study by Sproull and Ashcroft (Sproull A, and Ashcroft B The Economics of Gaelic language Development 1993)

[2] "Much of the real effects are unquantifiable…economically unquantifiable, but of inestimable value" (Stornoway Feis respondent); "How does one enter these things on a balance sheet?" (Feis full time worker); " Sometimes the pressure to make the arts economically viable acts against us. We do not yet have the economic facts to sustain our arguments" (Barra Feis spokeswoman)

[3] By 2001 there were then 35 operating within Scotland

The questionnaire was issued to the 20 active Feisean, and also to the development worker of the servicing organisation 'Feisean nan Gaidheal', based in Portree within the Gaelic Economy (GE). 13 replies were received - a response rate of 62 percent. Within the area of the Gaelic economy a reply from the development worker , together with another four replies were received - from Stornoway, North Uist, Barra and Skye, representing each of the main areas, with no response from South Uist and Harris, thus giving us an overall GE response rate of 71 percent.

Of those outside the Gaelic Economy[4], 2 were from Inverness (one of which was Gaelic medium), one from Assynt, one from Argyle, and one each from the Islands of Tiree, Islay and Eigg. Finally one was from the newly organised Strathclyde Feis held in Glasgow. No responses were received from the Feisean in Ross, Glenuig, Kingussie, Fort William, Oban or Mull. The finance and employment impact of the Gaelic economy Feisean are given below in Table 5-1

Table 5-1 Finance and employment through Gaelic Economy Feisean

	Total T'over	Gaelic T'over	Lab Costs	%LC in WI[5]	%LC in S/L[4]	Direct Full time equivalent jobs reported (FTEs - Annualised totals)	
						Western Isles	Skye/ Lochalsh
Stornoway	12077	12077	6700	100	0	0.82	-
North Uist	6761	6761	2800	100	0	0.27	-
Barra	24000	24000	24000	100	0	1.38	-
Skye/Lochalsh	8106	8106	4370	0	100	-	0.97
Feisean nan G	56185	56185	26400	4	66	0.4	0.66
Totals	**107129**	**107129**	**64270**			**2.87**	**1.63**

Key:
Gaelic T'over: Turnover within the total turnover which can be attributed to GLAC products or services.
% LC in WI: Percentage of Labour costs in the Western Isles
% LC in S/L: Percentage of Labour costs in Skye and Lochalsh

A distinguishing feature of the work of the Feisean in the Gaelic economy areas was its high local impact, with virtually all paid employment going to local people. The

[4] Given the concentration upon economic impact *within* the Gaelic economy, only information from these respondents within this specific area will be used routinely within this chapter. Where material from outwith the Gaelic economy is germane to the thesis or may further illuminate important aspects of the subject under discussion, reference may be made to it.
[5] It should be noted that % Labour Costs in Western Isles and % Labour costs in Skye/ Lochalsh will not necessarily add up to 100 %, given that some Labour Costs may be for work outwith the Gaelic Economy

reported turnover within the Gaelic economy was £107,129 - a not insubstantial figure for a period of roughly one week. This involved temporary full time employment for over 100 individuals (annualised above), as well as year long employment for staff working for the national organisation.

ii) The Gaelic Book Sector

The Gaelic language book sector is an extremely small one when examined against the background of English language book production in the UK. However, as a barometer of Gaelic literacy, and of trends within the Gaelic community it can serve as a very informative snapshot of current developments.

The questionnaire was sent out to the six establishments concerned with Gaelic or bi-lingual publications listed in the Comunn na Gaidhlig directory - Acair, the main, and most modern publishing house based in Stornoway(107)[6], Gairm (61) , the traditional Gaelic publishing house based in Glasgow, Dun Eisdein (68) and Leabhraichean Beaga (60) - both in Inverness - two much smaller publishing concerns dealing mainly with children's books. The questionnaire was also sent to the Gaelic Book Council(67) - responsible for channelling funds towards Gaelic publications in Scotland. A sixth questionnaire was sent to Druim Fraoich - a small publishing concern based in Conon Bridge, but was returned as this establishment had ceased to trade previous to the period covered by the survey. The response rate therefore represented 100 % of the Gaelic publishing concerns, together with their main support/ funding organisation. Only one organisation (albeit the main one however), Acair was based within the Gaelic Economy, the others being based outwith this.

The range of products from the book publishers included Children's books mainly aimed at Gaelic medium education (107; 60; 68), Music (61); Dictionaries (61) and fiction aimed at adults (107; 61); Bilingual design services, proof-reading services (107); Translation (68). Some books in English dealing with Gaelic history and Gaelic speaking areas were also produced (107). The publishing house Gairm produced a quarterly magazine in Gaelic. The Gaelic books council offered grants to publishers/ writers of books; sales to the public, information a comprehensive catalogue of

[6] Numbers within brackets here refer to specific respondents, identified through their numbers in the appendices.

available Gaelic publications, editorial and word processing services.(67) Table 5-2 below details figures on GE finance and employment from Acair, the Gaelic Economy based establishment.

Table 5-2 Finance and employment through Gaelic Economy Book Firms

	Finance					Direct Full time equivalent jobs reported (FTEs - Annualised totals)	
	Total T'over	Gaelic T'over	Lab Costs	%LC in WI	%LC in S/L	Western Isles	Skye/ Lochalsh
Acair	260763	260763	74305	100	0	5.5	-
Totals	**260763**	**260763**	**74305**	**100**	**0**	**5.5**	**-**

As intimated the Gaelic books sector is an extremely small one when examined against its English language counterpart. However the sums involved in the two main establishments are not insignificant - £370,763 of an annual turnover, with Acair providing £260,763 of this within the Gaelic economy, of which £74,305 are direct labour costs. From this the direct job creation of 5.5 FTEs are reported.

iii) Gaelic Promotion Agencies

The change in the fortunes of Gaelic over the last 15 years have been mirrored in the growing prominence of the main Gaelic promotion agencies, such as Comunn na Gaidhlig, and in the Arts and culture field the National Gaelic Arts Project/ Gaelic Arts Agency.

Questionnaires were sent out to the main promotion agencies, Comunn na Gaidhlig (43), An Comunn Gaidhealach(57), the National Gaelic Arts Project(64), and also to two other promotion agencies - Dealan(65), a Gaelic Arts support Agency based in Skye, and the Gaelic Language Promotion Trust(62), which funds small scale Gaelic language projects. A full set of responses was received, with all respondents, with the exception of the main Gaelic promotion Agency Comunn na Gaidhlig (CNAG) being based within the Gaelic Economy itself.

As intimated, the range of services of all organisations were targeted towards servicing Gaelic oriented activities. These covered Gaelic promotion/ education/

social and economic development/ media and cultural activities (43), financial help for Gaelic playgroups, youth groups, learning/ reading Gaelic/ assistance to individuals on Gaelic courses(62); organising the Royal National Mod, and servicing provincial mods. (57); promotion of Gaelic arts through training, tours, exhibitions, seminars (64); support for touring Arts development in Skye and Lochalsh, co-ordinating promotion, funding and advertising(65). Table 5-3 outlines the financial and employment impact of Gaelic promotion agencies within the Gaelic economy.

Table 5-3 Finance and employment within the Gaelic Economy through Gaelic promotion agencies

	Finance					Direct Full time equivalent jobs reported (FTEs - Annualised totals)	
	Total T'over	Gaelic T'over	Lab Costs	%LC in WI	%LC in S/L	Western Isles	Skye/ Lochalsh
NGAP	325000	325000	160000	70	20	4.5	-
Dealan	20000	2000	1000	0	100	-	0.15
An Comunn	377626	377626	77000	33	0	5.39	-
Totals	**722626**	**704626**	**238000**	**58**	**14**	**9.89**	**0.15**

In this sub-sector, turnover within the Gaelic economy associated with Gaelic arts and culture is substantial - at £704,626, with labour costs within this area being up to £238,000. Within the Gaelic economy almost 10 full time posts and 2 permanent part timers are employed, whilst over 100 are also temporarily employed for short periods throughout the year. These figures are annualised in Table 5-3

iv) Local Enterprise Companies

Ten Local Enterprise Companies (LECs) cover the area of the Highlands and islands with local economic development forming the core of their remit, together with the delivery of training services.

Questionnaires were sent out to all companies and six were returned - a return of 60 percent - four from the non Gaelic economy: Moray/ Badenoch/ Strathspey; (70) Inverness and Nairn Enterprise(59); Ross and Cromarty Enterprise (45) ; Caithness and Sutherland Enterprise (44) and two from the Gaelic economy - Western Isles

Enterprise(58) and Fionan (48), based in Skye (the latter not strictly a LEC, but funded by the LEC to undertake Gaelic oriented development).

Amongst the functions outlined by the LECs were economic and social development; environmental renewal; training; community development initiatives; property provision; marketing. With regard to the Gaelic related range of activities undertaken, as well as generalised activities such as 'finance for business projects', training assistance', 'assistance towards voluntary sector projects'(58;45), specific forms of activity reported included assistance to Feisean (70; 59; 44), support for Gaelic playgroups (70; 59; 44); support for the local or national mod(59;44); bilingual signage (44;48); Gaelic book publishing (59); Gaelic information packs (48) and Ceilidh schemes (48). The financial and employment impacts of the LECs operating within the Gaelic Economy are given below, however neither Western Isles Enterprise nor Fionan were able to supply sufficient details of turnover to allow any differentiation between grants to direct providers, such as local Feisean, and any direct spend. Details furnished however, made clear that only a tiny fraction of their spend was on direct provision, the rest being an enabling role through financial provision to other organisations or firms. Only the Labour costs of £17,500 and creation of 1 FTE job provided by Fionan in regards to Gaelic related work can therefore be taken account of in subsequent summaries of economic impact given in Table 5-4 and Table 5-16 further below.

Table 5-4 Finance and Employment within the Gaelic economy through Local Enterprise Companies

	Finance					Direct Full time equivalent jobs reported (FTEs - Annualised totals)	
	Total T'over	Gaelic T'over	Lab Costs	%LC in WI	%LC in S/L	Western Isles	Skye/ Lochalsh
WIE	64000000	1000000[7]	n/a	100	0	n/a	n/a
Fionan	n/a	n/a	17500[8]	0	100	-	1
Totals	**64000000**	**1000000**	**17500**			**-**	**1**

[7]To be treated as monies transferred to other direct providers of GLAC related goods and services
[8]Based on one f/t employee paid in income band £15 - 20,000

Although the nature of the figures supplied made it impossible to ascertain the direct employment impact of the LECs in this area, the substantial figure of £1 million turnover in this sector by the Western Isles Enterprise suggests a vigorous take up by local Gaelic practitioners in the heart of the Gaelic economy. All LECs and Fionan reported a growing demand for the services and finances of the LECs within the Gaelic artistic and cultural sector.

v) Museums/ Arts Projects/ Interpretative Projects

A strong feature of the Gaelic language and cultural revival has been the emergence of arts centres/ interpretative projects as the focus for a re-assessment of the Gaelic heritage.

Questionnaires were sent out to the four principle interpretative projects influenced by the Gaelic tradition - the longest established 'An Lanntair' project in Stornoway (116); 'Taigh Chearsabhagh'a newly opened centre in Lochmaddy (76); the 'Aros Experience' (33) in Skye and Balnain House (66) in Inverness. All replied. All with the exception of Balnain House were situated in the Gaelic Economy.

The Gaelic related range of activities reported ranged from "promoting the living tradition of highland music to the widest possible audience through Gaelic singing and workshops, and Gaelic input into exhibitions"(66;116) to Art work (76) and selling books and Gaelic related gifts, plus exhibition sales (33)(116). Details of financial and economic impact are given below in Table 5-5.

Table 5-5 Finance and employment within the Gaelic Economy through Museums, Arts Projects etc

	Finance					Direct Full time equivalent jobs reported (FTEs - Annualised totals)	
	Total T'over	Gaelic T'over	Lab Costs	%LC in WI	%LC in S/L	Western Isles	Skye/ Lochalsh
Aros	470000	250000	120000	0	100	-	17.92
Taigh Chearsabhagh	n/a[9]	n/a	24000[10]	100	0	3.63	-
An Lanntair	n/a[11]	n/a	n/a	n/a	n/a	n/a	n/a
Totals	**470000**	**250000**	**144000**			**3.63**	**17.29**

Disappointingly, despite furnishing very detailed information regarding activities and trends, the main arts centre An Lanntair in Stornoway was unable to furnish any financial details whatsoever. In addition the very recent opening of Taigh Chear Sabhagh in Lochmaddy precluded a full assessment of the economic impact of this venture on the Gaelic economy. It is clear from the details of growing activity and patronage by media and education establishments however that it is perceived as a potential major development in this field for North Uist and will likely have an increasing impact in the period to come.

Likewise, the Aros Centre in Skye, as well as providing employment for almost 18 FTE staff, reported increasing sales, and the adoption of bilingual signage etc., by others following the perceived success of Aros.

vi) Scottish Arts Council

The Scottish Arts Council is the main body in Scotland providing support for arts development, artists, arts organisations and surrounding support services. It provides Arts funding and is now a distributor of national lottery money. In 1995/6 its overall budget was approximately £20m. In 1994/95 its budget related to Gaelic Arts and Culture was approximately £600,000. The equivalent of half one full time worker was

[9]The Arts Centre had only opened in the survey year and complete figures were unavailable
[10]Based on the reported wage of the f/t employee at £14,000 and £10,000 total for p/time employees
[11] Disappointingly, An Lanntair was unable to give any financial details

involved in the provision of the Gaelic related services at labour costs/overheads of approximately £35,000 - all however, spent outwith the Gaelic economy.

The range of Gaelic services provided in their role as Arts funder, were provided via the National Gaelic Arts Project; the Gaelic Books Council and Feisean nan Gaidheal. The funding these organisations enabled them to act as funding and development organisations themselves, and therefore the figures are already incorporated into the details of these specific projects, provided elsewhere in this chapter. In its role as a funder of other organisations approximately £600,000 was disbursed in 1994/95 through other organisations leading to funding of projects as diverse as Feisean, the theatre of Gaelic Arts, Acair, the Commemorative Cairns (see below), the national Gaelic Arts Project and the Gaelic Books Council. Although direct employment on such work was the equivalent of only half a full time worker outwith the Gaelic Economy, the impact of these funds was immeasurably greater. They cannot however, be included again here, as they are already counted in the individual sections which represent the SAC client organisations.

vii) Miscellaneous (Cuimhneachain nan Gaisgeach; Music Producers; GLAC related work in FE colleges; Individual suppliers of GLAC related goods and services)

a) Cuimhneachain nan Gaisgeach - The land hero commemoration committee

The land hero commemoration committee is a voluntary organisation based in Lewis which was responsible in the period 1994/95 for erecting commemorative Cairns in different parts of Lewis to commemorate past land raids. The submission from the Scottish Arts Council (above) referred to these achievements as being one *cumulative result of increasing self confidence* within Gaelic speaking communities. Their responses to the questionnaire may therefore shed interesting light on how those involved saw the issue themselves.

The name Cuimhneachain nan Gaisgeach (commemorating our land heroes) indicated the purpose for which this organisation was formed in 1989. They felt there was a need to remember the land heroes and the vital part they played in local History. This was done by building three memorials at the location of three of the main episodes in the land struggle - Pairc, Back and Aignish', the sites of the Cairns being the sites of the main confrontations in the Lewis land struggles

It was estimated that most of the work of the designing, architecture, and building of each of the three cairns would probably cost upwards of £20,000 each, (see below Table 5-9). However a calculation of the real cost of each of these cairns, once 'free labour' and voluntary contributions (including the designing and architecture work contributed voluntarily) were taken into account, would, it was estimated have been in the range of over £100,000 each.

The three memorials were to be taken over by the local authority, WIIC with a regular title deed to each of these three sites. A book was also planned to come out soon.

In the eyes of those involved, this was a direct example of art being used in a dynamic way to reflect growing self confidence in a community. Although direct employment effects were not quantified, estimates of £60,000 direct spend and possibly the equivalent of £140,000 'free labour' illustrate the potential of such work if developed and costed at market prices in future.

b) Music Producers

With the success of groups like Runrig and Capercaillie, and individual Gaelic singers such as Mairi MacInnes and Catherine Anne McPhee it might be expected that this would have an effect on music companies/ promoters who had Gaelic artists as their clientele. Questionnaires were thus sent to 3 establishments – to Greentrax(49) recording company in Midlothian - a long established producer of Celtic and Gaelic music, to Lismore records operating in the Central Belt, the other main producer of Gaelic related song and also to Macmeanmna(55) - a newly established recording and music promotion company based in Portree in Skye within the Gaelic Economy. Greentrax (outwith the Gaelic Economy) and Macmeanmna (within the Gaelic Economy), responded to the request for information which, although incomplete, sheds light regarding the demand for their services and their involvement in this growing area of supply. Financial details of impact within the Gaelic economy (Macmeanmna) are given below in Table 5-9.

The normal product range of the three firms included producing compact discs and music cassettes, promoting a record label,(49), Gaelic music promotion, recording of albums, organisation of tours and concerts, recording distribution and artist management (55). Within this the Gaelic related product range for Greentrax included albums of songs, waulking songs, music from the Western Isles, Gaelic psalms, Poetry and Burns songs in Gaelic(49). For Macmeanmna this included Gaelic music promotion, music distribution, audio visual shows and artist management, tours and concert organisations (55) The proprietor of Greentrax records reported an overall turnover of £259,507, of which £9,000 could be attributed to Gaelic related activities. Two permanent full time workers were employed and one permanent part time employee.[12] All however outwith the Gaelic Economy. The director of Macmeanmna reported an income of £27,500 from his Gaelic Art and Cultural activities. However, this was a combination of many activities - of his work as full time officer of Feisean nan Gaidheal (see earlier section); as a Gaelic singer (both of which earned him more than he received from Macmeanmna), and also from being a partner in a Gaelic record shop, and a director of the Aros experience, (both of which earned him less). His varied employment was a good example of the pluriactivity to be commonly found amongst those active within the arts and cultural sector of the Gaelic Economy. Only £8000, the labour costs portion attributed to Macmeanmna, has therefore been included in Table 5-9 below. For ease of analysis however, the proportion of full time employment which this figure represents has been included earlier, as part of Table 5-1, representing this individuals 'full time' employment with Feisean nan Gaidheal.

c) Gaelic language, artistic and cultural work in Further Education

Institutions of further education such as Lews Castle College in Stornoway and Sabhal Mor Ostaig in Skye both situated within the Gaelic Economy, have been involved in the development of the Gaelic related business and other skills which have seen an increasing demand in the period of increased vitality for the language.

[12]working 10 hours per week for 20 weeks per year.

Subsequent to the period covered in this study, both establishments were to become part of the developing University of the Highlands and Islands.

Both Sabhal Mor (117) and Lews Castle College (42) were sent questionnaires and both replied. Their normal product range ranged from educational and training provision, translation and cultural services (42), through to Gaelic medium post school education, together with Gaelic and music short courses and research on Gaelic related topics (117). Within this Gaelic related range of provision consisted of Gaelic language training; translation services (Lews Castle), whilst for Sabhal Mor Ostaig these were Gaelic language and traditional music courses plus the sale of connected materials. (117). Relevant financial and employment impacts are recorded below in Table 5-9.

The total turnover of Lews Castle College was reported as £3,300,000 of which the approximate income from Gaelic related activities was £60,000. Two permanent full time jobs, and one temporary part time job were associated with this activity. Total labour costs associated with this work were reported as £70,000, with one member of staff being in the salary range £20 - 39,000, and two in the range £15 - 20,000

For Sabhal Mor Ostaig, total turnover for the financial year in question was £694,605 with £37,422 being associated with Gaelic arts and cultural provision. This led to 1 full time and 1 part time member of staff being employed together with 28 others employed on a temporary basis for a fortnight each Summer. However, it must be noted that the funding for this comprised part of the CGT/CTG input into Skye and Lochalsh noted below Table 5-13, and thus cannot be counted as independent funding or employment. These details are therefore recorded as 'not applicable' below in Table 5-9.

d) Individuals involved in the supply of Gaelic Artistic and Cultural Products

Sproull and Ashcrofts 1993 study (Sproull and Ashcroft 1993: appendix 2 page iii) had assumed the existence of 150 Gaelic musicians, working in the Gaelic Arts and Cultural field. Of the 150, 10 to 15 percent of those were assumed to be working full time and the remainder part time. It was also assumed that 10 percent of the musicians (15 individuals) were operating in the Western Isles and 5 percent (7 or 8 individuals) were operating in Skye/ Lochalsh.

For this project, and using data supplied by the National Gaelic Arts Project, it was possible to identify 300 individuals who were potentially involved in some way in the field of Gaelic Arts and Culture – in a wide range of careers, including musicians, but also involving others such as Hebridean Step Dance teachers, instructors at the feisean, poetry translators, and media workers. It was acknowledged that this would be a difficult area to collect financial data from given the part time or incidental nature of much of this work, leading to a reluctance of individuals to furnish financial details which might otherwise be unrecorded.

Fifty four responses were received from the postal questionnaire – a response rate of just under 19 percent. Of the responses received, however, just over one third (15) lived within the Gaelic economy and were involved in artistic or cultural work, whilst the others either lived outwith this area, or worked in a directly educational (as opposed to cultural) field. In some cases non Gaelic economy individuals carried out activities which involved doing work within the Gaelic Economy (or as was the case with the media workers, work whose results impacted on the area of the Gaelic Economy) In terms of financial impact, all but a very small amount was not already accounted for in terms of work for organisations already examined above (i.e. Feisean, Sabhal Mor Ostaig summer schools etc), or below in terms of CGT financed television related work (Table 5-13). However useful information regarding both range of employment and changing trends was conveyed, which is noted directly below (overall trends for non individual suppliers are found further below in section 5.2.11)

Gaelic related range of activities of individuals

Using Brydon and MacKinnon's categorisation of Gaelic artistic and cultural activities, the respondents were found to be active in the following employment categories, with Almost half of the above activities were linked to involvement with feisean or within TV/ Radio, as can be seen from the table below

Table 5-6 Gaelic related range of activities

Activity	Gaelic Economy individuals
Translators/ Writers/ publishers	3 individuals
Artists/ Theatre	2 individuals
Musicians/ Performers	8 individuals
Workers in the media	2 individuals
Activity areas included within this	
Involved in Feisean	9 individuals
Involved with Media (TV/ Radio)	3 individuals

Overall Trends

Over three quarters (11) of those living within the Gaelic Economy reported a general increase in demand for their goods and services, with an additional 4 reporting demand as either steady of static. No respondent reported a decline in demand.

Trends within existing demand

Examining trends within the demand, over half the GE respondents (9) reported no change within demand, while 5 reported an increase in demand from abroad and 1 reported an increase in demand from the private sector.

Table 5-7 General trend of demand and trends within demand

General Trend of demand:	Gaelic Economy individuals
Increased	11
Static/ steady	4
Declined	-
Trends within demand:	
No change	9
Increase in demand from abroad	5
Increase in demand from private sector	1

In terms of financial benefit, much of the GLAC related income was reported as minimal, or took place through employment by organisations already mentioned within this chapter – i.e., Feisean, Interpretative projects, Gaelic promotion Agencies or the Gaelic media (already recorded in tables above). Where the income was received through work for organisations other than the Feisean it many cases the individuals received a wage rather higher than the Western Isles average. Of the (minimal) income which it was possible to record as independent of other sources already counted it was as follows:

Table 5-8 Attributable individual incomes from GLAC related activity

Occupation	GE Income from Artistic and Cultural activities
Independent artist	3500
Part time writer	250
Part Time writer	360
(Artistic translator)	(12,000)
Part time singer	250
Total	**16360**

In relation to the figures recorded in Table 5-8, although it was not possible to definitely ascertain this, it appears likely that the income of £12,000 for 'artistic translation' was received either through work for one of the media companies (likely to be CGT/CCG funded) or Acair the book publisher, given the scarcity of demand for such specialised skills. Given this fact, it would not perhaps be reasonable to include this as independent of the CGT/CCG calculations or those of Acair. Thus the only ascertainable independent income raised outwith the organisations and companies already assessed is a total of £4,360 – just under one third of the reported Gaelic economy average wage of £13,463[13]. It therefore seems reasonable to regard this income as equivalent to 0.31 FTE. Given the suggested constituency of 15 full time musicians in the area of the Gaelic economy, it is unfortunate that more information was not forthcoming from this sub group of respondents – although this difficulty was not unforeseen, given the 'underground nature' of much of this sub sector mentioned within Chapter 4.

A summary of finance and employment within the Gaelic Economy through miscellaneous enterprises and reported work by individuals is given below in Table 5-9

[13] As reported in Sproull, A. and B. Ashcroft (1993). The Economics of Gaelic Language Development, Glasgow Caledonian University.. Sproull's figure refers to the period 1992/3. Indexing this for inflation at 2% per year to give a total of £14,006 for 1994/5 suggests a relative figure of 31%

Table 5-9 Finance and employment within the Gaelic Economy through GLAC related work reported by individuals

	Finance					Direct Full time equivalent jobs reported (FTEs - Annualised totals)	
	Total T'over	Gaelic T'over	Lab Costs	%LC in WI	%LC in S/L	Western Isles	Skye/ Lochalsh
Macmeanmna	42000	42000	8000	0	100	n/applic	n/applic
Land hero committee	60000	60000	n/appli	-	-	n/applic	n/applic
Lews Castle	3300000	60000	70000	100	0	2.25	-
Sabhal Mor	694605	37422	n/appl	n/appl	n/appl	n/app	n/appl
Individuals	n/applic	n/applic	4360	100		0.31	
Totals	**4,096,605**	**199422**	**74360**			**2.56**	**-**

viii) The Independent Television Sector

In many ways the expansion of the Gaelic media is seen to be crucial to the perceived regeneration of the language over the last fifteen years. The position of Independent Television producers are noteworthy in this regard, given their close identification and involvement with Gaelic communities throughout Scotland.

The CNAG directory lists eleven companies, together with a trade association Crann, and Film Festival organisation. These were contacted and replies were received from seven as well as from the trade association and film festival, a return of 70 percent.

The Geographical location of the respondents was: Abu Tele (Skye); Eolas (Stornoway); Freeway Films (Edinburgh); Lochran Media (Stornoway); Tele Ar-a-mach (Edinburgh); West Highland Animation (Lochearnhead); Tern TV (Aberdeen); Crann (Trade Association) (Inverness), and Celtic Film and Television Association (CFTA) (Inverness). Of the above, Abu-Tele; Eolas; and Lochran Media were physically located within the Gaelic economy, whilst all others carried out work within this area as part of their Gaelic output.

The range of products supplied was as would be expected - Broadcast TV production, Broadcast TV equipment hire; production/ on-line publishing; photography; Movies - TV dramas, documentaries, animation, video production and sales. Gaelic related production included Script writing; TV and film production; programme direction;

translation/ versioning and dubbing of foreign language films; animation; drama; Gaelic religious programmes; facility hire; and internet authoring. The CFTA promoted an annual festival of Celtic films, and promoted Celtic language and culture on screen; Crann provided political lobbying and information to freelances amongst other services.

Gaelic production funding for both Eolas and Lochran media was received via the CTG and thus features not in Table 5-10 below, but under the CTG financial and employment details Table 5-13. Only Abu Tele carried out commissioned work in this period independently of CTG and which is noted specifically below in Table 5-10 reporting direct FTE creation of 0.39 posts.

Table 5-10 Finance and employment through Independent TV companies operating within the Gaelic Economy (non CGT/CCG related)

	Finance					Direct Full time equivalent jobs reported (FTEs - Annualised totals)	
	Total T'over	Gaelic T'over	Lab Costs	%LC in WI	%LC in S/L	Western Isles	Skye/ Lochalsh
Lochran	70000	70000	n/appli[14]	n/appli	n/appli	n/appli	n/appli
Eolas	n/a	n/a	n/appli[15]	n/appli	n/appli	n/appli	n/appli
Abu-Tele	497902	400000	9272[16]	0	75	-	0.39
Total	**567902**	**470000**	**n/appli**	**n/app**	**n/app**	**-**	**0.39**

5.2.5. Summary of direct financial impact of non CTG/CCG supported sector

A summary of the detailed tables above outlining the direct financial and employment impact of the non CGT/CCG supported sector is given below in Table 5-11

[14] Although Labour costs given were 12710, the response states that all Gaelic productions were funded through the CGT, (therefore should not be counted here, as they are included in the CGT calculations below (Table 5-13))

[15] Like Lochran media, Eolas report that in the period under question, by far the main source of funds for Gaelic productions was now the CTG – with insignificant additional sources. The relevant figures for impact, therefore will be included in CTG calculations Table 5-13

[16] Based on 20% non CGT funded labour costs of £46,363

Table 5-11 Summary of direct financial impact – non CGT/CCG supported

	Finance			**Direct Full time equivalent jobs reported (FTEs - Annualised totals)**	
	Total Turnover	Gaelic Turnover	Labour Costs(LC)	Western Isles	Skye/ Lochalsh
Feisean:	107129	107129	64270	2.87	1.63
Book Suppliers and Book services	260763	260763	74305	5.5	-
Gaelic Promotion Agencies	722626	704626	238000	9.89	0.15
Local Enterprise Companies	n/applic	n/applic	17500	-	1
Arts Centres/ Museums/ Interp. projects	470000	25000	144000	3.63	17.29
Scottish Arts Council[9]	n/applic	n/applic	n/applic	n/applicable	n/applicable
Independent TV Sector (non CGT supported)	567902	470000	9272	n/applicable	0.39
BBC Radio nan Gaidheal	n/avail	n/avail	280,000	13	-
Miscellaneous, including individuals	4,096,605	199422	74360	2.56	
Total	**6225025**	**1766940**	**901707**	**37.45**	**20.46**

Implications of the above for indirect and induced employment are found below in section 5.2.9, page 176, following consideration of CCG related media in section 5.2.6.

5.2.6. The larger media and the CTG

Since 1992, the majority of government funding for Gaelic language, arts and culture has been disbursed via the Gaelic Television Fund administered by the Gaelic Television Committee, CTG (since 1997 the Gaelic Broadcasting Committee, CCG). In the period of this study 1994/95, this amounted to £8.73m, providing 161.1 annual hours of Gaelic programming. This was a drop from the figure of £9.5m - the funding level of the previous two years (191.1 annual hours), although it was subsequently to be raised slightly the following year to £8.93m, producing 172.1 hours of Gaelic programming.

As mentioned above Sproull and Ashcroft's study had estimated that in 1993 the level of funding for 1993/94 (based on 200 hours of Gaelic programming) would have created 276.6 full time equivalent jobs, this total including 135 FTEs in the Western Isles and 66 within Skye and Lochalsh – a total of 201 within the area of the Gaelic Economy. The reductions in government grant in 1994/5 and subsequent years,

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[9] As a funder of activities carried out by Gaelic related organisations, the turnover of the Scottish Arts Council is already included within the turnover of the direct providers in this table (see below)

leading to a failure to achieve 200 hours targeted, would in consequence lead to a diminution in economic impact, as outlined below.

Changes in the annual treasury grant and hours of programming in the 2 years following the Sproull/ Ashcroft report are shown below in Table 5-12

Table 5-12 Annual treasury grants and hours of Gaelic TV produced per year

Year	Treasury Grant	Hours of Gaelic TV made per year
1994/95	£8.73m	161.6
1995/96	£8.93m	172.4

Source: CCG Accounts

Questionnaires were sent to the CTG (Stornoway)(108), Scottish Television[17](Glasgow)(52), BBC Scotland (Glasgow)(47) and Grampian Television[18] (Aberdeen). Radio nan Gaidheal (Inverness)(41) was also sent a questionnaire given the perceived impact of the radio service on Gaelic language and culture in Scotland.

Responses were received from all establishments with the exception of Grampian TV, a response rate of 80 %. Of those contacted, only the CTG itself was based within the Gaelic Economy. The headquarters of the others were based outwith the Gaelic Economy although all by their nature serviced viewers and listeners within the Gaelic Economy. BBC Radio nan Gaidheal, was the only part of a major broadcasting organisation to report permanent jobs (independent of CTG funding) within the Gaelic economy with a figure of 13 permanent FTEs stated.

The range of services provided from the major organisations ranged from public broadcasting on TV across the UK and elsewhere (47), secondary products for sale - publications and VHS tapes(47), independent broadcasting throughout Central Scotland(52) and programme funding (108). Gaelic related services provided included programmes on television and radio, children's and adults output(41;47), Gaelic arts and culture (which Radio nan Gaidheal felt were the backbone of approximately 50 percent of their schedule), Gaelic 'soap' drama production(Machair), learners' series (Speaking our Language), together with

[17] Now part of SMG – the Scottish Media Group
[18] Now part of SMG – the Scottish Media Group

regional Gaelic output(52). The CTG reported programme funding, funding for associated books, research, and training through the Gaelic Television Training Trust (108)

5.2.7. The Economic Impact of CGT/CCG related activities

The most recent Input/ Output table for the Western Isles, constructed by the MacAulay Land Use Research Institute and the University of Aberdeen in 1997 updated and recalculated the effects of economic activity in all sectors of the Western Isles economy, including the media sector (i.e. the CGT/CCG associated sector). These studies indicated that for every £1 million output in the media sector, 36 FTE's were created, the multiplier in this instance being a type II multiplier, incorporating direct, indirect and induced effects.

It appeared that if accurate figures could be achieved for 1994/5, this framework would allow a relatively robust indication of the impact of the media sector in that period given that the MacAuley/Aberdeen models construction had been based on the economic situation leading up to 1997.

In order to make use of this approach, it was thus necessary to construct details of media spending in the year under study – 1994/5. Figures supplied by the GGC indicated that the spend of £8.5 million in that period was allocated in the geographical proportions:[19] as outlined below in Table 5-13[20]

Table 5-13 CCG Expenditure by Location (£ millions)

Area	1994/5	Share %
Western Isles	3.10	36
Other H & I	0.82	10
Rest of Scotland	4.45	52
Furth of Scotland	0.13	2
Total	**8.50**	**100**

Source CCG 2001

[19] As it was impossible to get figures for actual spend, figures for 'budgeted' spend were used, on the assumption that budgeted and actual spend would reconcile themselves year on year.
[20] Subsequent figures provided by EKOS Limited (2000). Economic Impacts of Enhanced Funding for Gaelic Broadcasting. Inverness, HIE**:** 10. have shown these proportions to remain very similar in subsequent years.

In addition to the CCG expenditure on Gaelic broadcasting however, both the BBC and Scottish Media Group (SMG)[21] commit expenditure on their own account in providing Gaelic programming throughout Scotland. Although exact expenditure figures for the study year are unavailable, expenditure for the subsequent 4 years is available and shows a situation of variance of only 4 % over these 4 years (from £2.68 m to £2.57) .

Subsequent discussions with staff in both the BBC and SMG have suggested that spending in 1994/5 did not differ markedly from the period immediately following it. In the light of this an average figure for the subsequent four years (£2.61 m) is suggested as the 1994/5 baseline

Figures for non large media - non CGT/CCG spending in the four years subsequent to the study are shown below in Table 5-14

Table 5-14 Other broadcasters spend (£ million) on Gaelic Broadcasting[22]

Broadcaster	1995-96	1996-97	1997-98	1998-99	Average spend
BBC	1.59	1.54	1.50	1.44	1.51
SMG (STV/Grampian)	1.09	1.16	1.04	1.13	1.10
TOTALS	**2.68**	**2.70**	**2.54**	**2.57**	**2.61**

Source: Fraser Report 1998 as reported in (EKOS Limited 2000). Notes: Data for SMG are estimates based on average programming cost/hour of £18,500.

Although the overall Scottish baseline figure suggested for Gaelic spend in 1994/5 outwith the CGT/CCG may be £2.61 million in 1994/5, in discussions with respondents of the questionnaires and from other materials supplied it was clear that in the period in question, all but an insignificant part of this activity took place *outwith* the Gaelic Economy, at the BBC and SMG's respective studios in Glasgow and Aberdeen, the only exception to this being BBC Radio nan Gaidheal with a FTE equivalent staff of 13 reported within the Western Isles. Calculations of subsequent impact as shown in Table 5-15 and section 5.2.8 below therefore take this into account and discount any direct financial impact of the non CCG large media with the exception of Radio nan Gaidheal.

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[21] Formerly the separate broadcasters STV and Grampian

[22] Television Task Force.

5.2.8. Estimating the impact of the CCG and CCG supported media on the Western Isles economy and the economy of Skye and Lochalsh.

With the results of Table 5-13 indicating a spend of £ 3.1 million within the Western Isles, and the MacAulay/Aberdeen University *Effects on Employment Multiplier for the Media sector* suggesting a ratio of 36 jobs per £1 million spend, this would suggest that 98.7 FTEs were created by CCG activity within the Western Isles in this period resulting from this.

In relation to Skye and Lochalsh, no similar input output tables exist. However information suggests that CCG expenditures in the Highlands and Islands have been mostly concentrated on Skye, through the Gaelic Television training course and research at Sabhal Mor Ostaig. Consequently it appears reasonable to take the figure of £0.82 m (10% of the CCG's spend) given in Table 5-13 as best representing Skye and Lochalsh spend. Although there are no readily available data to allow an exact assessment of the impact at Skye and Lochalsh level, it also seems reasonable to assume that the level of expenditure required to create one direct FTE is closer to that of the Western Isles than that of Scotland as a whole. In relation to this, an economic impact study by EKOS Ltd (EKOS Limited 2000: p6) for Highlands and Islands Enterprise has suggested that in the period 1999/2000 the amount required to create one direct FTE in Skye and Lochalsh was approximately 87% of that required to create a direct FTE at the level of the Scottish economy as a whole. The comparable percentage require to create a FTE within the Western Isles is calculated as 81% of the Scottish figure – at £55,975, compared to £68,702 at the Scottish level[23]. Again, in the absence of exact figures for 1994/5, it appears not unreasonable to assume the proportions at that earlier period exhibited a similar relationship to each other.

Given that the figures quoted above refer to the year 2000, applying the relevant GDP deflator from 2000 to1994 of 100/85.34, would result in the relative figures of £58,603; £51,389 and £47,769 for creating a FTE job at a Scottish; Skye/ Lochalsh and Western Isles level during the period of this study (1994/5).

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[23] In monetary terms it would take £68,702 spend to create one job at the Scottish level, compared to £60,217 at the Highlands and Islands (Skye and Lochalsh) level, and £55,975 at the Western Isles level.

Consequently, utilising the above figure of £58,603 per job for the 1994/5 Skye and Lochalsh figures would suggest that a spend of £0.82m would provide a direct FTE figure of 15.9 jobs. In calculating indirect impacts, the EKOS study suggests that the linkage is closer to the Western Isles than Scotland as a whole, and suggests a multiplier of 1.62. Adopting this figure suggests the creation of an additional 9.63 jobs[24] in terms of indirect employment. In terms of induced effects, the reported practice of Highlands and Islands Enterprise of adopting a multiplier of 1.25 to represent induced effects would suggest at further 6.38 jobs, thus resulting in a total employment impact of 32 jobs within Skye and Lochalsh[25]

Taking the figures of £ 3.1 million Western Isles spend and 98.7 jobs created, together with a Skye and Lochalsh spend of £0.82 million and 32 jobs created, this suggests the overall direct, indirect and induced impact of media spending through the CCG to be the creation of almost 131 jobs within the Gaelic Economy. A summary of the relevant figures is found below in Table 5-15.

Table 5-15 Summary of Employment within the Gaelic Economy through the impact of the CGT and larger media (including indirect and induced multipliers

	Western Isles	Skye/ Lochalsh
Spend by CGT/CCG	£3.10 m	£0.82 m
Direct FTEs created	n/avail	15.9 FTE
	n/avail	Multiplier 1.62
Indirect FTEs	n/avail	9.63 FTE
	n/avail	Multiplier 1.25
Induced FTEs	n/avail	6.38 FTE
Total	**98.7 FTE**	**32 FTE**
Overall Total within Gaelic Economy	**131 FTE**	

5.2.9. Calculating the Indirect and Induced effect of non CCG linked GLAC related activity

Table 5-15 indicates the final economic impact of the CCG linked activity within the Western Isles and Skye and Lochalsh. Table 5-11, Page 171 indicated the *direct* employment impact of GLAC related activity within the Western Isles and Skye and Lochalsh. In order to calculate the 'knock-on' indirect and induced effect of the latter

[24] Based on a direct and indirect spend of £1.32 million divided by £51,389
[25] Based on a total direct, indirect and induced spend of £1.65 million divided by £51,389

total it is necessary to adopt values for a series of multipliers which will allow a reasonable estimation of these final effects.

Two studies (Sproull and Ashcroft 1993; EKOS Limited 2000) have examined similar economic sectors, the first in 1992/3 and the latter using figures from 1997.

The Sproull/ Ashcroft study suggested an employment multiplier (direct and induced) of 1.52 for the 'Gaelic Industry' in the Western Isles, and of 1.24 for the 'Gaelic Industry' in Skye and Lochalsh. The Ekos study suggested for the latter area, an indirect employment multiplier of 1.62 and (following HIE's suggestion) an induced employment multiplier of 1.25 – cumulatively 2.02.

Table 5-16 suggests the range of possible employment impacts achieved on adopting the Sproull/ Ashcroft multiplier figure or alternatively the suggestion from EKOS Ltd:

Table 5-16 Final Employment impact of non CCG linked GLAC activity

Direct FTE's created through non CCG linked GLAC activity			
		Range 1	Range 2
	Western Isles	Skye/ Lochalsh	Skye/ Lochalsh
Direct FTEs	37.45	20.46	20.46
Suggested Gaelic Industry Multiplier	1.52	(Sproull/ Ash) 1.24	(EKOS) 2.02
Total	56.92	25.37	41.32

Thus, depending on the Skye/ Lochalsh multiplier adopted, non CCG linked activity in the period under study was responsible for the creation of FTEs in the range of 82.29 FTE to 98.24.

When added to the total produced within the Gaelic Economy by CCG linked activities, this suggests a final figure in the range of **214.29 FTEs to 230.24.FTEs**

Analysis of empirical data related to research issue 1, has therefore indicated for the first time, a substantial impact on the local economy as a result of the supply of GLAC related goods and services.

This information is of great importance in seeking to evaluate the overall impact of GLAC related economic activity. To place it in context however, necessitates a consideration of trends promoting or constraining further development of such supply. This is illustrated under research issue 2.

5.2.10. Research Issue 2

In the range of activities being carried out by GLAC practitioners, what were the discernible trends which would allow the prediction of future patterns of development?

5.2.11. Identifying in the views of practitioners, trends within the market for GLAC related goods and factors constraining or promoting this.

The perception by practitioners of trends in the market for their goods, and of factors constraining or promoting economic development - such as ability to market products, the availability of necessary skill endowments etc - is an important issue for several reasons. The experience of the practitioners themselves would provide evidence of the actual market conditions in this under researched area. Comparison of differences in perception (if they occurred) between 'front-end' suppliers and those organisations which often helped enable such supply (such as Gaelic co-ordinating bodies, and Local Enterprise Companies) might also be useful in allowing insight into whether support organisations (often policy led by local or national government) were reading supply and demand signals correctly.

In order to best gauge changes in the sector, respondents were asked to identify trends over the previous 5 years in terms of sources of income, both in general ‘volume’ level and also in terms of changes in the range of customers purchasing services or products, the customers’ age, geographical, gender profile etc. Respondents were also asked to identify factors which they perceived to be behind any change in this income. In an additional section of the questionnaire, respondents were also asked to indicate the main factors, (positive and negative) which were perceived to influence the growth of provision of Gaelic artistic or cultural services. If one factor stood out above all others, respondents were also asked to indicate this.

A brief summary of trends for individuals has been outlined in Table 5-7. Below, all details refer to organisations involved in the GLAC supply side

Changing trends in the sector

A healthy overall picture of *generally increasing demand, growing popularisation* of GLAC related goods and services and *an increasing maturity and professionalisation* emerged from the survey. Specific points under each of these headings are summarised in Table 5-17 below and outlined further following this.

Table 5-17 Changing trends in sector

Observation	Specific manifestation	Additional linked issues
Generally increasing growth in demand	Growth across sector, organisation and individuals	Increasing awareness of importance of maintaining Gaelic culture within Scottish society
Popularisation of Gaelic/ Increased targeting of learning	Shift away from 'classical' approach to Gaelic learning	Shift towards young people/ learners. Targeting of specific age ranges.
Maturity and professionalisation	More confident use of language within the media industries; Shift to 'stand-alone' enterprises.	'Overall impact greater than the sum of the individual parts' (CnaG)

i) Generally increasing growth in demand

There was an almost uniform report of steady growth in domestic demand for services across the whole sector, organisations and individuals. This reflected a similar increasing awareness of the importance of maintaining Gaelic culture within Scottish society. (50)[26] Within the book sector and the music producer sector, a growing interest from overseas, particularly North America was also becoming evident.

ii) 'Popularisation' of Gaelic and increased targeting

Comments from the book sector and from within the media establishments, suggested a shift towards a 'popularisation' of the language and away from a more 'classical' approach (or one requiring a 'thorough knowledge of the language'), although this was not necessarily seen by all respondents as a positive development. (61) A growing orientation towards younger people and learners, was noted by some of the promotion agencies, (67) as was increasing 'targeting' (i.e. towards specific age ranges), by some of the Independent Television Producers.

iii) Maturity and professionalisation

Others noted a deepening and professionalisation of the use of the language in relation to theatre and local history, whilst within the media industries themselves it was clearly being used with more confidence by those involved. The main Gaelic promotion body believed the overall impact was greater than the sum of the individual parts (43).

An increasing maturity was noted in relation to several components of the sector who had developed away from their previous parent bodies and were now operating as successful 'stand alone' initiatives. (64)

The reporting of general growth is of extreme interest in that it is growth which provides the best basis for the growing viability of entrepreneurial activity within the GLAC sub sector of the Gaelic economy. The 'stand alone' nature of some enterprises arising from the growing maturity is also indicative of this fact. With reference to the findings of the literature survey, findings of this thesis may possibly indicate a growing awareness amongst the general population of the benefits of bilingualism and the use of a minority language (Vaillancourt 1985; Grin 1990; Adburghan 1997; Drinkwater and O'Leary 1997). In addition, it would be expected in future that the possible benefits of minority language advertising as a marketing tool, could be expected to take a higher prominence in this situation (Grin 1994b), together with the opportunities for small and medium enterprises to practice economies of scope/ niche creation (Porter 1985; Naisbitt 1994). Todaro's view of development as including the creation of freedom to expand the range of economic and social choices available is also raised by the reported expansion in demand (Todaro 2000).

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[26] Again, for ease of identification, numbers in brackets here refer to respondent organisations, which are numbered and can be found in the appendices

Factors promoting or constraining development

As indicated above, most establishments mentioned *increasing or steady demand*, together with local support as a general positive factor promoting development. However, against this background, other specific issues were raised as factors either promoting or constraining development within this general picture. Interestingly some areas were identified as either promoters or constraints, depending on the circumstances. Issues thus raised are summarised in Table 5-18 and outlined below:

Table 5-18 Factors promoting or constraining development

Category of factor	**Promoter**	**Constraint**
General factors:	Increase in demand/ ongoing revival of language and culture	Short sightedness of developers
	Growing support and media exposure	
	Positive changes in attitude	
	Dynamic interactions	
Governmental Support:	Funding support from local authorities; Funding support from the GTC	Funding
		Inadequate co-ordination amongst agencies
Market structure:		Dispersed nature of Gaelic Community
		Size of sector
		Structure of sector
		Marketing problems
Training and skill provision:	Skills	Skills
	Provision of quality product	Provision of quality product

It will be seen from these points above that growth in small firms is a complex process, which does not necessary operate in a linear or continuous manner, (and clearly cannot be ascribed solely to capital investment as the neo-classical or Solow approach might suggest).

Deakins had proposed several issues as typical in impacting on the growth of a small or medium enterprise, and which would need a particular mix of managerial and business talent to successfully engage with. From the responses to the supply side questionnaire, it could be shown that some respondents identified a number of identical issues as relevant to their situation which could be included in Deakins categorisation of: *the nature of enterprise support; the nature of the sector in which the firm finds itself; the economic environment against which the firm operates* and *the firm's ability to network*. (Deakins 1996)

Below, the issues summarised in Table 5-18 are outlined in greater detail:

General Issues:

i) Ongoing revival in language and culture

Three quarters of the Gaelic Economy based individuals together with the majority of organisations cited the ongoing revival of the language and culture as having a *positive impact on the general provision of GLAC products*, with growing support and increasing demand being evident, with the remainder citing short-sightedness of developers as being a delaying factor.

ii) Growing support and media exposure

Growing community interest and support, and above all, high quality media exposure were cited by most as the main explanations for the current renaissance in the fortunes of GLAC. Only one (island based) establishment reported opposition from incomers to the promotion of Gaelic as a problem.

iii) The role of Gaelic Medium Education and the media

Many of the trends were very dependent on continual support and development of Gaelic Medium Education (107; 67) and modern media coverage through Television etc., and there was a clear consensus that this should be safeguarded above other questions.

In regard to television, it was felt that a greater variety, quality and more appropriate scheduling were now being demanded within the Gaelic speaking communities.

iv) Positive changes in attitude

In the further education sector, positive changes in attitude amongst teaching staff and a better general recognition of the potential offered by Gaelic was noted as an important factor for change, although several of GE individuals saw 'indifference of Gaels' as a problem.

v) Dynamic knock on effects

Several establishments referred to the dynamic knock on effects of Feisean development and Gaelic Medium Educational funding. (This was further indicated under research issue 4, below p 190 with regard to building upon a dynamic relationship)

Governmental Support

vi) Funding

One of the responses suggested that in Gaelic speaking areas, people expected to have to be more self reliant than elsewhere(1). Nevertheless, the availability of funding was also a constant issue for most establishments with a specific call for more investment in the developmental structures indicated by the Feisean.

Overall, support from Local Authorities was noted as helpful and crucial to development although strong criticisms were made by several establishments of lack of necessary help (53;73). Views on support from LECs depended on the specifics of the area, and indeed firm. One respondent believed that given the importance of GLAC and in particular the Feisean movement to Scottish Art and Cultural development, the Scottish Office should play a greater direct role in funding(54).

The increased government funding via the CTG was recognised *almost unanimously* as the crucial, positive element in the fortunes of GLAC over the last five years, although one respondent issued a call for it to be inflation linked in order to ensure stability. A call was also made for more direct funding to be given to community driven institutions rather than too much reliance being put on national organisations(54).

vii) Inadequate co-ordination amongst agencies

Inadequate (although slowly improving) co-ordination between Gaelic promotion agencies was raised as a problem by the agencies themselves and by others, although there was a positive feeling that this was being remedied.

LECs also reported the need for a long term strategy / integrated approach towards GLAC in their organisations – something often lacking.

Market structure:

viii) The dispersed nature of the Gaelic community
The dispersed nature of the Gaelic communities and establishments throughout Scotland was seen to throw up problems for funding - both through constraints on CTG guidelines and in its effect on support bodies, who some respondents felt gave support in the Gaelic heartlands and in the urban Gaelic communities but missed out other dispersed communities. (3;51)

ix) Size of sector
Importantly, the main Gaelic promotion agency CNAG raised the 'small box office potential' as a problem for the involvement of the *private sector* in the field of Gaelic Language, Arts and Culture, although the Scottish Arts Council put the case strongly that the recognition of the economic importance of cultural activities was now a main factor behind current developments. (118). This latter view was backed up by others (64;43). The perceived small market (despite evidence of unfulfilled demand – see Chapter 6) is an issue the consequences of which are further examined in Chapter 7.

The heritage of a low level of literacy was seen by some respondents in the book sector as a problem and helped explain a low market for their books amongst older members of the community.

x) Structure of sector
Specific problems were raised by the Independent Television Sector regarding their position amongst the larger media group. Faults were seen to exist within the current structure which meant that many of the broadcasters of the independents' work (the larger media) were also their direct competitors for the same sources of money. Although past changes had had an immensely positive effect for the Gaelic media, it had also left the independents in a particularly exposed position. Again, these points are returned to in Chapter 8 in the examination of future policy towards Gaelic television.

xi) Marketing problems

For the Gaelic book trade, the fragile nature and small profit margins of all book production was noted as a reason for which subsidies were particularly necessary[27]. A problem needing quick action was the issue of the marketing of Gaelic books. Improvements in this 'even in Scotland', would it was felt give disproportionate dividends (67). This problem had many implications since the Gaelic book sector was now an established feature of Scottish life and the availability of a growing pool of authors within the Gaelic community was becoming apparent. Without better profitability due to better marketing *much of this potential* would not be realised[28].

The question of marketing was not confined to books alone. It was also noted as a critical question for Gaelic television programmes (54). Scotland was not up to date with what was happening in similar communities elsewhere. Compared to Wales and areas such as Connemara in Ireland we were not seen to exploit our attributes enough. For some respondents, there was an inadequate sense of urgency, Scottish Television believing for instance that we needed to promote the cause of GLAC as part of an urgent ‘language rescue plan’.

Training and skill production

xii) Training for quality

Lack of skilled staff was flagged up as an issue by those involved in the Feisean movement and this was often linked to questions of the out-migration of younger people. Geographical factors were also raised in this regard by the Independent Television Sector in the citing of the small sized pool of highly skilled media freelancers in the Islands, together with the lack of studios with adequate dubbing facilities. This could prove a great constraint when linked to logistical problems due to transport and costs.

Remedies suggested included more investment and training in people to ensure skilled staff were kept on the payroll (54), a register of existing skills known to be

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[27] “The major difficulty with Gaelic publishing is the very small market which makes it difficult to publish books cheaply and to make a profit” (Dun Eisdein publishers)

[28] This observation could also in fact be made for Gaelic medium travelling theatre

held by Gaelic speaking professionals, and a more militant 'Gaelic-essential' approach to some jobs, in order to locate holders of existing skills. (53)

xiii) Provision of a 'quality product'

The need for the provision of 'quality products' was acknowledged as one of the crucial factors in sustaining and increasing demand. (46). Problems of poor quality - for instance in TV broadcasts - might be a result of the (too) rapid expansion of services. Better training was seen as a way to improve the situation. (46)

A criticism of general media production, by one respondent was that it had become too 'cliquish' and should be more 'audience led'. They strongly argued that it would improve with more 'youth culture' being injected into it. An additional danger cited was the possible alienation of consumers of GLAC, if it took on a 'ghettoised' image.

Analysis of empirical data related to research issue 2 confirm many of the themes identified within the literature review. For instance the World Bank (World Bank 1999) had examined the opportunities of generating income from cultural knowledge and cultural assets, together with artistic and culturally related goods and services becoming a method of catalysing local development, or diversifying human capital. Again within the same general theme, but more closely focused, the bottlenecks which were shown to exist in terms of financial support, training needs etc would fit into Deakins typology of necessary enterprise support issues (Deakins 1996). Similarly issues of interest to Keynesian analysis such as the importance and possibility of local sourcing etc are raised in several areas including whether local skill and training levels are adequate to fulfil possible demand. The data also gives weight to Morgan's points on the difficulty of economic innovation in peripheral areas (Morgan 1997). The holistic and interlinked nature of linguistic and cultural development are raised in several submissions – which back Church's approach that language may well be appreciated as a merit good with social benefit often higher than individual valuation (Church 1993).

Given these constraints – which it is suggested may militate against private sector involvement, what were the reasons that *existing* practitioners had chosen to become involved in this field? This is examined in research issue 3 below.

5.2.12. Research issue 3

Was it possible to identify the reason why practitioners had chosen GLAC as their sphere of economic activity, rather than be engaged elsewhere?

Reasons for practitioners involvement

i) Filling the gaps and making a living

In almost every case there was a clear existing commitment to the language, and several respondents referred to providing products or services which complimented or filled gaps in existing educational and broadcasting provision. In addition however, a number of practitioners referred to their aim of exploiting openings offered by Gaelic language art and culture to make a profitable living. This was done in relation to media services, cultural tourism, and the wish to combine residence in a Gaelic speaking area with a viable lifestyle. (50; 69; 71)

In the case of the promotion agencies the growing prominence of the issue of art and culture and its role in society was seen to have pulled people into the area of provision. Provision was now seen to be in its second stage, some organisations now becoming 'stand-alone' establishments. It was also felt that there was a dynamic relationship between the Gaelic community and its promotion agencies, with each acting upon one another, and that this dynamism and tension had not yet run its course.

ii) Searching for the 'feel-good factor'

The majority of the LECs stated their recognition of the role GLAC played in strengthening communities, or developing economic benefits[29]. (45; 59) In some cases this was linked to direct development of cultural tourism and similar projects (44).

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[29] i.e. "One of our objectives is strengthening communities. We recognise the importance of Gaelic related artistic and cultural products in helping to achieve this objective (Ross and Cromarty LEC)

Within this however, the Independent Television Producers Trade Association noted that although the freelance sector had increased, the amount of successful private Gaelic business had not noticeably done so. This was noted as a problem, since a 'feel-good factor' could be obtained from Gaelic businesses growing and this wealth going back into the Gaelic community (54).

iii) Geographical factors

In the main for individuals only a minority cited Gaelic work availability as the main factor for their choice of geographical location, the majority citing family or historical links as the main factors.

Three quarters of GE individuals felt that they could deliver the product anywhere in Scotland (an almost identical figure to the non GE individuals who responded to the same question). Only one in four felt that they could not deliver elsewhere, or that they could only deliver within the Highlands and Islands.

Given their position as active practitioners within the supply chain for GLAC related goods and services, the perception of suppliers of their impact would be very important for policy practitioners to take note of. This was therefore targeted with research issue 4:

5.2.13. Research issue 4

What impact did the practitioners themselves believe that their activities had on questions such as those identified in the Sproull/ Ashcroft study and on the role of the language as a spur to economic and social development?

Dynamic effects

i) Cultural distinctiveness and self confidence

There was an overwhelming belief amongst establishments that the effects of the GLAC sector of the economy had generated a positive impact on cultural distinctiveness and self confidence of communities. This was also the view of 4 out of 5 Gaelic Economy based individual practitioners with regard to distinctiveness and almost 3 out of 4 with regard to self and community confidence. Self confidence was seen to have declined in the past, but now this trend was being reversed. It was even possible to see direct artistic celebration of this trend reversal in projects such as the Lewis commemorative cairns. (118) On many occasions this growing distinctiveness and self confidence was also credited with further community activity on economic and cultural issues. (13; 63; 107)

ii) Building on a dynamic relationship

A clear dynamic between economic and cultural investment and community response was illustrated in several instances where investment had led to higher interest and greater demand - thus leading again to requests for higher investment. In some cases this led to a greater level of self-sustaining organisations in communities (13). In some cases organisations were at the developmental stage with new possibilities opening on a regular basis as a result of their work (8). 'A new vitality was being created and helping develop communities from the Socio-cultural end'(59).

Attitudes amongst parents who had gone through the first generation of this renaissance were noticeably different and more positive than had been the case before these developments. (1)

Several cases were cited where respondents stated that their own activities and establishments had only come into being as a result of the growth in cultural distinctiveness which had been taking place recently. (58; 44; 48). The availability of skill training through bodies such as NGAP were seen as crucial to helping provide the framework to allow this to come about.

iii) Full capacity working

In some cases, such as the Feisean support organisation, present levels of staff were working full out to fulfil current demand. An increase in demand for their services would need investment in further staff if quality of service was to be maintained.

iv) Employment

Jobs remained to be seen as paramount in the consolidation and regeneration of communities in the Gaelic speaking areas. There was acknowledgement of the effect

of the media and promotion agencies in helping create employment for a growing pool of people, including through 'spin-offs' (50;58). This had in turn led to greater demand for services which could aid possibilities of gaining employment - music qualifications for instance. (1) There was also a recognition that Gaelic oriented activities were a positive asset on a CV.
Sometimes new product ranges and openings were being actively sought (33;76). Instances were also given where success by Gaelic oriented enterprises had led to attempts at competition and emulation (33). Links were also being made within the sector itself. Many of those now involved in Television and the electronic media had come through the Gaelic 'live' arts scene beforehand.
Specific references were also made by respondents to Tele-networking and possibilities afforded by this technology for language related jobs (42).

Amongst the respondents, understandably, more saw the general revival in GLAC as having an impact, than credited their own establishments activities as substantially impacting. (i.e. 100% in the former case but only 21% in the latter).

v) Desirability of residence in Gaelic speaking areas

The majority of establishments believed that the quality of life in Gaelic speaking areas had undoubtedly been enhanced by the activities of the sector and some saw this as having a positive effect on the desirability of residence[30] (58; 65). Three quarters of Gaelic Economy based individual respondents believed that their activity had made a positive impact. Others however found it difficult to quantify at this stage of Gaelic development. In the longer term it was felt that education and the benefits of cultural tourism would undoubtedly have yet a greater effect (70).
One respondent felt that as a matter of course, individuals wishing to set up businesses in the Highlands and Islands should have specific financial inducements made to them to enable more to do so. The logistical and non-language related problems of Island life which remained however, were mentioned by several respondents.

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[30] i.e. “It opens up possibilities for residents who wish to stay, to stay by helping them in their sellable artistic activities” (Dealan)

vi) Migration

On the issue of migration, several instances were reported where respondents felt their work had had a discernible effect or would do in the near future. (44; 116; 118; 70) The majority of organisations felt however, that more development would be needed for this to be noticeable. In some cases skills acquiral had led to greater mobility and thus migration (118).Over half of GE based individual respondents believed that their own, or the impact of the general revival of GLAC had produced a positive effect on migration. Several believed it would have a future effect with increased funding.

vii) Tourism

A similar situation existed in regard to tourism. The majority felt tourists' experiences were enhanced by the sector's activity once they had arrived, but most believed the sector's activities were not yet developed enough to have a discernible effect in attracting tourists who would not have come here otherwise. There was also a belief however that this could be achieved in the future if further work took place. (5; 51; 72; 73; 43) One respondent flagged up the high cost of tourism in the Gaelic heartland as a problem needing acknowledged. (118)

The responses to research issue 4 in general are extremely positive indeed, and illustrate several of the themes within the literature review. To mention only some - regarding cultural distinctiveness and self confidence, the findings are in general agreement with the approach of (Todaro 2000) in relation to development and self-esteem while an argument could also be made for community confidence to be an indicator of progress in addition to that of traditional GDP (United Nations Development Programme 1994). The second of the topics in research issue 4 – the dynamics at play between original investment and the generation of further interest and thus investment, have echoes of Myrdal's cumulative causation (Myrdal 1957) albeit on a much smaller scale. Again the generation of more positive attitudes in second generations of Gaels following involvement in this process also link in with Todaro's observations on development (in distinction to 'growth'). The issues raised regarding employment also echo some of Myrdal's points on the cumulative aspects of development in relation to the links between the live arts and the televised media. Again the perceived benefits of bilingualism and associated issues link in with the literature mentioned in research issue 3. Finally on the issues of residence, migration and tourism, the consensus appears to be that such trends are at play but operate primarily in the long term – observations backed by writers such as Stilwell (Stillwell 1978).

5.3. Implications of findings of chapter 5

The findings of this chapter indicate some of the actual and potential power of the GLAC sector in relation to endogenous development within the Gaelic economy. They would also suggest that in the case of Gaelic Scotland, policy makers have been correct in their aim of consolidating the language and culture through investment in Gaelic Medium Education and the Gaelic Television Committee/ Broadcasting Committee, and that the economy/ language/ arts and cultural issue has to be handled holistically.

Although the time scale in regard to the increased investment is short (impacting in the case of TV only from 1991 onwards), it is already clear that increased investment has not only created a substantial number of jobs (Table 5-15) but has also been perceived by GLAC suppliers as helping provide a positive framework for their own diverse activities (which community based, may provide the best long run promised of sustained economic development). Interestingly this is a perception shared both by 'front-line' suppliers and also the organisations which currently help enable this provision. There also seems to be a recognition by both the funded organisations and the existing private sector firms (such as the Independent TV producers) that to a great extent it is *the limited size and dispersed nature of the market* which is holding further development back.

Within the general area of GLAC related economic activity which is currently taking place there is evidence of a *deepening* in the general quality of economic activity – seen both through examples of increasing self sufficiency of individual establishments and projects ('stand-alone') and for instance, the recognition by local enterprise bodies of the economic worth/ impact of cultural activities. The jobs impact of the non CCG linked sectors (Table 5-16) must also be noted as very positive in a peripheral economy seen as a backwater for so many years.

The issue of timescale is one which has been raised recurrently by these findings with the suggestion that short-sightedness still exists amongst suppliers and funders as to the possibilities which do actually exist within this area. This raises the issue of the perceived level of general demand for GLAC related goods and services and whether this is seen by producers/ suppliers as adequate and sustainable enough to encourage them to increase supply (a demand led revival of the sector).

Given the points regarding market size, one implication may be that future policy should be targeted towards increasing demand for GLAC related goods, thus incentivising producers to increase supply to meet this. If this could be done successfully then given the spatially constrained nature of the GLAC supply side (see comments on the limitations of Keynesianism above page 54) then GLAC related goods and services could be well placed to deliver maximum impact locally.

Despite the positive points noted in this chapter regarding developments within the supply of GLAC related goods and services, it is clear from supply side evidence that despite 'increasing or steady demand', these developments are perceived as remaining very fragile, and as illustrated by the comments above, very dependent on continued funding commitments from the authorities. The continuing problems related to marketing and 'small box office potential', together with skill shortages in crucial areas are a pertinent example of an area where the need for long term and strategic involvement by the funding authorities is cited.

Already on crucial questions such as the desirability of residence in the area, and on the problem of migration, there appears to be evidence that the impact of Gaelic investment is beginning to show potential in overcoming two of what are classic long term problems facing peripheral areas. However, also needing elaboration is the perception of consumers on this issue – which is dealt with in Chapter 6. In the view of the majority of respondents to this chapter, jobs undoubtedly remain crucial to the future of the Gaelic economy and its sustainability, and the test of the strategy of encouraging cultural diversity through the support of Gaelic language arts and cultural activity, will surely be whether substantial and sustainable economic development and thus employment can arise as a result of growing economic confidence in the Gaelic speaking communities – an issue necessitating full understanding of demand side conditions in this sector – which is examined in Chapter 6.