

# Official Report (Hansard)

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The Editor of Debates, Room 248, Parliament Buildings, Belfast BT4 3XX.  
Tel: 028 9052 1135 · e-mail: [simon.burrowes@niassembly.gov.uk](mailto:simon.burrowes@niassembly.gov.uk)

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# Northern Ireland Assembly

Thursday 17 November 2011

*The Assembly met at 11.00 am (Mr Speaker in the Chair).*

*Members observed two minutes' silence.*

## Executive Committee Business

### **Ministerial Statement: Programme for Government and Investment Strategy**

**Mr Speaker:** Today's sitting has been arranged following a request from the First Minister and the deputy First Minister that the House should meet for the purpose of hearing two ministerial statements.

The First Minister and deputy First Minister will make the first statement, which relates to the Programme for Government and the investment strategy. The First Minister will deliver the first half of the statement. The deputy First Minister will deliver the second half. They will then answer any questions alternately, with the First Minister answering the first question.

Before we begin, I remind the House that, with the exception of the Chairperson of the Committee for the Office of the First Minister and deputy First Minister, Members may ask only one question. I understand that, because of the nature of both statements, Members might have an urge to deliver their own statement to the House. I assure Members that that will not happen this morning. Quite a number of Members wish to ask a question on the statement. We will try to let all Members ask a question, but I urge Members not to deliver their own statement to the House. If that is clear, we shall move on.

**Mr P Robinson (The First Minister):** Four years ago, following the restoration of devolution, the Executive launched their first Programme for Government. Today, we take our next step forward, building on what we have achieved and setting new and ambitious targets, with 76 commitments to the people of Northern Ireland.

Just a few hours ago, the Executive agreed a draft Programme for Government and a draft investment strategy. This morning, the deputy First Minister and I are pleased to present them to the Assembly. I believe that these and other agreements that have been reached in recent days across a host of areas and documents mark an encouraging step change in performance by the Executive and are a template for improved working together in the future.

At the outset, I want to thank all the officials who have given so much assistance in the preparation of the documents. I also thank the Ministers and officials from each of the Departments, as they have assisted over recent weeks and months. Ultimately, however, it will be the Ministers who will take responsibility for the commitments and will be accountable to the people of Northern Ireland for their delivery.

Our Programme for Government (PFG) is a clear statement of intent. It is a statement that we in Northern Ireland are prepared to take responsibility for our future, that we are prepared to modernise and reform and, most importantly, that Northern Ireland is moving forward as one community. Through this Programme for Government, we will seek to rebuild and rebalance our economy and to address the legacy of division that lingers from the past. We will seek to reform key public services, and we will protect those most vulnerable and in need in the community.

Our image and reputation across the world is changing. Once held back by conflict, we now attract international interest and investment. Just look at the impression that we made across the world with the recent MTV awards, which proved that we can attract global attention and that Northern Ireland can proudly showcase itself alongside the best that the world has to offer.

Devolution allows us to set our own priorities and to chart our own course for the future. These two documents are not the property or preserve of any party in the Assembly or the Executive. Rather, they represent a compromise and combination of the wishes of all. As we face into the challenges to come, I believe that this will be a strength rather than a weakness.

In the Executive, we all recognise the importance of working together to achieve a common goal. This has never been more important than in the current financial climate. Every day, we hear stories about the debt crisis, financial instability and public sector cutbacks, and we hear about the pain that those issues cause for ordinary families. Our job is not to stand back and observe but to use the powers and resources at our disposal to make a difference.

The world is changing, with instantaneous global communications, global markets and increased international travel. We can see the fruits of that change in Northern Ireland, with recent major investments by companies such as the New York Stock Exchange, Citi, Allstate and Coca-Cola, and we can see it in the growth of the television and film industry here. We regularly see investment announcements that we could not have contemplated over the past 20 years. Over that time, communications technology has been put in place to support those industries.

I was greatly encouraged yesterday when the deputy First Minister and I visited Allen and Overy's new Belfast offices to speak to young people who had left Northern Ireland in past years to seek opportunities abroad but whom the pursuit of greater opportunities in this generation had brought back home. We can also see growth in the number of people who choose to come here from across the world, both as tourists and to settle. The truth is that we are now fully fledged members of the international community. I welcome that and look forward to the trend continuing into the future. However, living in a smaller world is not always easy. We are as susceptible to the cold winds of recession as anywhere else, and we need to find ways to protect our people from the worst impacts of downturns. That is why we need a Programme for Government that can really deliver on the ground. The real test of these documents will come not today or even during the consultation period but in their capacity to deliver over the next four years. It is the delivery

on the ground, not the words in the document, on which we will all ultimately be judged.

Our Programme for Government focuses on the issues that are most important to the man or woman in the street. We have identified the problems that are a cause of concern for people, and, more importantly, we have sought to demonstrate what we will do, in the most straightforward terms, to deal with those problems.

The Programme for Government is a visible commitment by the Executive to work with the people of Northern Ireland to address all the problems that we face and to provide the groundwork for economic and social recovery. In this time of rising unemployment, our top commitment is to support the promotion of more jobs in the local economy — over 25,000 new jobs.

We will continue to press for the devolution of corporation tax, and, if and when it is devolved, we will reduce its level. Although we have no guarantee of success in that endeavour, a reduced level of corporation tax would enable us to level the playing field with our neighbours in the Republic of Ireland and provide us with a very strong stimulus to promote the private sector growth that is necessary to rebalance our economy.

While we continue to press for the devolution of corporation tax, we must take immediate steps to address the challenges that we face. We need to focus on our existing businesses and to secure and develop our reputation as a source of high-quality and high value-added products. In that regard, we are committed to supporting £300 million of investment by businesses in research and development, with at least 20% coming from small and medium-sized enterprises; increasing our manufacturing exports by 15%; supporting 200 projects through the creative industries innovation fund; increasing visitor numbers to 3.6 million by 2013; increasing tourist revenue to £625 million by 2013; and introducing an extension of the small business rate relief scheme until 2015.

Today, we are also announcing our decision that, when the powers are devolved to the Assembly, we will eliminate air passenger duty on all direct long-haul flights. That can help make Northern Ireland an attractive destination for tourism and investment alike.

Growing a vibrant economy will transform our society, and that will, in turn, form the basis of an economic, social and physical renewal. Through the economy, we will provide people with an opportunity to use their skills to create a wealthier and happier future for everyone here. However, it is important to remember that the economy is a mechanism for improving people's lives and is not an end in itself. This Programme for Government has been developed for the people of Northern Ireland, and it is only by providing our people with the necessary support and encouragement that we will give them the opportunity to rebuild and rebalance our economy.

At a fundamental level, the programme identifies a range of measures designed to meet people's basic human needs, including commitments to deliver 8,000 social and affordable homes and to introduce initiatives aimed at reducing fuel poverty. The Programme for Government also includes commitments to address the issue of childcare and the needs of children through increased preschool education provision. Those are not only good things to do for the sake of the children but are strong economic measures that will promote growth by enabling more parents to participate in the economy.

With the devolution of policing and justice powers, we have taken responsibility for those key areas. We will also take action to improve community safety by tackling antisocial behaviour and crime against older and vulnerable people by, among other measures, more effective and appropriate sentencing.

Our Programme for Government also includes more innovative measures, such as the new £80 million social investment fund, which will address dereliction; promote the physical regeneration of deprived areas; improve pathways to employment for people who are not working; and tackle deprivation in communities.

### **11.15 am**

One of the key challenges for this Assembly term will be to deal with the legacy of division in our community. That is why I am determined that, over the course of this Programme for Government, we really begin to break down the barriers. I want to see us moving towards the day when, with the agreement of local people, we rid ourselves of the community divisions that have manifested themselves in so-called peace walls and all the tensions that go along

with them. The divisions in our community were not created overnight and will not be solved overnight, but we must make a start, and there is no more important place to start than with our young people. That is why we will review how we can advance shared education to ensure that all children have access to shared education programmes.

The direction of travel that is mapped by these commitments flows from our determination to build a united community. No past Government, devolved or direct rule, has displayed our level of ambition to remove the "them and us" educational experience that so many of us faced in our youth. No past Government, devolved or direct rule, has displayed such a level of resolve to build a new society through encouraging, step by step, our young people to grow together rather than apart. What an example it will be to see children working and playing together.

The Programme for Government sets out a challenging agenda for all of us. The Executive alone cannot take forward all the reforms that are necessary to deliver this programme. We need the full and enthusiastic participation and support of people across society, including the public, private and voluntary sectors. In government we need to find ways to engage with the people who use our services, so that we can deliver more effective outcomes with the finite resources available to us.

Public sector reform is not an easy issue to address, but it needs to be discussed openly and honestly. When people in our society are suffering in the aftermath of a deep and sustained global recession, we cannot afford to allow any waste of the valuable resources to which we have access. There are commitments in the programme that reflect this reality, including the implementation of local government reform and commitments to agree any changes to post-2015 structures of government in 2012 and improve online access to government services.

Alongside the Programme for Government, the investment strategy for Northern Ireland (ISNI) is another key vehicle for reform. At a time of financial cutbacks, it is extremely important that we spend every penny carefully and wisely. More than ever, the investment strategy is needed as an essential planning tool. It enables us to prioritise infrastructure programmes that will deliver the best return and secure value for



money. It also supports our efforts to protect jobs and to rebalance and rebuild the economy.

The current plan includes proposals for some £12.5 billion of expenditure. Although that amount is a reduction on that in the previous investment strategy because of the UK coalition Government's significant reduction in our capital Budget allocation and may reduce further as a result of the recent announcement by the Irish Government in relation to the A5 and A8 road projects, it is, nonetheless, a very substantial base on which we can develop our assets.

The investment strategy includes plans to complete the Londonderry to Coleraine rail relay; progress the transport master plan for Belfast city centre as part of a scheme for the introduction of rapid transit in Belfast; commit significant investment to the electricity grid and interconnection, so that consumers benefit from the single electricity market and security of supply is improved and to ensure that wind energy can be utilised more effectively. The strategy also plans to maintain the condition of the motorway and trunk road network, which extends to 25,000 km of public roads and footways.

In addition, there are measures in the investment strategy to support and develop our people. For example, approximately £2.3 billion is to be invested in our health infrastructure over the next 10 years. Proposals include building a network of primary and community-based care centres and approximately £2.5 billion to be invested in our social infrastructure, such as the Metropolitan Arts Centre.

The Programme for Government and the investment strategy for Northern Ireland reflect our commitment to build a better future. However, those key plans also include specific actions to deliver against our commitments. The reality is that we cannot simply react passively to world events as they happen. We need to proactively seek out the opportunities for Northern Ireland to become a leading light in the recovery that will inevitably follow the bad times.

Four years ago, we began a new journey and a new era of devolved government. For the first time in a generation, we completed a full Assembly term and began the job of building a better future for the people of Northern Ireland. In four years' time, it is not survival but delivery on which we will be judged. That is a measure of how far we have come. The Programme for Government and the investment strategy give us the platform on

which we will build. We have overcome many difficulties and hurdles along the way, and, in the next four years, we will demonstrate that politics can and will work to ensure that Northern Ireland becomes a better, brighter and more prosperous place in which to live.

I will now hand over to the deputy First Minister, who will set out other aspects of the Programme for Government and the investment strategy.

**Mr M McGuinness (The deputy First Minister):**

Go raibh maith agat, Mr Speaker. I would like to thank the First Minister for introducing the Programme for Government and the investment strategy. I want to build on some of the things that have been touched on so far and to focus Members' attention on some of the most important aspects of the programme and the strategy before us today.

I share the view that we can compete with the best that the world has to offer. One excellent example of that is Derry city winning the City of Culture title against tough competition. Just think for a moment about the scale of that win for everyone. In the six months to June 2011, enquiries at the tourism information centre from international tourists were up by 57%. There are plans to build six new hotels for 2013 and to open a number of new camp parks, and existing hotels are seeking to extend. That will leave a lasting and positive mark on the north-west.

The fact that a city that has a relatively small population was able to draw on such a deep well of talent to win such a prestigious prize is testament to not only Derry but the North generally, and it is by no means the only example. In 2013, the World Police and Fire Games are due to be held here. That will be a huge global sporting event, which came here not by accident but because the organisers know that we can deliver. The important point is that we have momentum building, and we need to capitalise on that momentum to ensure that we reap the long-term benefits from our confidence and the international interest we enjoy. However, that is not going to happen by accident.

The Programme for Government is our opportunity to consolidate the progress that we have made, to deal with the very real and challenging issues that we face and to confirm how we plan to move ahead over the coming years. For the programme to mean anything, it needs to set out our plans in very simple terms, and that is why we have chosen to structure it



around specific commitments to our people. Those commitments reflect issues that people are telling us about.

Before we look at some of the commitments that we make in the programme, it is worth thinking about what is happening across the world and how we should react to that. The first thing to understand is that the economy has changed radically. To put it simply, we collectively — I include all of us in this — need to raise our game in order to improve the economy. However, we are determined to strike the right balance between addressing the need for economic growth and tackling poverty and disadvantage. We need to work on a level playing field by pressing hard for the devolution of corporation tax. We need to go after £300 million of foreign direct investment and to ensure that we include social clauses in all public procurement contracts for supplies, services and construction, so that local people benefit from departmental expenditure.

What we are seeing at an international level is a move away from paper assets of questionable value towards physical assets that have a definite and increasing value. In other words, the economy is beginning to reflect the true price of raw materials and energy. That is not a temporary change but a long-term trend that reflects the growing pressure on resources worldwide. Against that backdrop, we cannot simply go after growth at all costs. We need to go for sustainable growth, and we need to be much more careful about how we use energy and raw materials, because the market will demand it. In fact, the market is already demanding it. A quick drive past the Belfast shipyard, where they are assembling huge wind turbines, demonstrates the extent to which energy is valued today. Similarly, a trip to a factory in Portadown that makes 50% of the egg boxes in Britain from recycled paper demonstrates the way in which the value of resources has changed.

The rules of the game are changing, so we, too, need to change. We need to make the very best use of our physical assets, such as our beautiful environment, and reduce the size of our ecological footprint in the process. That is why the Programme for Government includes a commitment to invest over £500 million to promote more sustainable modes of travel; a commitment to reduce greenhouse gas emissions by at least 35%; a commitment to

encourage industry to achieve 20% of electricity consumption from renewables by 2015; and a commitment to improve the thermal efficiency of Housing Executive stock and ensure full double glazing in its properties.

The new rules of the global economy go beyond physical assets. We need to ensure that our people operate to the very best of their capabilities. When huge countries such as China and India are skilling up and improving their economies exponentially, we need to work hard to ensure that we have something unique to offer so that we can carve out a unique role for ourselves in the global economy. Our people must be at the centre of our plans for economic growth.

Taking that into account, the programme also contains commitments to increase the proportion of young people from disadvantaged backgrounds who achieve at least five GCSEs; improve literacy and numeracy levels among all school leavers, with additional resources targeted at areas of educational underachievement; insert social clauses into procurement contracts; increase the number of university places in economically relevant subjects such as science, technology, engineering and mathematics, leading to an increase in the number of graduates in those subject areas; and an Education and Skills Authority (ESA) that will be operational in 2013.

Sometimes, in discussions about the economy, we lose sight of people. I sometimes hear talk about economic growth and equality as if those were conflicting and contradictory aims; nothing could be further from the truth. People deserve equality; it is their right. Equality is also a key factor in economic growth. When people find themselves to be discriminated against on the basis of their gender, skin colour, religion, political opinion or sexual orientation, there is a danger that they will not be able to make their unique contribution to society. Strong economies know that inequality is a luxury that they can ill afford. For example, although they have had their own challenges over the years, several Scandinavian countries have performed very well economically while holding firm to the principle of equality. It makes sense when you think about it. Relative inequalities cost more in terms of mental health, drug and alcohol misuse, violence, educational outcomes and physical health. So we need to ensure that, as we move ahead and grow our private sector, we keep the principle of equality at the forefront

of our thinking. Equality is a moral imperative, and we cannot have a society where certain groups, by virtue of their gender, race or religion, for example, should be excluded unfairly from an opportunity to secure all the benefits that our society provides. Equality also makes good business sense. If we unfairly exclude certain sections from participating fully in our society, we all lose. Equal societies always do better across all the indicators that are measured.

We need to keep a very close eye on equality during the turbulent times in which we live. The reduction in public expenditure and the aftermath of the major recession will undoubtedly have a very serious impact on the poorest in our society, with all the associated financial and human costs that that entails. I see worrying reports that unemployment is increasing again, particularly among young people. While we cannot control the global economy, it is the duty of everyone in the Assembly and in the Executive to do everything in our power to ensure that the impacts of the global recession are mitigated.

### 11.30 am

The Programme for Government recognises that imperative and focuses on a range of commitments, with the express purpose of tackling disadvantage. For example, there are commitments to fulfil our obligations under the UN Convention on the Rights of the Child; to tackle rural poverty through a £13 million package of funding; to use the £20 million per annum social protection fund to help individuals and families facing hardship due to the current economic downturn; and to introduce new health and social care measures to tackle long-term or chronic conditions that tend to impact disproportionately on people who are deprived.

In addition to those commitments, we have made broader decisions in the Programme for Government that will help to improve the quality of life of everyone and that will have a particularly positive impact on people who are experiencing deprivation. For example, tackling antisocial behaviour will make a huge difference to the people and communities who have lived through some of the most difficult economic and social conditions here.

We must go well beyond making conditions better within the existing framework. If we are to move ahead, we must find new ways to engage between communities and to encourage

communities to engage with each other. For example, there are plans to deliver at least 30 schemes to improve landscapes in public areas in order to promote private sector investment. Undoubtedly, those will improve the use of shared space, building on some of the excellent work that communities are taking forward.

We have some major physical assets that can make a real contribution to those efforts. For example, the programme includes key commitments to develop Maze/Long Kesh as a regeneration site of regional significance; to develop and implement the One Plan for the regeneration of Derry, incorporating the key former military sites at Fort George and Ebrington; and to significantly progress work on the plan for the Lisanelly shared education campus, which will involve a range of schools in Omagh from different sectors and with different ranges of ability coming together on the same site. The good news is that all those projects and initiatives, which promote sharing of space, are working in the same direction as the tide of history. They reflect a new dispensation at a political level.

Beyond that, we need to remember that distance is not what it used to be. We really need to keep that at the forefront of our minds as we rebuild and rebalance our society and the economy. Places that once accepted a level of isolation and marginalisation now find themselves fully engaged with the rest of the world. That is not a theoretical concept but a day-to-day fact. It is obvious to anyone who visits us that we have changed. People will hear new accents and languages. That development should be welcomed by all of us. For the first time, we are no longer a society isolated at the edge of Europe; we are very much a part of the global community.

The investment strategy is an extremely important strand in achieving the transformation that we have set out in the Programme for Government. It is, of course, a greater challenge in the context of a reduced overall Budget compared with previous years. However, I also believe that the reduced Budget represents an opportunity to really think carefully about what it is we are prioritising. The aim must be to deliver a balanced programme of investment that can underpin economic growth while focusing on equality and sustainability.

We are acutely aware of the difficulties facing workers, particularly those in the construction sector. Where it is appropriate, therefore, we

will seek to bring forward investment in those public works that are more labour-intensive in preference to schemes that deliver a lower employment impact. I mentioned some of the key regeneration projects that will help us to achieve sustainable growth. I am sure that, at this stage of proceedings, Members would not thank me for listing all the investment strategy commitments. I also want to make sure that I do not spoil the ending for Members when they read it themselves.

However, it is worth highlighting some of the key schemes to demonstrate that we are taking action and moving forward. For example, we expect that construction work on the three sports stadiums, as agreed with the IFA, the GAA and Ulster Rugby, will commence in 2013. It will provide a significant economic boost during construction and create regeneration opportunities in the areas in which they are sited.

The construction of the new police, prisons and fire training college outside Cookstown will make a significant contribution to the improvement of front line services and create an unprecedented opportunity for all three services to work and train together in a way that was not possible in the past. It will also provide a significant boost to employment and regeneration in the wider area.

The advancement of the relocation of the headquarters of the Department of Agriculture and Rural Development (DARD) outside Belfast by 2015 is an important initiative to enhance the availability of quality public sector jobs in rural areas. More than £2 billion will be invested in our education estate over the life of the strategy. There will be a capital grants scheme for our universities, helping them to plan ahead strategically. The social and affordable housing development, decent homes, warm homes and disabled adaptations programmes will continue to be delivered, sheltering and supporting those who are most in need.

In conclusion, we have a Programme for Government for everyone and an investment strategy that will be a catalyst for our agreed outcomes, whether in the public, private or community sectors. I pay tribute to all the officials who have been involved in the very difficult work of putting all this together in recent times. I thank all the Ministers in the Executive for the very positive way that the Executive meeting was held last night. I commend the

Programme for Government and the investment strategy to the Assembly. Go raibh maith agat.

**Mr Elliott (The Chairperson of the Committee for the Office of the First Minister and deputy First Minister):**

I thank the First Minister and deputy First Minister for bringing the draft Programme for Government to the House today. I would like to put on record my thanks and those of the Committee for the work that has gone into it so far. I welcome the eventual publication of the Programme for Government, the investment strategy and the economic strategy. The Committee for the Office of the First Minister and deputy First Minister has not had the opportunity to view or to digest the document in any great detail until now, but I thank the First Minister and the deputy First Minister for meeting the Deputy Chair of the Committee and myself at 10.30 am today.

Obviously, I would have preferred it if the document had come forward some months earlier, but the fact is that it has come now, and I am not going to be begrudging. It would be quite easy for me to begrudge it, but why should we do that now? I have called for the document for eight months so I am pleased about and welcome its publication and look forward to working with it.

There are areas in the document that, I assume, the Committee for the Office of the First Minister and deputy First Minister will have issues with and may wish to see changed. There are issues that we may wish to see included that are not, and issues that we would like to see moved on as quickly as possible. We will make those issues clear during the consultation period. We will use that opportunity to do that, as I am sure every party will.

I note that the draft PFG states that the Executive will:

*“deliver a range of measures to tackle poverty and social exclusion”.*

I wonder whether there is any thought process as to how those measures will be delivered and whether there are any specifics within them.

Secondly, the draft notes that the Executive will:

*“agree any changes to post-2015 structures of Government in 2012”.*

I ask the First Minister and deputy First Minister to ensure that all representatives, all parties

and all Committees are included in that process and that we are not just lumbered with a document that is a *fait accompli*. I would like assurance that we will all be given reasonable opportunity to feed into that process.

Thirdly, it is curious that there are some issues not included in the PFG that were in the Budget that was agreed in March. Will any significant changes to the Budget be required because of the PFG and investment strategy?

**Mr P Robinson:** I thank the Chairman of the Committee for the Office of the First Minister and deputy First Minister for what I think was a welcome for the programme. Of course, the Committee will want to read it thoroughly, discuss it as a Committee and, perhaps, discuss it with us.

Of course, we will look with great interest and seriousness at whatever recommendations the Committee makes. It may be worth pointing out that this is not a fixed and final document. It is a consultation document, and although we have gone over a number of the features that are in it, it is going out for public consultation. The public have until 22 February 2012 to let us have their comments and views, after which — very quickly, I hope — we will be able to consider those comments and produce a final document. The deputy First Minister and I view it as a work in progress, and we are very willing to listen to good ideas and comments as we proceed.

Mr Elliott referred to the structures of government in 2012. I draw his attention to page 52 of the document, where the key commitments and the milestones and outputs are recognised. He will see that, under the reference to the key commitment to:

*“Agree any changes to post-2015 structures of Government in 2012 (OFMDFM)”*

it states:

*“(To be carried out in consultation with political parties)”.*

That was a point that his colleague made last night and one to which there was no resistance on the Executive.

The Budget commitments that are contained in the document are based on the Budget as it stands. If further funding comes by way of Barnett consequentials or the Budget review group finding additional money, the situation

will be improved. If we are given power over corporation tax issues, it is clear that we will have to revisit the targets in the Programme for Government and the investment strategy and those in the Budget. A number of features will change, but that is politics, as we have to react to the circumstances of the time.

Our approach to addressing poverty and inclusion will be based on the poverty outcomes model, which is designed to show where interventions will have the most significant effect in tackling multigenerational poverty. We have set aside £80 million for the social investment fund and £20 million in the current year for the social protection fund, with a commitment to attempt to find that funding for the additional years. The funds are specifically directed to those in greatest need. We have consistently argued that when we talk about poverty and child poverty, we are talking about poverty in the home. The best way in which to deal with poverty is to find people a job so that not only can they be productive in their own lives but they can have a wage that helps to keep their families. It is all tied up with the economy and getting more jobs into Northern Ireland. I am sure that my colleague the Minister of Enterprise, Trade and Investment will have more to say about that when she unveils her economic strategy.

**Mr T Clarke:** I thank the First Minister for his statement. I congratulate him on the foreign direct investment that has been brought into the Province in the past number of years. What is it that has made Northern Ireland such a place for that foreign direct investment?

**Mr P Robinson:** The deputy First Minister and I know the answer to that. I think that I said earlier that we were at Allen and Overy yesterday, but it was two days ago. That is something to do with the time at which we write our speeches. Therefore, a couple of days ago, the representative from Allen and Overy, when asked that same question, said immediately that the answer is the people.

For the size of our community, we probably have more young people than any other part of Europe. Sixty eight per cent of our population is under the age of 40. Clearly, I am in the minority, Mr Speaker. Those young people are well-educated, and we have better exam results than anywhere else in the United Kingdom. We have better exam results than the Republic



of Ireland. Therefore, we have people with the skills who are ready to do the work. We have a culture in common with North America, from where a very considerable amount of our new business and investment is coming.

We have a first-class technology infrastructure in Northern Ireland that has helped us to draw in jobs, particularly in the areas of IT and financial and business services. From that point of view, we have all the necessary ingredients to make Northern Ireland a very attractive place. Add to that a lower level of corporation tax and we will have a first-class environment that will be unbeatable.

#### 11.45 am

**Mr Murphy:** Go raibh maith agat, a Cheann Comhairle. Ba mhaith liom buíochas a thabhairt do na hAí. I very much welcome the statement this morning about the Programme for Government. The Committee for Finance and Personnel, which I Chair, will look forward to receiving information on the monitoring arrangements for it, the targets in the Programme for Government and the targets in the Budget, which should reflect the Programme for Government.

I will give the deputy First Minister a chance to answer a question. There are commitments in the Programme for Government to £80 million for the social investment fund (SIF), as has been referred to by the First Minister, which will address dereliction and promote the physical regeneration of deprived areas, and £40 million to improve pathways to employment, tackle deprivation and increase community services. How does the deputy First Minister envisage —

**Mr Speaker:** I encourage the Member to finish.

**Mr Murphy:** How does the deputy First Minister envisage those being taken forward to achieve their intended outcomes?

**Mr M McGuinness:** The social investment fund and the social protection fund were key initiatives to deal with the huge challenges that we all face as a result of the economic downturn. The social investment fund is designed to reduce poverty and disadvantage, based on objective need. It is recognised that some areas that have needs or are at risk may not be included in the neighbourhood renewal areas. The social investment fund, therefore, will enable communities to research and to

include those areas in their action plans. Needs will have to be supported with evidence and will have to justify government intervention. There also needs to be evidence of community engagement; that is very important.

A public consultation on our proposals for SIF was launched on 27 September and will run up to and including 23 December 2011. The consultation process that is under way includes discussions on the extent and make-up of the zones. The zones have provisionally been identified to include disadvantaged areas and areas where there are educational needs, but they are also flexible, so can include other areas that may be at risk. They also enable the action plans to incorporate economic hubs as potential drivers for change in areas. The SIF is additional to existing programmes, but it will provide a joined-up government response to target needs in the areas. The £80 million will also act as leverage to bring in other funding from government and other sources to target interventions in areas. There is £79 million of the social investment fund profiled in years 2, 3 and 4 of this comprehensive spending review. Therefore, it cannot be spent in this financial year.

In addition to the social investment fund, the Executive have further proposed an £80 million social protection fund to assist those who are most in need in the wider community. The social protection fund programme will target individuals and families who face hardship due to the current economic downturn and pending welfare reforms.

These are very important programmes. The social investment fund is designed to tackle deprivation and the need for regeneration in areas, not just of a physical nature but to deal with the huge challenges faced by people who are marginalised and live in disadvantaged communities in regard to their well-being and the promotion of the well-being of their families. That has been generally well accepted in the Assembly, but it will be tested over a period to establish how it is working and how it is making fundamental changes to people's lives.

**Mr Speaker:** Before I call Dr Alasdair McDonnell, I remind Members that we should have questions to the statement. Let us not have further statements and then a question.

**Dr McDonnell:** Mr Speaker, thank you very much, but sometimes you have to explain your question, and — *[Laughter.]*

**Mr Speaker:** Order. I encourage the Member not to do that. *[Laughter.]*

**Dr McDonnell:** Thank you very much, Mr Speaker. I welcome the statement, in that we now have something to work on and it has very good points. However, there are some very big holes in it, which we will begin to dissect later. To me, it seems to suffer from a serious medical condition called total homonymous hemianopia. The man from Strabane would say: "it is very blind on one side". It has managed to pretend — *[Interruption.]*

**Mr Speaker:** Order. Allow the Member to come to his question.

**Dr McDonnell:** Thank you, Mr Speaker. I am only learning to be leader and they should be kind to me. Is that not right? *[Laughter.]*

The document has managed to pretend that the rest of the island does not exist and vast opportunities for North/South co-operation have been ignored. However, we will come to that again. My concern is that in the previous Programme for Government, we had a commitment to the elimination of child poverty. Now, all we have is a commitment to:

*"fulfil our commitments under the Child Poverty Act to reduce child poverty".*

I am not sure that if I went down the Newtownards Road, the Falls Road or the Shankill Road and told people that we would be providing them with a poverty outcomes model that they would be impressed with this Programme for Government. There is a serious issue of poverty in our community and on the ground, and I plead with the First Minister and the deputy First Minister to do something about it. Our child poverty levels have increased —

**Mr Speaker:** I must insist.

**Mr M McGuinness:** I will resist asking for a medical dictionary to translate some of the comments that were made during the course of that question.

In relation to child poverty, officials in our Department have been working with other Departments on a child poverty reduction pilot study. That study was planned in advance of announcements in the welfare reform programme that those in work and on benefits will be able to retain more of their income. People on benefits and in work are allowed to

retain a fraction of their income before their benefits are cut on a pound-for-pound basis. The study aims to measure the reduction in child poverty in low-income families that could result from engagement in a few hours' work without losing benefits and assess the difficulties that people face in seeking to access work, such as problems with childcare and transport, and any other issue that might arise.

The child poverty strategy was published on 24 March and sets out the actions proposed by the Executive to address the issue of child poverty here. Over the summer, the junior Ministers met departmental and non-departmental members of the poverty and social inclusion stakeholder forum to discuss the Departments' respective inputs to a child poverty action plan and to seek the views of the non-departmental members on what they would like to see in the plan. The stakeholder forum, which is chaired by the junior Ministers, met on 27 October 2011 to consider draft versions of the child poverty strategy action plan and the associated outcomes model to drive progress of the plan towards eradicating child poverty here.

So, under commitment No 43 we are pledged to:

*"fulfil our commitments under the Child Poverty Act to reduce child poverty",*

complete the child poverty action plan, which will be based on the poverty outcomes model that is designed to show the interventions that will have most significant effect in tackling child poverty, and ensure that the action plan is consistent with the commitments made.

I think that it is very clear that we are dealing comprehensively with a huge challenge. We all recognise that, particularly in the context of the first Programme for Government, we had very challenging targets to reach. Also, against the backdrop of recognising that that Programme for Government was set in place, we were then hit with this avalanche of a world recession, which had a major impact on lots of things, not least the fact that when a new Government was elected in London, we saw very stringent economic measures put in place that deprived us of in the region of £4 billion for important infrastructural projects. So, these are huge challenges, but there is a duty and a responsibility on every Department to recognise the role that it has to play in moving forward.

Obviously, the North/South and east-west links are hugely important in helping us to deliver our priorities, and we are committed to developing them through day-to-day contact between Administrations as well as formal structures, such as the North/South Ministerial Council, which will meet tomorrow in Armagh, the British-Irish Council and the Joint Ministerial Committee. Through those activities and mechanisms, we will continue to work closely with the British and Irish Governments and other Administrations in ways that are both practical and mutually advantageous. That will bring benefits in respect of transport, infrastructure, trade and enterprise and will support progress across important sectors, such as agriculture, tourism and health. It will also help us to tackle major issues, such as social exclusion, barriers to mobility and fighting crime.

This afternoon, the First Minister and I will meet with the Taoiseach, who is in the North today and tomorrow for a number of engagements. That provides a further opportunity to ensure that we are consistently seeking to develop North/South relations in a way that is advantageous for all of us and for each of the Administrations on this island.

**Mr Lyttle:** Mr Speaker, I would be grateful if you were to give me half the time afforded to Dr McDonnell for his diagnosis of the problem.

**Mr Speaker:** It does not work that way. *[Laughter.]*

**Mr Lyttle:** I welcome the delivery of the Programme for Government for consultation and I encourage the wider community to participate in the process. As a member of a party that has stood and sacrificed for cross-community co-operation and delivery from the day and hour of its foundation, I welcome the key aim of building a shared community and the specific target of delivery of an overarching community relations strategy for the economic imperative of tackling the cost of division.

In that context, given the First Minister's expressed aim of delivering an effective and shared education system, why does the new Education and Skills Authority propose to create controlled and maintained sector support bodies but no integrated sector support body?

**Mr P Robinson:** I am not sure that I will answer in the context that the Member laid out. However, I appreciate his welcoming of the Programme for Government and his

encouragement for people to respond to the consultation.

I recognise that there are many in this community who believe that our future is, to some extent, dependent on the extent to which we, as a community, can come together. There is no better place to do that than the school yard. Therefore, there is every encouragement in this Programme for Government for people to recognise that we have determined a direction of travel. It is not a light-switch matter where one day we can be in our present circumstances and the next be in a shared education system; it will be a step-by-step process. If, in the consultation process, the Member wants to make suggestions as to how ESA can be improved, we will listen to what he has to say.

It is a tremendous step forward. I was particularly happy to hear the endorsement that ESA was getting from people who are stakeholders in the education sector, and it is a testimony to the hard work that has gone in that so many people are supportive of where we are. There will always be detractors, and there will always be the ability to improve it, but that is what a consultation process is about.

**Mr McLaughlin:** I also welcome the publication of these statements today. I have a particular welcome for the explicit reference in both documents to social clauses in public procurement contracts for supplies, services and construction. Will the deputy First Minister explain how social clauses will help the economy and individuals, particularly those who are unemployed?

## 12.00 noon

**Mr M McGuinness:** Many people will welcome the inclusion of social clauses in public procurement contracts for supplies, services and construction. In seeking to secure the maximum social return for public expenditure, we will include social benefit clauses at every stage of the procurement process, whether for construction, services or supplies.

The use of social clauses in contracts can deliver skilling, reskilling and training opportunities, for example apprenticeships or on-the-job training; create employment opportunities for the long-term unemployed; encourage equal opportunities for all, regardless of gender, race or disability; and support SMEs and social enterprises. Of particular advantage to



the Executive is the ability to match investment in an area while taking account of the need to get local people into employment. Contracts will carry a core requirement to target the recruitment and training of local people. Such a process can, as we know, help regenerate some of our most disadvantaged communities.

By ensuring that social clauses are appropriate to the size of the contract, we will ensure that their use does not have to add to the cost of the contract. One contractor who has experience of working with contracts containing social clauses found that their use was the deciding factor in their securing additional work worth £100 million when in competition with competitors who did not have community benefit targets in their contracts. We would welcome a commitment from local councils to adopt a parallel process.

A recent example that I heard at first hand was the building of the Peace Bridge in Derry. Twelve people who previously would not have had the opportunity to gain employment or apprenticeships went into that project with the support of the contractors. I spoke to the contractors at the end of the project, on the very day that the First Minister and I were in the city to see the opening of the bridge, and they were full of praise for the young people who took up employment and have bought into the inclusion of local people in contracts in a very big way.

We ignore those benefits at our peril. I am very pleased that all parties in the Assembly are very supportive of not only continuing with this approach but intensifying it.

**Mr Ross:** I welcome the announcement that the Executive will eliminate air passenger duty for long-haul flights once that power is devolved. I acknowledge the work that a number of Executive Ministers have been engaged in to get that lever devolved to this Assembly. Will the First Minister explain what opportunities there are to expand the number of long-haul flights from Northern Ireland? What would the importance of that be to Northern Ireland and our economy?

**Mr P Robinson:** My colleague, the Minister of Enterprise, Trade and Investment, is already in discussion with airlines with the expectation that she will be able to offer them a zero rate of APD for long-haul flights. That is bound to move some people over the line to where it becomes a profitable and worthwhile venture.

From the experience that the deputy First Minister and I had in the United States, I know the impact that the danger of losing the continental route was having on some of the companies that we had been dealing with who regularly use that route as a connection between their business base in the United States and their satellite in Northern Ireland. It is a vital route for us, and, if we can expand that, it will clearly be useful in attracting foreign direct investment.

It will also be very significant for tourism. I expect that Northern Ireland will become a popular entry point to the British Isles as a whole, because that will allow airlines to take advantage of our zero level of APD and become more competitive by landing at Belfast rather than anywhere else in the British Isles. There is great potential there as well. It will also, I think, open Northern Ireland up as a hub for a wider range of airline routes.

It is a good news story for Northern Ireland. We have to wait until the Westminster Government bring forward legislation to empower us. However, we have put into the Programme for Government a clear indicator of what it is our intention to do as an Executive once that power is available to us.

**Mr McNarry:** Question 8, Mr Speaker. My supplementary is as follows. I welcome the news of free nursery school places, as I welcome the progress on ESA and the commitments to upgrade attainments. However, the dark cloud of school closures hangs over that good news. Will the Executive commit today to an early implementation plan locked into building new schools on new sites, so that we and parents can compare what is going up and what is coming down?

**Mr McGuinness:** Obviously, that is an issue on which the Minister of Education will have to advise the Executive. There is a very ambitious programme, albeit against the backdrop of difficult economic circumstances, for an investment of something like £2 billion in schools in the coming years. The major decision that has now been taken to establish the Education and Skills Authority provides a real opportunity to ensure that the sort of matters that you have raised can be dealt with much more sensibly, given the previous divisions in education.

We will see a unified approach with all the attendant benefits, not just for the schools

estate and the huge challenges and the decisions that will have to be taken in that regard. Everyone in the Assembly is very supportive of the need to intensify the sharing of educational facilities and of greater interaction between schools in the time ahead. The Minister of Education will put in place an advisory group alongside the establishment of the Education and Skills Authority to advise him on how we can intensify sharing in educational establishments. All of that bodes well for the future. However, it is very much in its infancy, and we will test it over a period.

In our Programme for Government, there is no reluctance whatsoever to face headlong into the challenges before us in further improving our system of education.

**Mr McElduff:** Go raibh maith agat, a Cheann Comhairle. I, too, welcome the agreement of a draft Programme for Government. My question relates specifically to the commitment to establish an Education and Skills Authority, which we are told will be operational in 2013. Will the First Minister outline the timetable for implementation of the Education and Skills Authority? Secondly, I welcome the inclusion of a strategy for the Irish language under the Programme for Government priority of building a strong and shared community.

**Mr P Robinson:** Mr Speaker, in asking that question, he answered it as well. The Programme for Government sets out clearly the Executive's intention to establish the Education and Skills Authority. I am delighted that we have been able to reach agreement on that issue in a way that, unlike the previous proposal, includes the transferors as part of the new structure. That is beneficial. It is welcomed by them, and the Minister is taking the proposals forward.

Consistent with the Hillsborough agreement, the Minister of Culture, Arts and Leisure will bring forward a strategy for the Irish language and Ulster Scots. We look forward to seeing those proposals. I hope that both of those languages can be developed in a way that is apart from political rancour.

**Mr Eastwood:** I welcome the mention of Derry's One Plan in the Programme for Government. As the First Minister and deputy First Minister know, there are 11 catalyst projects in One Plan, ranging from Magee to the City of Culture. Can the First Minister or deputy First Minister tell me

what specific resources have been allocated to deliver those projects?

**Mr M McGuinness:** Delivering economic, social and physical renewal in the area, in line with the One Plan mission statement, which we are committed to developing, represents huge challenges for all of us as we go forward. We also want to ensure that we bring back to use the key development sites at Ebrington and Fort George, pump-priming Ebrington to attract private investment totalling £23 million infrastructure investment over the three years completed. Hopefully, the next phase of that will be open to the public before the end of this year.

Conall McDevitt is whispering all sorts of things behind me and shaking his head. Now he is rubbing his fingers. He cannot wait for the answer. *[Interruption.]*

**Mr Speaker:** Order. Allow the deputy First Minister to answer.

**Mr M McGuinness:** All the issues that the Member raised represent a real issue for the Executive in ensuring that there is financial support not just for the One Plan but for the success of the City of Culture. We have had discussions at the Executive and between ourselves, and there is no doubt that, as the roll-out begins, the financial commitment will be there from the Executive to ensure the success of not just the One Plan but the City of Culture.

It is hard to put a figure on it at this stage, as it is still a work in progress and Departments are still dealing with some of the bids that have come in. However, as time rolls on over the next number of weeks and the process goes out for consultation, it will become apparent before too long what the financial commitment will need to be in terms of support from the Executive to the One Plan objectives and to the success of the City of Culture.

**Mr Spratt:** I thank the First Minister and deputy First Minister for the statement this morning. The Programme for Government makes very positive announcements in relation to shared education. Will the First Minister set out how significant the delivery of those commitments could be in years to come?

**Mr P Robinson:** Effectively, there are three commitments, though they come under two bullet points in the Programme for Government. First, a ministerial-led advisory group will be

set up to look at how we might advance shared education. It will report back to the Minister, and he will report to the Executive on how we can take that forward. Secondly, there is a commitment that all schoolchildren will be given the opportunity to be part of shared education programmes. Thirdly, there is a commitment to increase the number of shared facilities. Therefore, it is hugely significant.

It is the strongest commitment ever made by any Executive or Government in Northern Ireland, a greater commitment than was given even under direct rule. It is a commitment that has legs, in that it clearly shows the direction in which we intend to travel to encourage young people not to look at those who have a different religious background as being different but to participate and to have educational experiences alongside them. We all know what goal we would like to achieve. It will be for future years to determine how fast we can get there, but it is important for Northern Ireland that we do get there.

Finally, as far as shared education is concerned, I recognise that, although people in Northern Ireland have overwhelmingly indicated in opinion polls that they are for it, some people have sensitivities around the issue and are concerned about what it might mean for them. The job of the advisory group that is being set up is to look at where the difficulties might be and at how they can be overcome so that we might move forward together. That is a very strong commitment from the Executive. They do not want to continue with the divisions that happened in the past, from the very earliest of years, when we started looking at others as being different from ourselves.

### 12.15 pm

**Mr McCartney:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis na hAifí as a ráiteas. I thank the First Minister and deputy First Minister for their statement this morning and for the publication of the draft Programme for Government. I welcome the inclusion of the One Plan in the document. I suppose a lesson for some political figures and, indeed, commentators is that you should never base your comments on the first draft of any document. Will the Minister outline what he feels the significance of the implementation and development of the One Plan will be?

**Mr M McGuinness:** I think that it has huge significance for the whole of the north-west,

and I think that all of us understand that a lot of work went into it. When the work began, there were about 1,000 visions of what the north-west would look like. It was vital to ensure that everybody involved in the process was involved in a way that unified them and meant that they had one vision for the future. That is clearly there in the One Plan. It represents a huge challenge not only for people in Derry but for the Executive and all Departments. As we go forward, we all recognise that, on the basis of ensuring that we take seriously our responsibilities for the projects that have been placed before us, we must move forward in a cohesive and united way to recognise that we have to ensure that we give the fullest possible support from Executive level to the implementation of the One Plan. That is especially the case because that area, particularly the Foyle constituency, has been identified in the past 24 hours as an area of huge social disadvantage due to its unacceptable unemployment levels.

The One Plan obviously has a number of very important strands, not least the development of the Fort George and Ebrington sites. The construction of the Peace Bridge has been hugely welcomed everywhere. I remember the scepticism in the north-west when the bridge was first proposed, but I am told that tens of thousands of people have travelled over that bridge in recent times. I have met friends of mine who have come from different parts of Ireland who say that standing on the bridge is like standing in any modern European city. However, they have not seen anything yet. When people see what is at the far end of the bridge, namely the development of the Ebrington site, they will see that we are putting our money where our mouth is by ensuring that we go forward in a way that shows a very serious intent to bring the vision of the people in the city to reality.

Very important in all that is the point that Colum Eastwood made about Magee university. It is hugely important that people recognise that there is a real opportunity there, particularly given the City of Culture achievement and the good implications that all that will have for the city in 2013. I see that as a period of lift-off for the city, and, as we go forward, it is important that all our Departments at Executive level recognise their duties and responsibilities in ensuring the success and implementation of the One Plan.

**Mr Hamilton:** I congratulate the First Minister and his colleagues on producing the Programme for Government and investment strategy. The Programme for Government contains many significant but essential public reform programmes. Is the First Minister confident that the reforms in education, local government and health will be realised in this Programme for Government period?

**Mr P Robinson:** I am. I see a determination and a momentum with this Executive that was much less evident in the last Executive. We have been able to reach agreement in areas that dogged our past four years. There is a determination to find resolutions to problems, rather than creating other difficulties. I am pretty sure that we can work together on the RPA, the ESA and all those issues to ensure that they are addressed within the time frame that we have set down in the Programme for Government. We have set up mechanisms to ensure that timetables are met and that, where there are difficulties, there is a process for dealing with them.

Departments were asked during the period leading up to the Executive meeting to look at each of the targets relating to their responsibilities. They were all asked to satisfy themselves that they could meet the targets that had been set out, and it is on that basis that we have set them down. There are some targets, particularly in relation to jobs and other elements, where we sought to go beyond what the Department had suggested — to stretch the Department — simply because the Department had delivered on previous occasions earlier than at the end of the four-year period. While some targets go beyond what Departments would have been comfortable with at first, I believe that the targets relating to the structural changes can and will be met.

**Mr Lunn:** Like others, I welcome the publication of these documents and, in particular, the reference on page 32 of the Programme for Government to the Maze/Long Kesh development. However, I have some concerns about the sequencing in the document. Is it realistic that, within a year of the launch of the development plan, the Balmoral show could be held at the Maze, particularly as the construction of the site infrastructure is scheduled to start in the same year? Beyond that, is it realistic that the peace-building and conflict resolution centre could be completed the following year, given that the private sector

development partner is only to be appointed in that year?

**Mr M McGuinness:** Obviously, the delivery of an integrated spatial framework and delivery plan to guide the regeneration of the site by March 2012 is very important. Securing approval to commence delivery of the two initial catalyst projects and the development of the peace-building and conflict resolution centre by 2015 and agreement with the Royal Ulster Agricultural Society to relocate to the site by 2013 and facilitating the development that will maximise the site's economic development and potential marketability are all huge issues. As we go forward, we are very determined to ensure that we have in place the body that will take this work forward. We have to be ambitious, and I know from our discussions with the Royal Ulster Agricultural Society that it is very keen to relocate. However, there are sensitive discussions going on between our officials and the RUAS.

The conflict resolution and peace-building centre is inherent in all of that. We have made an application to Europe for vital funds that will go towards its construction, and we know that President Barroso himself is very much involved in supporting the project. When it becomes clear — hopefully, it will become clear in the coming months — that that money will be available, there will be no reason why we cannot proceed with all haste on both projects. As far as I am concerned, these are two flagship projects. We have a huge amount of land available, probably the prime development site in the whole of the island of Ireland. Progressing those two projects will be important, because, once you put what are seen as flagship projects in place, building all the rest around them is much easier.

**Mr McCallister:** I, too, welcome the publication of the Programme for Government. What basis does the First Minister have for so much optimism about delivering on this programme, given that little over half of the key targets of the last programme were met?

**Mr P Robinson:** The Member had better go back and get a better statistical analysis. The monitoring report indicates that the number of those targets that has been met is closer to two thirds than one half. The Member may be genetically incapable of being positive about such matters.

The reality is that we make targets in order to stretch people and encourage them to do



more than would otherwise be the case. As I indicated, all Departments, including the one that is led by an Ulster Unionist, have been asked to look at the targets, to be sure that they feel that they can reach them. Departments have indicated that they can. I hope that the Committees will be able to monitor during the next number of years — depending on which target it is — the performance of the Departments in doing that. We have monitoring arrangements so that the Executive will be kept up to date with what progress is being made.

The Member well knows that a number of targets could not be met over the past four years because of a worldwide recession. As targets were set before the global recession, it is, undoubtedly, the case that the recession had a major impact on Departments' ability to reach them. However, if we had not set those targets or, indeed, had not set the economy as the main plank of the previous Programme for Government, clearly, we would have been less well prepared to deal with what was to come down the road.

**Mr Douglas:** I also welcome of the publication of the draft Programme for Government. I welcome its ambitious job creation target. I am not sure whether my question is for the First Minister or the deputy First Minister. Can those targets be delivered given the current economic climate? How do they compare with current performance?

**Mr M McGuinness:** The target of 25,000 jobs will come from a variety of sources: 6,300 promoted jobs in locally owned companies, with 50% of them paying salaries that are above the private sector median; 6,500 new jobs in new start-up businesses that are supported by Invest NI; 5,900 promoted jobs from inward investors, with 75% of them paying salaries that are above the private sector median; and 6,300 promoted jobs from the jobs fund, with 4,000 of them to be created by March 2015. In particular, we will support new investments that provide job opportunities, especially for people in areas of economic disadvantage, with an emphasis on incentivising new business start-up activity by individuals in neighbourhood renewal areas and by young people in the 16 to 24 age bracket who are not in education, employment or training.

It is, absolutely, an ambitious target. It represents a real challenge to all of us in government, our Departments and, I suppose, Invest NI in particular. Many people will have

heard Mark Ennis, the new chairman of Invest NI, on 'Good Morning Ulster' this morning. However, I remind people that, when Peter Robinson and I set off to the United States of America, Members from a number of political parties in the House told us that, against the backdrop of a worldwide recession and the difficulties in the US economy, we would not secure a single job. We have confounded all of them. As a result of our visits to the United States and the propositions that we have put, we have brought foreign direct investment in the form of thousands of new jobs and attracted many worldwide companies to our shores.

Look at the reinvestment by Citigroup, which has provided 500 jobs. The New York Stock Exchange established the Euronext company, which has brought 500 jobs. The First Minister mentioned our visit, just the other day, to the opening of Allen and Overy's new development. That has brought 317 new jobs. Those companies are world leaders in their field. Many people thought that we would never attract a company of the stature of HBO to the North; however, it came here. In 2010, it employed between 700 and 800 people in Belfast. This year, it is back to make a second series. That will create 700 jobs.

It is obvious that we have the ability to put in place new jobs and attract foreign direct investment. We also have the ability to put in place measures that encourage our own entrepreneurs and small and medium-sized businesses to recognise the important part that they have to play.

### 12.30 pm

Against the backdrop of being asked what our big attraction is, the First Minister spoke about all the things we have to offer. He articulated very clearly the huge advantages that we have, such as a highly educated workforce and people who, when they get a job, are not inclined to leave it and are very loyal to their companies. We recognise the costs that present a challenge to companies when they relocate to Belfast. However, a key element in all of this is that we have peace and people are looking to the Assembly and the Executive, which has been intact for four years. The fact that we have shown that we have the ability to work with each other in a positive and constructive way has had a major impact on potential investors.

The First Minister and I were in London in the past two weeks, meeting people from the financial

services sector, all of whom are looking at what we have to offer. In spite of the doom and gloom over the world recession and what is happening in the euro zone, there are real opportunities out there for us. We do not intend to lie down under the doom and gloom merchants. We intend to look for the opportunities. Over the past two or three years, we have shown that we can seize the opportunities and bring thousands of jobs to the North.

**Mrs D Kelly:** I welcome the publication of the long-awaited Programme for Government. I urge individuals and groups to engage in the consultation process. I welcome the First Minister's recognition that the judgement of the Assembly and particularly the Executive by the community at large will be on the basis of delivery.

We all know that the agrifood sector can provide significant economic opportunities. On page 33 of the Programme for Government there is a reference to particular aims and targets for that sector. However, does the First Minister agree that they are not particularly challenging and are largely aspirational at this stage? Would he welcome a more proactive response by the Department and the Minister to deliver and take advantage of the opportunities that that could present?

**Mr P Robinson:** If there is any sector that does not need encouragement, it is agrifood, which has been tremendously successful, even against the backcloth of the recession. The statistics that were provided to us at the last Executive meeting were very positive. Indeed, it was perhaps the best sector of all those we have experienced. It forms a major part of the economic strategy, so the question might well be placed before the Minister. It is a tremendously important sector for Northern Ireland, it has performed well, and there are excellent opportunities out there. I recently met a team from the Chinese embassy, and we looked at their needs, particularly in respect of pork. There are massive opportunities for us to sell to the largest market in the world. I accept the Member's comments. Perhaps when the Minister gets an opportunity during the economic strategy discussion, she will say something more about that.

**Mr Copeland:** With no cynicism or detraction, I welcome the publication of this consultation document, and I join the calls for people to respond to it. I believe that I am addressing the deputy First Minister. I draw his attention

to page 36, which addresses fuel poverty. Will he allow me a slight observation that it is a little scant on detail at this stage? I can wait for detail. Will he give me some guidance as to the depth of discussions that surround the attack on fuel poverty that we are about to make? Can he also confirm whether the Kirklees method will be used? That method was developed in Northern Ireland by the Northern Ireland Housing Executive, it was tried twice here and was subsequently exported to England, and its use has led to three times as many houses being treated to assist in the fight against fuel poverty for the same money as the preferred option that we have adopted here.

**Mr M McGuinness:** As we all know, too many people are experiencing fuel poverty, and the Programme for Government will focus on tackling that issue. The Government will have a fundamental role in leading improvements and in offering advice and support in the domestic energy efficiency of the housing stock in the owner-occupied and private rented sectors. Improvements in the housing stock will increase thermal comfort in homes and will contribute to carbon reduction targets. The fact that we have made it clear that, in the course of this Programme for Government, the Housing Executive will double-glaze all of its houses, is a very clear indicator of how seriously we take this issue.

I am not familiar with the Kirklees process, but no doubt the Minister for Social Development and his predecessors are aware of it. If it is not being pursued here, and it has been such a success in England, its use needs to be considered. I have no knowledge of that process, but the Minister for Social Development is in the House, and I am sure that he has taken note of what you have said.

**Mr Speaker:** Order, Members, that ends questions on the first statement.

**Mr Allister:** On a point of order, Mr Speaker. Could you explain to the House and the wider watching public why, on this important occasion, only Members whose parties are in the Executive were called to speak?

**Mr Speaker:** Order.

**Mr Allister:** Is there a fear of challenging and critical questions?

**Mr Speaker:** Order. The Member should take his seat. The Member will know and understand —

**Mr Allister:** No, I do not understand.

**Mr Speaker:** The Member will know and should understand that, under Standing Order 18A, which deals with ministerial statements, it is very clear that an hour is given for questions. I warned the House and all Members to be focused, so that we could get in as many Members as possible, and out of the 30-odd Members who wanted to speak, 18 got in. Members need to learn the lesson — the lesson is very clear — and be focused when asking questions on ministerial statements. That is the issue for the House.

I have no discretion to extend the time allowed for questions after a ministerial statement, and perhaps Members need to look at that issue in the Standing Orders. I understand that the Member is a member of the Committee on Procedures, and maybe that is an issue that he and the Committee should look at.

We really need to move on, and I must say to the Member that that was not a point of order. I have no discretion when it comes to ministerial statements, nor, as I said to the Member, have I any discretion to extend the time for questions.

**Mr Allister:** Further to that point of order, Mr Speaker. Perhaps, Mr Speaker, if someone — *[Interruption.]*

**Mr Speaker:** Order. *[Interruption.]* The Member should take his seat. *[Interruption.]* Let me say to the Member that, if he is not careful, he may not get in for a question on the second statement.

**Mr Allister:** Don't embarrass —

**Mr Speaker:** Order. The Member should be careful. He is almost coming to the point where he is challenging the authority of the Chair. He should not go there.

**Mr McCallister:** On a point of order, Mr Speaker. I wanted to draw your attention to the First Minister's reply to me when he questioned my genetic make-up — *[Laughter.]*

**Mr Speaker:** Order. The Member should take his seat. That is not a point of order; let us move on to the second statement.

## Ministerial Statement: Economic Strategy

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** This is an important day for the Executive and the Assembly as we launch the draft Programme for Government, draft investment strategy and draft economic strategy. It is also important for the people of Northern Ireland, as the Executive are issuing those documents today to set out what we are planning to do in the face of some very difficult challenges.

I am very pleased to present the economic strategy to this Assembly. Economic recovery is a central theme flowing through the three documents. A vibrant economy can transform our society and reduce the deprivation and poverty which blights many of our communities. We face a real challenge in growing the economy, not least as the effects of the recent and deep recession will be felt for some time, but I believe that we can meet the challenge, and the strategy sets out what the Executive plan to do over the short, medium and longer term.

We also place a concerted emphasis on implementation. To that end, we will shortly publish a comprehensive action plan, and I assure members today that performance will be tracked and regularly updated against our proposed performance indicators. As I said, we face a very difficult economic climate. Growth across much of the world remains slow and uncertain. Even major economies, such as the United States, face severe problems. The euro zone is also struggling, and we need to recognise the impact that that has on businesses in Northern Ireland. Our labour market continues to face the brunt of the economic downturn. Published yesterday, the most recent labour market statistics indicated that the unemployment rate for the period from July to September was 7.3% — unchanged over the quarter, but up 0.3% over the year.

However, as recognised in the draft economic strategy, our unemployment rate remains lower than that in the rest of the United Kingdom and the European Union average and is considerably lower than the Republic of Ireland's. That doesn't make me complacent. Unemployment is much more than a statistic, for it represents people who have lost a major source of their income. We also have a large number of young people who are unemployed or economically



inactive, and that is a challenge for all us policymakers. Inflation is another problem. Rising costs, particularly in areas such as imported energy, are causing real problems for both individuals and companies.

In recognising the contemporary challenges we face, this draft strategy seeks to address some long-standing issues. They include the need to increase our living standards to levels enjoyed elsewhere in the UK and beyond; the need to rebalance our economy towards greater and more value-added private sector growth, particularly faced with the pressures on consumer and public expenditure; the need to provide support for company development in Northern Ireland in the context of revised EU guidelines, which might reduce levels of assistance; and the need to reduce the levels of poverty and joblessness in the economy.

Those are real and significant challenges, but the draft strategy outlines why we should have optimism and confidence for the future. For example, we have a younger population than the average in the UK and the European Union. We have many local companies which are entering export markets with new and innovative products. We have a skills system that is increasingly focused on the needs of industry, and we continue to outperform the rest of the UK on GCSE and A-level results. We also have many sectors, not least agrifood, which have proved resilient in the downturn. Those are only a few of our strengths, but I recognise the need to harness them and others in order to reach our stated vision for 2030, which is:

*“To have an economy characterised by a sustainable and growing private sector, where a greater number of firms compete in global markets and there is growing employment and prosperity.”*

The draft economic strategy sets out a road map to that destination, but, before I highlight some of the key issues, I want to say a few words about the process that I have put in place to get us to where we are today. In December 2008, I commissioned an independent review of economic policy. I asked the panel to advise me on what was needed to realign existing policies and devise new policies to help grow our economy. I received a report from the panel some nine months later, in September 2009. That report was comprehensive and provided a thorough analysis of our economy and economic policies.

The panel made a large number of recommendations, and I advised the House in January last year that I was minded to accept virtually all of them. A programme was put in place to ensure that those recommendations were implemented, and, earlier this year, I provided the Assembly with an update on progress. The panel recommended that we should set up a permanent subcommittee of the Executive, which I would chair, to prioritise action on the economy. We have done that.

The panel recommended increased autonomy for Invest NI and for the organisation to be more flexible and responsive to the entire business base in order to prioritise action in the key areas of innovation, research and development, and exports. We have done that. However, we will continue to work to ensure that businesses are given flexible solutions to meet their business needs. The panel recommended that the committee should agree an economic strategy, building on its report. We have also done that, and I am presenting that draft strategy to the Assembly today.

#### **12.45 pm**

I have chaired a number of meetings of the economic subcommittee of the Executive, and together we have assessed the challenges we face and the actions we should take. Membership of the committee includes those Departments that have a key interest in economic development. However, in drawing up the strategy, all Departments have been involved. We have carried out extensive research into what works for other small open economies, and it was clear from that work that there is no silver bullet or magic formula to give us overnight success. However, what was highlighted was the twin emphasis on growing the private sector through sustained emphasis on innovation, and research and development. The importance, for some, of a policy lever such as corporation tax was very clear, and I will return to that point later in my statement.

We have used that work to produce a framework for economic growth. In January, I launched the first phase of the consultation on the strategy, built around the framework and the core priority to drive export-led growth. To do so, I proposed that we needed to rebuild and rebalance the local economy. I invited all stakeholders to consider the draft framework and our associated objectives. I was very encouraged by the degree

of engagement and the positive response. That has enabled the Executive subcommittee to build on that initial consultation document and to produce the strategy that I am presenting to the Assembly today.

One of the other recommendations from the review of economic policy was that, as Minister for the economy, I should seek expert economic advice. I have set up a small group, known as the Economic Advisory Group (EAG), chaired by Kate Barker. Kate has brought a wealth of experience and knowledge, and I pay tribute to her and her group for the advice that they have provided. They have helped to shape the strategy and, during the summer, the EAG met the Executive subcommittee on the economy to discuss key issues.

The overarching aim of the strategy is to improve the economic competitiveness of our local economy, mainly through export-led economic growth. That reflects the reality that we are not large enough to rely solely on domestic markets and that we need to export if we are to grow and to create wealth and employment. However, an important message in the draft strategy is that we need to not just deepen our export base but diversify into countries and markets that are showing growth potential. That is why I welcome the PricewaterhouseCoopers report published this week. It stated:

*“the best potential area for growing the economy was to raise the share of Northern Ireland exports focussed on developing economies”.*

In the earlier consultation on the framework for growth, we proposed that the strategy should be built around the twin goals of rebalancing and rebuilding the economy. That received widespread support, and the draft strategy is, therefore, built on those themes. We need to rebalance the economy towards higher value added private sector activity. We also need a stronger private sector in line with our competitors, such as the Republic of Ireland and Scotland. In stating that, let me be clear that I am not diminishing the value of the public sector. Here in Northern Ireland, we need strong public services, not least because of our relatively high levels of poverty and deprivation. However, our public sector needs to be as efficient as possible. That is why the draft Programme for Government highlights some of

the public sector reforms necessary to support overall growth in the economy.

The draft economic strategy is about ensuring that we have a stronger private sector: a private sector that creates wealth and employment. That will not be achieved overnight, which is why we are setting out the draft strategy with a 2030 vision. However, let me be clear: unlike previous strategies, we will not allow this one to simply gather dust. We will keep it under review, and an updated version, including a detailed list of actions and targets for the post 2014-15 period, will be produced when the outcome of the UK Government's next spending review is known.

We have also prioritised the areas where we believe the greatest potential for competitiveness and exports exist. I am grateful for the work of MATRIX, which has identified those areas in the manufacturing sector that have the greatest potential for growth. As part of keeping this strategy under review, we will target our resources where the best opportunities arise across the globe.

I have spoken about the economic challenges that we and, indeed, many other western countries face. I now want to return to the actions and steps that we are taking to build confidence into the local economy. In support of the twin objectives of rebalancing and rebuilding, we have set out a number of strategic themes. On rebalancing, we have five such themes, the first of which is to stimulate innovation, research and development, and creativity.

A couple of weeks ago, I visited Wrightbus with the Mayor of London to see the roll-out of a new bus for London. That is an example of innovation. The Mayor of London, Boris Johnson, said that the bus:

*“showcases the very best of British manufacturing and design”.*

He also said:

*“This is a world-class piece of technology built here in Ballymena. It's the most amazing futuristic design, but it's also the cleanest, greenest bus”.*

*[Interruption.]* Green in the right way. *[Laughter.]* I look forward to the new bus being not just on the streets of London but in capital cities throughout the world.

As I visit many companies, I am very conscious of the new ideas that are springing up,

especially from young people. I have visited the Northern Ireland Science Park, which has had great success in developing high-technology companies. It continues to expand, and I hope that its planned venture in Londonderry is successful. We need to foster and encourage that sort of activity, and we are proposing to invest significantly in that area to build the knowledge economy necessary to support wealth and employment.

Our second theme is based on skills. Above all, our most important asset is our people. As I mentioned earlier in my statement, we are very fortunate that we have a very young population here. We need to provide them with relevant skills, and we need to give companies that are considering investing here the confidence that they will find a skilled, motivated and energetic workforce. We also need to provide people who find themselves out of work with the necessary opportunities to retrain and get new skills.

The strategy is built around economic growth. However, the economy will grow only if firms grow, and the third theme is about encouraging business growth. We have many good firms in Northern Ireland but most are small and medium-sized, and we want to help them to expand. Unfortunately, there is sometimes reluctance, especially in family-owned businesses, to grasp the opportunities that might be open, and we want to help. In saying that, I recognise that there is a major difficulty in the current climate of getting bank finance. I wish that I could solve that, but we have to be realistic. We are looking at areas where we can offer further help, and we have proposed some initiatives in the draft strategy to help with that.

The fourth theme is competing in a global economy. We want to encourage local companies to expand their horizons. If they have not already exported, we want to help and encourage them to do so, and we want to encourage those who have exported to enter new and growing markets. The draft strategy and, indeed, our review of global best practice have confirmed that there is a very close link between exports and attracting foreign direct investment. Therefore, in launching an export-led economic growth strategy, we need to attract further and better foreign direct investment into Northern Ireland and to ensure that those companies become embedded in the local economy through supply chain and other linkages. That is why we, as an Executive,

have called for the powers to vary the rate of corporation tax to support our work in attracting foreign direct investment. I will touch on that specific point shortly.

The final rebalancing theme is developing economic infrastructure. We have invested heavily in infrastructure in recent years, and that can be seen in the many new schools, roads and hospitals that have been built. However, it is not only about physical infrastructure. We need to further improve our telecoms, energy and wider infrastructure as well, and the investment strategy that has been published today shows what we are planning to do with the resources available to us.

Those are the five key strategic themes that, built on our research, we consider will help us to rebalance the economy.

The draft strategy contains various actions and investments that the Executive will resolutely deliver. Those actions are not only for my Department, because the strategy has been developed by the Executive subcommittee on behalf of, and has been endorsed by, the full Executive. However, if we are to be successful, all Departments will have to contribute and work in partnership with the private sector, the voluntary and community sectors and other economic stakeholders. We all have a part to play.

Over the past year, there has been much discussion about the desirability of using corporation tax as a policy lever. We are clear on the benefits that it could deliver, and the Executive have asked for those powers to be devolved to the Assembly and the Executive in a timely and affordable manner. We have been encouraged by the steps that the United Kingdom Government have taken already, particularly on air passenger duty. However, following the recent HM Treasury consultation on rebalancing the Northern Ireland economy, we believe that the time is now right for corporation tax powers to be devolved. The draft Programme for Government contains a commitment to press for those powers so that we can reduce the level in Northern Ireland.

The draft economic strategy also anticipates a successful outcome to the ongoing negotiations with the UK Government. That is because we recognise that it would have the most transformative impact on the economy and would help to strengthen our economic competitiveness. Equally, we recognise that it

would not, by itself, be sufficient to stimulate the wealth and employment that we need. In parallel, we must work to grow the private sector, and I believe that the actions outlined in the draft strategy will help to strengthen our economic competitiveness, irrespective of the outcome on corporation tax.

In the strategy, we have set ourselves some challenging targets on increasing exports and attracting investment. Investment in research and development is vital to a sustainable recovery, and we aim to support £300 million of investment by businesses in R&D and to support 500 businesses to undertake R&D for the first time. I mentioned the importance of skills and employability, so we will increase to 70% the proportion of young people leaving school having achieved at least 5 GCSEs at A\* to C, including English and maths. To encourage our local businesses to grow, we will enable 300 small and medium-sized enterprises (SMEs) to access funding through Invest Northern Ireland's access-to-capital strategy, including a £50 million loan fund for small and medium-sized enterprises. We will also support £330 million of investment in local businesses and support 160 social economy start-ups.

In line with our focus on export-led growth, we will increase manufacturing exports by 15% by 2015. We will also secure investment of £300 million by establishing and growing externally owned companies. At the same time, we will encourage first-time exporters by promoting 60 start-ups selling to markets outside the United Kingdom and 440 new start-ups selling to GB. In particular, we want to support the promotion of 25,000 jobs over the lifetime of the new Programme for Government. That will make a very real impact. Those actions will help us to rebalance the economy.

The other goal in the strategy is rebuilding, and we have set out two further themes on that. The first theme is about promoting accessible employment opportunities across all areas and communities in Northern Ireland, and the second is about providing training and reskilling to those who are unemployed or inactive because of the downturn. We want to address the wider barriers to employment so that people do not become detached from the labour market. Again, the draft strategy contains various actions to help rebuild the economy in the aftermath of the recession. In working to rebuild the economy, we will move

114,000 working age benefit clients into employment by March 2015. We will help the construction industry by upgrading our roads and by delivering approximately 8,000 social and affordable homes over the next four years, and we will stimulate 1,150 new employment opportunities in rural areas by 2015 under the rural development fund.

Developing the draft strategy, which I am launching today, has not been just an academic exercise. It is a document that contains extensive actions and commitments. However, we are already working hard to rebuild and rebalance our economy. We do not have to wait another 20 years, although it may be that length of time before we achieve all our goals.

### 1.00 pm

Earlier this month, I also launched Invest Northern Ireland's Boosting Business initiative. That is a package of new and revamped measures aimed at boosting support to Invest Northern Ireland's existing clients and, importantly, the broader business base. As part of that, the jobs fund, which was launched in the last Budget, has a budget of £19 million to help businesses to create immediate job opportunities. I am pleased that already we have seen companies make use of that initiative, and I am very encouraged by the level of interest being shown.

At the end of October, Invest Northern Ireland had 30 offers of support for selective financial assistance under the jobs fund. Recently, I announced a project by Capita Life and Pensions that will result in 336 jobs. That is an inward investment project, the largest to date under the jobs fund. Equally, local companies are using the fund. Recent examples include Creative Composites in Lisburn and Fresh Food Kitchen and One Stop Data in Londonderry.

With my Executive colleagues, I want to do all that I can now to aid local businesses, especially as they face the current economic difficulties. As I mentioned, the agrifood industry has continued to be successful, with increases in output, exports and employment. We continue to work with that important sector and are putting in place a food strategy board so that we can engage with it better.

Last month, I visited Kurdistan with Invest Northern Ireland and 20 local firms. I was greatly encouraged by the positive response,



and the clear message is that there are opportunities in Kurdistan for companies that want to do business there. We have identified areas for potential co-operation, which we intend to develop over the months ahead. That is just one country. There are many others.

Just last week, I announced the highest ever expenditure by businesses on research and development. Despite the current economic difficulties, local firms recognise that continuing to invest in new products and processes will give them greater competitive advantage in markets where there are still opportunities for growth.

The tourism sector is also very important for us and offers many opportunities over the next few years. I am delighted by the success of the recent MTV Europe Music Awards and am pleased with the way in which Belfast City Council and the Northern Ireland Tourist Board were able to work with a wide range of stakeholders in the public and private sectors to make that event such a stunning success. It showcased Belfast and Northern Ireland in a very positive manner to a huge audience across the world. I congratulate everyone who was involved.

That is just the start of what will be a very exciting couple of years. We recently launched NI 2012: Our Time, Our Place. That is an exciting programme of events, celebrations and commemorations commencing with the Titanic festival next April. That will continue throughout next year, leading to the UK City of Culture celebrations in 2013. We want to see a significant increase in tourist numbers and expenditure, which offers an immediate positive impact on the economy.

Today, I am also launching a tourist development scheme through a targeted call process. It will offer assistance to capital projects and is focused on the themes of culture and heritage, food, music and gardens, large-scale conferences, and events infrastructure. Those will be supported in nine key tourism destination areas across Northern Ireland.

As I indicated, I was pleased that recently we were able to reach agreement with Her Majesty's Treasury about reducing the rate of air passenger duty on long-haul flights. Access is vital to us, not just for tourism but for business. I hope that all that we are doing will bring more tourists here and so create more jobs.

I assure the House that we are very active on a wide range of fronts in addressing the economic challenges that we face. The launch of this draft economic strategy is an important milestone. However, I look forward to engaging in an extensive programme of consultation over the coming weeks to ensure that we have the right mix of actions and initiatives to deliver growth, prosperity and employment.

I have already emphasised the importance of implementation and the need to keep the strategy under regular review. I am confident that if we all work in partnership — within the Executive and across the various economic stakeholders — we will be able to make the necessary changes to strengthen our economic competitiveness.

I am pleased to bring the draft strategy to the House today. It has taken time to prepare, but we wanted to ensure that it was based on research and would address the issues that we face. We also wanted to take on board the many helpful comments that we received from the previous consultation. We need to rebalance and rebuild the economy, and the strategy sets out a framework and actions that will enable us to do so.

**Mr A Maginness (The Chairperson of the Committee for Enterprise, Trade and Investment):**

I thank the Minister for her very detailed statement. On behalf of the Committee, I welcome the economic strategy. The Committee needs time to examine the strategy in detail and to comment on it in detail. However, in September 2009, the Committee welcomed the Barnett report from which the strategy arises. The Committee will continue to be supportive where it is important to support the development of the economy.

I will make some observations. Although the Minister referred to greening Ballymena in her statement, which I support, and which, I am sure, Mr Frew supports, there is very little reference to the green economy. That needs to be addressed by the Minister and I hope that she will do so in answer to my question.

The target of creating 25,000 jobs over the next four years is ambitious. I do not doubt that the strategy should be properly ambitious but there has to be realism in it. I would like the Minister to identify how she thinks that could be achieved. The Minister also said that more than 114,000 benefit clients could move

into employment by March 2015. That is an extraordinary target and I ask the Minister to comment on it. Finally, the Minister also referred to an action plan. I wish the Minister well in developing that action plan after the process of consultation but will it be clearly targeted and focused so that we are not engaged in process but in measuring outputs?

**Mrs Foster:** I thank the Chair for his welcome of the strategy. He is right to point out that it is an outcome of the independent review of economic policy that started in 2008. It is important that we thank Richard Barnett and his team for starting the process and for bringing us to where we are today.

I do not think that I said that I was in the business of greening Ballymena; I said that I was very proud that the bus was one of the greenest available. If the Member looks at page 12 of the strategy, he will see the prioritisation given to the various areas. We have been informed by the MATRIX panel, which is the industry science panel that has been helping us to develop our priorities. The Member will see the number of priorities but if he looks at paragraph 1.16, he will see that it also states:

*"In addition, MATRIX is currently conducting further analysis into the market opportunities presented by the sustainable energy sector. We will also support local businesses to fully exploit the wider potential created through the emerging green economy."*

Therefore it is in the economic strategy and will be developed over the coming years. We are delighted to see the movements that have been made, particularly in relation to DONG down in Belfast harbour. I think that that will act as a catalyst for others looking to Northern Ireland.

The Member is right: creating 25,000 jobs is a very challenging target. Our Department is the victim, as the First Minister would say, of hitting our targets the last time round and the need to stretch ourselves on this occasion. It is absolutely incredible that Invest Northern Ireland was able to hit all those targets, given the difficult times that we were in. Therefore, it was felt that there was a need to try to stretch the target the next time round. The target is 25,000 jobs, which has been broken down into various areas, including foreign direct investment, new job starts and the jobs fund, which will work alongside the other measures during the period of this Programme for Government.

The Chairperson of the Committee commented on the 114,000 jobs target. He will understand that that target reflects the work of the Department for Employment and Learning (DEL) and that it sits with that Department. That is why the action plan will be so critical moving forward. The action plan will allot all those different targets to their particular Departments and charge them with taking them forward. Obviously, those are not new jobs but they will be programmes brought forward by DEL to deal with the impending welfare reform.

I hope that I have addressed all the issues that the Chairperson raised.

**Mr D McIlveen:** I thank the Minister for her statement and welcome the publication of the economic strategy. Given my background, the Minister will not be surprised that I welcome the fact that the document is quite private sector friendly. I want to ask her specifically about the Boosting Business initiative. Will she elaborate on that and, perhaps, comment on how successful the jobs fund has been thus far and how she sees that benefiting the plan to boost business?

**Mrs Foster:** I thank the Member for his comments about private sector growth. That is in the context of everything happening in the economy at present. In response to ongoing challenges facing businesses across Northern Ireland, Invest Northern Ireland has reviewed all its existing products and services to determine whether they can be made available to, or indeed, more easily accessed by the wider business base. We recognise that small and medium-sized businesses do not have the time for all the complicated form-filling that is sometimes required. Therefore, we are trying to make things easier and a lot more flexible for the wider business base.

All those actions have been brought together under the Boosting Business initiative, which comprises five themes: jobs, exports, research and development, technology and skills. Support from Invest Northern Ireland will be available through a combination of advice and guidance, regional seminars and workshops and, of course, financial support. I will write to all Members in the next few days to alert them to the initiative's website and free-phone number. If Members are speaking proactively to members of their local business communities or have constituents who raise issues with them,

they can advise those people to go online to see the range of advice that is available. Importantly, the new free-phone number will be answered by Invest Northern Ireland staff who are aware of all the different programmes available.

The jobs fund was launched on 1 April 2011, and since then, there has been a high level of engagement with businesses and key stakeholders. To date, we have announced 400 new jobs, and there are projects intended to create a further 1,300 new jobs. Those have been approved through Invest Northern Ireland and will be announced in due course in conjunction with the various firms. I have been pleased and encouraged to note the geographical spread of those jobs, which is critical at this time, because we know that jobs have been lost across Northern Ireland.

**Mr McElduff:** Go raibh maith agat, a Cheann Comhairle. I, too, welcome the launch of the economic strategy. It contains many very important initiatives and commitments. The Minister will not be surprised that I will briefly address the issue of rural businesses, which are at a major economic competitive disadvantage because of poor broadband provision. I ask the Minister to detail the strategy of her Department and the Executive for sorting that out.

### 1.15 pm

**Mrs Foster:** I will certainly respond to the Member's question. I am smiling because he asked me to outline what the Executive are doing and it is not so long ago that we were in the House and I did exactly that. It has not changed, Barry; we are still being very proactive in the whole area of broadband, whether it is fibre to the cabinet or through Avanti Communications or North West Electronics. We are trying to find solutions to very difficult problems in rural areas.

The Member knows that telecommunications is a reserved matter. We can enter the field only when there is market failure. We have certainly been doing that; we have spent a very large amount of government resources on broadband. Indeed, as he will know from the debate in the House earlier this week, we are moving into the area of mobile phone coverage, which is becoming more and more of an issue. There are Programme for Government targets for mobile phone coverage so that we ensure that people get coverage when they download from mobile

handsets. He is aware of that; it is like asking the question if you know the answer. Barry knows the answer, but I am happy enough to give it again.

**Mr Nesbitt:** I welcome the publication of the draft strategy and I wish the Minister well in trying to achieve the targets that are contained therein. Is the employment target breakdown 5,900 for FDI, 6,500 for new start-ups, 6,300 for new jobs in locally owned companies and 6,300 from the jobs fund? If that is the case, given that those are concentric circles rather than mutually exclusive groups, what steps will she take to ensure that there is no double counting? Furthermore, will she expand on the move to bring 114,000 working-age benefit clients into employment and on whether employment also means employment schemes, such as internships and Steps to Work?

**Mrs Foster:** Forgive me if I repeat his targets but I did not catch them all. The 25,000 jobs target is 6,300 promoted jobs in locally owned companies, with 50% paying salaries above the private sector median; 6,500 new jobs in the new start-up business scheme, supported by Invest Northern Ireland; 5,900 jobs promoted from inward investors, with 75% paying salaries above the private sector median; and 6,300 promoted from the jobs fund, 4,000 of which are to be created by March 2015. I am not sure whether those are exactly the same targets as his but they are the targets that we and Invest Northern Ireland will work to.

There will be no double counting, but I am very hopeful that there will be other jobs that are not accounted for in those targets, including in the tourism sector. They have not been counted in those targets. There will be a ripple effect, and we will see more jobs being created, particularly in that sector.

As for bringing the 114,000 working-age benefit clients into employment by March 2015, as I said, that is not 114,000 jobs being created. Rather, it reflects the work of DEL and its employment service in ensuring that people have the skills that are necessary to take up job opportunities. I am sure that the schemes that he mentioned will very much be part of that.

**Mr Lunn:** I welcome the document, its optimistic tone and the Minister's statement. My question is on the same theme as Members who spoke previously. Is the Minister satisfied that the short- to medium-term rebuilding measures that



are listed are sufficiently focused on permanent full-time jobs as opposed to part-time employment opportunities or training schemes? In particular, is she satisfied that there is enough emphasis on help for the construction industry? It is well known that with the multiplier effect, every pound that is invested produces £2.84 of benefit. Is the Minister satisfied on both those counts?

**Mrs Foster:** In relation to the first point — increasing the number of jobs and the 114,000 jobs — the strength of the strategy is the fact that it is not just mine but sits right across government. Therefore, there are targets in it that belong to the Department for Employment and Learning and others that belong to the Department of Education, the Department of Agriculture and Rural Development and the Department for Regional Development. That is why the action plan will become critical for this document. We believe very much that the Boosting Business initiative by Invest Northern Ireland is about creating real and sustainable jobs. I must say to the Member that any job is worth having at this time. He will reflect that as well.

In relation to the construction industry, the Member will see in the short- to medium-term rebuilding measures on page 13 that we put help for the construction industry in that box because we know how much the industry is hurting. The figure from the Department for Social Development in relation to 8,000 social and affordable homes will be a real and meaningful target for the construction industry. There are also key roads projects. There will be maintenance of schools, and the development, through the Department for Social Development, of the plan for double-glazing all Housing Executive homes will be a very welcome project for the construction industry as well.

We have tried to reflect on all the different sectors that we serve and how we can help and assist them to move forward. The fact that we have taken a cross-governmental approach to that means that we can do it in a more meaningful way.

**Mr Moutray:** Like others, I welcome this strategy. Relative to the UK average, we have a higher proportion of small and medium-sized enterprises (SMEs), which, due to their size, tend to be more reliant on bank lending as a source of finance. Will the Minister indicate what is in the

strategy to help businesses to access finance more easily in these challenging times?

**Mrs Foster:** I thank the Member for his question. It is a theme that we return to time and again. The Northern Ireland Statistics and Research Agency statistics that came out recently pointed to the fact that in 2007, SMEs got 95% of their funding from banks, whereas by 2010, that figure had gone down to 65%. That is a very significant fall back. It is around the UK average but it is slightly more marked in Northern Ireland and will not come as a surprise to many in the Chamber.

Many have suffered market failure, particularly in the micro-financing, debt finance, venture capital, technology transfer and business angel funding markets. The figure of 95% of SMEs getting their money from a bank points to a very conservative approach to looking for finance in Northern Ireland. As a result, we have suffered disproportionately because Northern Ireland does not have a well-developed venture capital market. As such, Invest NI has had to intervene in the markets.

We will try to address the market failure and increase access to finance through a number of programmes, a few of which already exist. The newest programme, to be launched in the near future, is the growth loan fund, which seeks to help small and medium-sized businesses that want to grow but are having difficulty finding finance. Invest Northern Ireland and I will make an announcement on that matter in the near future.

**Ms Gildernew:** Go raibh maith agat, a Cheann Comhairle. On behalf of the Health Committee, I welcome the economic strategy. We all know that levels of deprivation are closely linked to poor health outcomes for our people. Therefore, I ask the Minister what discussions she has had with the Minister of Health in formulating the strategy so that efforts are put into job creation in areas where there are high rates of ill health, so that we can begin to tackle the health inequalities that exist in society?

**Mrs Foster:** I thank the Member for her question. She is right to point out the circular relationship that exists, particularly between mental health and unemployment and all the issues that surround that. I have had conversations with the Health Minister, as you would expect me to, on those issues.

Part of the Boosting Business campaign and the jobs fund is targeting neighbourhood renewal areas so that people who live in those areas can be better assisted and incentivised to start their own business. If you live in a neighbourhood renewal area but do not necessarily want to start your business in a neighbourhood renewal area, you will be incentivised to the tune of £1,000 and we will try and assist through all the other mechanisms that Invest Northern Ireland has available.

Obviously, young people are the other group that we feel needs to be incentivised through the jobs fund to start up their own businesses. Again, there is an incentive of £1,500 in the Boosting Business scheme to try to encourage young people to start their own businesses, with all the advice and guidance that we have for them.

**Mr Newton:** I join others in welcoming the statement by the Minister and thank her for it. Like others, I agree that there was a very optimistic tone in the statement.

The Minister recognises the importance of research and development and I note her comments in the report. How will the strategy that she is outlining today help us to take research and development to a stronger level in the various companies in Northern Ireland?

**Mrs Foster:** I thank the Member for his question on research and development. I know that he has a particular interest in that field. I thank him and the rest of the Enterprise Committee for the work that they are doing in that area.

Research and development is hugely important for us in the economic circumstances that we find ourselves because the firms that have invested in research and development are the firms that are moving forward, are growing and are able to export their products in a meaningful way. It is critical for an export-led growth strategy to have that research and development behind it.

In recent years, we have experienced an increase in expenditure, particularly business expenditure, on research and development, so much so that last year, we had £344 million spent on research and development, which was the highest figure on record. We come from a lower base than the rest of the UK, but I was very pleased, given the economic circumstances that we found ourselves in, that research and development has been placed high on the agenda of so many of our companies.

There is so much more that we can do to assist, which is why one of the five themes in the Boosting Business initiative is research and development. How can we encourage smaller companies in particular? We know that the smaller companies find it more difficult to engage in research and development — it is a very new concept for them — and, often, in order to access the finance available for research and development, there is a lot of bureaucracy that they have to go through. So, we need to be proactive with those firms and that is what we intend to do through the Boosting Business initiative.

**Mr Cree:** Like colleagues, I thank the Minister for her statement. I appreciate the amount of work that has gone into it. The Minister has quite rightly highlighted the importance of corporation tax, and like the Programme for Government, she refers to the commitment to press for the devolution of corporation tax and to reduce its level. Given that there are no milestones or outputs outlined for the year 2014-15, when does the Minister expect that to be achieved and how much does she want the tax to be reduced to?

**Mrs Foster:** I thank the Member for his question. In response to his last point, I would like the rate to be as low as we could make it to make us even more economically competitive than our next-door neighbour. I would like it to be as low as 10%. However, there is still a lot of work that needs to be carried out on the corporation tax issue.

As I said in my speech, we believe the time is now right to devolve the powers for corporation tax. We remain very much committed to utilising those powers to the best advantage of our economy. We continue to work with the NIO and Whitehall Ministers to address the issues connected with devolving corporation tax-setting powers to Northern Ireland. The first meeting of the new joint ministerial working group is planned to take place on 15 December, and you can be assured that all the Ministers from Northern Ireland will be giving their best attention to that issue.

### 1.30 pm

**Dr McDonnell:** I welcome the statement and thank the Minister for her efforts, not just on this document but in her Department. It is very important that we keep up our efforts.

I reassure her that the SDLP, too, is keen to rebuild and rebalance the economy.

The Minister mentioned R&D on a number of occasions, and my colleague raised it as well. It seems to me that many of our companies are R&D-averse. They are intimidated by the implications or the work involved. The Minister did not mention the vast potential for funding that exists in the European context through framework programmes 7 and 8. Our participation in and drawdown of those programmes is very poor. Does the Minister have any ideas as to what we might do over the next couple of years to get some participation in that?

I will quickly mention the key roads projects, transport corridors and travel times being reduced: can the Minister tell us whether that includes the A5?

**Mrs Foster:** That is very mischievous of you. I had hoped that Members would implicitly infer that I was referring to Europe in relation to the bureaucracy around research and development. The Member is aware that that issue was the main focus of discussion when we met Commissioner Máire Geoghegan-Quinn. She recognises that there are hurdles in front of small businesses that try to access research and development money from Europe.

The Boosting Business initiative has already implemented an enhanced R&D open call for small businesses — those with fewer than 50 employees — and we are also having a market-driven research and development open call for small and medium-sized businesses. Those two elements are scheduled to be announced in the near future. That does not take away from the huge amount of money available to us from Europe.

The First Minister and deputy First Minister met both President Barroso and Commissioner Geoghegan-Quinn on the issue. It is about the cross-cutting nature of this issue and trying to get everyone to underline the message when they speak to Europe that, in order for us to encourage small and medium-sized businesses, there needs to be a change in the bureaucracy around the issue. We also need to proactively help companies that want to pursue research and development.

As regards travel times, this has come to me from the Department for Regional Development. I think the Programme for Government or

our document — it is this document; I am getting confused between the Programme for Government and the economic strategy — makes reference to the A5 and the A8 as future examples of road projects that will help the construction industry. It is right that we look across government for opportunities to assist that sector at this time.

**Mr Frew (The Chairperson of the Committee for Agriculture and Rural Development):** I am minded to ask a question about Wrightbus of Ballymena, which is right in the heart of north Antrim. It is great to see Members for North Belfast looking up to north Antrim for best business practice, but I will resist at this point.

Instead I will ask about the important sector of agrifoods. That sector has performed remarkably well in the current economic climate but has obvious opportunities to do even better in the context of food production and the risk to food security. Will the Minister assure the House that, in its worthy pursuit of foreign direct investment, her Department will work aggressively and positively to help businesses, including SMEs, in the agrifood sector in a constructive and positive way to grow and expand in the future?

**Mrs Foster:** I thank the Member for his question and assure him that, through my involvement with that sector over the past four years, I recognise its importance to Northern Ireland. Page 25 of the economic strategy lists one of our strengths as:

*"A resilient indigenous agri-food sector which has continued to perform strongly throughout the recession".*

Not only is it a strength of our economy at present, but the last external opportunity mentioned in the strategy is strengthening the global demand for agrifood. The agrifood sector presents us with great global opportunities for export in coming years.

The Member will know, because of his position as Chair of the Committee for Agriculture and Rural Development, that the Minister of Agriculture and Rural Development and I hope to appoint a chairman to the food strategy board soon so that we can take forward this important work. We continue to support the agrifood sector. I assure him that I, as the Minister of Enterprise, Trade and Investment, will personally support the agrifood sector. I have said many

times that it is a bright shining light for the economy, and I will continue to support it.

**Miss M McIlveen:** I thank the Minister for her statement. She highlighted the MTV awards and 'Our Time, Our Place — Northern Ireland 2012'. Will she outline how the economic strategy will further assist Northern Ireland in capitalising on cultural tourism?

**Mrs Foster:** I thank the Member for her question. Culture and heritage are, of course, very much part of the reason why a lot of visitors come to Northern Ireland at various times of the year. They come here to enjoy themselves and take part in our local culture and heritage.

Tourism has been quite resilient despite the global downturn. It has been sustainable in times of recession. During the last economic downturn, the construction industry shrank by 16.6%, and manufacturing fell by 8%. However, tourism was relatively insulated, with a restriction of just 1.7%. Over the next 10 years, the total economic contribution of the visitor economy is set to expand faster than retail, transport and manufacturing. At the moment, it provides 5% of the economy and employs 40,000 people, which is 5.6% of our workforce.

Importantly, if 2012 is the success that, I believe, it can and should be, it will bring not only great global recognition and promotion of Northern Ireland as a good place for people to visit but jobs to Northern Ireland. Those will be sustainable jobs, because the tourism industry will continue to grow when this place is as peaceful and sustainable as it is.

**Ms Lo:** I, too, welcome the Minister's economic strategy. She mentioned the green economy, which has huge potential for growth in Northern Ireland given our natural resources of wind and waves. Has the Minister set a target for job creation in the green economy? How will she help the renewable energy industry to achieve that job creation?

**Mrs Foster:** As I said to the Chair of the Committee for Agriculture and Rural Development, work on the renewable sector continues. MATRIX is further considering analysis of the market opportunities for us in that sector. The Member will know that the strategic energy framework has been set. It sets us challenging targets for the level of renewable energy over the coming years. Therefore, we need to be very proactive in

that sector. It is against that background that I take her comments about job creation.

I do not have a specific target, because I am waiting for MATRIX's analysis of the sector. In any event, although the jobs that will, undoubtedly, be created on the renewable energy side will be welcome, the more important thing from the point of view of the strategic energy framework is that we strive to realise the targets set for us.

**Mr Beggs:** I thank the Minister for her statement and the launch of her strategy, in which she refers to the need for economic growth, increased exports and improved transport infrastructure.

Does the Minister agree that it is vital that we prioritise any transport investment so that it removes bottlenecks, particularly on our strategic routes, and the associated costs to industry that result from that; that we ensure that any European funds that we can acquire for our Trans-European Network will be added to our investment; and that any public sector investment occurs in a timely fashion so that the risk of money being returned to the Chancellor is minimised?

**Mrs Foster:** I am not sure whether that is a question for me; it is probably a question for the Member's colleague, the Minister for Regional Development. Nevertheless, economic infrastructure is critical for Northern Ireland, and it means that we need better road and rail infrastructure.

In answer to Mr McElduff, who is no longer with us [*Laughter*] — he has left the Chamber — I say that, in relation to telecommunications, broadband and all those issues, we need to have the right and proper infrastructure in place. We do not want to have to return money to the Treasury. We want to be able to spend all the capital money in Northern Ireland to make a difference to the construction sector, which we have spent a lot of time speaking about this morning.

**Mr Hamilton:** I, too, welcome the strategy. It includes ambitious targets for attracting inward investment and rightly identifies the timely and affordable devolution of corporation tax powers to Northern Ireland as a way of attracting inward investment. Through the Minister's experience, does she believe that, if and when we get that



power, it could help us not only to achieve those targets but potentially exceed them?

**Mrs Foster:** Absolutely. All the economic advice that has been given to me by Oxford Economics and by Kate Barker and the Economic Advisory Group indicates the step change that would occur in the Northern Ireland economy if we could lower the rate of corporation tax here. Figures that go way into the future are sometimes hard to take on board, but we are talking about 4,000 to 5,000 extra new jobs if we had that power. That would make a huge difference, and the First Minister has already accepted that if we are successful in obtaining corporation tax powers for Northern Ireland — I believe that we will be successful — we will have to relook at our targets and strategy because it will make a real difference.

We are already punching above our weight in foreign direct investment. We have 2.4% of the United Kingdom's population, but 7% of the foreign direct investment comes to Northern Ireland. That is a very telling statistic. Next to London, Belfast gets most foreign direct investment. We should be very proud of that, and we do not say it enough. In fact, if you were to listen to some of our media, you would not believe that that is the case. We are hugely successful, and that is why Invest Northern Ireland met all its targets last time. I pay tribute to the work of my teams across the world in looking for opportunities and bringing them home to Northern Ireland.

**Mr Durkan:** I also welcome the economic strategy and thank the Minister for her answers thus far. Given the multitude of jobs that, it is hoped, are to be created in the tourism industry, what work will be done with the Department for Employment and Learning regarding the increased provision of tourism-specific courses and training, which will not only better enable people here to find employment but will enhance the tourism experience of visitors to the North?

**Mrs Foster:** I thank the Member for his question. As I said, the tourism industry could provide us with up to 10,000 jobs over time. We want to see the increase, particularly in his city, in and around the UK City of Culture bid. We have had discussions with DEL, and I know that the industry has been very focused on skills and on the need to upskill the hospitality industry. That is something that the Northern Ireland Tourist Board, Tourism Ireland and all

the players will continue to work together on. There were many strengths of the MTV awards, particularly the partnership approach to tourism. I see that as one of its strengths, and I see DEL being very much part of that.

**Mr Dunne:** I thank the Minister for her comprehensive statement on the Northern Ireland economic strategy. Can the Minister advise us how the euro crisis is affecting the economic state of Northern Ireland?

**1.45 pm**

**Mrs Foster:** As the First Minister said in his statement, we are obviously part of the global economy now and a very proud part of it, but, of course, with that comes the fact that we have to deal with all its difficulties. There are very many difficulties in the global economy. We recently heard Mervyn King, governor of the Bank of England, indicate that the euro zone was the biggest threat to the United Kingdom economy. That is very concerning. In many ways, there is not much that we in Northern Ireland can do about that, but we must be proactive in trying to deal with the issues that are before us, such as getting more people into work, encouraging more people to invest in research and development and ensuring that we have new and emerging export markets open to us. It is not just about deepening the exports that we have to all the countries that we do business with at present but about looking at new and emerging markets so that we can diversify for all our businesses in Northern Ireland. Things are difficult and challenging, but we need to sit back and make sure that we have the right policies in place to deal with what is coming down the road towards us.

**Mr Buchanan:** I welcome the statement. The recession and the banking crisis are having a huge impact on our construction industry, especially our small business sector, which lies close to my heart. We see now that the small business sector is paying a heavy price because it is unable to compete against the larger construction firms, which are eating up the work that the smaller businesses used to do. Can the Minister advise the House on how this strategy might help them?

**Mrs Foster:** I thank the Member for his question. I recognise all the issues that he has raised. When one looks at the construction sector and considers the strengths that it had and the strong place that it was in a couple of

years ago, it is difficult to see how it has been dealt with over the past number of years and months. Through the three documents that are before the House — the Programme for Government, the investment strategy and the economic strategy — we are trying to identify opportunities for our small, medium and larger companies so that they have reason to look forward to the future and be sustainable.

The Member will see dotted throughout the document references to social and affordable houses, key roads and work on the health and education estates. We will assist in as many ways as we can across government. In my Department, we are hopeful that the jobs fund and the Boosting Business initiative will continue to help. We will be as proactive as we can. We need people to contact us using the free phone number, and we need to let them know that there are people out there who will help them and give advice and assistance. Do not leave things until the last minute, when the banks are about to foreclose: be proactive, come forward and look for assistance, and we will do all that we can.

**Mr Kinahan:** I thank the Minister and welcome today's documents and statements. I particularly welcome the announcement that there are to be 6,500 jobs created in the small and medium business sector. When speaking to those sectors, I find that they are very concerned and that they feel that the Assembly does not necessarily know what they need on the ground. Will the Minister set up think tanks or similar mechanisms to listen and bounce off ideas, so that we can come up with a good action plan to enable us to have not only process but good, detailed action plans?

**Mrs Foster:** I thank the Member for his question. Part of the Boosting Business initiative is to get down to the small and medium-sized companies — the companies that do not have time to fill in forms or go to seminars and what have you. We will be as proactive as we can. I hope that Members will help us in that regard. I hope that, if constituents come to them to ask for assistance, they will direct them towards Invest Northern Ireland and the Boosting Business website, which is a micro website of our main website, and the free phone number, so that we can assist them. I also want to hear if Members and businessmen who have approached Invest Northern Ireland do not receive a positive

response. Part of this is about us trying to be proactive and trying to help and assist. If Invest Northern Ireland cannot help, who else can? How can we signpost people towards help? I accept that, in the past, Invest Northern Ireland was perceived not to be an organisation for small and medium-sized businesses. I very much want to break that perception, and I want it to be a reality that we are helping the wider business base.

**Mr Spratt:** I too welcome the Minister's statement this afternoon. Recently, the Regional Development Committee visited two of our three airports to discuss the transport strategy, and one of the issues raised was air passenger duty. That is a problem for efforts to increase business on new routes. I appreciate the efforts of the Executive in reducing air passenger duty, but can the Minister give some more detail about how the issue can be moved forward and the important commitment brought forward as soon as possible?

**Mrs Foster:** I thank the Member for his question. Obviously, it was a great success to be able to negotiate with Her Majesty's Treasury, and I thank all colleagues for the work that was carried out on that. The rate of air passenger duty that applied to the flight to New York was reduced from band B to band A by 1 November 2011. We want to see the power to set air passenger duty coming to the Northern Ireland Assembly, and there is a commitment in the Programme for Government to do away with band B completely to make us even more competitive, as the First Minister said in his speech, on long-haul flights.

I have been discussing the issue with Belfast International Airport, which is working on a number of very real flights. We are offering any assistance that we can, both through my Department and through Tourism Ireland, to make sure that we get those flights to come back to Northern Ireland. That access is critical for us for tourism, given what is happening next year and the year after, but also for investment and business. We want to see more air access here, and the work that we have done on air passenger duty, which the Northern Ireland Office Ministers assisted us with, will bear fruit in the coming years.

**Mr McGlone:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire. My particular thanks go to the Minister, both for the

development of the strategy and for her support locally in the constituency.

In the figures that have been outlined, we heard about the 114,000 people who are being taken out of the benefits trap — people who are currently claiming benefits — and put into employment. Will the Minister elaborate just a little more? There are 25,000 new jobs to be created under the strategy, and that leaves 89,000 people. From what I picked up earlier, am I right in saying that those people are to be put into training schemes? Perhaps the Minister can give us some indication. The number of people who are currently unemployed is around 62,000. That leaves approximately another 55,000 who are being removed from benefits and taken into this employment, whatever it is. Can the Minister give us some indication of what benefits those are likely to be?

**Mrs Foster:** I thank the Member for his question, but I think that he has misunderstood what I was saying about the 114,000 and the 25,000. The 25,000 jobs is Invest Northern Ireland's minimum job target, and that represents the jobs that are directly assisted by Invest Northern Ireland through the jobs fund, select financial assistance and all the mechanisms that we have to try to create jobs. The 114,000 jobs that are referenced in the document as people coming into employment is the potential that there is for the labour supply. Those jobs will be supported by DEL through a lot of its schemes. If the Member looks at page 37 of the Programme for Government, he will see a key commitment to:

*“Support people (with an emphasis on young people) in to employment by providing skills and training”.*

There are targets set against that as to how much money DEL will spend on the issue.

In our document and in the Programme for Government, we recognise that welfare reform will have a huge impact on the economy of Northern Ireland, in so far as it will mean that more people will be available for work. However, there will also be a reduction in the number of benefits paid and, therefore, a reduction in the money available to the economy. We have a challenge to face and, with our colleagues in DSD and DEL, we will face it and work through it as best we can. Of course, the social protection fund that OFMDFM has provided will assist in that as well.

**Mr I McCrea:** I thank the Minister for her statement and for her draft economic strategy. There has been coverage today of the major golf tournament that we hope to host in Northern Ireland. How will the tournament have a positive impact on the tourism industry in Northern Ireland?

**Mrs Foster:** I thank the Member for his question. Obviously, we very much want to take advantage of the brilliant 18 months that our golfing superstars have given us. They are almost getting too many to list, and I do not want to get into a position — like a presidential candidate — where I might forget the third or the fourth. Therefore, I will not go down that road. I will simply say that we want to take advantage of the spotlight that has been placed on Northern Ireland.

We have been working with a number of organisations and individuals, and we are active in meeting various bodies. We are determined to bring a European golf event to Northern Ireland in the near future. We also believe that there is a need to develop a holistic approach to golf tourism and its delivery. Therefore, we are proactively working with Coleraine Borough Council, and I pay tribute to the way in which it is working with us on the event as, indeed, is Royal Portrush. However, it is critical to ensure that the infrastructure is in place to gain economic benefit and legacy from whatever event we bring to Northern Ireland. I know and trust that it will be a tremendous event, and I look forward to attending it.

**Mr Lyttle:** I agree with the Minister that tackling educational underachievement is fundamental to the social and economic growth of Northern Ireland. Will she detail any discussions that she has had with the Minister of Education on how the targeted increase of 70% of young people gaining at least five good GCSEs will be achieved?

**Mrs Foster:** As the Member knows, the Education Minister sits on the subcommittee of Ministers who drew together the economic strategy. When the action plan is brought forward, that part of the economic strategy will sit firmly with the Education Minister, in conjunction with his colleagues. We felt that there was no point in looking at an economic strategy without looking at skills and without having the appropriate education results in place. Therefore, I very much welcome the fact



that all my Executive colleagues have made input to the economic strategy and have made it the meaningful document that I believe it to be.

**Mrs Overend:** I thank the Minister for her statement and the draft economic strategy. I welcome the talk of improving employability and the level, relevance and use of skills, as well as the proposal to introduce social clauses into contracts for public works to deliver opportunities for apprentices and the long-term unemployed. Are there proposals to develop and enhance co-operation between employers and the whole of the education sector to ensure that our young people are directed to further their study into skills areas where jobs will actually become available? There is a great number of small and medium-sized enterprises in my constituency of Mid Ulster, and I would like to receive an assurance that that co-operation is not only with the largest companies in Northern Ireland and that those small and medium-sized enterprises are included as well. Will the Minister provide more detail?

## 2.00 pm

**Mrs Foster:** I thank the Member for her question. As I said in response to the previous question, it was vital that the strategy fitted across education, skills and, in particular, my Department.

As I understand it, in education, there is, and has been for some time, a strong emphasis on science, technology, engineering and mathematics subjects. In the past couple of weeks, I was due to speak to a group of potential engineering students interested in going to Queen's University, but, unfortunately, I was unable to attend that meeting. However, the idea is that we should give leadership to those young people and show them that, should they decide to take part in degree courses, or in other skills training, those courses are economically relevant and that, at the end of the day, they will be in possession of a job. Recent work by the Northern Ireland Science Park on the knowledge economy of Northern Ireland showed that, statistically, people with relevant economic degrees are 50% more likely to have a job.

For parents advising children on job options, careers advice is critical. What we need to do, and what I hope will happen over the coming years and months, is to be able to show young people examples of what they could do if they decide to take a particular route in their education and skills training. It is important that

we alert students to that potential in the coming days and years.

Social economy clauses existed in some of our bigger projects and were part of the contract for the Titanic signature project. Their use in such contracts has proved very successful, and that is why we have endorsed them.

It is up to all of us to ensure that, when working with small and medium-sized employers, they feel that they can approach us. That is the case whether that contact is at MLA level, ministerial level or through Invest Northern Ireland. Those employers should be able to access the help available to them.

**Mr Agnew:** I thank the Minister for getting through so many questions in a relatively short time. As someone who, in the Minister's words is "green in the right way," I believe that we should use the economic downturn as an opportunity to create a new economy; a green economy and a just economy, in which the 1% do not profit on the backs of the rest of us. Given that sociologist Professor Paddy Hillyard assessed the policies of the previous Executive as taking money away from the working classes to give to the middle classes, will the Minister confirm what specific measures are in place in the strategy to ensure that economic growth does not increase the income and health inequalities that come with it?

**Mrs Foster:** I thank the Member for his question, but, looking at the previous Programme for Government targets, I dispute what he said about how we dealt with people who did not have very much money and were living in poverty. Invest Northern Ireland hit every one of its targets in the previous Programme for Government for bringing jobs and investment into Northern Ireland.

I know that the Member has a particular interest in the renewables sector. I referenced that sector in my previous comments, and it is in the economic strategy, as it should be. However, it is not there at the expense of everything else. He needs to recognise that other sectors perform for Northern Ireland and that they do so to give the people of Northern Ireland a bright economic future. Those sectors are also identified and prioritised in the strategy, and we will take them forward.

**Mr Speaker:** Before we come to the Adjournment, I want to speak to the House. It is unfortunate

that Mr Allister has left the Chamber. Members continue to raise points of order on the issue that he raised this morning. However, after Mr Allister raised that point of order, he felt, in whatever way, that it was not dealt with correctly and issued a public statement criticising the Speaker and the House. That says more about the Member who carries out that type of action than the work ongoing in the House. Members continue to raise the issue of why they do not get to ask a question on a ministerial statement, but it is quite clear that it is not possible for me to move Members up the list. I have 108 Members in the Chamber, and I must get the balance of the parties right.

It is not about the balance of opinions in the House; it is about the balance of parties. It is not possible to just move Members up a particular list of speakers, irrespective of what item of business is in the Order Paper. However, I have to say that I think that Members who go outside to criticise the Speaker and the workings of the House because they feel that their point of order has not been dealt with certainly need to be condemned.

*Adjourned at 2.05 pm.*





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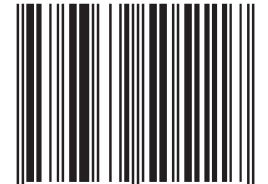
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