

# Official Report (Hansard)

Tuesday 14 February 2012  
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# Northern Ireland Assembly

Tuesday 14 February 2012

*The Assembly met at 10.30 am (Mr Speaker in the Chair).*

*Members observed two minutes' silence.*

## Ministerial Statements

### Financial Allocations

**Mr Speaker:** Order. The Minister of Finance and Personnel wishes to make a statement to the House.

**Mr Wilson (The Minister of Finance and Personnel):** Thank you, Mr Speaker. I welcome the opportunity to update the Assembly on the outcome of the Executive's deliberations on how to address the financial consequences of the Irish Government's decision to materially revise their funding commitment to the A5 and A8 road schemes.

As Members will be aware, the Irish Government had committed to providing a total of £400 million towards the completion of the A5 and A8 road schemes. Nearly all that funding — £378 million — was to be provided in the 2013-14, 2014-15 and 2015-16 financial years. The difficult economic circumstances facing our Southern neighbours are well known, and, in that light, the Irish Government have now revised their contribution to £50 million, which will be spread evenly over the 2014-15 and 2015-16 financial years.

The Irish Government's decision to materially reduce their original contribution clearly left us with no choice but to reconsider how to take forward the capital investment in the affected years. In considering how best to respond, the Executive were particularly mindful of the need both to balance the allocations against the regional impact and to consider how best to maximise the economic and social impact of the revised allocations.

Against that background, I am pleased to announce that the Executive have now agreed to commit funding for the following projects within the next four years. There will be an investment

of £330 million to upgrade two sections of the A5: that from Londonderry to north of Strabane, and that from south of Omagh to Ballygally. Secondly, there will be £57 million — *[Laughter.]*

**Mrs Foster:** Ballygawley.

**Mr Wilson:** Arlene Foster has tried unsuccessfully to correct my pronunciation of that area. I thought that I had it right, but anyhow. Linking east and west is an idea. There will be £57 million for the A2 Greenisland road scheme; £105 million to take forward the A8 Belfast to Larne dual carriageway; £28.5 million towards the next phase of the Altnagelvin Hospital refurbishment; and £63.2 million to allow acceleration of the new Omagh Hospital and phase B of the Ulster Hospital.

The Executive recognised the need to reduce journey times between our two largest cities and the west of the Province. The planned upgrade of the A5 road will do just that and will have significant economic benefits for Northern Ireland. That represents a key step towards improving our strategic roads infrastructure. It has also become increasingly clear that a considerable bottleneck exists along the A2 between Belfast and Carrickfergus. I witness that bottleneck daily, although that did not influence this decision, Mr Speaker; let me emphasise that. The A2 road scheme will address that issue and will ensure faster journey times on that key commuter route.

The new commitments to investment in our roads network will significantly improve key sections of our strategic roads infrastructure and demonstrate the Executive's commitment to promoting our long-term economic growth prospects. It will also provide a significant boost to our construction industry at a time when the wider economy is still recovering from the economic downturn.

The delivery of quality healthcare services remains a key priority for the Executive. The hospital allocations announced today inject an additional £91.7 million into our health infrastructure over the next three years. The decision to invest in the three key hospital projects will enhance our health sector's capacity to deliver quality healthcare services in Londonderry, Omagh and Belfast. That will have significant benefits for patients in those areas. Like the roads investment, it will also provide much needed employment opportunities for our construction sector.

In total, the projects announced this morning will generate in excess of 2,500 construction sector jobs. Proceeding with those funding commitments will have implications for the funding available in each of the next four financial years. Although the impact for next year — at less than £1million — is negligible, the position for the following three years is that we range from having some resources unallocated — just under £80 million in 2013-14 — to an over-allocation of some £185 million in 2014-15.

The issue is material but manageable. It would be easy for me simply to sit back and say that we must only ever allocate exactly what we have available in any one year and that we must similarly plan to spend up to that limit, regardless of any mature consideration of the economic or social value of such spend.

Although we must deliver spend to those constraints, it is important to take a much more pragmatic and flexible approach to planning, particularly when responding to issues such as the Irish Government's late reduction of their funding promise to us.

We have a number of safety valves open to us, not least the general variation in departmental spending against plan, demonstrated again in this financial year, and the fact that, since Budgets were set, I have secured some measure of automatic end-year flexibility (EYF) from the Treasury for Northern Ireland. That has not yet been factored into spending plans. We also have capacity to accelerate spend from years when overcommitted into years where resources are available. For example, our commitments to the three sporting bodies as regards stadia developments extend into the next Budget period, and there is scope to bring that forward.

I will be returning to the Executive with further specific proposals on that issue in the near future, but the key point at this stage is to provide certainty for the public and the construction sector about our commitment to proceed with high levels of investment. Such investment brings major economic social benefits for the whole of Northern Ireland and will help to provide a boost to our construction industry in these difficult times. I, therefore, commend these additional allocations to the House.

**Mr Murphy (The Chairperson of the Committee for Finance and Personnel):** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as a ráiteas. I thank the Minister for his statement, and I welcome it. I see that he continues to struggle with Ballygawley. Given that his colleagues appear to be warming to our national game, perhaps he could use the term "Errigal Ciarán country" from here on in.

Nonetheless, I very much welcome the statement that the Minister has made this morning. It is significant good news, particularly at this time, when, even in my constituency, we have had announcements of job losses. Today's announcement will help to lift the mood again in relation to that.

Will the Minister outline for us how these funding announcements align with and support commitments in the draft Programme for Government and the economic strategy? The Minister said that there would be a significant boost to the economy with in excess of 2,500 construction jobs. He will obviously be aware that that will provide significant opportunities, through the use of social clauses, to ensure that there is a significant social output and an output in respect of the Executive's priorities for the recruitment of apprentices from our long-term unemployed. Can he give assurances that Central Procurement Directorate in his Department will be ensuring that the multiplier benefits of those construction jobs reach areas in which the Executive have an interest, through social clauses and in ensuring that there is equality and fairness in how the benefits of today's announcement are distributed across society?

**Mr Wilson:** I assure the Member that I will not attempt the Irish pronunciation. As the First Minister has pointed out; if I cannot get the English right, I will hardly get the Irish right. I will leave it at that.

This announcement fits in with the first priority in the Programme for Government, which is to help the growth of our economy. It helps in a number of ways. First, as the Chairman has pointed out, in dealing with long-term unemployment and youth unemployment, there will be social clauses in the contracts, which will, of course, help the Minister for Employment and Learning with some of the targets that he has set regarding youth unemployment and bringing people back into work.

Secondly, it will create 2,500 jobs in the construction industry, but that is not the end of the matter. There is a multiplier effect for this. It is reckoned that the £500 million that we will be spending will, in turn, generate additional spending, which, because of the multiplier effect of about 2.8:1, will be nearly £1.6 billion over the period. The people who get the jobs will spend money in local shops and buy goods and services, etc. That is good news for the wider economy.

Thirdly, it will help infrastructure. I am going to mention one section of road, particularly because I want to get the word right. The section from Omagh to Ballygawley is particularly important from the trade Minister's point of view. She wants to see better links for the west of the Province with the port in Belfast, for example, so that engineering firms that manufacture goods in the west of the Province will have easier access. Such links will make her task of promoting jobs in manufacturing in the west of the Province much easier.

This morning's proposals will have an immediate impact on each of these areas, but they will also have a long-term strategic impact in ensuring that we have an infrastructure that will enable us to attract industry across Northern Ireland.

**Mr Buchanan:** I welcome the Minister's statement to the House. I suppose I was straying into this area yesterday, when the Speaker pulled me into line. This is one of the largest investments into roads infrastructure and health that we have seen in the west for quite a long time, and that is to be welcomed. Does the Minister agree that it will have a huge impact on manufacturing, trade, business and commuting to and from Belfast and that it will open up the entire west of the Province for future development and job creation?

## 10.45 pm

**Mr Wilson:** I knew that the Member would get a second bite at the cherry today, Mr Speaker. Even though he was ruled out of order yesterday, I knew that he would get good news when he raised the issue today. Therefore, it was worth waiting for.

Of course, he is exactly right. It is an important infrastructure development for the west of the Province. I emphasise again that the Minister of Enterprise, Trade and Investment was keen to have that kind of linkage, because it is important to have contacts between those areas. I have visited many of the manufacturing firms in the west of the Province. There, strong manufacturing firms are doing business right across the world, and an infrastructure that enables them to transport their goods that much more easily to the port in Belfast will be of immense benefit. I know that there was a strong lobby for it. However, there are those who will say that the decisions on the two sections of the A5 were simply political. They were not political decisions; they were made on the basis of good economic judgement and arguments. The infrastructure will benefit the west of the Province and help to sustain some of the firms that are already there doing international business.

**Mr Cree:** I also welcome my good friend the Finance Minister's statement. The Minister, in his statement, used the term "generate" when referring to the 2,500 jobs. Will he clarify whether that is generating new jobs or supporting existing jobs?

I was pleased that he referred to the Ulster Hospital project. Will he confirm that it is ready to go, and has he any indication of its likely phasing?

**Mr Wilson:** The jobs that will be created may well sustain jobs in existing firms for which work is running out. In some instances, new jobs will be created in firms that did not have a work stream here in Northern Ireland. It will be a combination of the two. Nevertheless, it ensures that people who are out of work or would, potentially, be out of work because work is drying up for some firms, are guaranteed an income into the future, and that income will generate additional spin-offs in Northern Ireland.

The Department of Health, Social Services and Public Safety has said that it is ready to go ahead with the project at the Ulster Hospital,

a section of which needs refurbishment. As a representative for the area, the Member will know the problems that have been caused. The hospital has a brand new wing, beside which is a wing that is probably 30 or 40 years old. It is in a considerable state of disrepair and requires maintenance. He will need to take up the exact phasing of the project with the Health Minister, who can give him more detail on the profile of the spend. However, the anticipated spend on the Ulster Hospital is £22.5 million in 2012-13, £7.5 million in 2013-14 and a further £7.5 million in 2014-15. Most of the work will start and be carried on in the next financial year.

**Mr Byrne:** I welcome the Minister's statement. It is a positive and welcome story. The upgrade of the A5 ends the uncertainty, and that is very welcome. I also agree with the Minister that it is an important economic kick-start for the local economy, particularly the construction industry in the west. Are the Minister and the Executive still committed to completing the remaining sections in the long term, given the uncertainty created because of Irish Government funding? It is important for us to reaffirm our position on the overall scheme.

**Mr Wilson:** As I said in answer to an earlier question, as far as I, as Finance Minister, am concerned, the decision on any roads scheme must be based first, on the priorities in the Programme for Government and, secondly, on how the scheme fits into the priorities that Departments have set for themselves. There must be objective criteria on which such investment decisions are made. There are schemes for parts of the A5, two of which have been mentioned, that, under any Department for Regional Development (DRD) measure, would have gone ahead anyway because they met the criteria. There are other parts, and the Member will know them, that have had a far, far lower priority.

The second thing, of course, as the Member will know, is that I cannot possibly make any commitment for the next Budget period, because I do not know what the Budget is likely to be or what other schemes this would be competing with. At the same time, I do not want to give any commitment today that would take the pressure off the Irish Government to make a contribution. I think that the Member will recognise that it would be very foolish to do that. We have a £50 million commitment from the Irish Government. If I were to signify that we were quite happy to continue with the rest of the

road, no further money would be forthcoming. It is my job to maximise the amount of money that comes into the purse in Northern Ireland so that we can maximise our spend.

**Mr Dickson:** Thank you, Minister, for your statement. In the round, it is a very welcome and very sensible way forward. I particularly welcome the schemes for the A2 Shore Road and the A8 in the East Antrim constituency and the amount of work that will be done on those. Some of us have been waiting for over 30 years for work on the A2 to be done. The Minister is to be congratulated on making his decision on that.

Minister, is there really a role for the Regional Development Minister now that you have made that decision? Or is his job just to get on and do it?

**Mr Wilson:** Let me make something very clear: this was an Executive decision. There were discussions with Executive colleagues. I discussed it with the First Minister, the deputy First Minister, the Minister with responsibility for roads, the Enterprise, Trade and Investment Minister, and the Health Minister. All these things were discussed with Ministers, and the Executive made and endorsed a collective decision this morning. Of course, the priorities and the information that the Minister with responsibility for roads provided was an important input in deciding where the money should go. Primarily, most of the money was roads money. Therefore, you would have expected that the Department for Regional Development would make a claim on that money. Although I would love to take all the credit for the way in which the money was spent and allocated this was a collective decision that was made on the basis of the kind of arguments that I mentioned. What is the economic potential of this allocation? What is its social potential? How does it fit in with the priorities in the Programme for Government? How does it measure up against other demands for money in the system?

**Mr Ross:** I warmly welcome the statement this morning, and I particularly welcome the two projects in the East Antrim constituency. I am sure that the Finance Minister agrees that, although the A5 project is important to the west, the A8 project is strategically very important for businesses across Northern Ireland, given the volume of freight traffic going through the Port of Larne.

**Mr Wilson:** One reason why the A8 is a high-priority road scheme is because it is one of the Trans-European Network road schemes, and,

for that reason, it is an important strategic link for businesses in Northern Ireland in getting to the Port of Larne. Equally, it is an important strategic link for goods coming from Stranraer and Cairnryan into Northern Ireland for distribution. Again, it was chosen on the basis that it is a strategic scheme. The Minister still has to see the commissioner's report. I do not know what variations there may be to the scheme as a result of that, but, ultimately, the Minister will be able to decide how to proceed once he has received the commissioner's report.

**Mr Doherty:** Go raibh maith agat, a Cheann Comhairle. I welcome the Minister's statement and thank him for it. However, I have one slight reservation. I hope that the consultant engineers, particularly the contractors, understand that the project is for the Omagh to Ballygawley section rather than Omagh to Bally-whatever-Sammy-called-it.

Will the Minister confirm that the work that he announced on the upgrade of two sections of the A5 will start this autumn? Will he confirm a date for the start of the work on the new hospital in Omagh?

**Mr Wilson:** First, the spend on those two sections will start this year. In fact, the projected spend for the next financial year, 2012-13, is £40 million on the section of the A5 from Omagh to Ballygally — or Ballygawley; I will get it right — and £35 million on the section from Londonderry to Strabane. So, there is a substantial spend. The heavier amounts will fall in years 2 and 3, but the spend will start this year.

The proposal on the new Omagh hospital will mean that there will be less time between the enabling works being carried out, which I understand are being done, and the hospital's being built. There was going to be a bit of a gap there. There will be substantial spend of nearly £10 million on the Omagh hospital this year.

**Mr Hilditch:** I thank the Minister for his statement, and I give it a very warm welcome, particularly the announcements on the A2 and A8 schemes. If there is one going to Ballygally, we will take it too, Sammy. Will the Minister indicate the benefits of his announcements to wider job creation and economic development in east Antrim?

**Mr Wilson:** The immediate impact will be on the construction jobs that result from the A2 and A8 contracts. Those schemes will generate a substantial number of construction jobs in the area.

As the Member will know from travelling on the road between Carrickfergus and Belfast every day, the improvement of that road will open up huge possibilities. For example, I suspect that many firms are put off locating at the Courtaulds site outside Carrickfergus because the difficulties in travelling from the site in the evening or to the site in the morning are such that people can spend an hour sitting in traffic jams. Such delays add to the costs that a business would face if it were to locate in the Carrickfergus area.

Hopefully, once work on the road is completed, those costs will be substantially reduced, which will mean long-term possibilities of and potential for job creation. Again, that is the kind of argument that the Enterprise Minister would have been making to us when we looked at the scheme.

**Mr Beggs:** As an East Antrim MLA, I welcome the new funding that has been allocated to easing congestion at Greenisland and the ongoing funding that has been allocated to the A8 scheme. However, all the necessary permissions have to be in place before public money can be spent. Will the Minister acknowledge and confirm that the A2 scheme has its permissions, meaning that vesting can take place and a contractor can be appointed but that the public inquiries still have to be completed on the A8 and A5 schemes?

**Mr Wilson:** As far as the A2 is concerned, the Member is quite right: the public inquiry has been completed. Much of the land has been bought. I think about £16 million has already been spent — I could be wrong, but it is somewhere around that — on purchasing properties along the route. All that has to be done now is to put the scheme out to tender. The procurement will start and should be completed sometime in the middle of the financial year so that money can be spent in 2012.

Due to the lead-in time with the tender and whatnot, it is estimated that a very small amount will be spent this year on the A2 scheme. That is because by the time a contractor is put in place and whatnot we will be getting towards the end of the financial year.

As far as the A8 is concerned, the Member is quite right. Again, all the permissions are in place. A contractor has been appointed, but the Minister still has to receive the report from the public inquiry.

I do not know what changes the report may recommend, because I am not privy to it, or indeed whether the Minister will accept any of the recommendations from the public inquiry. However, I understand that he is to receive that fairly soon.

### 11.00 am

**Mr McCartney:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as a ráiteas ar maidin. I thank the Minister and welcome his decision and statement.

The Minister will be well aware from the One Plan of the strategic importance of the A5. His announcement is an obvious commitment to the One Plan and will be very welcome in Derry. I am sure the Minister is aware of an important event in Derry tonight in relation to the regeneration of Ebrington Barracks and four or five Executive Ministers are coming down. So, I would say you would be a very welcome visitor tonight, and we would even allow you a mispronunciation of "Derry".

*(Mr Principal Deputy Speaker [Mr Molloy]  
in the Chair)*

Altnagelvin Area Hospital is listed in the statement as a refurbishment. Will the Minister confirm that there will be a newbuild on the site as part of that process?

**Mr Wilson:** I had hoped to attend the event in Londonderry this evening, but I suspect, given how long-winded Members will be in the Budget debate, and if some contributions I heard yesterday are anything to go by, I and others may well be here long after the opening of the square. I have met representatives from Londonderry chamber of trade, Ilex, the council and a wide range of representatives on a number of occasions. In fact, I think I have visited that city more often than anywhere else.

There is a very positive attitude in the city. I hesitate to say it, but sometimes there was a reputation of maybe a wee bit too much whinging. However, I have detected a very positive attitude. The One Plan, of course, was important. The whole idea was how to maximise whatever spend was undertaken by public bodies to ensure that it had the greatest economic impact. Altnagelvin hospital will get new wards to replace those in the tower block that have become not really fit for purpose. I trust that the spend on the road to Strabane

and at Altnagelvin hospital will not only create jobs but improve the infrastructure, which will enable the other spend that will be going into the city to be maximised.

**Ms Ritchie:** I thank the Minister for his statement, and I pay tribute to my colleague Joe Byrne, who has been assiduous in his pursuit of the A5 project. Will the Minister, in anticipation of the UK Budget on 21 March, suggest whether he can see or project any possible readjustments to that as a result of the out-turn of the UK Budget? Will he also have discussions directly with the Minister for Regional Development about the Ballynahinch bypass, since the line has been prescribed for it but no funding identified?

**Mr Wilson:** I know that the Member thinks that her party can magic money out of thin air, although it never materialises. We have used and maximised the money we have available. Of course, Ministers will have other capital schemes. In due time, if money becomes available, I am sure she will make representations very strongly on that issue, as she has done to me on other projects.

As far as what will happen in the UK Budget, I do not have a crystal ball. I do not know what the proposals or implications are likely to be. Listening to the Chancellor this morning on the radio talking about the threat of the United Kingdom's credit rating maybe being reduced in a year-and-a-half's time, I suspect that he is not going to loosen the purse strings a great deal. Of course, if that is the case, there will be implications for Northern Ireland.

**Mr Dunne:** I thank the Minister for his statement and welcome the planned investment announced. What is the timetable for new works at the Ulster Hospital? What significance will those works have for areas such as north Down, which lost its local hospitals many years ago?

**Mr Wilson:** The exact timetable is something that the Member needs to raise with the Health Minister. As far as the Ulster Hospital is concerned, we will spend £37.5 million on two main blocks. Those are the ward block and the acute block, which will then be completed. The ward block work is already going ahead. That new money will make possible the second part of the acute development at the Ulster Hospital; namely, the accident and emergency department, theatres, and so forth. The Member

needs to take up the issues of exact timing and completion dates with the Health Minister.

**Ms J McCann:** Like other Members, I thank the Minister for his statement. It is a welcome announcement, given the jobs that will be created. However, I cannot help but notice that the Belfast rapid transit system is not mentioned in the statement. Given that it would connect two of the most deprived areas — north and west Belfast — to jobs, which are extremely important for people who live there, can the Minister please update the House on the project?

**Mr Wilson:** Again, that is a matter for the Minister for Regional Development. All that I am doing is announcing where the £583 million that is available to us as a result of the decision to withdraw funding from the A5 project will be spent. I am not sure where exactly the rapid transit system sits in the regional development strategy. From my days on Belfast City Council, it has always been my understanding that a substantial amount of private money has to go into that project. Of course, that is the responsibility of developers at the Titanic Quarter.

**Mr Frew:** I certainly welcome the statement. In the light of the Irish Government's decision to withdraw funding, this has been a sensible allocation of money. I welcome the answers that the Minister has given on future strategic decisions, because the A26 project and improvements that are needed on that stretch of road will come into play for the entire Province.

I ask the Minister to highlight again the importance of the decision to the construction industry. It will benefit not only one section of the industry but a wide spectrum: building contractors; electrical contractors and engineers; mechanical contractors and engineers; and all specialised subcontractors.

**Mr Wilson:** It will indeed. Of course, it will also benefit support industries, such as architects, quantity surveyors, surveyors, and so on. The entire construction industry will benefit. As I pointed out in earlier answers, the total impact should be 2,500 jobs, which will be in existing small and large firms throughout the industry. A wide range of skills will also be involved, from roads construction — civil engineering — to the construction of hospitals, which will require all the skills that the Member mentioned. The construction industry has told us that it wants certainty. We have now told it how we plan to

spend money over the next three years. That will enable the industry to plan its investment and training. The important point to make is that we want to see continuity of work for the construction industry so that it can, in turn and with certainty, take on people, train them and retain a skill base for the industry in Northern Ireland.

**Mrs Cochrane:** I, too, welcome the funding commitment to various projects, particularly for phase B of the Ulster Hospital in my constituency. However, I am concerned about the implications for future years, given the other pressures that we will face with continued UK budgetary cuts. Given the already apparent over-allocation, can the Minister give any indication of ideas that he might have to deal with those other pressures and proper long-term budgetary planning?

**Mr Wilson:** I have been upfront with the Assembly this morning. I did not have to go into the figures in as much detail as I did, but I was upfront in indicating that there is an over-commitment in the final year of the Budget. That can be dealt with in a number of ways. First, we could re-profile some of our capital spend. We should not forget that, in the second year of the spending plan or the third year of the Budget, we will have a surplus of £78 million. We could bring some of the spending from year 4 of the Budget or year 3 of the spending plan into that year to reduce that over-commitment.

We could also use end-year flexibility or carry money forward. Frankly, rather than working to a timetable of spending only the money that we have and then finding in the final year — we found that this year — that we are carrying over more money than the Treasury allows and having to give that money back, I would prefer to have three years to plan for how we deal with that over-commitment. In that way, we will be able to keep the money in Northern Ireland. There are other means of dealing with that over-commitment that I will bring to the Executive. In fact, I made it clear to my Executive colleagues this morning that, to deal with that over-commitment, we will have to look at making other decisions. However, I do not think that those decisions will be particularly painful.

Representatives of the construction industry have said that the industry is reliant on government spending. Hopefully, that situation will change during the next three years and more private spend will come through. However, given

the plight of the construction industry and the need to create jobs, I think that it is a risk worth taking. It is not a massive risk; it is calculated, and I believe that it can be dealt with. It is worth re-profiling some spend that will leave us with an over-commitment in the final year, but with three years to deal with it.

**Mrs Overend:** I look forward to the time when Mid Ulster becomes a priority for the Finance Minister, but I hope that the construction jobs that will be created will help the constituency. Will the Finance Minister detail what proportion of the jobs created will be Northern Ireland jobs? Have contracts been awarded? Where will those contracts go?

**Mr Wilson:** Some of the contracts have been awarded, and contracts for two parts of the A5 and for the A8 were awarded to Northern Ireland firms. The contracts for the hospitals and the A2 have not yet been awarded.

The Member will know that, under procurement rules, we cannot show favour to Northern Ireland firms. However, I hope that the success that Northern Ireland firms have had in tendering for the some of the major schemes will continue and that the contracts for the other schemes will go to firms based in Northern Ireland.

At the end of the day, we have to get the best value for money through procurement; you would not expect anything else. There are strict rules for procurement, so I cannot predict the outcome of the procurement exercises on the outstanding schemes.

**Mr Spratt (The Chairperson of the Committee for Regional Development):** I thank the Minister for his statement. It is evidence of a considered and pragmatic approach, and it is welcomed by the Committee for Regional Development. Will the Minister confirm whether the criteria that were used for the two sections of the A5 that he identified will go ahead under normal DRD construction criteria?

**Mr Wilson:** First, discussions were held with the roads Minister on those schemes. Secondly, all the facts and figures about traffic movements, accident statistics and the kind of traffic that travels on those roads are available to DRD. The two parts that have been chosen would, by any objective roads criteria, have been high up the priority list anyway. The traffic volumes on the A2 and the A8 and the strategic nature of those

routes were more than sufficient to justify the expenditure on them.

### 11.15 am

I want to emphasise that, as I said in the statement and as an examination of the detail of the particular schemes will show, strict economic, social and strategic significance was considered when the decisions were made as to which schemes should go ahead.

**Mr Flanagan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Cuirim fearadh na fáilte roimh ráiteas an Aire inniu. The Minister and his Executive colleagues will be all too well aware of the ongoing problem of rising emigration that we face, particularly in rural communities such as Fermanagh and Tyrone. He will also be aware of the impact that this positive announcement about immediate capital projects will have in giving some sort of hope to young people who are choosing to emigrate, particularly to those who have qualified in the fields of construction and engineering.

What is the Minister's assessment of the impact that those project announcements will have, not only on short-term job creation but in the long term in society as a whole, as we seek to move from decades and, in fact, centuries of historical underinvestment in infrastructural projects west of the Bann?

**Mr Wilson:** I do not agree that there have been decades of underinvestment. The Executive have spread investment across the whole of Northern Ireland. Everywhere I go, no matter whether it is east, west, north or south, to speak at chamber of trade dinners — the most recent one was in Newry — it never fails to amuse me when I hear the same story about historical underinvestment. People in my constituency of East Antrim tell me that no government jobs are located there, and they talk about historical underinvestment. Everybody will tell the same story, although the reality is something different.

The Member has made an important point, however. I have said this before, but it bears repetition: when we invest in strategic roads, it opens up economic possibilities. Invest NI has already bought sites along the road from Dungannon to Ballygawley — I got it right this time — that will enable economic development there. I have no doubt that the road from Ballygawley to Omagh will do exactly the same. Of course, it is important that the firms that are

already established there have an infrastructure that enables them to be sustained and to open up further possibilities.

Yes, there is a short-term benefit, but, if there was only a short-term benefit, this announcement would not represent all that significant an investment, because once the short-term jobs are gone, they are gone. If these are the right investment decisions, and I believe that they are, the benefits will be felt by communities that are impacted by those roads in the much longer term. Hopefully, that will address at least some of the problems. As far as the Executive can do, when we are facing global pressures, it will help to address some of the issues that the Member has raised.

**Mr Durkan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I also welcome the Minister's statement and the green light for two sections of the A5. I am also very pleased to hear about the investment in our healthcare infrastructure, particularly in the Western Trust area.

As the Minister outlined earlier to Mr McCartney, the Altnagelvin hospital investment will facilitate the construction of a new north wing, which will comprise six wards and should greatly enhance the experiences of patients and staff at the hospital. The Omagh investment will bring that project forward by a year. I very much welcome the capital commitment and the jobs that it will create. However, will the Minister tell us whether the Executive will display the same commitment to the retention of health service jobs in the Western Trust area, which is an area of very high unemployment?

**Mr Wilson:** It is nice to hear the Member welcome something. He usually picks holes in everything that I bring to the Assembly. He has four pieces of news to welcome: that must be a record. I hope that it will keep him happy and off my back for a wee while at least. Once there is investment in the hospitals infrastructure, there will be employment consequences. As for the detail of what is happening with the health spend in the Western Trust, it is more appropriate that that is drawn from the Health Minister than from me.

**Mr G Robinson:** I thank the Minister for his statement and welcome the money for new projects. May I request that any future moneys — any loose change — are directed to the Regional Development Minister for the upgrade of the A26, where so many fatalities have

occurred, and the Dungiven bypass project to alleviate the health risks to residents and commuters alike in Dungiven?

**Mr Wilson:** As I mentioned, as a result of the statement, there is already an overcommitment in the final year of the Budget that has to be addressed. We have to look at whether the Budget review that we will undertake will release some capital from other Departments for roads, whether additional money will come from other sources, or whether, as a result of Executive discussions, we find that we can draw in private finance for schemes. I have to say that the Executive understand the importance of spending on our infrastructure, not only because of the short-term jobs that that creates but because of the long-term possibilities. Through the Budget review group, we will continue to explore other ways in which we can bring forward more capital projects in the future, if possible.

**Mr McCarthy:** This is a good news story, and everyone in the Chamber welcomes it. There are some disappointments. Ballynahinch is not mentioned anywhere, even though it has been waiting 30 or 40 years for a bypass. It was interesting that, I think, every Minister, including the First Minister and the deputy First Minister, were in the Chamber this morning to listen to the statement, but the roads Minister — the Minister for Regional Development — was not about.

**Some Members:** He was.

**Mr McCarthy:** Was he? *[Interruption.]*

**Mr Principal Deputy Speaker:** Order.

**Mr McCarthy:** I apologise, but he did not hang around very long to hear the rest of the discussion. *[Interruption.]*

**Mr Principal Deputy Speaker:** Order. We are discussing the Minister's statement and not who is here and who is not here.

**Mr McCarthy:** It is a good news story that comes after a bad news story yesterday, with the loss of 300-odd jobs in Armagh. It is a good news story, which, along with everyone else, I very much welcome. In particular, I welcome the investment in all the hospital sites. As the Alliance Party health spokesperson, I am delighted that that investment is being made. My main concern is the 2,500 jobs that the Minister said that he will try to create. That will

not be his job. It will be Minister for Regional Development's job —

**Mr Principal Deputy Speaker:** Question.

**Mr McCarthy:** — to ensure that the work will be given out locally, and there will be no hanging around. Get on with the job, get it done, and create all those jobs.

**Mr Wilson:** I am not sure what the Member wants. One minute he condemns the Minister for Regional Development for not hanging around and then he says he does not want him to hang around. I wish that he would make up his mind. In defence of the Minister for Regional Development, and in the pursuit of co-operation between the two unionist parties, I will explain that he, along with the First Minister, the deputy First Minister and the Health Minister, is doing a press conference. They left to do the press conference during questions on the statement. So he did not walk out because he was in bad form or anything like that; he had a commitment to talk about the schemes in his Department's remit.

Mr McCarthy and, I think, a couple of other Members mentioned the Ballynahinch scheme. One of our criteria for spending the money was whether it could be spent in the time available. As far as the Ballynahinch road scheme is concerned, I understand, from speaking to Mr Hamilton, that, even though there is a proposal for a bypass, the land has not yet been bought. The Member may shake his head, but he will know that there is a required process. Given that the scheme has not advanced even to that stage, it is unlikely that we could have spent the money in the time available.

**Mr Allister:** This morning's announcement about the A5 demonstrates that, in the Executive, what Sinn Féin wants, Sinn Féin gets. Three months ago, after the Republic backed out, the Minister, through the BBC, told us:

*"the road cannot be financed and cannot be built ... We're looking at how we re-profile that and what we spend it on."*

He went on to say that spending the money on hospitals, schools and houses would be a better spend in any event. Today, he tells us that, though the Republic's Government have backed out, he will build big chunks of the A5 for them anyway. Where is the business case for the A5 project that he has approved? When did he approve that, or has due process simply

been trumped by political horse-trading? If due process were in vogue, he would be announcing the advancement of the A26 project this morning, because it meets the traffic volume criteria, which the A5 comes nowhere close to meeting.

**Mr Wilson:** I know that the Member acts as a kind of lone opposition in this place. However, I would have thought that, on a morning when we have what is generally accepted as good news across the House and will, undoubtedly, be accepted as good news right across the construction industry and the wider economic society in Northern Ireland, he could at least have avoided being churlish. Of course, as the old saying goes, every silver lining has its cloud. I suppose that that has been justified here this morning.

I know that the Member thinks that Sinn Féin wags the dog in this place, but I have been at pains to explain that that is not the case. Sinn Féin made it clear that it wanted the whole A5 done. It wanted all available money from our Budget and that of the Republic to be spent on doing as much work on the A5 as could be done with the £450 million available. That did not happen. We chose particular parts of the road on the basis of traffic volume and economic benefit.

The Minister of Enterprise, Trade and Investment has already made it clear that, as far as she is concerned, the work will help to sustain and generate jobs in the west of the Province. I think that it is important that the economic benefits that stem from whatever actions the Executive take are felt right across Northern Ireland. That is always an important consideration, but not to the extent to which we would go ahead with unjustifiable projects.

The reason why the rest of the A5 is not being done is that it did not stack up. We could have put more money into that, because we did not spend all the money from the A5 reallocation. The reason why we did not do so was that other projects stacked up and were considered to be of higher priority. I know that the Member will not accept that. However, all I can say to him is that that is the way in which the decision was made.

**Lord Morrow:** One thing that disappointed me about the Minister's statement was that he was unable to pronounce "Ballygawley". That disappoints me, as it is the town of my birth, so I will have to talk to him to find out what is going on.

### 11.30 am

In relation to the A5, a sensible decision has been taken to drop the section from Aughnacloy to Ballygawley. From day one, some of us said that it could never be justified, and I am pleased that that has happened. However, as a result of today's statement, something needs to happen, and it is this: we need to get a hold of the public inquiry into the A5. Only the Regional Development Minister knows why he will not release that. Furthermore, we need to remove the blight from the section between Ballygawley and Aughnacloy. There is a lot of farmers' land there, and that land could continue to be blighted if a clear statement of intent is not made soon. I welcome the Minister's statement.

**Mr Wilson:** Most of what the Member has raised is a matter for DRD. However, I have made it clear that as far as I am concerned, any further work along any section of the A5 will depend on money from the Irish Republic. We want to maximise that. If there are parts of that road that the Irish Republic believes to be of strategic importance to it, that will be the case. The Member is quite right: the stretch from Ballygawley to Aughnacloy was one of those that, on objective criteria, would not have been justified.

### North/South Ministerial Council: Education

**Mr O'Dowd (The Minister of Education):** Mr Principal Deputy Speaker, with your permission, I wish to make a statement in compliance with section 52 of the NI Act 1998, regarding a meeting of the North/South Ministerial Council (NSMC) in education sectoral format. The meeting was held in the joint secretariat offices in Armagh on 1 February 2012. I represented the Executive, as Minister of Education, along with the Minister for Social Development, Nelson McCausland MLA. The Irish Government were represented by Ruairi Quinn TD, Minister for Education and Skills. The statement has been agreed with Minister McCausland and is made on behalf of us both.

I will summarise the main points from the meeting, ranging across all the agreed areas of education co-operation. With respect to the education survey in the border regions, we recognised the importance of facilitating parental preference in participation in schools. We noted the changing population in border areas and the impact that that might have on schools. Taking into account those issues, we discussed how those parents who so wished might be able to send their children to schools on either side of the border.

With respect to taking forward greater parental preference in schools in the border regions, we discussed the developing plans and agreed the next steps for the conduct of a joint survey to inform cross-border pupil movement and school planning. An interim report on the preparation for the survey will be presented to the next NSMC education meeting. The survey is due to be conducted later this year, and its results and proposals on the way forward will be considered by the Ministers no later than the first NSMC education meeting of 2013.

With regard to special educational needs, the Council reaffirmed its commitment to the future development of the Middletown Centre for Autism. We welcomed the progress made by the two Departments in conjunction with the centre on the development of a multi-annual plan for Middletown. The plan will take full account of developments in recent years. It will also reflect international best practice. It will, of course, be deliverable within the financial constraints faced by both Administrations. Taking account of those factors, we noted that a paper containing proposals on the way forward for the Middletown

centre will be brought forward for decision at our next meeting in May. We welcomed the continuing progress made by the Middletown centre in delivering training to professionals and parents, in outreach support for children and in the continuing programme of research.

The Council noted that future meetings of the educational underachievement working group will include an important focus on sharing best practice in raising literacy and numeracy standards. We welcomed the publication of a joint report by the two inspectorates on promoting and improving literacy and numeracy in schools and a commitment by both inspectorates to continuing collaboration.

We noted that Marino Institute of Education in Dublin is considering a proposal from the University of Ulster to deliver a preparatory course to enable students to undertake assessments leading to the Scrúdu Cáilíochta sa Ghaeilge, an Irish-language teaching requirement in the South. We also noted that St Mary's University College, Belfast has expressed an interest in delivering the course.

We noted that an Irish-medium collaborative programme for the 2011-12 academic year to support Gaeltacht schools and Irish-medium schools has been approved and is being implemented.

The Council welcomed the publication of the 'School Leadership Matters' report, which is available on the Regional Training Unit and Professional Development Service for Teachers websites. We welcomed ongoing exchanges and sharing of good practice in school evaluation by the two inspectorates.

As regards school, youth and teacher exchanges, the Council welcomed North/South student exchanges, which are due to take place in March, and we noted that the evaluation of the dissolving boundaries programme has been completed.

In closing, Ministers agreed that the North/South Ministerial Council in education sectoral format should meet again on 30 May in Armagh.

**Mr Storey (The Chairperson of the Committee for Education):** There is little to welcome in this statement to the House. It seems as though the type on the statement gets bigger but the content gets less. It raises a number of serious issues.

First, I want to raise concern about the comments made in the paper about parental preference for

parents from the Irish Republic. When will the Minister ensure that that is extended to parents in Northern Ireland, given the position that he and his party hold regarding certain sectors of education?

A very serious issue is what the paper describes as the "continuing progress" of Middletown. Minister, Middletown has now become an albatross for your Department. It is delivering nothing for the children in Northern Ireland who have serious problems and challenges. Let me conclude by quoting a parent. Middletown is not supported by autism organisations and the Northern Ireland Audit Office. The parent said:

*"Why has there not been a comprehensive review of the value of Middletown? It appears to me as if it muddles on in its development stage. No one is taking any notice of the fact that schools cannot manage children and young people with ASD."*

Minister, when will you stop the charade and put the money to better use to serve the children of Northern Ireland who are crying out for your help? Unfortunately, it seems as though your ears are closed.

**Mr O'Dowd:** I thank the Member for the series of points that he raised. First, I welcome his comment on the slowness of some of the programmes of work. The wheels of bureaucracy grind quite slowly on both sides of the border. I assure you that there is great cross-border co-operation on that matter. I am of the view, and I think that I fairly reflect Minister Quinn's point of view, that the programme of work regarding the delivery of services on a cross-border nature in education needs to be expedited. The survey that we are conducting will assist both Departments in bringing forward a planned approach to the delivery of education in a cross-border region, to the benefit of the young people involved.

You raised some more specific issues. I assume that when you talk about parental preference, you refer to academic selection. I wonder how much preference parents had last Saturday morning when they were opening letters to be told that their 11-year-old child was rejected from a school. Where is the parental preference in that? I assume that that was what the Member was referring to.

I can assure you that my ears and eyes are not closed to the issue of Middletown. Minister Quinn and I have had several discussions about that matter. We expect a report from our Departments

towards the end of February, and that will involve a number of options on what the future holds for Middletown. I will study that closely, and at the North/South Ministerial Council meeting in May, we will announce the way forward for Middletown. As I said in my statement, it will be based on current positions in both jurisdictions, international best practice and the best way forward for young people with autism. That is what the decision will be based on, and I assure the Member that all the views that have been expressed by parents and autism groups will be taken on board. At this stage, my political views and those of other Members should not be taken into account. The decision will be based on service delivery for autism.

**Mr McKay:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his statement. Some of the schools involved in the joint cross-border survey will be affected by the Commission for Catholic Education's report that was launched yesterday. How will the proposals in that report affect the cross-border flow of pupils? Perhaps he could give his overall view on the report.

**Mr O'Dowd:** I thank the Member for the question. The Commission for Catholic Education's report is a comprehensive piece of work that was conducted over a number of years and sets out the future of Catholic education for, perhaps, a generation to come. It deserves close scrutiny. I will await the publication of development proposals, if we reach that stage, for the five proposed closures, and I will make due judgement on those proposals following the consultation process. There are several other recommendations on amalgamations, and so on, that will also require development proposals.

The Member asked about cross-border travel for pupils. Proposals that will come in the later stages of the process, perhaps a year or two from now, may be affected by the cross-border survey and student and parent demand for schools on either side of the border. It is only right and proper that any proposals for the future of a school in that corridor are taken into account and looked at in conjunction with any parental demand for cross-border travel.

**Mr Nesbitt:** As roads are the flavour of the day, I will couch my question in that context if I may. In the context of parents who wish to send their children to schools on either side of the border, does the Minister see that as a one-way or two-way street, with two lanes heading South to

avoid what he sees as the evil of selection, and a hard shoulder coming in the other direction? How would he characterise the potential outcome?

**Mr O'Dowd:** We are conducting the survey to establish exactly how many lanes we need on the highway. I want it to be two-way traffic, and there is already two-way traffic of cross-border pupil movement. If pupils head from the North to the South, my Department picks up the tab; if pupils go in the opposite direction, the Dublin Department picks up the tab. At this stage, we are not looking to establish any policy until we have the information at hand. The cross-border survey will allow us to see the parental demand for such a network of provision, and we will also see the obstacles for parents being allowed to send their children in either direction. I will wait to see how many lanes we need on the highway, to use your analogy, and then build it accordingly.

**Mr McDevitt:** In light of yesterday's report, what message can the Minister send to young people in Garrison or west Fermanagh? Will their future be a 30-mile commute to Enniskillen, or will the report allow them, potentially, to access a school in Bundoran in the foreseeable future? How far away is that foreseeable future?

**Mr O'Dowd:** It would be inappropriate for me to discuss individual proposals in the commission's report that may lead to development proposals because I am the person who will have to make the final decision on those matters. That decision can be made only after the consultation process, which has yet to start. So I will not pre-empt any proposal or recommendation in the commission's report. The cross-border survey will report back to the first North/South Ministerial Council meeting in education format in 2013, along with proposals on the way forward. If there is a demand for firm proposals, they will come to fruition within that timescale.

**11.45 am**

**Mr Principal Deputy Speaker:** I remind Members that questions are to this morning's statement.

**Mr Lunn:** I want to ask the Minister about the section of his statement dealing with teacher qualifications, particularly the work being done to allow all potential teachers to obtain the scrúdú cáilíochta sa Ghaeilge.

**Mr McCarthy:** Well done. You are learning.

**Mr Lunn:** The trouble is that, when you say that, you lose your thread.

I ask the Minister whether both jurisdictions are really serious about that. It would be a big step forward if that could be progressed to the point at which there was a level playing field for all potential teachers, North, South and, perhaps, from the European Union.

**Mr O'Dowd:** Yes, both jurisdictions are serious about it because teacher mobility is to the benefit of both. The ongoing work by St Mary's in Belfast, other institutions in the North and, indeed, institutions in Dublin to co-operate and collaborate on recognisable qualifications, in the medium of Irish and across education, can only benefit education as a whole. I am confident that Minister Quinn wants his Department to work in that direction, and my Department, along with the enabling bodies, including the qualification bodies, etc, is working towards that goal as well.

**Mr Craig:** Minister, I note that you await proposals in May on moving forward the Middletown Centre for Autism. Will you assure the House that that will be done in conjunction with existing charities? Our experience of Middletown in its previous incarnation was that it just copied and then usurped and undermined charities by carrying out work that they were already involved in. The only difference was that its work cost the taxpayer a fortune compared with what had been delivered.

**Mr O'Dowd:** There are several different charities involved in autism and several different opinions on how you deliver autism services to young people. I cannot reconcile all those different opinions with the way forward. That would be impossible. I am not saying that there is disagreement, but we certainly cannot get agreement within the autism sector on the best way forward for educational services.

I am of the view that given the 10 years that have elapsed since the original proposal for the Middletown centre, which was based on best practice at the time, the way forward will have to be based on the evidence of the current provision of autism services on either side of the border. We will reflect and learn from best international practice. However, it must be said that the Middletown centre has provided training to thousands of parents and professionals and played its own role in improving autism services on this island. It has not lain dormant, and the

building has not been idle. A service has been running.

We have not yet built the accommodation for a residential training model. We will wait for the report's recommendations on the way forward. The Dublin Government and I want to reflect on the best way forward for that residential model and on the training currently provided.

The autism lobby has, quite rightly, made its voice heard on the matter on both sides of the border. We will listen to the views of the autism charities, but no Government should be run on the basis of trying to accommodate every demand. You have to reach a decision and make the best possible proposal on the way forward on the basis of the evidence in front of you.

**Mr Flanagan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Cuirim fáilte roimh ráiteas an Aire. The Minister referred to the changing population in border areas and right along the border corridor. We have seen, in the proposals from the Catholic sector, how that has impacted on the future of some schools. Will the Minister elaborate on the outworkings of the survey that the NSMC proposed and outline what we can expect to happen next?

**Mr O'Dowd:** At the next meeting of the North/South Ministerial Council on education, there will be a report on how the survey will be conducted. Following that, the survey will be distributed to schools on either side of the border and relevant community agencies, and it will be publicised so that we get as good an uptake as possible. We want people to be able to give feedback because we want a sound information base to ensure that the results from the survey are as broadly based as possible. Then, at the North/South Ministerial Council meeting in education sectoral format in 2013, both Departments will bring proposals on the way forward based on the evidence of demand from the survey.

So, we are working to a number of time frames. The next meeting this year in education sectoral format will look at the survey and how it has been conducted. Then, in 2013, we will see the results of that survey and will decide how it will be moved forward.

**Mrs Hale:** Could teacher qualifications in Irish-medium assessment courses be used as a shortlisting criterion? If so, that could further

disadvantage students who choose not to take that course.

**Mr O'Dowd:** The objective is certainly not to disadvantage anyone. I want to ensure that the courses are available to as broad a range of people who wish to take them. At this stage, the Irish-language qualification will really be for teachers who are teaching in the Irish-medium sector and those who wish to go down that career pathway. I want to see qualifications recognised on either side of the border not to disadvantage anyone but to promote the employment of as many teachers as possible.

**Mrs Dobson:** Minister, you said in your statement:

*"The Council reaffirmed its commitment to the future development of the Middletown Centre for Autism."*

The Comptroller and Auditor General's 2009 report concluded that, at the Middletown Centre for Autism:

*"Key services...are not being achieved".*

How can those statements be squared?

**Mr O'Dowd:** The Audit Office report was factual. The Middletown centre was not developed during the period that the institutions were down. That is a reality. All-Ireland cross-border co-operation stalled, or was certainly on hold, when the institutions went down. So, through no fault of its own, the Middletown centre was not allowed to progress. The Audit Office report was factual. We are saying that, as a result of our recent deliberations, we want to assess the services that are provided. Excellent training services have been provided for professionals and parents. We want to see what the next steps will be. Will it be the consolidation of that service? Do we need to move to a residential option? What is international best practice telling us? What are the services that are available on the island of Ireland telling us about what the next option should be? So, my statement and the Audit Office report are not contradictory in any way. The next steps will be evidence based. There will then be a full report to the meeting in education sectoral format, and I will report to the Assembly on the way forward for the Middletown centre.

**Lord Morrow:** Maybe the Minister will make a brave decision on the Middletown development by drawing a line under it, moving on and acknowledging the disaster that it has been.

I am not sure whether the following part of the statement is about the Department for Employment and Learning or the Department of Education. The Minister talked about the University of Ulster delivering on Irish language, and he said that St Mary's intimated that it also wants to do it. The Minister made a significant statement on that that I want to ask him about directly. He said:

*"This is an Irish language teaching requirement in the south."*

Is the Minister now proposing to also make it compulsory for all students in Northern Ireland?

**Mr O'Dowd:** No, I am not proposing to make it compulsory for all students. It is a voluntary process in the North, and I see no reason to change that. It is about improving the delivery of Irish-language education in the Irish-medium sector and, indeed, through other sectors, if they so wish. So, I am not choosing to make anything compulsory for anyone.

As regards making a brave decision about the Middletown centre, a decision that is made in the absence of all the information would not be a brave decision but simply the wrong decision. So, let us have all the evidence before us so that we can make the right decision in May, and we will move forward from there.

**Mr Boylan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I welcome the Minister's statement. I feel that I have to stand up for the Middletown centre, given all the negative comments. Given the latest announcement about possible job losses in Armagh city and district, of which there have been 340 over the past couple of weeks, I think that the announcement on the Middletown centre is positive and welcome. Could the Minister give us an update on the discussions that he has had with his counterpart, Ruairi Quinn, in relation to the Middletown centre?

**Mr O'Dowd:** Yes, we have to remember that when we are talking about any institution, there are employees and staff behind that, with genuine concerns about their future and the way forward. However, as with any decision, we have to focus on the needs of the client base, which, in this case, is the young people with autism, and we want to ensure that we are delivering the most up-to-date and proper service for them.

Minister Quinn and I have liaised as regards Middletown. Minister Quinn is keen to ensure that he has a modern delivery service for autism in his jurisdiction, and I am keen that we have a modern delivery service for autism in my jurisdiction. We want to ensure that whatever decision we come to around Middletown is based on best practice. We await the report of our Departments, and our officials are working closely together on that. When that report is available, Minister Quinn and I will resume our discussions around the matter and reach a decision by the May deadline, when the North/South Ministerial Council will next meet in education sectoral format.

We have to come to a final decision on this because, as the Member said, there are staff behind this decision as well, and they want to know what the future holds for them. There are families with young people with autism who want to know the way forward. As has been mentioned by another Member, there are also charities doing very good work as regards autism that want to know what their role will be. All those individuals and bodies deserve certainty on the way forward for Middletown.

**Mr Allister:** I want to ask the Minister about his enthusiasm for cross-border schooling, which I assume was shared by his unionist minder Nelson McCausland when they committed to the further survey. Does the Minister anticipate that, in due course, from the Northern Ireland Budget we will be providing places and siting schools in order, in part, to facilitate pupils and parents from the Irish Republic? On the question of teacher mobility, did they take time to consider the closed shop arrangement, the Catholic certificate in education, that is a barrier to that?

**Mr O'Dowd:** The Member will, I am sure, be delighted to know that I do not need any minders no matter where I go. I am more than capable of looking after myself, and I have not met any elected representative yet, including your good self, who is capable of giving me enough problems to make me require a minder.

I do not believe that cross-border mobility will be a cost to the Budget here because, as I have said, we already have pupils travelling back and forth across the border. When students leave this jurisdiction to go to the South, we pick up the bill. When students from the South come to this jurisdiction, the Dublin Government pick up the bill.

There is already a review taking place into the Catholic certificate, and that review will report in due course. As with any review, we will decide the way forward based on the evidence and information gathered by the review, rather than some people's perceptions of what that may be.

**Mr Principal Deputy Speaker:** That concludes questions to the Minister of Education on his statement.

## **North/South Ministerial Council: Tourism**

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** With your permission, Mr Principal Deputy Speaker, I wish to make a statement in compliance with section 52 of the Northern Ireland Act 1998, regarding a meeting of the North/South Ministerial Council (NSMC) in tourism sectoral format.

The meeting was held in Armagh on 25 January 2012. Minister Carál Ní Chuilín MLA and I represented the Northern Ireland Executive. The Irish Government were represented by Leo Varadkar TD, Minister for Transport, Tourism and Sport, who chaired the meeting. This statement has been agreed with Minister Ní Chuilín, and I am making the statement on behalf of us both.

Ministers welcomed the recently appointed chairperson, Mr Brian Ambrose, to his first NSMC meeting. The chairperson and the chief executive officer (CEO), Mr Niall Gibbons, updated Ministers on the work of the Tourism Ireland board, including implementation of the 2011 business plan and the development of the 2012 business plan.

The CEO made a presentation to Ministers on market performance in 2011. The Council noted the success of the 2011 marketing campaign.

That included the historic state visits, which provided a major tourism boost and £250 million of positive publicity; the greening of a number of iconic landmarks worldwide on St Patrick's Day, which reached 250 million potential visitors; and Belfast's being centre stage for the MTV Europe music awards. The performance overview for 2011 showed a growth in overseas visitors for the first time since 2007.

### **12.00 noon**

The Council discussed Tourism Ireland's key marketing campaigns planned for 2012, including the roll-out of a new global destination advertising campaign. Ministers received an update on the planned events and targets for the ni2012 Your Time, Our Place tourism initiative, including the Titanic Belfast Festival 2012; the opening of the new visitor centre at the Giant's Causeway; the Irish Open golf championship at Royal Portrush Golf Club; and the 50th Belfast Festival at Queen's University, as well as the events organised in Northern Ireland in 2013 including the Derry/Londonderry UK City of Culture and the World Police and Fire Games.

The role of Tourism Ireland in overseas marketing was outlined to the Council. The Council discussed the main priorities for Tourism Ireland in 2012 and reviewed progress on finalising the business plan and budget for 2012. The Council agreed to meet again in tourism format in autumn 2012.

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

I thank the Minister for her comprehensive report. Tourism Ireland is doing a good job for all parts of Ireland, and it is very important that that job be continued. However, what strikes me in particular is the new global destination advertising campaign, which is particularly significant. Will the Minister comment on that? What potential does she see in that for tourism in Northern Ireland?

**Mrs Foster:** I thank the Chair for his question. Having received briefings from Tourism Ireland, he knows that it is looking at four main markets, particularly for Northern Ireland, the biggest of which is visitors from Great Britain. Our target over ni2012 — our huge year of opportunity — is to grow the number of GB visitors by 10%, which would hopefully mean an additional 100,000 visitors with a total impact of £66 million over the next four years. Part of working towards that is, undoubtedly, the marketing campaign, as the Member mentioned. I am happy that he is happy. I think that the global destination advertising campaign, in conjunction with the very successful Northern Ireland Tourist Board advertising campaign being shown across Northern Ireland and the Republic of Ireland, will impact on the number of tourists deciding to come to Northern Ireland this year. However, it is not just about this year; it is about next year and the years rolling on from there. It is about making a huge impact in 2012 and then reaping the benefits in future years. Although 2012 is huge for Northern Ireland, we are also looking to the sustainability of tourism in the following years. That is an important point.

**Mr Frew:** I thank the Minister for her statement. Will she detail the discussions on the logistics, promotion and advertisement of the Irish Open golf tournament that are necessary to make it a very successful event?

**Mrs Foster:** It will not surprise the Member that it is a huge event for the Royal Portrush Golf Club and the whole of Northern Ireland. We have been very impressed with the

number of enquiries made on the back of the announcement that the Irish Open was coming to Northern Ireland for the first time in 60 years. I commend the partnership that is developing between the Royal Portrush Golf Club, the local council at Coleraine, DETI, the Tourist Board, Tourism Ireland, the Department for Regional Development and Translink. All those elements need to come together to make sure that the Irish Open is a huge success. Last year, around 84,000 people visited Killarney for the Irish Open over a period of four or five days. We are hopeful that we will have 100,000 visitors to the north coast. Of course, it will not just be to the benefit of Portrush; it will be right along the north coast and, I would say, across Northern Ireland. Visitors will come for the period of the Irish Open, but they will want to spend longer in Northern Ireland and, therefore, visit all the other sites that are available to them. Plans are going well in relation to the Irish Open, and we look forward to a very exciting time and to an opportunity to place ourselves in front of the world again at the end of June.

**Mr McKay:** Go raibh maith agat, a LeasCheann Comhairle. Is the Minister aware of some of the barriers to tourists entering from parts of Asia? I am aware that the Irish Government have introduced a visa waiver scheme, which allows visitors from 16 countries to enter Ireland with no extra visa cost, but it is not the same vice versa. Will the Minister liaise with Minister Varadkar and, if necessary, the Secretary of State to ensure that tourists who come from a third of the global tourism market — Asia — can access the North?

**Mrs Foster:** That is an issue that we have discussed in some detail, not just with our counterparts in the Republic of Ireland's Government but with the Minister of State for Northern Ireland, Hugo Swire. In the past couple of weeks, I have discussed with him the fact that there is a visa waiver scheme for people who come from the Far East and Middle East into the Republic of Ireland. If they have a UK visa, they do not need an Irish waiver. However, if they have an Irish visa, they still need to have a UK visa, and that is where the difficulty lies.

I raised the issue with Hugo Swire, and I understand that it is about safety and security and about mechanisms between the Republic of Ireland's Department of Foreign Affairs and the UK Foreign and Commonwealth Office. It is something that we are actively looking at to

see if we can address that issue. I am sure that the Member will agree that it is particularly pertinent now that we have flights coming in from Dubai and Abu Dhabi. We would like to attract some of those visitors up to Northern Ireland. Therefore, it is on the schedule to see if we can deal with the issue. However, it is a difficult issue that we will continue to work on with the Minister of State.

**Mrs Overend:** I thank the Minister for her work in helping with the Irish Open and increasing tourism in the different areas. However, I found it somewhat surprising to read in the statement that the Minister is championing the greening of a number of iconic landmarks worldwide on St Patrick's Day. Can the Minister detail the actions that she might take to ensure that St Patrick's Day celebrations here in Northern Ireland are, in fact, less green and more inclusive for all the people of Northern Ireland?

**Mrs Foster:** The Member will know that I would welcome a more inclusive St Patrick's Day that we can identify with here as a unionist community in Northern Ireland, but she must also recognise that 70 million people across the world celebrate St Patrick's Day. Therefore, we must try to get the benefit of that by attracting them not only into the Republic of Ireland but into Northern Ireland. That is the reference to the greening of those landmarks. The wheel in London was greened last year to try to attract people into Northern Ireland.

One of the campaigns for Tourism Ireland in the GB market is to have that differentiation between the Republic of Ireland and Northern Ireland. It is hugely important that our nearest neighbours recognise that this is our big year of opportunity. They should come along and enjoy all the cultures that we have in Northern Ireland, and we look forward to welcoming them when they come.

**Mr Lunn:** I also welcome the Minister's statement. It is very positive, and the prospects for the next couple of years look extremely good. In her answer to Mr Maginness, the Minister mentioned future years. That brings in the question of anniversaries and centenaries, which also have tourist potential. Can we take it that there will be the same level of co-operation between Tourism Ireland and the Tourist Board in the various jurisdictions to maximise the potential of the various centenaries?

**Mrs Foster:** Absolutely. I know that the Alliance Party has a motion down on the centenaries that we are looking forward to over the next 10 years. I hope to be able to respond to that motion in the Chamber and to detail all the actions that we are taking in relation to all those centenaries. Some of the centenaries are, of course, coming up very quickly. Therefore, I will welcome the opportunity to come to the House to speak about them in the very near future.

**Mr Dunne:** I thank the Minister for her statement. What impact will the opening of the Titanic signature buildings and the Giant's Causeway visitors' centre have on attracting visitors to Northern Ireland? I welcome the support of Tourism Ireland and the Northern Ireland Tourist Board for the Circuit of Ireland rally, which this year becomes part of the IRC championship, the first stage of which is based at the Titanic Quarter in Belfast.

**Mrs Foster:** I wondered how the Member was going to get the Circuit of Ireland rally in, but I am pleased that he was able to do so. We welcome the fact that the rally is taking in the Titanic Quarter as part of its circuit this year and that, yet again, we will be able to shine a light on what is happening in that area. It also helps us to link the Titanic with another big sporting event. That is what this year is all about. It is about linking all the different events together so that when people come to Northern Ireland they have not just one thing to see, do and visit but a range of events.

We have eight tier 1 events in place, but a raft of other events — some new, some existing — will take place across Northern Ireland for the whole of the year. We very much look forward to the increase in visitors who will come and to the increase in visitor spend that will, undoubtedly, accompany that. More importantly, it gives us a chance to change global perceptions about Northern Ireland, to deal with those issues and with perceptions of safety and security and to say that Northern Ireland is confidently moving on.

**Mr Flanagan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I welcome the indication in the Minister's statement that, for the first time since 2007, we have returned to a growth in visitor numbers. Hopefully, we are starting to turn the corner with that.

I want to return to the visa waiver scheme, which my colleague raised. When was the Minister first made aware of that issue? Does

she have any indication of a figure for the potential economic impact that the lack of co-operation on a visa waiver scheme is having on the economy in the North?

**Mrs Foster:** I have been aware of the issue for some time. It has become more of an issue now that the Etihad flight is coming into Dublin, and there has been a renewed sense of needing to deal with it. I am not underestimating the difficulties with the issue. However, it is incumbent on me, as tourism Minister, to draw as many tourists to Northern Ireland as we can. That is why I am having discussions with the Minister for Transport, Tourism and Sport in the Republic of Ireland and the Minister of State here in Northern Ireland. It is an issue, and I would like to see it sorted out, but it is a difficult one.

**Mr Nesbitt:** I thank the Minister and the Department for all that they do for tourism. However, she will be aware that when Mr Gibbons briefed the ETI Committee on 12 January this year he was unaware of the significance of 14 June and the Olympic Club in San Francisco. What does Tourism Ireland specifically plan to do to maximise the unprecedented focus that there will be on Northern Ireland and its golfers as they try to win the US Open for the third year running? Has she rejected the proposal that I put via the First Minister last June?

**Mrs Foster:** I thank the Member for his continuing interest in golf tourism, and I look forward to the day that he spreads out into other tourism initiatives. However, I continue to see his comments as helpful. After his recent intervention, I wrote to the chief executives of Invest Northern Ireland, Tourism Ireland and the Northern Ireland Tourist Board and asked each of them to make sure they knew exactly what they were doing in each of the markets. That will mean that his comments about Tourism Ireland not doing something at Pebble Beach or, in any event, the US Open — I do not think it is in Pebble Beach this year — are addressed. The slack can be taken up by Invest Northern Ireland, which has a presence there and will be promoting Northern Ireland as the home of champions. There is an imperative on us to grasp the opportunity that has been presented to us by our three champions, and I have made Tourism Ireland, the Northern Ireland Tourist Board and Invest Northern Ireland very much

aware of the fact that we need to grasp it with both hands.

### 12.15 pm

**Ms Ritchie:** I thank the Minister for her statement. Realising that St Patrick represents the epitome of the unity and diversity concept, does she agree that, although much has been done on the St Patrick signature project, more investment is required to develop the assets and realise their full tourism potential in the North and that there is an all-island dimension to that form of tourism heritage, as some of the key sites are located in the South of Ireland? Will she ask Tourism Ireland to give greater priority to marketing our Patrician heritage?

**Mrs Foster:** I am somewhat surprised that the Member is giving up a bit of Patrick and allowing him to be claimed by another part. I thought that south Down had the only claim on St Patrick. However, she will know that we looked at all those issues during the very good Adjournment debate that she brought on the tourism potential of south Down. I said to her then and say to her again that the key to developing St Patrick and, indeed, all the signature projects and the nine destination areas is partnership and working with the local councils. Under RPA, new powers on tourism development will go to local councils. It is about working with the tourism destination areas and the signature project areas. She will also know that NITB and Tourism Ireland will continue to market St Patrick in a meaningful way. It is one of our special stories, and we will continue to use it in our global marketing campaigns.

**Mr Allister:** In noting the headline events that were commented on at the Council meeting in respect of this year and next, I observe no mention of the two largest cultural gatherings that there will be in both years: those on the twelfth and thirteenth of July. In that context, one also notes the total absence of celebration of the covenant day in the showcase production of 'Your Time, Our Place'. What steps has the Minister taken to rectify that omission, if omission it was?

**Mrs Foster:** Of course, I expected that question. Given that it is a matter for the Northern Ireland Tourist Board and not Tourism Ireland, the Member is straying into new ground. Perhaps he wishes me to take matters that are the subject of NITB into a North/South Ministerial Council. Frankly, I will not do that. However, I

will continue to work with the Orange Order, the Royal Black Institution and the Apprentice Boys. Some Members may be embarrassed that they will not be at all those events during their summer holidays. However, I have no such embarrassment, and I will be at every one of them, as I am always, including the County Donegal demonstration in Rosstown. Two years ago, I had the pleasure of hosting a reception that Tourism Ireland held at Rosstown.

As I understand it, Mr Hume at the Orange Order has indicated to my officials that information on the 2012 tourism flagships will be with my officials next Monday. We look forward to profiling all that the Orange Order has to offer. We will continue to work with Orangefest, the Royal Black Institution and Scarva. I was invited to Scarva last year as a special guest, along with the chief executive of Tourism Ireland and the chairman of the Tourist Board. I am sure that the Member has his Royal Black Institution calendar for this year. In it, he will see that I am pictured at the Scarva demonstration. Perhaps he will let us know whether he was at Scarva last year, as I was and will continue to be on every occasion that I can.

**Mr McGlone:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as sin.

I thank the Minister for her extensive report. Mr Dunne referred to the Titanic project earlier, which is there to attract visitors from overseas to learn about that ill-fated ship. Given the relevance to these matters of Cobh, which was part of its journey as well, can the Minister advise us whether there has been any collaborative effort with the rest of the island and with the Government in the rest of the island to promote this joint project in a more collaborative way?

**Mrs Foster:** I thank the Member for his question. Indeed, there are many places, as the Member will know, that will claim ownership of the Titanic story. I have to say that the Titanic story belongs in Belfast. I went around the signature building two weeks ago. It is at a very advanced stage now, and the Member will be pleased to know that some of the photographic imagery there was taken from Queenstown, as it then was, showing the ship leaving for the very last time. In fact, that is the last photograph of the Titanic, leaving Queenstown

and going off into the Atlantic. There has been some collaboration, of course, in relation to the other areas that the Titanic went to before it sank. However, Belfast is the key area for the Titanic. That is a message that we need to get out globally. It is amazing how many people do not actually realise that the Titanic was built in Belfast. It is our job and it is incumbent on every Member to make sure that everybody knows that the Titanic was all right when it left Belfast.

**Mr Lyttle:** On a point of order, Mr Principal Deputy Speaker. I want to raise a concern with the House. Members have been furnished today with a written statement from the First and deputy First Ministers to announce the publication of the Programme for Government end-of-year delivery report. Will the Principal Deputy Speaker raise my concern with the First and deputy First Ministers as to why an issue of such importance was not met with an oral statement to the House?

**Mr Principal Deputy Speaker:** That is not a matter for the Speaker. Under Standing Order 18A(2), it is up to the Minister to decide whether a statement should be oral or written.

The Business Committee has arranged to meet immediately upon the lunchtime suspension. I therefore, propose, by leave of the Assembly, to suspend the sitting until 2.00 pm, when the first item of business will be Question Time.

*The sitting was suspended at 12.22 pm.*

*On resuming (Mr Deputy Speaker [Mr Dallat] in the Chair) —*

**2.00 pm**

## Oral Answers to Questions

### Regional Development

**Mr Deputy Speaker:** Question 8 has been withdrawn and requires a written answer.

#### Sprucefield Bypass

1. **Mr Givan** asked the Minister for Regional Development for an update on the development of the strategic road improvement M1/A1 Sprucefield bypass. (AQO 1299/11-15)

**Mr Kennedy (The Minister for Regional Development):** Roads Service advises that the M1/A1 Sprucefield bypass scheme is in the Roads Service forward planning schedule, which contains projects in the early stages of development. Roads Service officials further advise that the first stage of the development process was completed in March 2011, when the corridor assessment report was finalised. That indicates two potential corridors that should be taken through more detailed assessment to ascertain the preferred route for the scheme. The pace of further progression of the Sprucefield bypass proposal will depend on funding made available to my Department in the current Budget period and through the investment strategy for Northern Ireland 2011-2021, which is published in draft form for consultation.

The Member may be interested to know that an initial study is nearing completion to examine managed motorway solutions to the current motorway network. Such solutions would include further traffic management controls, possible ramp metering and, more importantly, the implementation of hard-shoulder running during periods of peak traffic to increase capacity. Such measures would provide further benefits for motorists using the M1 between Sprucefield and Blacks Road.

**Mr Givan:** I thank the Minister for that response. I am sure that he is all too familiar with the congestion around the Hillsborough roundabout/Sprucefield roundabout area. A bypass would

benefit not just Lisburn but all of Northern Ireland, given the regional significance of the Sprucefield area. The Minister will be aware that road users divert off the dual carriageway, go through Hillsborough village, and back onto the dual carriageway to speed up the process. Is there any development to try to manage that problem faced by locals?

**Mr Kennedy:** I am grateful to the Member for his supplementary question. As an almost daily user of the A1 and the intersection interchange at Hillsborough/Sprucefield, I appreciate the frustrations of road travellers. The Member asked about the problems in and around the A1 at Hillsborough and the Hillsborough roundabout and the attempt by some to short-circuit their journeys. I have had representations from his colleague, the honourable lady, and she raised those issues with me among others.

Officials have plans to partially signalise that roundabout, and I recently met elected representatives as the first step of a consultation exercise. The proposal is for signals that will operate during the morning peak traffic period on some of the approach roads to the roundabout. Their effect will be to give greater priority to A1 northbound traffic, thereby reducing tailbacks on the approach to the roundabout and making the alternative route through the village less attractive. To be effective, however, they must necessarily introduce a delay to traffic exiting the village onto the roundabout. The present consultation exercise is designed to determine the level of public support for the scheme, which will, undoubtedly, influence how we proceed.

**Ms J McCann:** Go raibh maith agat, a LeasCheann Comhairle. Given the sense of it being important to link the cities of Lisburn and Belfast, will the Minister give an update on the rapid transit system, please?

**Mr Kennedy:** I was not quite expecting that to be linked to the A1 Hillsborough road, but as the Member will know, I am a strong advocate of a rapid transit system for Belfast. I have been encouraged by the responses from Lisburn and Castlereagh councils as well as Belfast City Council. I very much hope that we can continue to make progress on introducing a rapid transit scheme that will extend fully and include all areas of Belfast. I know that there would be general support for that. Much, of course, depends on whether there is finance for such a system.

## Railways: North-west

**Mr Durkan:** Go raibh maith agat, a LeasCheann Comhairle. Ceist uimhir a dó.

**Mr Kennedy:** What does that mean?

2. **Mr Durkan** asked the Minister for Regional Development for an update on the upgrading of the railway line to the north-west. (AQO 1300/11-15)

**Mr Kennedy:** I thank the Member for his helpful interpretation skills.

As a result of my statement to the Assembly on 10 October 2011, Translink has moved quickly to take forward phase 1 of the project to improve the railway track and associated infrastructure between Coleraine and Londonderry. That phase enables retention of the line and will eventually remove the temporary speed restrictions that exist currently.

The project board, which includes representation from my Department, meets monthly. The tendering process, which started with publication in the Official Journal of the European Union, is almost complete. Translink hopes to appoint a contractor in March, which should enable work on site to start as planned at the end of July 2012. The line will be closed from then until the completion of phase 1, which is planned for April 2013. As I outlined in my statement to the Assembly in October 2011, the second phase of the project will be completed in 2015, with phase 3 planned to finish by 2021.

**Mr Deputy Speaker:** I call Mr David McClarty. I am sorry; Mr Durkan, you are entitled to your supplementary question.

**Mr Durkan:** Thank you, Mr Deputy Speaker, and I thank the Minister for his answer. As the north-west is central to tourism, given the upcoming events during the next couple of years, does the Minister anticipate an increase in passenger numbers and, perhaps, additions or amendments to the existing timetable?

**Mr Kennedy:** I thank the Member for his supplementary question. I always find that colleagues are the most difficult to persuade when you want to speak.

Translink is planning a new timetable, which will be implemented when all the new trains are in service. Obviously, that timetable has to be agreed with the Department in advance.

Therefore, there will be a consultation period. Obviously, as part of that new timetable, Translink, taking account of the increased numbers anticipated because of those various events, will endeavour to deploy the new trains. Certainly, we hope to carry that forward.

**Mr McClarty:** The Minister will be aware that because the upgrading of the track will not be completed until 2013, there will be a lot more pressure on public transport in the area. As Mr Durkan rightly said, the area has a number of huge events coming up, none more so than the Irish Open. Is the Minister in contact with Translink about providing alternative means of public transport, bearing in mind the greater numbers who will use it?

**Mr Kennedy:** I thank the Member for his question. I confirm that Translink is, obviously, aware of the situation, as, indeed, are my departmental officials. Every effort will be made to accommodate the travelling public as they seek to visit Londonderry or the north-west and general area for various events, such as the Irish Open, the UK City of Culture and, of course, the Fleadh Ceoil.

**Mr Ó hOisín:** Go raibh maith agat, a LeasCheann Comhairle. Is it proposed that passing loops or sidings be included in the upgrade? At one time, it was rumoured that they would be installed at Ballykelly. Will they be installed there or anywhere else along the route?

**Mr Kennedy:** The essential maintenance work is to ensure that the line is ready for the UK City of Culture events in 2013. There are three different phases of that work. The second phase will deal more substantially with passing loops. The priority is to re-establish an effective service between Coleraine and Londonderry as quickly as possible, and we are on track to do that.

**Mr Campbell:** The Minister will be aware of the view among some in the north-west that the railway line is up for closure rather than expansion. Indeed, I have raised that with him before. In order to nail that campaign and the paranoia that sometimes exists, will the Minister commit to the long-term development and expansion of the line to include hourly services and, hopefully, a passing loop in the longer term?

**Mr Kennedy:** I am grateful to the Member, who is a former Minister for Regional Development, for his supplementary question. I am strongly

committed to the railway system and believe that rail provides an opportunity for moving the travelling public. As Minister, I have been very supportive of that line, and that is indicated in the decisions that I have taken and the efforts that I have made to ensure that it is not closed and that it continues to improve. With those improvements will come the expectation of greater use, which will further consolidate the position of rail in the north-west and in other places in Northern Ireland.

### **A5: Public Inquiry**

3. **Mr Hussey** asked the Minister for Regional Development when the findings of the public inquiry on proposals for the A5 will be published. (AQO 1301/11-15)

**Mr Kennedy:** The Department expects to receive the independent inspector's report in the next few weeks, after which full consideration will be given to its comments and recommendations. I anticipate that the independent inspector's report and the departmental statement will be published in spring 2012. I remind the Member that the public inquiry and the resulting independent inspector's report are independent processes. As such, neither my Department nor I, as Minister, have any control over the timing of the inspector's report.

I welcome today's announcement, which will enable me to spend half a billion pounds on roads infrastructure all over Northern Ireland. I know that it will be widely welcomed, not least by the construction industry, which has encountered significant problems.

The revised Budget that has been agreed will enable me to bring forward two significant elements of the A5 dual carriageway project, between Londonderry and Strabane and between Omagh and Ballygawley, together with the A8 Belfast to Larne project and the long-awaited scheme to dual the A2 Shore Road at Greenisland. Subject to the outcome of the public inquiries that were held last summer, I anticipate construction work commencing on the A8 this spring, with the A5 works starting in early autumn. I will initiate a procurement competition for the A2 Shore Road project, which could see work commencing in early 2013. This is a balanced programme of investment that will provide a significant boost to the local economy.

**Mr Hussey:** I thank the Minister for his answer. Does he acknowledge that the Omagh to Ballygawley road project will significantly link the west, and particularly Omagh, to the centres of business in the east of the Province and the main ports and airports? Does he also acknowledge that it will improve road safety on that carriageway?

**Mr Kennedy:** I am grateful to the Member for his supplementary question. I entirely endorse his assessment and analysis of that section of the A5 project between Omagh and Ballygawley. It will significantly open up business, travel and tourism opportunities to the west and the north-west and, importantly, between Omagh and Belfast and the east of the Province. It is a significant announcement that will give a measure of hope and support to those who work in construction in particular and to those who live in the area.

**Mr Doherty:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his strong commitment to the A5. In some ways the Minister has answered my question. However, provided that no major issues arise from the public inquiry report, will the Minister confirm that work on the A5 will start in September of this year?

**2.15 pm**

**Mr Kennedy:** I thank the Member for his supplementary question. I need to be suitably cautious — sometimes it is my middle name — and say that the inspector's report is important. Therefore, I will not pre-empt or predict it in any way. Once received, it will be carefully assessed, and then we will carry the work forward. However, there is the very hopeful expectation that, because the schemes are shovel-ready, work will start later this year.

**Mr Byrne:** I also welcome the Minister's announcement and, like the MP for the area, welcome his support for the project. Does he agree that the dedicated roads project team has done excellent work and that everything is in place to move ahead?

**Mr Kennedy:** I thank the Member for his supplementary question. I also want to pay a warm tribute to my departmental officials, who have lived with road project schemes all over Northern Ireland. It is their job to do so, but they have carried out that work in a very professional way. They have given me sound advice in identifying the appropriate priorities, and I very

much hope that the entire announcement of £500 million for road infrastructure projects all over Northern Ireland will not only link east to west but upgrade busy road networks such as the A2 and A8, and, equally, important road networks on stretches of the A5.

**Lord Morrow:** Earlier, the Minister intimated that we would have the report of the public inquiry before Christmas. It is disappointing to discover that there is no definitive date.

Is the Minister prepared to issue a swift statement to clarify the position on the particular section of the A5 from Ballygawley to Aghnacloy, now that it has been decided that it will not go ahead? Landowners who feel that their land might be blighted will not be reassured until there is a clear and definitive statement from the Minister.

**Mr Kennedy:** I am grateful to the Member for his supplementary question. I stress that the inspector's report is entirely independent of me and my Department. That is why I am not able to provide an answer in the level of detail wished for by Lord Morrow. On the understanding that the report is truly independent, that is the position. I will not be drawn on other commitments today. I am concentrating on the very positive announcement that I will spend £500 million on road infrastructure projects all over Northern Ireland. I am particularly pleased that the Omagh section of the A5 will, effectively, link Omagh to Belfast and the east.

## Footpaths

4. **Ms S Ramsey** asked the Minister for Regional Development to outline the difference in the agreements between Roads Service and some councils on the gritting of footpaths, and the indemnity aspect of these agreements. (AQO 1302/11-15)

**Mr Kennedy:** The agreements between Roads Service and local councils on the removal of ice and snow from town centre footways during severe winter weather were progressed as a result of talks initiated by me, my officials and representatives of the Northern Ireland Local Government Association (NILGA) and carried forward by council officials and local Roads Service officials.

Those agreements have been specifically tailored to suit local circumstances, and they range from formal agreements, which set out

in detail how the new arrangements are to be implemented, to more flexible arrangements set out in an exchange of letters between Roads Service and individual councils. I hope that those agreements will encourage all local councils to consider how best to address the removal of ice and snow from town centre footways and to engage with Roads Service. However, all the agreements in place are based on the same fundamental principles, each containing the basic requirement of an agreed schedule of footways to be treated by the council, the amount of salt to be provided by Roads Service and salt delivery arrangements. Although the more formal agreements explain the issue of indemnity in more detail, it is likely that the same indemnity benefits will apply to those based on an exchange of letters. The Member will recall the advice from the Attorney General for Northern Ireland contained in the winter service information leaflet distributed to households.

**Ms S Ramsey:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his answer. The Minister is well aware that RPA was supposed to deal with a lot of these issues. The people out there do not get caught up in who, what or when — they just want to see it done. Will the Minister, maybe at a later date, provide more detail on the agreements that councils have made, whether those are formal agreements or a nod and a wink? Will he outline today the reason for the non-agreement of some councils? We, as elected representatives, have a duty to question local councils if they are not getting involved in ensuring that our constituents get the best service when, and if, they need it.

**Mr Kennedy:** I am grateful to the Member for her supplementary, although I am bound to say that my Department does not operate on the basis of a nod or a wink. The Member will accept that we need to have some structure in place. I am loath to name and shame, if that is what the Member is inviting me to do. I do not see it on that basis. I see welcome co-operation between local councils and local government and my Department and the other agencies. That is the basis on which I entered into discussions with NILGA and the representatives from local government; I think that that is most helpful and beneficial.

**Mr Copeland:** Does the Minister recognise the thinking of councils that have not yet

become involved in this process? What steps is he taking, or planning to take, through his Department to ensure that those councils become as convinced as others?

**Mr Kennedy:** I thank the Member for his supplementary question. I am happy to continue to spread the gospel of good news to councils and other agencies as we seek to provide adequate winter services. As has been stated, it is important from the point of view of the public, not only ratepayers but taxpayers, that this work is in place and can happen. People are not so interested in what or who makes it happen, but they need to know that it will happen and that the service will be available. I will continue to engage positively with everyone in local government.

**Ms Ritchie:** I recognise the Minister's willingness to enforce the principle of co-operation. Will he elaborate on his assessment of how well the scheme worked over the winter for councils that have signed the formal agreements? Will he tell us what other arrangements he has in place to work with councils that have not yet signed formal agreements? It is in the best interests of the wider public that we have clear footpaths during icy conditions.

**Mr Kennedy:** I thank the Member for her supplementary question. This winter was perhaps not the best to test the agreement. Nevertheless, I am very satisfied that arrangements were in place based on the same fundamental principles, namely an agreed schedule of the footways to be treated by the council, the amount of salt that Roads Service will supply and the salt delivery arrangements.

The Member will be aware that significant salt supplies were brought in. I am happy to say that we can preserve those and that they will not be wasted. The Member will also know that there were considerable numbers of grit piles placed and salt bins provided. Every effort was made to give confidence to people all over Northern Ireland, both urban and rural dwellers, that they had an opportunity to avail themselves of salt. We had, and still have, those agreements in place with local councils. I am not being overconfident in any way. I am still prepared, as you sometimes get icy blasts into early March. I am very keen that we have full control to respond to emergency conditions.

**Ms Lo:** I am very pleased about the progress that has been made so far on these agreements. However, as the Minister pointed out, they are specifically for town centres. Can the Minister tell us whether, when gritting, Roads Service would consider targeting certain areas where a lot of vulnerable people could fall and badly hurt themselves? Those include places near schools, sheltered housing and GPs' surgeries.

**Mr Kennedy:** I thank the Member for her supplementary question. There are well-established criteria for the gritting schedule for roads that are fairly and evenly applied, and I am not, therefore, minded to alter or change that. We will obviously keep this under review, but I am satisfied that adequate service is provided, given the resources that we have. We have to remember that this is a resource issue as well. However, I am confident that, at the moment, Roads Service is able to cope with the demand placed on it.

## Roads: A8 and A6

5. **Mr Girvan** asked the Minister for Regional Development, in light of the announcement on the A5 scheme, to outline the position on the A8 and A6 schemes. (AQO 1303/11-15)

**Mr Girvan:** Minister, you might have already answered this question, but go ahead.

**Mr Kennedy:** I am grateful to the Member. He appears to have displayed certain prophetic qualities — I am glad that I did not say “pathetic”. [*Laughter.*]

Again, I am happy to welcome the earlier announcement about the finance that has been made available by the Finance Minister and agreed by the Executive, as it will allow me to bring forward a range of measures that will greatly benefit the construction industry and the wider economy in Northern Ireland.

Following a series of meetings with Executive colleagues and work by departmental officials, I have reviewed spending priorities across my Department, and I am pleased to say that we have brought forward a balanced programme of improvements to the strategic road network. I think that that will make a significant difference and will throw a lifeline to the construction industry in particular. It has the potential to create at least 2,500 new jobs. It will improve opportunities, particularly for young people and the unemployed. It will also provide job

security for many and create opportunities for consultants, suppliers, contractors, infrastructure specialists and many others. I very much welcome it, and I know that the whole House will want to join me in saying that this is, indeed, a red-letter day for regional development and for roads in Northern Ireland.

**Mr Girvan:** I thank the Minister for his answer. I appreciate that this morning's announcement might have taken the steam out of this somewhat. However, I just want to expand on my question about the A8 and what has been proposed. Is the whole A8 scheme, as presented, included in this morning's announcement about the moneys? Will the A2 scheme be the complete scheme from Carrickfergus to the M5?

**Mr Kennedy:** For the benefit of brevity, I think that the answer to both questions is yes. However, I will not sit down at this stage. I will simply say that consideration is, of course, still being given to the public inquiry on the A8 and that that work will continue. I think that the A2 and A8 schemes, as well as the Port of Larne scheme and all that, will give a significant boost to road users.

These are long-awaited and long-campaigned-for schemes. I pay tribute to members of my party, and in particular to the Member for East Antrim, Roy Beggs, for his ongoing and never-ceasing representations on both the A2 and A8. That view is shared by political colleagues from all sides of the House. It is good news, and I think that it will be seen and welcomed as good news.

2.30 pm

## Social Development

### Social Housing: Private Rented Sector

1. **Mr P Maskey** asked the Minister for Social Development if he will require houses in the private rented sector to meet the decent homes standards before they can be used in the social sector. (AQO 1314/11-15)

**Mr McCausland (The Minister for Social Development):** The application of the decent homes standard is not a requirement for the private rented sector. The decent homes standard is not a statutory standard. The statutory fitness standard, which applies across all tenures, is set out in the Housing

(Northern Ireland) Order 1981, as amended by the Housing (Northern Ireland) Order 1992. The fitness standard is being reviewed, and I intend to use the forthcoming housing strategy, which I hope to launch in the spring, to discuss that issue and develop it more fully.

**Mr P Maskey:** Go raibh maith agat, a LeasCheann Comhairle agus a Aire. Thank you, Deputy Speaker and Minister. I hear what the Minister says. Accountability mechanisms must be put in place for private landlords. I am sure that every Member's constituency office is, from time to time, inundated with correspondence on those issues, as people try to get work carried out and make sure that the standard of work is up to that of the Housing Executive and housing associations. The Minister and the Department should take forward any initiative they can —

**Mr Deputy Speaker:** Question, please?

**Mr P Maskey:** — to give a bit of ease to those people who are lobbying Members to get work done.

**Mr McCausland:** In the housing strategy, we intend to look at the whole remit of housing issues. One of those issues will be the private rented sector. It is important that that sector is seen by people as a good option, as good as any other, and not in some way as second rate. Therefore, it is important that we have recognition of the rights and responsibilities of both landlords and tenants. That is very much our thinking, and it is already part of our thinking in preparing the strategy.

**Mr Douglas:** Has the Minister any plans to use vacant privately owned homes to ease the social housing waiting list?

**Mr McCausland:** The Housing Executive is acting in a number of ways to recover vacant properties and bring them back into use. In order to drive the empty homes strategy, I agreed to the establishment of a working group, which was established in November 2011. Two pilot areas were selected: Fortwilliam Parade in north Belfast and the Newtownards Road in east Belfast. The aim of the pilot is to support homeowners in bringing properties back into use and to evaluate the use of existing legislation and powers such as vesting, loans and grants to assist the process. That work is ongoing and the Housing Executive is due to report on the effectiveness of its interventions early in April.

**Mr Cree:** Will the Minister undertake to ensure that houses in the social sector meet the decent homes standard before they are used for accommodation?

**Mr McCausland:** Housing Executive social housing is already of a very high standard. We seek to improve the standard as much as possible. Over the years, there has not been the investment in the sector that there should have been. Therefore, one of our priorities was to address the issue of double glazing and another was to look at increasing and improving the insulation of properties. In our work, we are putting an increased focus on improving the standard of houses in the Housing Executive stock, which is, obviously, a very large element of the housing stock in Northern Ireland.

**Mr Agnew:** Given that, in the winter of 2011, there were more winter deaths per capita than there were in Finland and that the energy efficiency of our homes is seen as an important factor in that, will the Minister work with the Finance Minister to ensure a high-level energy-efficiency requirement for all newbuilds across the social and private sectors?

**Mr McCausland:** There is a balance to be struck. Obviously, there is an increased initial cost in having much higher standards of insulation and energy efficiency. I have visited a number of new housing developments where there are very high levels of energy efficiency, and people there are able to point to reductions of up to 40% in heating costs associated with a property. That needs to be set against available budgets, because the more costly a property is per unit, the fewer you can either purchase or build. All those different factors need to be taken into account. Houses may be available to be brought into social use in a particular place where the level of energy efficiency is not as high, and you have to consider whether you will miss the opportunity. Therefore, there is not a single answer to this; it depends on the circumstances. However, the principle regarding the importance of energy efficiency, which the Member referred to, is very much in our minds. It is a more complex issue than one that you can give a single, simple answer to.

**Mr Deputy Speaker:** Questions 3 and 8 have been withdrawn and require written answers.

## Welfare Reform: People with Disabilities

2. **Dr McDonnell** asked the Minister for Social Development for his assessment of the impact of the welfare reform proposals on people with disabilities. (AQO 1315/11-15)

**Mr McCausland:** The Welfare Reform Bill is progressing through Westminster, and, at this stage, it is not possible to accurately assess the impact of the wide range of proposals on people with disabilities. My priority is to ensure that the needs of the most vulnerable people in society are protected and that the reform proposals take into account the specific circumstances of Northern Ireland. An Executive subcommittee has been set up to consider all the proposals and to help develop an Executive response that will mitigate any negative aspects and achieve long-term benefits for the people of Northern Ireland.

I remain conscious that a higher proportion of our population is in receipt of disability living allowance (DLA) and that we have a different profile, particularly in relation to mental health. The assessment criteria already reflect the views of people with disabilities and the groups that represent them, and we are consulting on the descriptors and entitlement thresholds and will carefully consider all responses received. There is a need for others to be careful that figures that they are quoting on the number of people who may face a reduction in their benefits are informed and do not cause undue stress to vulnerable people. There is a danger of being alarmist.

My officials and I are in regular and ongoing communication with the Department for Work and Pensions (DWP), particularly on the capacity for flexibilities in the proposals to reflect the particular needs and circumstances of the people of Northern Ireland. Furthermore, to assess the impacts across the section 75 groupings, my Department issued an equality impact assessment for consultation, and we are considering the responses received. I intend to publish a response to that consultation, together with a revised and updated equality impact assessment, soon.

Finally, the introduction of universal credit will increase benefit expenditure in Northern Ireland as a result of entitlement changes and increased benefit take-up. My officials are carrying out a detailed —

**Mr Deputy Speaker:** Your two minutes are up.

**Mr McCausland:** — analysis to confirm the financial impacts for customers, and robust information will be available in the late spring or early summer.

**Dr McDonnell:** I thank the Minister for his very extensive and informative answer. In light of the research that he is doing and the information, such as it is, that is to hand, is it possible to set up some sort of contingency plan so that any negative impact of welfare reform on people with distinct needs, particularly learning disabilities, could be limited?

**Mr McCausland:** If you are going to have a plan to deal with various contingencies, you need to know what those contingencies are. Therefore, we are undertaking work on what the impact will be. Up to now, the focus has been on engagement with Westminster, including directly with the Ministers in DWP; we have talked to David Freud and Maria Miller on a number of occasions.

We have also engaged with the Secretary of State to use his influence in a number of areas, and our officials are in contact with officials at Westminster almost daily. Now that the legislation is almost through Westminster, and we know the product from GB, we will be able to assess the impact better. Once we know that, we can start the work that is suggested there. However, parity issues must always be kept in mind, and financial parity places limitations on what can be done. However, it is open to us operationally to make it a bit different, and we will do everything that we can in that regard.

**Mr Campbell:** Will the Minister confirm that the statistics from the Department for Work and Pensions appear to indicate that up to about 20% of claimants could be adversely impacted by the new personal independence payment? Will he join with me in hoping that everyone who can bring any influence to bear at Westminster, particularly if they are elected to Westminster, goes there and tries to assist those who are hard-pressed and require assistance from those of us who are elected to act on their behalf rather than complaining about it and staying away?

**Mr McCausland:** I endorse what the Member says. We are a part of the United Kingdom of Great Britain and Northern Ireland, so it is important that Northern Ireland is fully represented at Westminster and that people

are there to state and to argue the case. The Member is absolutely right in that regard.

The figures published by DWP are an estimate of the projected personal independence payment caseload in 2015-16. That does not necessarily mean that there will be a corresponding reduction in Northern Ireland. The profile of DLA customers in Northern Ireland is different from that in Great Britain. Customers tend to be younger here, and a higher proportion has mental health conditions. The new assessment criteria will look at mental, intellectual and cognitive functions as well as physical functions, and further work is being undertaken to see if a similar analysis can provide reliable and robust figures on the impact in Northern Ireland. If so, those will be made available at the earliest opportunity.

**Mr Deputy Speaker:** I encourage Members to focus on the questions and discourage them from shouting across the Floor.

**Mr A Maskey:** Go raibh maith agat, a LeasCheann Comhairle. The Minister acknowledged the outworkings of the Bill when it comes here and has given the matter some consideration. Given the Committee for Social Development's discussions with his Department over the past months, we already more or less know what the legislation will be when it arrives here shortly. Given the consensus across all the parties that there will be a considerable negative impact on people, particularly those with physical and mental disabilities, will the Minister outline any mitigating aspects that may come from the Department and the Executive subcommittee?

**Mr McCausland:** The Executive subcommittee has so far met on two occasions, and two further meetings are planned for the near future. That is an important part of the process of overseeing and addressing the implementation of welfare reform in Northern Ireland. As the Chair of the Committee will know, we have also engaged with stakeholders at events, and we received representations from a wide range of people. It is no good for people to come to us and say that there are problems; we want to hear answers. We want to hear ideas on what can be done because those people know the circumstances of the sector that they represent or work in. If there are issues, please bring them to our attention and suggest what could be done. We are solution-focused. It is too early

to bring forward a list of possible mitigating measures, but as the Member will know, there is an ongoing conversation with Westminster, and over the next number of weeks, we will identify, through the subcommittee, what can be done. That is on the agenda for the subcommittee's next two meetings.

## Town Centre Regeneration

4. **Mr Givan** asked the Minister for Social Development for an update on the delivery of town centre regeneration projects. (AQO 1317/11-15)

**Mr McCausland:** My Department continues to pursue a very active programme of town centre regeneration across Northern Ireland. The programme of producing town centre master plans is well advanced, with 18 completed to date and another five due to complete during this year. In each town for which a master plan has been completed, an implementation group is established to ensure that the priority projects are pushed forward.

### 2.45 pm

A substantial programme of public realm improvement schemes and revitalisation projects is planned for the period of the comprehensive spending review. My Department is working on 50 schemes in towns across Northern Ireland that we hope to implement between now and March 2015, subject to funding availability and all the necessary approvals. My Department is working to promote regeneration schemes on 12 derelict or underused sites in towns across Northern Ireland. Although the work is not helped by the current condition of the property market, we are looking at what might be done to accelerate the schemes.

In April 2011 the urban development grant scheme became fully available to towns outside Belfast and Londonderry. There has been a high level of interest in the scheme and, to date, over 90 applications or expressions of interest have been received. I anticipate a supplementary question that has some connection with either Lagan Valley or Lisburn.

**Mr Deputy Speaker:** Leave that to Mr Givan.

**Mr Givan:** I thank the Minister for his response and commend him and his Department for the work that they are doing to take forward town centre regeneration, which is critical if we are

to get our economy moving again. As regards my constituency, the Minister will be aware that Lisburn is taking forward a master plan. Can he provide us with an update on that and tell us whether there are any other plans for Lagan Valley over the next three years?

**Mr McCausland:** My faith was rewarded.

I have approved funding in the region of £3 million for a major public realm scheme in Market Square and Bow Street in Lisburn, and public consultation on its design will start in March; that is, next month. I expect work to begin on the ground in early November and be substantially completed by Easter next year. In addition to the work that is being done in Lisburn, elsewhere in the constituency my Department plans to implement a revitalisation project in Dromore, County Down.

We intend to issue a development brief for a site at Smithfield Square in Lisburn in March this year. The brief will seek proposals for a retail-led, mixed-use development with associated parking. Over the next three years, our plan is to work in partnership with Lisburn City Council to progress a major development scheme covering an area referred to as the Laganbank Quarter. It is a long-term project that could result in a major new office and residential development on the banks of the Lagan.

**Mr Byrne:** I welcome what the Minister has said about trying to regenerate many of our provincial towns. In particular, does he hope to visit Strabane soon, where he might help to send out a positive signal on the redevelopment of the town? Will he update us on the current status of the footbridge that we are still awaiting being built in Strabane?

**Mr McCausland:** On the first question on Strabane, I am happy to visit any part of Northern Ireland that I am invited to, so I await an invitation to meet the Member, other Members and other representatives in Strabane.

On the specific issue of the bridge to which he refers, I have not seen anything about that for some time. I understand that there were some difficulties with taking that project forward. They were not departmental difficulties but difficulties for other project stakeholders. If the Member wishes to have more detailed information, I am happy to supply it. I think that the council has an important role to play, and there may be some issues there.

**Mr Dickson:** Minister, the work in Carrickfergus has just commenced, but what is your Department doing to support retail trade consequent on the development work that you are doing on pavements and the public realm? It is vital for all our communities that, following on from the public realm work, we create a revitalised town centre.

**Mr McCausland:** The whole purpose of the public realm work is to do that very thing. We have clear evidence from schemes that have already been completed that, when you complete the public realm work, you first encourage local traders to invest in their premises, so it becomes more of a collaborative approach among the public sector, the local authority and the traders.

When you get that revitalised and improved town centre with the new public realm work and the design work completed, the general result is an increase in footfall. As I said, the evidence is there. The example is often quoted of the very substantial increase in footfall in Newcastle. The message that it works is coming across from schemes elsewhere in the Province, and we are investing so heavily in it to support our centres.

## Housing: Single Occupant Applications

5. **Mr Weir** asked the Minister for Social Development how the issue of single occupant applications for housing is being addressed, particularly in light of the upcoming housing benefit changes. (AQO 1318/11-15)

**Mr McCausland:** I believe that the Housing Executive and, to a lesser degree perhaps, my Department have overlooked the single occupant group for a number of years. I expect single accommodation dwellings to be provided for in next year's social housing development programme. I will not consider the draft programme until it addresses that issue in a significant and appropriate way that deals with the needs of single and older people.

The size and style of our newbuild programme needs to change to ensure that smaller, more suitable accommodation is available, particularly for single applicants, such as older people, who may be looking to downsize and who, in doing so, could free up larger homes for families.

Plans are being drawn up to bring forward a comprehensive housing strategy that will help me to ensure that the available money targets

those most in need. That includes the provision of social and affordable homes to meet the needs of the differing categories. However, although building more new social homes is important, it is not the only answer. We must look for alternatives to suit the wide range of housing needs that people have.

**Mr Weir:** I thank the Minister for his answer. Is he content that his plans will meet the housing needs for that sector?

**Mr McCausland:** The wide range of housing need in Northern Ireland can never be met by building more new social homes alone. We need a range of solutions that includes more new homes but that will also seek to do more with the homes that we already have. We need, therefore, a much wider and more holistic approach to tackling this issue. Therefore, the forthcoming housing strategy, which I mentioned, is particularly important. That is why I am preparing it and why I will seek, through that strategy, to do the very thing that we are talking about.

However, it is often overlooked that the biggest role that the social housing sector plays in meeting housing need is not as much through newbuild allocation as through the reallocation of existing units. There is a very high level of underoccupancy in Northern Ireland. For example, this year, we expect to reallocate approximately 8,000 social homes to people who are in housing need. When that is combined with our newbuild, it will go a long way to providing low-cost, quality housing to those who need it most.

**Mr F McCann:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his answers up to now. Recently, I spoke to a number of housing associations, and they told me that, to date, they have not been advised about the direction they should be going to fill the gap in lets for single occupants. Will the Minister tell us whether the introduction of the single-room allowance has the potential to leave 25,000 people homeless over this mandate?

**Mr McCausland:** The first issue that the Member raised is a reflection of the fact that, during the previous mandate, there was no focus on accommodation for singles. It is important, therefore, that we recognise that, in the matter of months that I have been in the Department, we have started to address the issue, which has been around for a very

long time but was simply ignored. For example, we have looked at good practice, not only in Northern Ireland but elsewhere, as to how it might be done in different areas. Therefore, we are keen to look at best practice elsewhere, including within the United Kingdom, to see what can be done to address the needs of singles, who, as I said, make up over half our waiting list.

The housing strategy is coming forward in the spring. Actually, it is the first time that we have had such a strategy in a very long time. In fact, I am not aware of a previous strategy. That is a disappointment, because, no matter what area of work you want to do in government, if you do not have a strategy, you are never going to get anywhere. You need to have a strategic view. That is why this comprehensive and holistic piece of work is so important. How will the proposed changes to housing benefit impact on single householders who are renting privately?

How will it impact on people in the social sector? We are still working through the figures to find out the precise impact. For all these things, there are various figures being quoted. We are still trying to get to the bottom of them to find out the exact situation. It will impact on a substantial number of people, but it is premature to put exact figures on these things.

**Mr Copeland:** I too thank the Minister for his answers thus far. He may recall that when the matter was brought to this House as a prayer of annulment, he confirmed that not approving the statutory rule would breach parity. He further confirmed that he would examine whatever steps he could take to mitigate the effects of the changes to housing benefit for single people, such as the age of qualification for the single-room rate being extended from 25 years to 35 years. Will the Minister give some indication as to how far along the path of investigation of the steps he could take to mitigate the effects of the changes he has got?

**Mr McCausland:** I am sure the Member is aware that it is only a matter of weeks since that discussion took place. The issue is extremely complex, as the Member will be aware. All I can say at this stage is that it is still a work in progress. We do not have a resolution to it yet.

These are things that effectively are being directed towards us from Westminster. We are doing our best to mitigate the circumstances, but we are still working on the exact measures.

That work is being taken forward with the involvement of the Department and the Housing Executive.

## Benefit Tribunals

6. **Mr D McIlveen** asked the Minister for Social Development what support his Department provides to people representing claimants at benefit tribunals, given that the number of appellants has significantly increased and a more detailed preparation of each case is required. (AQO 1319/11-15)

**Mr McCausland:** My Department does not directly provide support to people representing benefit customers at benefit tribunals. Benefit customers may be accompanied by anyone, including family or friends, to a tribunal, but many choose to be supported by a representative from the voluntary advice sector.

My Department supports the voluntary advice sector by providing funding of approximately £1.9 million a year to front line voluntary advice services through the community support programme, some of which supports people at benefit tribunals. The programme is delivered through our 26 local councils, which contribute additional resources for front line advice services.

The people who work in front line voluntary advice services are trained, supported and provided with up-to-date information to assist in providing a high standard of advice services to all their customers. In the 2011, Advice NI and Citizens Advice staff provided representation at over 3,500 benefit tribunals. Law Centre NI provides a legal consultancy support role in relation to tribunal representation.

**Mr D McIlveen:** I thank the Minister for his answer. Given the inevitability of the changes that are coming in welfare reform, it is inevitable that there will be an increase in appeals. Will the Minister highlight what provision is being made to prepare the way for that?

**Mr McCausland:** The Department, through the Social Security Agency, is working very closely with the Department for Work and Pensions at Westminster and Courts and Tribunals Service colleagues to assess the potential impact of welfare reform changes on appeal numbers, including any resource implications. As the legislation is coming to an end of its passage at Westminster, we are at the point where we are able to get a better sense of its impact. When

we have made that assessment, we will be able to make some appropriate provision.

**Mr Brady:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his answers so far. As a result of increased tribunals due to the Atos assessment and people being refused employment support allowance, does he have any plans to monitor the outcomes of those assessments as time goes on?

**Mr McCausland:** I had an opportunity to visit one of the assessment offices in Londonderry recently and spoke to folk there who are carrying out the assessments. I was very impressed by their professionalism and the way in which they went about their work. They have brought in considerable experience, having carried out work of this nature elsewhere.

The training provided to doctors and nurses working in the service indicates that there might be a greater degree of consistency in their recommendations or in the information that they gather.

I sense an implied criticism in the Member's question —

**Mr F McCann:** Did they know that you were coming?

**Mr McCausland:** They had a cup of tea waiting for me, so I suppose that they did. Having said that, I can honestly say that I was very impressed by their professionalism, and I think that it would be wrong of Members to imply that there is something deficient in the service that they provide. It will be carefully monitored. I am sure that we all have different experiences, but I can honestly say that I am impressed by what I have seen so far.

3.00 pm

## Question for Urgent Oral Answer

### HCL BPO Services: Job Losses

**Mr Deputy Speaker:** Mr Conor Murphy has given notice of a question for urgent oral answer to the Minister of Enterprise, Trade and Investment.

**Mr Murphy** asked the Minister of Enterprise, Trade and Investment what action her Department will take to offset the impact of the HCL BPO job losses, announced on 13 February, on the community in Armagh.

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** As Enterprise Minister, I am acutely aware of the impact of yesterday's announcement on the local Armagh economy. I am keen that we move swiftly to provide the necessary help and support to employees at HCL to minimise the impact on the individuals affected.

*(Mr Deputy Speaker [Mr Beggs] in the Chair)*

I recently met members of HCL's senior management team, and I am somewhat reassured by HCL's commitment to try to redeploy 40% of those affected, which will help to mitigate the impact of yesterday's announcement. In addition, I am aware that my officials in Invest Northern Ireland have already proactively engaged with existing and prospective investors to encourage them to consider the Armagh site, its associated infrastructure and skilled workforce as an excellent investment opportunity in the short term.

I can confirm that, to address the most immediate needs of employees, my officials in Invest Northern Ireland have already engaged with colleagues in the Department for Employment and Learning (DEL) and will leverage the support of all local partners to provide whatever support is necessary to limit the impact of any redundancies. That will include running redundancy clinics and offering training options and advisory support for any potential new business starts. In addition, Invest NI is working with Armagh City and District Council, through the South East Economic Development (SEED) group, to develop and deliver a range of

initiatives aimed at stimulating further business development in the region.

**Mr Murphy:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for attending today to answer my emergency question. I am sure that she shares my huge disappointment at HCL's announcement of job losses, which came on the back of announcements from Unicorn Plastics and Noel Zwecker International Transport of almost 100 job losses. It is, indeed, a bad time for Armagh city and district area.

I am reassured by what the Minister said about alternative customers examining that site. Will she give us every assurance that Invest NI, which falls under her Department, will work very proactively, and encourage HCL to work proactively, with any prospective tenants that may come to that site? As the Minister said, the skills base and infrastructure are there, and it would be a very hopeful signal for the people of that area if there were some potential of prospective clients coming to that site and redeploying the workforce in some new area.

**Mrs Foster:** I thank the Member for his question. It gives me another opportunity to reflect that the announcement is a terrible blow to the people who currently work for HCL in Armagh, particularly when combined with the other two recent announcements that he, rightly, referenced. It is incumbent on me, elected representatives — I have the pleasure of meeting quite a few of them today to discuss the issue — and the local council to try to find solutions for those people in the very near future.

Invest NI is working proactively with existing and potential interests and investors to try to encourage them to look at the Armagh site, which has a good infrastructure and a skilled workforce.

We should highlight the fact that the job losses in no way reflect on the skills of that workforce. HCL was at pains to point out to me that its entire workforce in Northern Ireland has provided it with a very good base, and it is because of the excellence of the workforce that HCL has decided to keep a meaningful presence here. We will work proactively with HCL to try to find new avenues to help to grow that business again.

**Mr A Maginness (The Chairperson of the Committee for Enterprise, Trade and Investment):** I thank the Minister for her previous answer. This is a deeply disappointing and demoralising turn of events, particularly

for the people and the city of Armagh. Did the Minister or Invest Northern Ireland have any notice of the Armagh city plant being run down? If HCL gave notice, what sort of notice was received? Did the Department consider any measures that might have helped HCL to continue work at its plant in Armagh?

**Mrs Foster:** We have been working proactively with HCL. Last year, an issue arose between members of staff and HCL, and we have been engaged on that matter as well as the current issue. As I said in my substantive answer, I had the opportunity to meet some members of the company's senior management towards the end of last week. They told me about their plans for Northern Ireland and ensured that I received the message that our workforce in Northern Ireland is excellent.

It is important to point out that HCL has long-term plans for Northern Ireland, and we must acknowledge the fact that the decision was taken because of commercial pressures. However, HCL sees a long-term future in Northern Ireland because of its engagement with my Department, Invest Northern Ireland and the Government. It has brought millions of pounds into the economy through wages, in Armagh and in Belfast, and has also helped us to engage with other Indian firms that have then decided to invest in Northern Ireland. I look forward to growing not only a future relationship with HCL but its business in Northern Ireland.

I assure the Member that we looked at every option to try to keep the Armagh site open for HCL. We have to accept its decision about the Armagh site and minimise the pain for those employees. We must also look at attracting new investment to Armagh to try to offset HCL's exit. We will be doing that over the coming weeks.

**Mr Irwin:** This is a big blow to my constituency, especially to Armagh city and the surrounding areas. Yesterday's announcement of the loss of 350 jobs comes on top of the announcement from the Noel Zwecker transport company one week ago of the loss of around 100 jobs. Those jobs will be difficult to replace, and my thoughts are with the people who have lost their jobs —

**Mr Deputy Speaker:** Will the Member come to his question, please?

**Mr Irwin:** Will the Minister confirm what steps, if any, have been taken towards working with HCL to help with the sale of the Armagh site?

**Mrs Foster:** HCL will work with us to facilitate existing and new investors who would like to look around the Armagh site. I welcome HCL's undertaking to work with us on that. Our challenge is to find new investment for Armagh city.

The Member referred to 350 jobs, but that figure is across HCL in Belfast and Armagh. I understand that the job losses in Armagh number 170, which is a huge figure for a provincial town such as Armagh. I do not minimise that in any way, and our job is to minimise the impact for employees and their families, which is not a small task. We must also try to find new investment for the city.

**Mr Kennedy:** I am grateful for the opportunity to be called as a constituency Member. I am also grateful to the Minister for her earlier answers and for the opportunity to meet her earlier this afternoon to discuss this very difficult situation. Given that it has been such a difficult period for Armagh, how quickly does the Minister envisage advice clinics being put in place to deal with the staff who have been affected by the announcements? I encourage her and Invest NI to continue their discussions with HCL.

**Mrs Foster:** I thank the Member for that encouragement. I will continue discussions with HCL and with important potential new investors. We are working very hard to let them know of the advantages — the infrastructure and the readily available skills base — of investing in Armagh city.

As I understand it, the DEL clinics are going down to HCL and will be based on the premises. On the other redundancies that have been announced this week, I understand that DEL is in close contact with the companies affected and will be able to provide them with advice and assistance.

**Mr Deputy Speaker:** I ask that Members take their ease for a few moments.

## Executive Committee Business

### Budget Bill: Second Stage

**Mr Wilson (The Minister of Finance and Personnel):** I beg to move

*That the Second Stage of the Budget Bill [NIA 4/11-15] be agreed.*

Accelerated passage of the Bill through the Assembly is needed to achieve Royal Assent as early as possible in March and, therefore, legal authority for Departments and other public bodies to draw down and spend the cash and resources in the Bill in 2011-12 and ensure the continuation of public services into 2012-13.

Today's debate follows on from yesterday's. It has been custom and practice to have a debate in this House on the Supply resolution followed by a debate on the Budget Bill. Without wanting to appear to correct what the Speaker said yesterday, it may be useful to remind the House that the Supply resolution debate and the Budget Bill debate are about the same financial years; namely, 2011-12 and part of 2012-13.

The Supply resolution debate gives the House the opportunity to debate and vote on the detail of the Estimates, while today's Budget Bill debate is about the form and content of the enabling legislation that gives legal authority to the spring Supplementary Estimates. This is not an opportunity to discuss future Budgets, nor is it an opportunity to discuss anything that may be funded in future. However, I suspect that if we stick to that, a significant number of Members' speeches will need to be torn up. That might not be a bad thing, mind you. *[Laughter.]* However, I will leave it to your discretion, Mr Deputy Speaker, as to how much latitude you allow Members to take from the current financial year and the Vote on Account for the first few months of 2012-13.

I notice that a significant number of Members are laughing nervously. I suspect that they have speeches that should go to the shredder but will not, and we will hear them anyway.

**Mr Hamilton:** They came from the recycling.

**Mr Wilson:** The Member for Strangford says that they came from the recycling. They are probably recycled from last year's Budget debate.

As the House will be aware, preparation of the detailed Estimates and the related Budget Bill

under consideration today is a difficult undertaking, given the timetable involved. The Bill and the Estimates must reflect the latest financial monitoring position announced in the Assembly on 17 January, yet the Bill requires Royal Assent prior to the end of the financial year.

### 3.15 pm

It is no easy task to bring the Bill to the Assembly in that small window of opportunity. I am, therefore, grateful that the Committee for Finance and Personnel has confirmed, in line with Standing Order 42, that it is satisfied that there has been appropriate consultation with it on the public expenditure proposals contained in the Bill and is content that the Bill may proceed by accelerated passage. I welcome and appreciate the assistance of the Committee in the matter.

I turn now to the purpose of the legislation that is before us and draw attention to the main provisions of the Bill. The debate follows the Bill's First Stage yesterday, which, in turn, followed the debate and approval of the Supply resolutions for 2011-12 and the spring Supplementary Estimates and the Vote on Account for 2012-13. The purpose of the Bill is to give legislative effect to the 2011-12 spring Supplementary Estimates and to the 2012-13 Vote on Account, which were laid before the Assembly on 6 February. Copies of the Budget Bill and the explanatory and financial memorandum were available to Members today.

I do not intend to take up the valuable debating time, which I am looking forward to immensely, with unnecessary repetition of the detail I gave to Members yesterday. However, in accordance with the nature of the Second Stage debate envisaged under Standing Order 32, and for the benefit of Members, I will summarise briefly the main features of the Bill.

The purpose of the Bill is to authorise the issue of £15,244,040,000 from the Northern Ireland Consolidated Fund in 2011-12. That is an additional £447,632,000 since the Main Estimates were presented last year. That cash is drawn down on a daily basis, as needed, from the Northern Ireland Consolidated Fund, which is managed by my Department on behalf of the Executive.

The Bill also authorises the use of resources totalling £16,220,944,000 by Departments and certain other bodies. That is some

£228,044,000 more than was approved in the Main Estimates last June. Those amounts are detailed in part 2 of each spring Supplementary Estimate for 2011-12. In addition, the Bill revises for 2011-12 the limit on the amount of accruing resources that may be directed by my Department to be used for the purposes in column one of schedule 2. That limit includes operating and non-operating accruing resources — in other words, current and capital receipts — and amounts to £2,221,321,000.

Under section 8 of the Government Resources and Accounts Act (Northern Ireland) 2001, a direction on the actual use of the accruing resources will be provided by way of a Department of Finance and Personnel (DFP) minute, which will be laid before the Assembly in March, following the Royal Assent of the Bill. Therefore, the Bill not only authorises the use of resources but it authorises accruing resources, bringing resources for use by Departments and other public bodies to over £8.4 billion. The sums to be issued from the Consolidated Fund are to be appropriated by each Department or public body for services as listed in column 1 of schedule 1 to the Bill, while the resources, including the accruing resources, are to be used for the purposes specified in column 1 of schedule 2 to the Bill. I hope that is clear to everyone.

The amounts now requested for 2011-12 supersede the Vote on Account in the Budget Act (Northern Ireland) 2011, which was passed this time last year, and the Main Estimate provision in Budget (No. 2) Act (Northern Ireland) 2011, which was passed in the Assembly on June 2011.

The Bill also authorises a Vote on Account for 2012-13 of cash of £6,687,469,000 and resources of £7,451,346,000 to allow the flow of cash and resources to continue to provide public services in the early months of 2012-13 until the Main Estimates and the related Budget Bill are approved in June this year. Again, the cash and the resources are to be appropriated and used for the services and purposes set out in column 1 of schedules 3 and 4 respectively.

Finally, clause 5 authorises the temporary borrowing by the Department of Finance and Personnel at a ceiling of £3,493,734,000 for 2012-13. That is approximately half the sum authorised in clause 4(1) for issue out of the Consolidated Fund for 2012-13 and is a normal

safeguard for any temporary deficiency arising in the fund. I must stress that clause 5 does not provide for the issue of any additional cash out of the Consolidated Fund or convey any additional spending power. It enables my Department to run a very efficient cash-management regime.

There is little more that I can usefully add on the detail of the Budget Bill. However, I will be happy to deal with any points of principle or details that Members wish to raise.

**Mr Murphy (The Chairperson of the Committee for Finance and Personnel):** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his opening remarks. The Budget Bill provides statutory authority for expenditure as set out in the spring Supplementary Estimates (SSEs) 2011-12. The Bill also includes the Vote on Account, which allows Departments to incur expenditure and use resources in the early part of 2012-13 until the Main Estimates are voted on by the Assembly in early June.

Standing Order 42(2) states that accelerated passage may be granted for a Budget Bill provided that the Committee for Finance and Personnel is satisfied that it has been appropriately consulted on the public expenditure proposals in the Bill. At its meetings on 1 February and 8 February, departmental officials briefed the Committee and took questions on the Budget Bill being debated today. Those evidence sessions represented the culmination of a process of scrutiny by the Committee of public expenditure issues throughout 2011-12 of DFP as a Department and at a strategic and cross-departmental level. Following those evidence sessions, the Committee was content to grant accelerated passage to the Bill. Therefore, the Deputy Chairperson wrote to the Speaker on my behalf informing him of the Committee's decision.

During yesterday's debate on the SSEs, I said that DFP officials had expressed surprise at the level of reduced requirements declared during the first year of the Executive's four-year Budget for a variety of reasons. The Committee heard that that was a major factor in the Minister's decision to undertake a review of the Budget allocations for the final two years of the 2011-15 Budget. The officials advised that they will be giving detailed consideration to the reasons for any reduced requirements declared and bids for additional resources made within the

year, together with the provisional out-turn data. Following that, the Minister will set out his initial conclusions on the implications for the 2013-14 and 2014-15 allocations to his Executive colleagues in the summer.

The Committee welcomes this proactive approach. The Minister and his officials have confirmed that my Committee will be kept informed about the progress of the review, and that is also very welcome. However, the Committee feels that it is important that there is also consultation with the wider Assembly and between Departments and their Committees on the issue. Therefore, I have written to the Minister and his Executive colleagues to request that they agree a course of action that will include appropriate consultation with the Assembly and Committees on the review. That is important, given that accelerated passage will be sought for the associated Budget Bills, which will implement any reallocations in 2013-14 and 2014-15. On behalf of the Committee, I support the motion.

**Mr Storey (The Chairperson of the Committee for Education):** I wish to inform the House of the Committee's position on the 2011-12 spring Supplementary Estimates and the Vote on Account element of the Budget Bill 2012-13.

The educational development of our children and young people is one of the most significant investments that we can make in our society. Education provides the basis for the personal development of intellect skills, competencies, personal attributes and values and it equips our young people for the future. It is vital, therefore, that any financial arrangements put in place in no way deter or detract from that purpose and goal.

The Committee for Education has some concerns in relation to the time afforded to the Committee for the detailed scrutiny of the Supplementary Estimates, as they were laid only one week prior to the debate. I understand that the spring Supplementary Estimates reflect a consolidation of the previous year's outcomes and feel that it would be beneficial for Committees to take stock at this point before looking ahead to the forthcoming financial year. I hope that that particular issue will be addressed, as the Chair of the Finance Committee has made reference to, through the review of the financial process.

All Members in the House come to this particular time of the year, as has been outlined by the Minister, with some degree of concern, confusion or delight. We take it as an opportunity to go from Dan to Beersheba as far as the issues are relevant to our particular Committee or constituency.

**Mr A Maginness:** Is that in your constituency?

**Mr Storey:** Yes, in my constituency.

However, it is important that we have an understanding of the process; a clear understanding. I am glad that we have the Minister of Finance, whose credentials in this area are beyond question.

**Mr Humphrey:** But not geography.

**Mr Storey:** Not very good on the pronunciation of certain place names in Northern Ireland — however.

That is why we need to ensure that we, as Members of the House, through the Finance Committee and our individual Committees that have a responsibility, place on our Committees on a regular basis the issue of finance, the issue of scrutiny and the issue of asking questions.

In October 2011, the Committee had just been briefed by the Department and was informed of a £21.7 million bid. The Committee was particularly concerned at the lack of communication that the Department had with the Committee and individual schools; for example, principals and boards of governors were written to in November 2011 advising them of the need to calculate their budgets and submit them to the Department on the basis of a three-year plan. A great deal of time and effort was involved. I declare an interest, as a member of the board of governors of two schools, Ballymoney High School and Ballymoney Model Integrated Primary School. The stark reality that faced those schools was that they had to prepare on the basis of the letter from the Department in November, which gained its genesis from the Budget process — the Budget agreed in this House. Undoubtedly, that process caused major concern to many schools across Northern Ireland. I will come back to that point in a moment.

Another issue was that it then transpired that an extra £40 million had been made available to the Department of Education in mid-November and a further £120 million in January. However,

it was not until the beginning of February that schools were informed of the impact that that additional funding would have on their individual budgets. That, understandably, yet again created uncertainty, lack of clarity and concern.

I accept that there is an issue in relation to the review of the financial process, but this is a clear example of how it works in practice in one Department. I can speak only on behalf of the Department that my Committee has a responsibility to scrutinise, to question and to query. The point that I am trying to make, and the relationship that this has to what we are debating on the Budget, is this. We believe that schools are all-important and there for the right reasons — to educate our young people — and that they should, therefore, be given all the relevant information at the right time. Does anyone in this House really believe that the process being put in place is useful or yielding the right results?

I leave that question for Members to consider.

### 3.30 pm

The Committee welcomed the additional funding announced by the Finance Minister. I commend him because it was as a result of his intervention in the end-year finance (EYF) crisis, at that famous meeting, which I think was in Armagh, that that issue was addressed. I commend the First Minister and the Finance Minister for their work in relation to the crisis that developed as a result of the November letter, which led to huge concerns about financial planning.

In the January monitoring round, the Finance Minister raised serious concerns about that process of forecasting. He said:

*“I am obviously disappointed that DE has surrendered such a large amount of resource, and I have asked my officials to liaise with their colleagues in that Department on improving their forecasting next year.” — [Official Report, Vol 71, No 2, p64, col 2].*

It is a concern that we still do not really know what the long-term, sustainable future of that element of our financial processes will be. Therefore, it is incumbent on us to have in place a properly structured and understood process that ensures that delivery of those issues is for the best for schools.

I will now make general comments as a Member. I want to raise a concern about financial planning that needs to be underscored in the House. I said that I would return to the letter that was issued on 25 November, which clearly showed a reduction of -5%, -6% and -11%. That was the reality in November. As a result of that letter going out, I constructed a correspondence that subsequently went to the First Minister setting out that particular financial planning, given in the Budget and set out in all the information given by the Department of Education, and the implications that that budget would have for our schools.

Let me give you one example, namely fixed costs with regard to buildings and maintenance, which had already been reduced to a minimum in previous years. I remind Members that utility bills have risen by 39% and gas by almost 20%. There have also been significant increases in, for example, examination fees. The biggest difficulty that schools faced was in average teacher costs. Even through the pay freeze, salary costs continue to rise, there is a natural drift of about 2%. Therefore, a 4-5% reduction in budget would require a significantly larger cut in teaching staff, probably in the region of 10% to 15%. Those are some of the issues that impact, and the reality for us, if you take the announcement yesterday by CCMS, is that they will have a detrimental impact on the ability to deliver good-quality education in our schools.

I will conclude with one other example. In the Budget process, the Department of Education made it abundantly clear that it will be removing, in 2013, the money for the entitlement framework. The Department told us that that process was about enhancing and widening the experience and availability of courses for young people. In principle, we can generally agree with that, albeit the Department has decided to phase in that process. Where it was once 24 to 27 subjects, it is now 18 to 21. In light of that budgetary decision to remove by 2013 the allocation for the entitlement framework, the challenge for all schools is to find the resource and make the money available out of the reduced budgets that they have been given. That is another pressure, concern and cost for which they must provide. Therefore, I appreciate the concern that exists.

Given the Finance Minister's previous role as the Chairperson of the Committee for Education and his insight in that area, I appreciate all that

he has done and the expertise and knowledge that he has brought to discussions on the issue. However, I make this plea to Members: we cannot continue on the current trajectory with the education budget and expect to have the same outcome. Number pressures exist. Let us be clear about the redundancy package that the Minister has announced. It is not about letting the most expensive staff members go so that cheaper versions can be substituted for them. No, it means job losses. I have written to the Minister. He has confirmed in the House that the process is not about letting some staff go in order to reallocate posts and allow more staff to come in. It is about letting an element of schools' most valuable resource go. I will repeat what I have already said in the House: a Patten-style redundancy process in education will end in the same way as it did in the police service. Thousands of years of experience disappeared. Remember what happened in the police process. Some years later, the service had to recruit staff, particularly for certain elements of police investigation.

I say to the House that if it values children — we all say that we do — let us look seriously at how the Budget will impact on children's future education provision.

**Mr Cree:** I am pleased to speak to the Budget Bill. At this point in the year, changes have been made to Departments' budgets. The legislation that gave authority to spend cash and use resources is out of date. Indeed, the Minister referred to that. In fact, there are only some weeks left in the current financial year. Revised legislation in the Budget Bill needs to be put in place before the end of the financial year. Yesterday, we approved the spring Supplementary Estimates and the Vote on Account. The Budget Bill logically follows that and completes the first year of the Budget, which was approved for the period from 2011 to 2015.

The Ulster Unionist Party could not support the package that made up the Budget 2011-15 for many reasons. I want to remind the House of those reasons. My party was unhappy with the decision to commit over 50% of DRD's budget on a road from Donegal to Dublin when many other works were required and were long overdue. The Budget also anticipated raising some £80 million over four years from housing associations' reserves. It had the potential to push many towards insolvency. My party opposed the conflict resolution centre at the

Maze. It was originally intended to be a major project. However, most of the other initiatives have been scrapped. Savings that relate to arm's-length bodies were intended to realise £10 million. What has been achieved? My party believes that the number of those bodies should be reduced drastically.

More recently, the First Minister and the deputy First Minister announced an inquiry into institutional abuse in Northern Ireland. We were told that it could take up to two years before the legislation for that could be contemplated but that that would not delay the investigation or the work of the inquiry. Where is the budget for that important work?

It was decided to cap student tuition fees at a rate that was consistent with inflation. That has led to a shortfall of £41.5 million in the Department for Employment and Learning. That has had, and will continue to have, a negative effect on areas such as apprenticeships and, potentially, the provision of education maintenance allowance, which needs to be resolved.

Invest Northern Ireland has been returning moneys that it cannot use because of the lack of investment by our businesses. The Minister advised us yesterday that those funds have been reallocated to other areas that helped to create or safeguard jobs in areas such as roads, etc. However, the problem remains that Invest Northern Ireland needs to find other ways of stimulating business in the short term. That agency must be seen to be innovative and to take the lead role in regenerating our economy.

Later in the debate, my colleagues will highlight other concerns about the various departmental budgets. We do not intend to be negative, but it is important that we are all aware of the issues in the Budget and about what it will mean for what remains of this year. In June, we will consider the Budget for 2012-13. As the Minister said, that will be another story. Thank you.

**Mr A Maginness (The Chairperson of the Committee for Enterprise, Trade and Investment):** I concur with the remarks that the Chair of the Committee for Finance and Personnel made about the surprising level of reduced requirements across a number of Departments. Certainly, officials from the Department of Finance and Personnel indicated their surprise at that level. It is interesting, and it raises a number of issues that I am sure the Department will explore in

the review. As the Chair of the Committee for Finance and Personnel indicated, it will also have implications for future years. I hope that there will be an Assembly consultation on that involving Committees and the wider Assembly. I also hope that that will bear fruit in future allocations.

That leads me to the surrender by Invest Northern Ireland of almost £40 million, which I believe is an important issue for the Department of Enterprise, Trade and Investment. It raises a number of questions. I am a great supporter of Invest Northern Ireland, and I want to see it doing the job that it has set out to do and that it has been tasked to do by the Assembly, the Department and the people of Northern Ireland. That task is to create jobs here and to attract investment, in particular foreign direct investment, to Northern Ireland. The freedom and the flexibility that is given to Invest Northern Ireland emanates from Professor Richard Barnett's report of two years ago, which I believe gave Invest Northern Ireland a very good basis for going forward. Of course, an important element of the report was an attempt to breach the productivity gap between Northern Ireland and the UK. That gap has existed for many years, and the means of filling it has been given to Invest Northern Ireland. One of the most important aspects of the Barnett report was that it tasked Invest Northern Ireland with attracting high-value, higher-paid jobs to Northern Ireland to fill the productivity gap.

### 3.45 pm

Therefore, it was with a great sense of disappointment that the Committee for Enterprise, Trade and Investment received the news that roughly £17 million was being surrendered in the October monitoring round, followed by £21 million in the January monitoring round. That came as a surprise and a severe disappointment to the Committee. We did not beat up Invest Northern Ireland or say that it was not doing its job properly. We sought to find out why it was happening.

Invest Northern Ireland's reply was basically that, in the middle of very difficult economic and financial circumstances, many firms wanted to invest here, bring jobs here or develop further in partnership with the organisation but could not match-fund what Invest Northern Ireland was prepared to give them. That raises a number of questions about those firms and the financial

institutions on which they depend to get money to make investments. There is a question, not just for government, the Department and Invest Northern Ireland but for the financial institutions, particularly the banks.

**Mr Humphrey:** I have heard the Member make those points in the House previously and in the media. Many of us accept that the banks have managed to get us into the mess across the globe, and I appreciate the point that he makes. However, does he appreciate that, in business, and in the private sector in particular, companies' financial positions can change very quickly? Commitments can be made by companies to invest here and to match-fund the money that will be given to them by the Northern Ireland Executive, and decisions that are taken in boardrooms in distant parts of the globe can affect the investment that comes here.

Nevertheless, that does not mean — for I am sure that the Member will continue to make the point — that we should not continue to fight for those jobs to come here and give the people of Northern Ireland, including the graduates coming out of our universities, meaningful, well-paid, high-powered employment.

**Mr A Maginness:** In essence, the Member is concurring with me. The task that Invest Northern Ireland has, which is to bring those higher-value jobs to Northern Ireland, will continue, and the organisation will dedicate its actions to trying to achieve that. However, it is disappointing that we have had that surrender of funds and that Invest Northern Ireland has not succeeded in attracting that investment.

I listened carefully to the Minister of Finance and Personnel yesterday, and he said that although Invest Northern Ireland surrendered them, those funds were put to good use. He said that they were given, for example, to DRD for road building, and so forth, which in itself helps to create jobs. I accept that argument. It is a fair one, but it does not fulfil the aim of the Barnett report. Central to that report, and which Richard Barnett stated very carefully, was the need to fill the productivity gap. We have to get back to that.

I understand the Minister's need to defend the position and to show that moneys are not being wasted and are being recycled — although he might not like that term — to create further opportunities for employment, and I welcome

that. However, I have to make the point that it does not hit the target that Barnett laid down.

Invest Northern Ireland is our primary investment and job creation agency. I emphasise that it is pivotal to the attraction of foreign direct investment and the creation of high-value jobs in line with Barnett. The short-term employment measures that have been introduced, such as the £19 million to attract 5,000 jobs, are necessary. However, they are also indicative of our plight, unfortunately, because you are not talking about high-value jobs. You are talking about jobs to fill a gap in the employment market but not the same gap that we are talking about in relation to Barnett. Although those jobs are obviously welcome, they are reflective of the weakness of our economy rather than its growing strength.

I worry about the fact that our economy is still very sluggish and that we are effectively still in recession and do not seem to be moving out of it. I worry further about the fact that we have a continuing crisis in Britain and that Britain does not seem to be moving out of recession. There is a danger of slipping back into a further recession and a danger that the financial crisis in the euro zone, for example, could deepen and, again, affect Britain.

**Mr Storey:** I am listening to what the Member is saying. It begs the question: does the Member believe that the structures that we have put us in a better position to deal with the global downturn, especially if we have concerns about the plans that have been made in other Parliaments? Through measures that we have taken, we have been able to offset some of the challenges and difficulties. If we had no devolution and were under direct rule, our ability to do something different would be absolutely minimal. Devolution is one of the reasons why we have been able to do things that have been beneficial and not counterproductive to the economic situation in Northern Ireland.

**Mr A Maginness:** I am not quite sure that I entirely agree with you, because the position is marginal. The problem goes back to the question of fiscal flexibility in Northern Ireland, which the Minister was quite dismissive of. We effectively have to accept the Westminster funding. We have no option. Westminster determines it, and we have to accept it. We are suffering and will suffer further in coming years under the CSR reductions of £4 billion,

which is a very substantial amount. What I am saying is: is there that much difference between Westminster ruling us directly in respect of finance, budgeting, and so forth —

**Mr Deputy Speaker:** I remind Members that we are debating the Budget Bill rather than straying into wider economic or European discussions. There has been a tendency to go beyond the legislation in front of us. I ask you to come back to that legislation.

**Mr A Maginness:** I was simply answering the Member's question, which relates very directly to budgets. My point is that it is very difficult to see the distinction between a Budget that comes directly from Westminster and a Budget that comes from the Assembly but is virtually dictated by Westminster. I get the Member's point. I believe that there is some marginal difference.

Mr Deputy Speaker, you may rule me out of order for making my next point. Indeed, the Minister wants you to rule me out of order. He rejected the point that my good friend Margaret Ritchie made yesterday, which was this: give us more flexibility in respect of fiscal policy and give us the instruments to deal with the situation here. I think that that is a reasonable proposition, but the Minister rejected it and asked which taxes we would raise to do it. The fact is that we are looking for tax-varying powers rather than a straightforward tax rise. The point is this: if we were able to use taxes in a much more creative way here in Northern Ireland, we could do much better, because we could control our own destiny, as it were. I will move on, because I know that the Deputy Speaker is becoming a little bit impatient with me, and I do not want to incur his wrath.

There are other pressures that the Minister has not taken into consideration properly, one of which is welfare cuts. The Minister said yesterday that he felt that welfare reform may, in fact, increase the amount of money that people in Northern Ireland receive. I find that very hard to believe. I think that people here will be disadvantaged disproportionately, which will place another pressure on our people and on our economy. If we get less money in welfare benefits, the local economy will be affected. The corner shop, the supermarket and the local garage will be affected. Everybody will be affected; individuals, families and children.

**Mr Humphrey:** I thank the Member for giving way. I appreciate that he and his party are very

concerned about the Welfare Reform Bill, as we all are, and are obviously voting in a certain way in the national Parliament. However, is it really in order for the Member to stand up to make such pronouncements, given that the Bill has not emerged in its final form from the process in the House of Commons? Is it not better to wait instead of raising people's fears and concerns?

**Mr Deputy Speaker:** I remind Members that this is not a debate about welfare reform. This is a debate about the Budget Bill, and I ask Members to keep on that subject, please.

**Mr A Maginness:** Mr Deputy Speaker, the Member raises a point in relation to welfare reform —

**Mr Deputy Speaker:** And the Deputy Speaker has given a direction that I hope Members will follow.

**Mr A Maginness:** I accept your ruling, Mr Deputy Speaker. The fact that only 10% of our people are on welfare benefits in respect of households will obviously have an implication. All that I am saying is that there are additional pressures, and I think that we have to take them into consideration.

Further to that, I am disappointed about the way in which the Executive have dealt with the green new deal, which I think is pertinent to the debate; it is kosher. I do not think that the Executive are properly exploiting the great opportunity that it offers. I mean "exploiting" in the proper sense of the word; taking advantage of the green new deal for the benefit of the whole community in respect of job creation and in respect of something that is dear to the Finance Minister's heart — trying to deal with climate change. I knew that he would react to that. It is very important for us to reduce carbon emissions.

It is very important that we increase the energy efficiency of our homes, and that creates employment, jobs and economic activity. I do not think that the Executive have given that a fair enough wind to develop a proper, well-financed green new deal. This is money well spent, and it will create jobs in the short term. I hope that the Minister of Finance and Personnel will take that into consideration when reviewing allocations in the near future. I hope that it will be top of his agenda and that he will consider the green new deal a top priority for government expenditure.

#### 4.00 pm

I also want to talk about the social housing programme. The Programme for Government states that 8,000 houses should be built over the next number of years, but I think that there should be an expansion of that programme. An expansion of 500 or 1,000 houses a year could stimulate the construction industry, which is on its knees. As an Executive and Assembly, we have the direct means to increase investment in social housing. If we were to do that, we could directly address the continuing difficulties in the construction industry. That is important, so I say to the Minister of Finance, the Executive and the Minister for Social Development that that should be reviewed.

My final point on the current year's Budget is that our not having a Programme for Government until later in the year meant that we put the cart before the horse. We have not had a Programme for Government from which to work and establish targets, outcomes and inputs. As a result, there is a disconnect across Departments and a lack of continuity right across government. It is a patchwork of unaligned spending proposals that are not related to a Programme for Government. I emphasise the need for a Programme for Government properly to co-ordinate Executive spending.

Regrettably, there is no evidence of economic recovery in Northern Ireland at present. The pressures on the Executive and the Minister of Finance and Personnel are considerable, and they will get worse unless there is progress on the recovery of our economy. I am happy to conclude on that point.

**Mrs Cochrane:** I welcome the opportunity to speak on the Bill. Following the exchanges that we witnessed in the Chamber yesterday on the resolutions for the SSEs and the Vote on Account, the Bill is not without merit, despite the technical nature in which it conveys information.

As the Minister and other Members have said and will say, the Bill makes allowances for the use of the resources voted on yesterday. It authorises the Department of Finance and Personnel to borrow in accordance with clause 4; ensures access to sums from the Consolidated Fund for Northern Ireland; and sets out the guidelines by which they can be appropriated and used over the next financial year. I voted for the pre-requisite resolutions

yesterday, so it would be contradictory of me to speak against the Bill. However, my one criticism, following another constructive debate yesterday on the Executive's review of the financial process, is that we have had such a short time to analyse, understand and scrutinise the Budget Bill in its legislative format. Having voted on the First Stage of the Bill yesterday evening and received the document in its paper format shortly afterwards, Members were given less than 18 hours to assess the Bill and prepare for today's debate. I am sure that the House will agree that, regardless of the content, adequate preparation or opportunity for scrutiny of the Bill would be difficult in that timescale, and that underlies why the implementation of the recommendations from the review of the financial process here is essential.

I turn my focus to the implications of the Budget Bill. It is important to note that Northern Ireland represents a unique commodity to Westminster, particularly in relation to how finances are allocated. I am sure that Members will know that those do not always adequately reflect the divergence in need associated with an economy that is striving for rebalance in the aftermath of a violent past and ongoing division. At the risk of sounding ungrateful and while making every effort not to bite the hand that feeds us and facing up to the financial conditions with which we must grapple, the onus is on us as Members to seek to mitigate the impact of any disparity and, equally, to rise to the challenge of negating the impact of cuts to our Budget by seeking new and innovative ways of maximising efficiency, encouraging local enterprise and promoting revenue-generating initiatives.

Northern Ireland boasts an unhealthy over-reliance on the public sector, and continued reductions to public spending are causing considerable problems and distress to many, including those who work in the public sector, those who depend on the spending power of workers who are paid by the public sector, those who depend on public services and those in the private sector who depend on public sector contracts, although we had some good news on that front this morning, with a number of construction projects getting the go ahead.

On top of our over-reliance on the public sector, the greatest distortions on our Budget relate to the costs of managing a divided society, and the Minister will not be surprised to hear from me that I still feel that that is an unjustifiable

burden of which the Executive and the Assembly must take heed. Indeed, yesterday, the Finance Minister gave an assurance that tackling the cost of division makes economic and societal sense. However, I am not convinced that other Ministers agree. In response to questions that my party and I submitted recently, asking each Department what it is doing to promote a shared future, some simply said that they had to meet a statutory commitment on the promotion of good relations and were doing little else. That is not good enough. There is a major call from our public for more shared services and facilities. They know that having separate services wastes money that could be spent on schools, hospitals and so on.

The other issue that I have raised before is that significant savings could be found from altering how funds are apportioned. Specific consideration should be given to early intervention and preventative measures. For example, it costs the state approximately £100,000 to keep a child in care, yet family support programmes such as Home-Start and Sure Start cost less than £2,000 an intervention. Investment in interventions to reduce the number of young people not in education, employment or training could save an average of £81,000 over the lifetime of a young person. Another example is social care. Age NI has claimed that some health trusts can afford to pay only for the critical cases and that the people who are less serious will have to be hospitalised down the line because we cannot provide social care to them now to keep them in their own homes. That does not make long-term financial sense. We need to change the balance of resources going into programmes that seek to prevent problems from emerging or to intervene early, thus avoiding the need for greater resource spending after problems fully develop.

Although I offer my support to the Bill, owing to common sense and good governance, I have to question how much longer we can continue with a haphazard approach to financial scrutiny and, furthermore, a blissful ignorance and reluctance from some to act on the cost of division to our society.

**Mr Moutray:** I speak as a member of the Committee for Enterprise, Trade and Investment and as one who regards the economy as the single most important issue facing us at present. I pay tribute to the Finance Minister. We have had some excellent Finance Ministers

since May 2007, and, given these austere times, the present Minister has perhaps had the greatest challenge, and he has shown that he is more than up to the task. In fairness, the Executive as a whole have displayed maturity and common sense in their approach to our finances and to the deployment of the block grant.

It is only right and proper that the economy remain at the heart of the Programme for Government. We have set some very challenging objectives and targets in our determination to do what we can to emerge from a prolonged period of recession. If we get it right on the economy and ensure efficiency in our public spending, we will be much better equipped to deal with many of the problems facing our society in, for example, key areas such as health and education.

The best foundation for Northern Ireland as it prepares to enter its second century is to reduce its dependence on the public sector and to grow the private sector wherever and however we can. According to the National Institute of Economic and Social Research, the recession is now over but we are in what was described last autumn as a depression. Recovery is painfully slow and very fragile, and it would not take much to knock us back. As part of the United Kingdom, we are called to play our part in national recovery, and, as part of the United Kingdom, we are being forced to make financial sacrifices that are not easy, especially for those who are struggling on lower incomes or are struggling even more because they have lost their job. Unemployment levels among our young people are of particular concern, and the number of unemployed people is at its highest for 15 years. However, despite the obvious difficulties, I am glad that we are part of the UK economy and not tied in with our struggling Southern neighbours or any of the other precarious eurozone economies.

We have limited economic and fiscal leverage, and we must therefore seize every opportunity. In that regard, perhaps the Finance Minister might update us on progress in relation —

**Ms Ritchie:** I am sure that, as a follow-on from yesterday's debate, on foot of him saying that we have limited fiscal powers and on foot of what Mr Maginness said earlier, the Member will agree with me that there is a case for the Finance Minister to directly approach the Treasury, if he has not already done so, to

ensure that our budget prospects are enhanced by having tax-varying powers.

**Mr Moutray:** I believe that the Minister will use every lever possible to help the situation and the case for Northern Ireland. We are in a much stronger position than the people in the Republic.

Northern Ireland is known for its business acumen and entrepreneurial spirit. We need to nurture, encourage and develop that spirit to suit the needs and demands of the market in 2012, and I commend the work of Minister Foster and her officials and of Invest Northern Ireland, which is making every effort to attract high-value inward investment from across the world. However, to secure that investment, it is absolutely vital that we develop a suitably trained and skilled workforce and do whatever we can to create jobs for it. It is a tough challenge, but I am confident that it is one that the Executive are up to.

I welcome initiatives such as that announced last December by my colleagues Arlene Foster and Edwin Poots on the connected health theme. That has the potential to create a significant number of jobs in health software and support services and is an example of what we can do and what must be done. As well as attracting inward investment, we must encourage our small and medium-sized enterprises (SMEs), which are the backbone of our economy, to plan ahead, to invest in research and development — the Committee for Enterprise, Trade and Investment has been working hard on that — and to raise their game in relation to exports.

Many sectors of our economy have suffered from short-term thinking. That is very much a product of the years of violence, terrorism and direct rule, and we must do all we can to encourage a culture change right across the board. Our tourism industry has so much potential that, unfortunately, remained untapped for many years. I am, however, delighted at the current Minister's commitment to tourism, especially this year, in which we will commemorate the centenary of the Titanic, which will be marked by the opening of the flagship Titanic centre. There will also be a new visitors' centre at the Giant's Causeway, the signing of the Ulster Covenant celebrations and the Irish Open golf tournament at Royal Portrush. Let us make sure that the vast potential of all that is realised with record visitor

numbers and a tourist industry that is ready and equipped to meet the challenge.

Before I close, I, like others, want to take the opportunity to raise one or two matters of relevance to my Upper Bann constituency. I previously mentioned the good work of Invest Northern Ireland, and I know from my own experience that local councils are very keen to work with Invest Northern Ireland. However, at times, there can be frustration at what is seen as delays in obtaining letters of offer. I appeal to Invest Northern Ireland to liaise closely with all elected representatives at Assembly and council level. In that way we can make sure that small local businesses are given every opportunity to develop and grow.

#### 4.15 pm

As a representative of the Lurgan and Portadown areas, I am keen to see retail and business regeneration of the town centres. Retail guru Mary Portas has just published her review; her vision is to breathe economic and community life back into our high streets. That is what we need, and I feel that it is another area for joint action between DSD and DETI, in partnership with local councils. I welcome the lead taken by Minister McCausland in that regard, and I trust that both DETI and DSD will work together to achieve delivery and revitalise our town centres.

Councils like my own in Craigavon have been working on innovative ideas such as meanwhile space to bring new businesses to town centres and to reduce vacancy and dereliction. We must build on such opportunity as quickly as we can before there are any more high street closures. Craigavon has the largest Invest Northern Ireland land bank in Northern Ireland, and I believe that there is potential for that to be unlocked and used to develop the area and provide job opportunities.

Finally, I want to mention Lough Neagh, the largest inland lake in the British Isles, as more could be done to unlock its tourist potential. I would be very keen to see a strategy for the development of the lough, and perhaps the Minister and the Tourist Board might consider elevating any plan to signature status to maximise the leisure and recreational potential of that gem. With that, I draw my remarks to a close.

**Mrs Dobson:** I welcome the opportunity to contribute to today's Budget Bill. With my

agriculture hat on — perhaps that should be my wellies — as Ulster Unionist Party agriculture spokesperson I would like to comment on the Department of Agriculture and Rural Development's (DARD) budgetary performance over the last year and its position in the coming months.

I want to raise a few issues in particular, and although I realise that the Finance Minister will probably not be able to cast too much light on them, nevertheless it would be useful for him to hear of difficulties occurring across some of his Departments. To begin with, last November in the House all parties contributed to an Agriculture Committee motion on the long-running issue of continual disallowance fines being returned to Europe, running at that time at over £80 million and no doubt increased since then. The Department's response was that it was all right because it was not its money to spend anyway. Frankly, that attitude was ridiculous, and I am sure that the Finance Minister will agree that, although it might not have all been DARD's money to hand back, it would have been spent on something. In other words, something has to give.

Recently at Committee, despite £9.8 million being budgeted for expenditure in 2011-12 on the LPIS mapping system, we heard that only a small number — in the early hundreds, in fact — of farm maps had been distributed to date. That is totally unsatisfactory and, as was pointed out, gives us no confidence that expensive infraction fines are not set to continue for many years to come. It would be interesting to note how, and if, DARD has spent the £9.8 million set aside in this year's Budget, because it has achieved so little as a result, and whether it can guarantee that the £9 million that it has estimated for next year will be spent more wisely and productively. It begs the question: if this year's budget has not been spent, will further adjustments be made for that? The Minister said that she hopes, by next year, to have a fit-for-purpose mapping system that is 100% ready to go. We have certainly seen little evidence so far that that will be the case.

Another issue that I recently raised in the House is the worrying and sharp rise in detection of TB reactor herds, with an alarming 182 incidences last November. That is as much as a 10% increase over last year, making the November figures the highest monthly detection rate for six years. That is an incredibly worrying and costly trend indeed, and one that was not and could

not have been accounted for. With that increase in detection comes a proportionate increase in compensation, which, the Ulster Unionist Party has had confirmed, will run-up to, and perhaps beyond, £23 million per year. Although compensation is being reduced in percentage terms, it still forms a considerable proportion of DARD's budget, and the recent increases raise the question as to whether DARD has the ability to pay out compensation continually while having no commitment in the draft Programme for Government to eradicate TB.

The industry is looking for the Minister to take action to stem this expensive tide so that funds can be better directed to ensure the future of the agrifood industry as a key element of our local economy. DARD needs to make sure that local farmers are not being put at a competitive disadvantage when compared with other UK regions, and I have pressed it to consider a capital grants scheme that would not only prepare the industry for the future but would attract young farmers to take up a career in farming.

To date, DARD has failed to instil any confidence that it is up to meeting its many challenges and is persisting with the costly operation of relocating its headquarters at considerable taxpayer expense while failing to deliver on its challenges and Programme for Government commitments. Many in the industry are questioning whether DARD has explored other less costly options so that we can better direct the available funds to prioritise delivering services that are focused on the future growth of the industry.

It would be preferable for the agrifood industry for a DARD budget to be brought forward to the House that is finally free from expensive infraction payments and costly compensation and that is totally focused on helping those in the industry to expand, to create jobs — for example, in the processing and construction industries — and, as the Minister previously stated, to lead the economy in recovery. At present, that leadership is sadly lacking.

The Executive and, in particular, the Agriculture Committee are facing a number of challenges. People and the agrifood industry as a whole are looking to the Minister to come up with effective solutions. Those solutions should be in the best interests of the sector and should secure the long-term viability of the considerable financial

contribution that the industry makes every day to the Northern Ireland economy.

**Mr D Bradley:** Go raibh maith agat, a LeasCheann Comhairle. The SDLP has played a full and active part in all the Budget debates, the Committee scrutiny processes and in the Executive subcommittee meetings. The party has even published two papers: 'New Priorities in Difficult Times' and 'Partnership and Economic Recovery'. Those papers contain our constructive ideas, which we offered to have included in the Budget process. So I am happy to continue with my party's positive engagement here today.

We were minded to be oppositional on the Budget Bill, but because the Executive restated their commitment to the A5 and have been more imaginative in their spending, I think that we can afford to be more generous than that. As I said, I am happy to engage positively today.

We all know that the Executive have very few economic levers with which to transform the local economy and set it on a path that will stimulate growth and generate jobs. We are seeking to increase those levers and add a more competitive rate of corporation tax to our economic toolkit. That has taken some time, and it looks as though it will take some more time. However, in the meantime, the Executive's main economic lever is public expenditure, and we need to use that lever to our greatest advantage, even given the deep cuts with which we are dealing. Now more than ever we need to ensure that we are maximising every benefit from public expenditure. As we saw in the spring Supplementary Estimates, large amounts of money were handed back in monitoring rounds during this financial year. So in future we need to ensure that departmental spending is effective and efficient and that money is going where it will have the greatest impact on driving growth in the economy and in creating jobs. From that point of view, I welcome the Minister's review, and I hope that it will move things in the right direction.

I also welcome the Minister's earlier statement — well, it is St Valentine's Day — confirming the investments in roads and hospitals, which is very positive news. Since it is St Valentine's Day, I might as well congratulate my colleague Mr Byrne on his tireless advocacy for the A5. I also invite the Minister to confirm that the Executive are committed to completing the Strabane to Omagh leg of that project at the earliest possible opportunity.

I agree with my colleagues Margaret Ritchie and Alban Maginness that we should not be satisfied merely with the fiscal powers that we have. We should be expanding devolution at every possible opportunity to ensure that it is delivering to the greatest extent possible for the good of the greatest number of people here. The Minister of Finance and Personnel could be taking the lead in that respect by interrogating every opportunity for bringing greater fiscal freedom to Northern Ireland. It is not enough to simply be a local manager for the Treasury; we can do more and we can do better. That is the point of devolution. As Margaret Ritchie said yesterday, greater devolution could include the devolution of tax-raising and tax-varying powers, such as landfill tax, motor tax, air passenger duty and corporation tax.

You will probably remember, Mr Deputy Speaker, that much was made of the new sources of revenue that the ministerial Budget subgroup was tasked with identifying. I remember Caitríona Ruane — I see she is here — reassuring the education sector that there was no need to worry and that there was £1.6 billion in revenue that had been identified and could be realised. The Minister of Finance and Personnel was a little bit more modest than Ms Ruane. He told us that around £842 million had been included in the draft Budget and later in the Budget. He said that the remainder would be allocated over the budgetary period.

The Minister also told us that of that £842 million, £500 million was coming from asset sales. I have not heard of £500 million in assets being sold. Perhaps the Minister has. If so, perhaps he could tell us about those sales. However, if those sales have not been made and the assets have not been realised, perhaps the Minister will say what effect that will have on the Budget. Yesterday, I pointed out that the assets management unit has realised only £1.3 million of the projected £10 million in the first budgetary period. I asked what chance there is of the £100 million being realised over the four years of the Budget. The Minister did reply, but I was not convinced by his answer.

The Budget review group was also tasked with coming forward with further revenue, and I wonder if it has. Mention was made at the time of extra revenue — around £125 million — being raised through the reserves of the Harbour Commissioners and more, indeed, from the reserves of housing associations. However,

as yet, I have not heard anything about those moneys being forthcoming. My understanding is that legislation is required to access the Harbour Commissioners' reserves, but I see little sign of any movement on that front. Perhaps the Minister can update us on that.

The Minister also told us at the beginning of this budgetary period that the Executive had agreed to reclassify £250 million of current expenditure as capital spending over the Budget period, with capital spending reaching £1.5 billion by 2014. Does the Minister still believe that that is achievable? What progress has been made to date? What are the plans for the future capital spend?

We have, as Mr Storey pointed out, a huge backlog in schools maintenance and schools awaiting newbuilds. Can we expect some of the £250 million to be used to address those problems?

#### 4.30 pm

This Budget Bill does not anticipate the welfare cuts that are coming down the line. Professionals in the field have described those cuts as a recipe for deprivation, a "tsunami" of cuts, and the most devastating attack on the working class since the 1930s, as they will affect housing benefit, women and children and sick and disabled people, and will cause winter fuel problems, to name but some of the areas affected. The cuts will take an estimated £450 million out of the Northern Ireland economy, and before the Minister responds on that, I should say that that is the figure that his colleague the Minister for Social Development has come forward with.

The social protection fund is now empty, after only one year and before the effects of these cuts have really begun to bite. The Minister says that he welcomes welfare reform — I call it welfare cuts. He says that it gets people back into work. However, one would have to ask, especially after hearing the news from my constituency yesterday, where are the jobs? If the Minister is so relaxed about welfare reform, perhaps he could answer some of these questions. Can he guarantee that the people of Northern Ireland will not suffer due to the introduction of the consumer price index as a replacement for the retail price index as the measure to calculate benefits? Is he willing to guarantee that no families in Northern Ireland will suffer as a result of the upcoming changes to working tax credits and that no children in

Northern Ireland will suffer as a result of the upcoming changes to child tax benefits? Is he able to guarantee that no one will end up homeless in Northern Ireland as a result of single people under 35 —

**Mr Deputy Speaker:** I remind the Member that this debate is about the Budget Bill, which is a specific bit of legislation. I have allowed some tolerance, but the debate is about the legislation that is in front of us today.

**Mr D Bradley:** Thank you very much, Mr Deputy Speaker. I was making the point that the Budget Bill does not anticipate the cuts that are coming as a result of welfare reform, so I am trying to link the two. However, I take your point.

My last question from that respect is: can the Minister guarantee that the Northern Ireland economy will not suffer as a result of the introduction of the universal tax credit, which will cause a reduction in relative income provided to Northern Ireland from London?

**Mr Byrne:** I thank the Member for giving way. Does the Member agree that the budgetary proposals largely represent a bookkeeping exercise in public finances, as they do not indicate any growth targets or economic development targets for the economy over the next year or two? Lastly, does the Member agree that this region is the most dependent of the entire UK? It is now dependent on public subsidy to the tune of 29.4%.

**Mr D Bradley:** I thank the Member for his intervention. I agree with him, and, no doubt, when he speaks, he will have a chance to elaborate on those points.

As my colleague said, the Budget appears to be very much like an application of the cuts that have been handed down by the coalition Government, with little or no mitigation in the measures provided. I mentioned the additional income streams that were talked about at the beginning of this period, and I am disappointed that they have not been realised.

This Budget is characterised by the need for a real focus on job creation and by the need for DSD and the Executive to deal with the threats to people who are among the poorest in our society, which as I said, are threats that welfare cuts pose. It is also characterised by the slow pace of progress on corporation tax and an unwillingness to explore all the possibilities of devolution. I

am also disappointed with the lack of output from the Executive's Budget review group.

I think that the Executive are behaving as though they have no real ideas of their own, unlike their Scottish counterpart. It is true to say that it appears as though the Minister is merely administering Northern Ireland on behalf of the Treasury.

As I said, the SDLP wishes to be as positive as possible about the Budget, but will not simply nod it through. Where we see shortcomings, we feel that it is our duty, in principle, to outline them. However, we are not blind to some of the positive effects.

**Mr McCarthy:** I want to concentrate on spending issues in health and social care services. The Alliance Party understands the funding challenges facing the health service and the pressures on social care. Changing demographics, new treatments, more expensive drugs and improvements in technology all contribute to rising costs in our health sector. The Alliance Party is committed to maximising the resources directed to the health sector from within the Northern Ireland Budget. However, given the current financial situation, we have to be realistic.

In parallel, attempts must be made to achieve genuine efficiencies and to make the necessary reforms to address the healthcare needs of the future. We support the health and social care review and its implementation. Of course, it must not only be about managing resources but ensuring better outcomes.

We talk about using our existing resources better, smarter and wiser. We need to look at changing the profile of spending on health and social services in Northern Ireland, which often means benchmarking and comparing ourselves with other countries and regions. There is a commitment in the draft Programme for Government to increase the proportionate spend on public health. The Alliance Party believes that we need a similar commitment to mental health, which has, unfortunately, been the Cinderella of our health service for years.

A number of changes can be made to achieve sensible efficiencies. Many examples of different approaches to delivery could lead to savings in the health sector. Those include reducing the reliance on accident and emergency services, as too many people use A&E as an alternative to visiting their GP

using an out-of-hours doctor or visiting a minor injuries unit because of their lack of awareness; placing a stronger emphasis on prevention, early intervention and the use of the community sector, including the excellent service that our community pharmacies continue to provide; focusing on improving public health through better diet, exercise, reducing smoking, and so on, to ease demand and cost pressures; facilitating the better use of technology, for example, by supporting people in their own homes, monitoring and managing prescriptions, and remote care; seeking a greater emphasis on better home and community services, including a good meals-on-wheels service throughout the country; and the development of an inclusive service on a North/South basis.

The Compton review picked up many of those examples, and if people are to have confidence in its implementation, a number of them must be followed through. There must be better co-operation, because improving public health involves a large number of Departments, such as the Department of Education and the Department for Social Development. It also involves the Department for Regional Development's continuing to invest in public and rural community transport to ensure that everyone has equal access to acute facilities.

The Alliance Party welcomes the increased emphasis on the community sector. The community and voluntary sector can play a vital role. Indeed, it has already played a significant role, for which we are extremely grateful. I pay tribute to the many volunteers who contribute to making our society a much better place. However, there has to be a clear and serious reinvestment in community-based services. Home-Start, early years provision and the family fund for disabled children, for example, have come under pressure in recent times. I mentioned community meals, which have also come under pressure, yet good nutritional meals every day will keep people out of hospital. Our community pharmacies have also come under pressure, and the reform document emphasises that. Community pharmacies must be properly funded sooner rather than later.

Emphasis must also be placed on the provision of social care. The rapidly increasing and welcome demographic of older people in our society must demand our attention and investment now if we are to be adequately prepared for the future. Social care should be

regarded as a preventative tool by providing people with, for example, a little bit of help to allow them to stay in their own homes, thereby saving money further down the line.

For older people, investment in preventative social care is cost-effective and can increase their quality of life. Tackling issues such as social isolation and exclusion and promoting active lifestyles can deliver significant savings by reducing hospital admissions and facilitating early discharge from hospital or institutional care.

I endorse Age NI in saying that, with effective treatment and equal access to services, appropriate levels of funding and prevention strategies, older people can continue to experience good health and a long and enjoyable life. However, that is being undermined by tightening eligibility criteria for domiciliary care, restricting access to care and support and withdrawing low-level services, such as home helps and meals on wheels, which are under pressure at the moment. There have been significant reductions in those services, and in my opinion that should be halted when the need is clearly there.

The recent evaluation in England of the partnerships for older people's projects demonstrated that those projects lead to cost reductions in secondary, primary and social care. For every £1 spent, for example, hospitals save £1.20 in emergency beds, and there is a 47% reduction in overnight hospital stays.

Overall, low-level practical support initiatives, from simple housing adaptations for safety and security purposes to running older people's active lifestyle programmes, can have dramatic outcomes for older people and are very important to them.

In conclusion, social care must also be underpinned by rights, entitlements, fairness, dignity, choice and independence for older people. If those issues can be addressed — I hope that they will be — I will be happy to support the Bill.

**Mr Copeland:** As the Ulster Unionist Party spokesman for social development and as a member of the Committee that oversees that Department, I am grateful for the opportunity to participate in the debate.

The past 12 months have been difficult for Northern Ireland, and the economic downturn is beginning to have an even deeper effect.

It is having a devastating effect on the most vulnerable families and individuals, who in the past could and would have turned to the state for shelter and guidance but who now find greatly reduced resources for tackling their problems because coffers elsewhere are, essentially, empty.

The Department for Social Development has an axiomatic role to play in protecting our society against the difficulties faced by vulnerable and unfortunate people. The Department is growing more and more important as its responsibilities increase, adding further strains on already stretched resources. It is because of that, Mr Deputy Speaker, that it is absolutely vital that the Assembly get the Department's budgeting right.

#### 4.45 pm

Historically, my party has stated its concerns that previous Budgets have not been totally satisfactory or adequate in meeting the needs of the vulnerable. On occasions, we opposed those Budgets because we did not feel that they made adequate provision for those whom the Executive have a duty to protect. The past 12 months have, in some ways, been a testament to that.

The Finance Minister stated that the housing associations could contribute up to £20 million a year in revenue. That does not seem to have happened, which raises a number of questions. Where does it place the Department's recent budgetary position? Can the Minister update the House on the actual revenue generated from the housing association sector?

If we examine the implications of the Budget Bill on welfare reform, we will see that we are discussing the current budgetary position. It will, therefore, not be possible to ignore welfare reform. Without doubt, that will become the major issue in coming months. It will pose several problems and many complexities, such as whether the Bill as drafted has the capacity to tackle the extent and complexity of poverty, including the alarming rise in in-work poverty.

The Executive have still not agreed a strategy on childcare, and there is an essential lack of data on the impact that the changes, particularly those around the marginal reduction in rates and the participation tax rates, will have on older people. Currently, there are neither jobs nor employment opportunities available to

address the objectives of the welfare reform proposals, and those, we hope, will be taken into account.

Affordable housing is probably the single biggest issue that many of us deal with in our constituency offices. The number of applicants on the waiting lists and those in housing stress has fallen very little from its historically high levels, but there continues to be a very substantial demand for social housing. In the Programme for Government, the Executive stipulated the need for a build rate of 2,000 affordable homes. Again, that does not seem, at this stage, to have proved possible.

It is a simple fact that there are not enough affordable homes in the Province to meet demand. The net stock model indicated that a minimum of 1,900 new social dwellings are required each year to keep pace with the increase in demand, and a further 600 are required to address the backlog that has built up since 2001. That gives an overall annual requirement of 2,500 new social houses. It is a matter of regret that the Minister was unable on this occasion to convince his Executive colleagues to facilitate a bid for additional funding on a scale capable of addressing the problem, even though that failure may be understandable.

In Northern Ireland, reduced levels of public expenditure, the level of indebtedness, benefit dependency, rising unemployment, a continuing tighter credit environment and subdued housing market will continue to exert significant downward pressure on household purchasing power, investor and consumer confidence and the feel-good factor that we in this place and our population so richly deserve and crave. Those are mighty enemies that the Minister must confront.

As has been said, the Executive allocated a very welcome £20 million to the social protection fund in the previous Budget, and that was subsequently increased to £23 million. My party fully recognises the innovation of thought behind that idea. However, we feel, as do others, that it could be seen by others as questionable that every single penny was spent on one project. That begs the question of who to include and who to exclude.

In conclusion, the Budget Bill is not perfect. No one ever expected or believed that it could be. However, I will support it, as I recognise that we are talking about civil servants and nurses'

pay and the provision of health and social care. It is not practical, sensible or desirable for us to oppose the Budget. I urge the Minister of Finance and Personnel to continue, when and where possible, to increase the support for our most vulnerable citizens — whether it be the young couple setting up their first home, the working disadvantaged, the disabled or the old and, on occasion, cold. The Minister for Social Development is making many of the right noises. As yet, the composition cannot be classified as a symphony, but I and, I hope, others are hopeful.

**Mr Wells:** Mr Deputy Speaker, let us go back a year to this time in 2011. The then Minister of Health, Social Services and Public Safety was full of gloom and doom. Some Members may be old enough to remember the satirical comedy programme, 'Up Pompeii'. One of the star characters was a soothsayer who came in regularly and told Frankie Howerd, "We're doomed, we're doomed; woe, woe and thrice woe". That is exactly what we got from the former Minister of Health, Social Services and Public Safety, who told us a year ago that there would be 4,000 compulsory redundancies, that the health service would be on chapter 11 insolvency, and that there would be massive cuts in services. Nothing could persuade him to say otherwise. We were doomed, and the health service was going to crash into a thousand pieces as a result of what many considered was, in very tight circumstances, a fairly generous settlement for that Department, courtesy of the present Minister of Finance.

Here we are, honourable Members, a year on, and we are not on chapter 11. We have not had 4,000 compulsory redundancies. Indeed, we have not had a single compulsory redundancy among the 70,000 people who work for the health service. Not a single one. The books have been balanced. That is a remarkable achievement, given the increased demands on so many sectors in the health service. It was down to the last £15 million, but that money has been found, and the budget will come in balanced for this year. That is quite a remarkable achievement by the Minister, his team and the Finance Department, who were generous when it came to monitoring round extra money and certain extra capital items. That is good news.

I note that the former Minister is not here to apologise for misleading the House. In fact, he

is never here, full stop. He is never here when we are discussing important items —

**Mrs D Kelly:** Will the Member give way?

**Mr Wells:** Yes, I will give way. I have all the time in the world.

**Mrs D Kelly:** That is good. As he is someone who, I understand, hopes to take up the Health Ministry, I would not want to be in his shoes when he has to oversee the shortfall of £600 million in the health budget, which is a fact and a reality. I certainly hope that whenever you take over that portfolio, Mr Wells, you will ensure that services continue to be delivered at the front line. We all know that the health service is suffering from unfilled vacancies and not enough beds in many of our hospitals. We want to look at the total picture and not just look through rose-tinted glasses, even though it is St Valentine's Day.

**Mr Wells:** So, we have a female version of the former Minister of Health, Social Services and Public Safety, but much younger, I would add. Again, gloom and doom.

I would not for one moment say that it was not an extremely difficult exercise to bring the health budget into line for 2011-12. I sat on the Health Committee throughout that period, and I could see that the Minister and his team were going through every line of the budget to find money that was unspent, money that was being misused, money that could be saved and where efficiencies could be developed without affecting front line care. Through the Committee, I saw some examples of how difficult that is. So, do not get me wrong. What I am saying is that when you use your head and you go through the budget carefully, you can find efficiencies.

Remember, the budget was not cut. The health element of the health and social care budget was ring-fenced and protected and given increased resources. As a result of a lot of hard bargaining around the Executive table, health came out of the Budget negotiations the strongest of the Departments. That is not underestimating how difficult it was even to live within that budget because of increased demand. However, all that nonsense about cuts in health was not true. There was just less of an increase than perhaps some former Ministers —

**Mr B McCrea:** Will the Member give way?

**Mr Wells:** Absolutely; no problem at all.

**Mr B McCrea:** Mr Deputy Speaker, I came in to hear the pearls of wisdom from the Member for South Down. Normally, he is very eloquent and able to put forward a cogent argument, but I am confused about the point that he is trying to make. Was there doom and gloom but we fixed it and a marvellous job was done by all? “Do not get me wrong; it was difficult,” he said. Was it difficult or was it not? That is the key question.

You talk about in-year monitoring coming to the aid of the health service or different funding being available in future because we decided not to build certain roads. I put it to you, Mr Wells, that the health service is under pressure and needs additional resources.

**Mr Wells:** I am not saying for one moment that the incoming Minister and his team did not face difficulties. However, this time last year, we maintained that, with a bit of hard work and effort, that budget could be made to balance. Your party said that that was impossible without mass redundancies and cuts in services. We said that it was possible, and we delivered on that aspect of our promise.

**Mr Girvan:** I wonder whether the Member agrees that if decisions had been made by the previous Minister, the situation might have been a lot easier in the current year.

**Mr Wells:** Absolutely. It is St Valentine’s Day, and I do not want to give bouquets of flowers to DUP Ministers left, right and centre. However, not only did the current Minister balance the budget, he initiated the Compton review, which is a fundamental review of how we deliver health and social care services in Northern Ireland. Similar reviews lay on the previous Minister’s desk gathering dust because he did not have the political courage to initiate or deliver them.

**Mr B McCrea:** I may have been in a different place but I am sure that, this morning, I heard the Minister of Finance and Personnel talking about the collective responsibility of the Executive, how things were agreed together and how they had worked as a team. I think that I heard him say the words, “in the interests of unionist unity”. The contribution of Mr Wells does not seem to be in the spirit of that debate. I wonder whether he is somehow stuck in the past or is not on-message —

**Mr Deputy Speaker:** I remind all Members that we are debating the Budget Bill, not seeking a

cosy relationship with each other. Can we get back to the Budget Bill, please?

**Mr Wells:** Mr Deputy Speaker, I am all in favour of greater co-operation in the unionist family. However, I must say that I would have appreciated the previous Minister’s attending the debate today and apologising for misleading the House a year ago with his doom-and-gloom message of failure, which was totally wrong. Had he done that, I would have had respect for him, and I would not have taken this opportunity to settle an old score. All last year, I had to face him in the media, when he was —

**Mr B McCrea:** On a point of order, Mr Deputy Speaker. I am sure that I heard the Member use the word “misleading” in the Assembly. I am sure that that is not quite what he meant to say. Perhaps he would like to clarify that.

**Mr Deputy Speaker:** I encourage good temper and moderation from all Members, particularly when talking about a Member who is not present.

**Mr Wells:** I certainly take from that ruling that the phrase that I used was not out of order.

Certainly, the honourable Member for South Belfast has been noticeable by his absence from any debate on health service funding since the last election. He made such an issue of that, to the extent that he brought senior officials from the trusts, the Department and, indeed, the Health and Social Care Board into radio studios to back up his argument. He did not have the courage of his convictions to face the media on his own. He would point the finger at officials and say that they should tell people how bad it is and what options they had. That is not on. Any —

**Mr Deputy Speaker:** I remind the Member to come back to the Budget Bill, please. He is on a particular crusade, but please come back to the Budget Bill.

**Mr Wells:** Mr Deputy Speaker, having got that off my chest, I will now move on to the issue before us this afternoon — it was too good an opportunity.

I am delighted to see that Mr McCallister has come along. He will add greatly to the debate.

**Mr B McCrea:** On a point of order, Mr Deputy Speaker. Mr Wells has got that off his chest, but

we now have reinforcements, so may we go back to that matter, please?

**Mr Deputy Speaker:** Of course, that was not a point of order — [*Laughter.*] It might make it more difficult if you want to make a point of order in future.

**Mr Wells:** Mr Deputy Speaker, who said that Budget Bills were boring?

We have to admit that, having achieved all that, the Department faces another great challenge in the incoming year. Despite the protection of the health budget, we continue to have year-on-year growth — some experts say that it is 3.8%, some say that it is 5.2% — in the real-term demands on our health service. An ageing population, more chronic conditions and lifestyle choices all increase demand.

We know all the reasons. Although the Budget is protected, demand tends to increase ahead of the increased resources. Therefore, the Department has to sit down and go through the same process again and that is difficult.

#### 5.00 pm

There are options that could lead to savings without affecting front line services. It is interesting that the Health Committee regularly gets a set of tables showing how the health trusts in Northern Ireland are performing. I have to be very careful here, as does Mr McCallister, because I am about to speak about my health trust. I make it absolutely clear that there is no element of bias in what I am about to say, but the facts speak for themselves.

*(Mr Speaker in the Chair)*

In every table, the Southern Health and Social Care Trust seems to be well ahead of the other health trusts in performance and delivery. For example, it is two percentage points ahead of the Western Health and Social Care Trust in using generic drugs. Two percentage points may not seem significant but that could save £30 million if we could get every trust in Northern Ireland not to be world beaters in that field but simply match the best performance of another trust. That is a significant element of health service expenditure.

**Mr B McCrea:** I am delighted to hear that information. I just wonder, given that his colleague is the Minister of Health — and, of course, the Member's position on the Health

Committee — what steps he has taken to ensure that his Minister of Health does do the efficiencies that he thinks are available. What has he done on that issue?

**Mr Wells:** The honourable Member for Lagan Valley will be glad to know that that information became apparent, as his colleague will tell him, only two weeks ago. Therefore, we have a target, and the target for the incoming year is that if we can get the other trusts to match the Southern Health and Social Care Trust on many other aspects of health service expenditure, we will save money.

Clearly, the delivery of waiting lists in the Southern Health and Social Care Trust is better than in the other four for the number of people who have to wait for 12 hours or more. Nobody in the Southern Health and Social Care Trust has to wait for more than 12 hours for their A&E appointment. The fact that it can deliver a more effective service and be top of the league in all financial targets indicates to me that there is scope in Northern Ireland to improve delivery without affecting front line care.

**Mr McCallister:** Will the Member give way?

**Mr Wells:** Certainly; I was waiting for this.

**Mr McCallister:** Does Mr Wells agree that Edwin Poots should resign now and let his very able successor into the post? [*Laughter.*]

**Mr Wells:** The line I use is that I have no desire for a chauffeur-driven Skoda at this point.

**Mr McCallister:** Yes; but were you to be asked?

**Mr Wells:** I will make absolutely no comment whatsoever on that issue. I have total confidence in the present Minister of Health and Social Services, although I regard it as my role to give him any assistance, advice or support I can, and I will continue to do so. He has a difficult task. It is one that he has already shown himself to be doing very well in his first year in office and he will do excellently in his second year in office.

I am simply suggesting that there are options that can save money. I will give another example involving the Western Health and Social Care Trust. Dr Brendan O'Hare, in Castlederg, introduced a novel approach to dispensing in his area. He discovered that after five weeks, if you extrapolate what he saved by introducing that new form of prescribing drugs, it would save

£350,000 in the Castlederg area in a single year. That was extrapolated to cover Northern Ireland and between £41 million and £62 million could be saved, without affecting any front line care.

Those are the sort of decisions that we need to continue to look at to save money in a challenging situation. That can be delivered. Those are low-hanging fruit as far as health service finance is concerned. The challenge is for all of us to meet that.

I also say to the Minister that further favourable consideration at monitoring round stage would be extremely helpful, because the way things worked under the old dispensation was that the Department did not get any monitoring round money but had first call on £20 million in the June monitoring round. That was extremely useful. That was able to be used to release money into situations that were extremely tight. Now, of course, the Department bids for monitoring round money in the normal way and I am sure the Minister would be very favourably disposed to further requests for monitoring round money in the future.

**Mrs D Kelly:** I support the Member's call for favouritism to be shown to the health service. I wonder whether he is surprised to learn that the Treasury's statistical analysis shows that health expenditure per head in Northern Ireland fell compared with health expenditure in the rest of the UK. Therefore, in 2009-2010, the figure for Northern Ireland was £1,891; for Scotland, it was £2,066; for Wales, it was £1,956, and for England, it was £1,896. As I said, those figures pertain to 2010 and show that we still have a long way to go to play catch-up. It has always been the position of all parties in the North that there was vast underinvestment in the health service throughout the years of direct rule. Investment has improved somewhat under devolution. However, there is still a long way to go.

**Mr Wells:** I assume that the Member means Northern Ireland. We will leave Donegal out of it for the moment. I say to the Member that, historically, more money was spent on health per head of the population in Northern Ireland until very recently. We should, therefore, have been accumulating medical treatments and capital projects. It is worth pointing out, however, that there is still a long way to go to match or beat the most efficient health trusts in the rest of the United Kingdom. For example,

there are 21% more nurses per bed in Northern Ireland than in efficiently run health trusts in the rest of the UK. Therefore, there are options for saving money that will have to be looked at as well.

Having said that, remember that the Department of Health, Social Services and Public Safety initiated an absolutely fundamental review of exactly what it will do in the future. Of course, the outcome of that review was the Compton report, which will be outworked over the next five years and will result in a major change in how things are done. There will be some disruption. The Compton report's 99-odd recommendations cannot be initiated without causing difficulties in the health service, because of the level of change and, at times, the requirement for further resources to deliver that change. I know that the Minister would again — perhaps during monitoring rounds — consider releasing more cash into the system to allow for that delivery. In the long term, if the Compton report is fully implemented, the health service will become more efficient in its delivery of front line services and in how it spends money.

One issue on which everyone in the Chamber agrees is that we cannot continue simply to throw money at the health service. Demand for resources in the health service is insatiable. We have to sit down and plan carefully how to deliver a first-rate health service in the most efficient way possible, not simply go back constantly to the Department of Finance and Personnel with a begging bowl to demand more cash.

Therefore, it is a time of transition and change for the health service. It is important that the Department of Finance and Personnel and the Department of Health, Social Services and Public Safety work together to ensure that, in five years' time, money is being spent much more efficiently.

**Mr B McCrea:** I checked with Mrs Kelly that the Member argued earlier about the need for money. Surely it is an issue for the Assembly that Northern Ireland appears to get less money per capita than other parts of the United Kingdom. I believe that the Member said that that was not always the case. Can it be, therefore, that the Barnett consequential that derive from health were not passed on in their entirety to health and that, rather than making up ground, which we all want to do and are united on, we have been losing ground? Surely what the Member wants to see is expenditure

per capita increase to the same levels as those of the rest of the United Kingdom.

**Mr Wells:** I do not see it like that. The Assembly's aim is to produce the most efficient health service, which delivers front line care in the most effective manner. I do not believe that we should look at it simply in terms of throwing money at the subject. We actually got more money during direct rule because of Barnett. I accept that, recently, because of the budgetary settlement, the Minister has granted more cash to the health element of the budget and there has been a freeze on resources for social care. That is why slightly less money is being spent. What is important is not what is being spent per head but outcomes — people's life expectancy and health.

Three weeks ago, I went to a seminar in Newtownabbey with the Chairperson of the Committee for Health, Social Services and Public Safety and Mickey Brady. It was a seminar on Cuba, and fascinating it was, too.

**Mr McCallister:** Was it in Cuba? *[Laughter.]*

**Mr Wells:** No. Unfortunately, we went only to Newtownabbey, not to Cuba.

**Ms Ritchie:** Mr Speaker, will the Member give way?

**A Member:** He has.

**Ms Ritchie:** Thank you, Mr Speaker, and thank you, Mr Wells. Is Mr Wells, a Member for South Down, suggesting or confirming that he has new-found friends that, hitherto, he would not necessarily have associated with?

**Mr Wells:** If the Member had waited —

**Mr Speaker:** Order. I have listened carefully to the debate *[Interruption]*.

Order. I really have to say that people from the outside who are looking in will be wondering whether we are really discussing the Second Stage of the Budget Bill.

**Mr Hamilton:** Never mind those outside.

**Mr Speaker:** Order. That is the case even with interventions. We really need to get back to the subject matter that is before the House this afternoon.

**Mr Wells:** If the Member had waited and had not got so excited, she would have learned that

I have not signed up to Castro or the Cuban communist system.

The interesting statistics that came out of that seminar were that, in the United Kingdom, we spend an average of almost \$4,000 per head on healthcare and the average life expectancy is 76, whereas in Cuba, they spend \$760 dollars per head on healthcare and the life expectancy is slightly higher. The emphasis in the Cuban system on primary care and on lifestyle choices through the public health agenda is very interesting. I would never want to adopt their system of government, but the experience in Cuba shows that it is not necessary to throw money at a health service to deliver a first-rate level of care. Therefore, I welcome the Compton review's increased emphasis on the public health agenda. So much of what we see in A&E and intensive care units is the result of lifestyle choices rather than the contraction of any diseases or viruses. So, it was interesting to see what is going on elsewhere.

Although the revenue side of the health budget has been protected, its capital budget has suffered. Therefore, I welcome the announcement that the Finance Minister and the Health Minister made this morning about the extra £92 million of capital funding for health over the next three years. That is tremendous news. I am pleased that the extensions of the Altnagelvin and Ulster hospitals will be funded and that there will be a fast-tracking of the much needed and much-welcomed new hospital for the Omagh area.

I want to check one technical aspect of that funding with the Minister. The money that was promised for the A5 from the Irish Republic has been whittled down to a much smaller fraction. Has the Minister had further confirmation that the £29 million that is coming from the Irish Government for the new radiology unit in Altnagelvin Hospital is safe? We were given a categorical assurance three months ago that that was going ahead. However, I am slightly worried that I have not heard any further confirmation from the Republic that that money is still definitely on its way, so it would be useful to get that confirmation. I also assume that the money that was announced this morning for the extension at Altnagelvin Hospital will come from a different pot of money to that which was earmarked for the new cancer unit. I am not absolutely clear about which is which.

It is excellent news that those projects are going ahead. As many Members said, the construction industry is going through an absolutely dreadful period. I know that to be the case; everyone in every constituency could not be unaware of that problem. However, I am also aware that some of the tenders that are coming in for major capital projects are at savagely low prices. In one example in my own constituency, the quantity surveyors for a certain project told the body concerned that the building could not be constructed for less than £11 million, yet the final contract price was just over £10 million. All that we can think of is that the contractor bought the contract to keep his staff employed. That is unfortunate, but it shows how desperate the situation has become. However, that presents a wonderful opportunity for the public purse. Gone are the days of rampant price inflation in contracts. We have an excellent opportunity to get the best value for the taxpayer by going out for those contracts now rather than waiting for the market to heat up again, when it will become more difficult.

The contracts are tremendous news not only for health service provision but for getting men — it is mostly men, I suppose — such as brickies, plumbers and electricians back into the building trade and back to work. I know that there was concern when most of A5 project was shelved because of the Irish Government reneging on their promised money.

However, what was announced this morning will, at least, give some hope to the thousands of builders and construction workers who had very little hope because of the desperate situation in the private sector. I say well done to all who achieved that package, because there is good news in it for the health service.

### 5.15 pm

In June, we will be opening the new Fermanagh hospital. I advise anyone who has not seen it to do so. It is the most incredible building.

**Mr Speaker:** Order. We are debating the objectives and principles of the Budget Bill at its Second Stage. Let us get back to the Budget Bill. I warn all Members that they must link their remarks to the Bill.

**Mr Wells:** It is good news that the Budget Bill has allocated money to finish the wonderful new hospital in Enniskillen. It cost £269 million, and sufficient money has been allocated in

the Budget Bill to continue to pay off the PFI contract money over the next 25 years. It is a wonderful facility, as paid for by the Budget Bill. Indeed, I would say that it is A&E meets 'Star Trek'; it is absolutely extraordinary. It is the most futuristic building that I have ever seen, and it will provide first-rate care for the people of that part of Northern Ireland. That shows us what can be done at the moment and that some wonderful work is being done.

There is no doubt that we face a challenging year. Health goes forward with so many challenges, and, therefore, I welcome the commitment in the Budget to ensure that the good work that has started will continue. I do not want to paint a rosy picture of sweetness and light and say that all is well in the Department, because that would be wrong. I am saying that there is a very effective team in charge who are doing the best possible job that they can, given the terribly difficult economic situation that we are in. I am confident that, with the hard work that was done in the previous year, they will work to achieve a balanced budget for 2012-13. That is quite remarkable, given the fact that, two or three years ago, people were saying that that was not possible.

It is interesting that, when I stop making merry, no one listens to me. It is only when I am cracking jokes that they do so.

**Mr B McCrea:** We are all ears.

**Mr Wells:** Yes, exactly. There have been some quite humorous interventions, but I hope that the message is clear. There are great challenges ahead, but I believe that it can be done.

**Ms J McCann:** Go raibh maith agat, a Cheann Comhairle. You will be glad to hear that my remarks will be very brief.

**Mr A Maskey:** Stick to the Budget.

**Ms J McCann:** I will try to keep to the Budget. Given the economic climate that we are in, it is important that any investment or distribution of funds from the Executive is delivered in a targeted, sustainable and strategic way. I also welcome this morning's announcement, which is good news for job creation.

When we look at any Budget or Executive spend, we must promote equality outcomes. It is very important to ensure that there is an even playing field for everyone. Equality of opportunity has to be embedded in anything that we do. We cannot

afford to exclude anyone from services or from having life chances if we want to deliver the just society that we always talk about in the Chamber.

Some of the concepts of early intervention and preventative spending have already been touched on today. Those are key in ensuring that we work towards that new society. We have to look at doing things differently. I will give Members some statistics. It is very clear that what has always been done and continues to be done is not working, because there are still clear structural inequalities in our society. Resources are not getting to the people that we need to reach.

Statistics for my constituency of West Belfast show that the life expectancy of women and men who live there is the lowest of anywhere in the North of Ireland. More people die in West Belfast from cancer, lung diseases and heart diseases than anywhere else in the North of Ireland. There are more people on antidepressant drugs —

**Mr Wells:** Will the Member give way?

**Ms J McCann:** Go on.

**Mr Wells:** The Chief Medical Officer's report, which was published just before Christmas, had an interesting front cover. It showed a bus stop in the centre of Belfast and indicated that, if you got on a bus that went to the top of the Malone Road, you would live an extra eight years. However, that is not because of any difference in the environment; it is because of the lifestyle choices that many people make. I think that they were talking about the lower Markets area in that case. Some of the statistics that the Member has pointed out are due to lifestyle choices, such as alcohol dependency, drugs and, most importantly tobacco and cigarettes. We lose 2,300 people a year as a direct result of tobacco consumption, and west Belfast accounts for a higher proportion of those people than anywhere else in Northern Ireland. Does the Member accept that the public health agenda, as well as the care agenda, is very important for her constituency?

**Ms J McCann:** The difficulty is that there is a different quality of life for people in west Belfast. I will give some statistics. There is more poverty and unemployment in west Belfast. So, it is not just about life choices; in some instances, it is about the way that people have to live. I would not say that it is based totally on life choices.

West Belfast is the area with the third lowest number of people who leave school with two A levels and the second lowest number of people who leave school with five GCSEs. It gets the fourth lowest amount of financial assistance and investment from Invest NI. To round off the statistics, 76% of people in west Belfast live in the most deprived super output areas. I do not think that it is all about life choices.

**Mrs D Kelly:** Will the Member give way?

**Ms J McCann:** I will finish this point and then give way at the end. Is that OK?

Early intervention and preventative spending are key to ensuring that we work towards a new society. We need measures targeted specifically towards tackling inequality and need. Those measures need to be time bound and have realistic targets. Sometimes we look at doing things without setting a time frame. We need to look at that when we tackle poverty, disadvantage and need through the Budget and any Executive spend.

There are also practical proposals that we can put into operation and measures that we can take. Sustaining employment and creating new avenues of employment are very important. When the Executive are setting budgets, they need to look at organisations such as Invest NI, because some of them need to be refocused on creating jobs. They need to focus not just on foreign direct investment (FDI) but on local small and medium-sized businesses that are already here. We also need to ensure that people are skilled up so that, when FDI comes, they can take advantage of the available jobs, particularly in IT. Sometimes, people here are not trained up to the level at which they can access those jobs; and that is another very important issue.

Public procurement is also very important in respect of the Budget and Executive spend. We have talked about public procurement, and it is in the Programme for Government. Although it is a key tool in ensuring value for money, we can also use it as a lever to achieve the social and economic outcomes needed to change our society. Like other Members, I have talked in the Chamber many times about developing the social economy sector. It is very valuable not only to create employment opportunities for local people but to regenerate the communities in which those people live. That is a very important aspect too. People need to have faith. They must have a sense of pride in where they

live and in their environment. It is very important that those communities are regenerated.

I do not intend to speak for much longer. I very much welcome the announcement earlier today, but I appeal to the Minister and his Executive colleagues — and it is not just the Minister of Finance's responsibility — to use very wisely the Budget and funds we will have over the next number of years. People already living in poverty, disadvantage and need are those we need to target.

If we do not do so, the gap will become wider and those people will never have a chance, nor will children from low-income families and those coming out of school with low educational attainment. That needs to change, and, in my view, we can only change it by getting in earlier and spending money on early intervention to support families and services. We need wrap-around services for such families. We need to look at early intervention. For me, that is the key to change. I ask the Minister to take that on board when looking at any future spend.

Sorry, Dolores.

**Ms Ritchie:** Mindful of your ruling, Mr Speaker, I will try to keep to the subject of the Budget Bill when making my points. In discussing the general principles of the Budget Bill, all of us have to acknowledge the prevailing financial crisis and economic situation that exists. We have to characterise the community and the economy in Northern Ireland and address the impact that the Budget Bill, in dispersing resources, may have on the wider economy and wider health and educational provision in order to mitigate any potential downfall or detrimental impact on wider communities and people in Northern Ireland generally.

There is absolutely no doubt that communities are facing a deep financial crisis and that the level of poverty has deepened. So I pose this question: has the Minister, in conjunction with the Executive, explored all possible avenues to lever in finance for capital and revenue purposes in order to support the Bill and to ensure that more resources are available out of the consolidated fund for revenue and capital projects, which enhance the way of life for all our people in Northern Ireland?

There is no doubt that, at the moment, Northern Ireland can be characterised by the people who are awaiting the onslaught of the welfare

reform proposals. I hope that the Budget Bill will introduce mitigation measures, such as a hardship fund, to deal with the issue. I understand, by way of an update, that Lord Strathclyde suggested in another place that there may be some Government concessions on welfare reform to avoid further defeats in that place. I hope that such concessions will help our Finance Minister to ensure that proper mitigation measures are put in place in the Budget Bill in order to ensure that our people here are not placed in further poverty.

We have a situation here where property prices are much lower than elsewhere; our construction industry has been undermined; the banks are not providing credit; the levels of youth unemployment are increasing; and the cost of motor insurance is rising, as is the cost of motor vehicle fuel and utility bills for the telephone sector and, particularly, for the home heating sector, and, therefore, the purchasing ability of people on the high street and in the retail sector has lessened considerably.

I ask the Minister what solutions have been brought to the table by way of the Budget Bill to try to bring a measure of amelioration and alleviation. My colleague Mr Bradley, the Member for Newry and Armagh, asked a question that I asked yesterday of the Finance Minister, who seemed to pooh-pooh what I was saying. I asked him about what levels of extra devolution he wants to see introduced in Northern Ireland, rather than simply putting party political preference ahead of the needs of the people of Northern Ireland. I will ask it again: what levels of devolution and tax-varying powers, in terms of landfill tax, corporation tax and air passenger duty on domestic flights, could be introduced to bring in extra capital that could be invested in projects and help our Budget Bill to be more meaningful to the people of Northern Ireland?

In that respect, could I also mention —

**5.30 pm**

**Mr Hamilton:** Will the Member give way?

**Ms Ritchie:** No. I am not prepared to give way at the moment but I will in a little while.

I want to say to the House, by way of the Budget Bill and as a means of helping the financial crisis on this island, that the Department of Finance in Dublin wrote to the Department of

Finance and Personnel on 15 April 2010 asking if it would be possible to have discussions about the potential for budgetary savings and improved outcomes through North/South co-operation. I understand that, as of a few weeks ago, the Department of Finance in Dublin had yet to receive a response to that letter. That would have covered significant areas in procurement, education, a tax and welfare fund, health, skills, transport, planning and infrastructure. All those issues, had they been adequately addressed, would no doubt have provided a measure of relief to our budgetary situation. Maybe the Finance Minister has some answers in that respect. I hope that he does and that he has provided answers to Dublin that will give a measure of amelioration by outlining what we could do on a North/South basis to help all the people of this island.

I would also like to hear an update from the Minister on the joint ministerial working group on rebalancing the economy and the estimates of what funds have come across to the Budget as a result of Barnett consequentials. I think of the coastal communities fund and announcements in relation to housing. The Minister said earlier today, in response to another question of mine, that he was not aware, at this stage, of potential readjustments that might have to be made to the Budget as a result of the UK Budget to be delivered by the Chancellor on 21 March. Perhaps as a result of interim discussions that the Minister and his officials might have had with Treasury Ministers and officials, the Minister might be able to provide us with some indications, and perhaps come comfort, that things are not as bad as they might be.

Mr Speaker, I will not stray into certain specifics, mindful of your ruling. However, as a constituency representative, I will say that I want consideration to be given to ensuring the continuation of a sound social, economic and health infrastructure in my constituency, including tourism. Tourism is an area that is labour-intensive. It provides benefit to people and ensures that they can be brought back into employment. It also ensures the best use of Budget funds through capital projects and revenue consequences. It enhances the products that we have and ensures that people feel a sense of wealth and health.

With respect to Treasury matters, I ask the Minister whether there is any update on the

possibility of a reduction of VAT on products. Can he give us an update in respect of the aggregates credit levy scheme? I know that he has raised that issue, both as Minister of Finance and in another place, as I have done. There is no doubt that if amelioration can be provided there, via the European Commission, it could help the Finance Minister and other Ministers to develop budget and capital projects right across the piece.

I thank the Minister for being here and look forward to his response. However, though the SDLP does not want a division on the issue, it is nonetheless disappointing that the Minister is not prepared, as he stated last week, to look at new forms of devolution or tax-varying powers that would help the Budget, help to rebuild our economy and give us opportunities to develop all our assets and new possibilities for wealth and job creation.

I look forward to the Minister's response and hope that there have been major changes of mind and direction. Judging by the Minister's reaction to my colleague, Mr Bradley, I am more hopeful than anything else, but, after all, it is St Valentine's Day, and he may want to bestow love and friendship on the opposition.

**Mr Nesbitt:** I will begin almost as positively as Mr Wells and welcome this morning's announcement of the major infrastructure investments, particularly for the Ulster Hospital. That is a timely and necessary input to the refurbishment and development of a hospital that is key to so many people in Northern Ireland. My remarks will be short. I am afraid that I was not in the Chamber earlier when Mr Wilson made his opening remarks. I tried to monitor them from my room upstairs, and I missed a few of his words because they were drowned out by the shredder that was taking care of the speech that I had intended to deliver on the motion.

I speak as someone who was not involved in the original debates on the budgetary process in the previous mandate but was an interested observer at that time. I was interested that the Minister seemed so keen to push for a comprehensive spending review that covered four years rather than the previous three. I was surprised, given that I understand that one of his favourite economic maxims is *ceteris paribus* — all things being equal. All things did not remain equal for very long after the Budget

was passed. The Minister for Employment and Learning made his announcement about tuition fees, and the Ulster Unionist Party's own Regional Development Minister found money for the Coleraine-to-Londonderry railway improvements. Invest Northern Ireland handed back £40 million, and there was the strange case of the short-term employment scheme morphing into the jobs fund and, indeed, the millions from the green new deal that seemed to be trapped somewhere in the machinery of government.

To the extent that *ceteris paribus* is a maxim for common sense and a pragmatic approach, I was rather surprised that we went for a four-year CSR. Of course, the question is of the extent to which the budgetary processes that we employ are fit for purpose. For example, we look at end-year flexibility and ask why we still pick an arbitrary date and demand that all money is spent by that time. I am sure that the 60,000-plus people who are on the unemployment register wonder why that makes good sense for government. The challenge is to see whether we can do things not only differently from Westminster but better than Westminster. I talk to business leaders around the country who believe that the value, if there is one, in devolved government at Stormont is that it allows for quicker access to Ministers who have a good grasp of the local issues and are in a position to make instant decisions. As you know, Mr Speaker, the Ulster Unionist Party questioned the sequence of events that led to a Budget coming into being before a Programme for Government. Our view is that we should have an election, followed by a Programme for Government, followed by a Budget, followed by the establishment of the Executive members who will make that come to pass.

I was pleased to hear Mr Moutray refer to economic ambitions for the second century of Northern Ireland. That, perhaps, echoes something that I said a few months ago at our party conference when I said that we should have an ambition to lower our dependence on the block grant from Westminster. We know that Greece will default and that it is just a question of how and when, yet the subvention to Northern Ireland is worth one third of our gross domestic product. That puts us, relatively speaking, in a much worse position than the Greeks.

It is time for a step change, and as the draft economic policy identifies, the step change

should come from an emphasis on exports. Currently, the value of our exports, excluding to the Republic of Ireland, is £3.2 billion, and £1 billion of that is from air transport. Therefore, on the principle of *ceteris paribus*, will the Minister accept that the budget lines must recognise the agglomeration effect of high-end jobs being based around our airports, much as they were previously based around our ports?

I noticed earlier that the Minister of Enterprise, Trade and Investment was hoping that I would move away from a focus on golf tourism and embrace another tourist sector. I am more than willing to do that once we get the golf issue right. I understand that the average daily spend by a tourist in Northern Ireland is only £37, which is a rather miserable and feeble amount of money. However, if we were to attract golfers who were prepared to play at, for example, Royal County Down Golf Club and stay in the nearby Slieve Donard Hotel, they would automatically put a nought on that and spend at least £370 a day. I heard earlier today from the Northern Ireland Chamber of Commerce that the average spend of a Chinese tourist visiting Harrods in London is £2,520. So perhaps we could raise our ambitions a little bit in what we do for our economy through the Budget.

A Member referred earlier to Lough Neagh, and I wonder whether you will rule all local issues out of order or whether I could stretch my luck and say to the Minister that I very much want the introduction of a budget line to establish a renewables corridor from Belfast harbour, through Newtownards and down the peninsula to Portaferry. It should begin with the £50 million logistics facility being built at the harbour to facilitate DONG Energy, which will develop offshore renewables in the Irish Sea, continue down through the environmental unit at the South Eastern Regional College, past Portavogie where the fishing fleet can see a renewed lease of life servicing the logistics and finish at SeaGen off Portaferry in Strangford lough. In other words, we can create a UK centre of excellence down that renewables corridor. I thank you for your indulgence, Mr Speaker, and I will finish there.

**Mrs D Kelly:** I want to touch on a few matters that I hope are pertinent to the Budget and to the Programme for Government. Given that the Executive have proposed that the economy remains the number one priority in the Programme for Government, I hope that the

Finance Minister and other Executive Ministers will consider the value of childcare and the continued absence of a childcare strategy. I do not see any budget line for that, and at this stage, no Department has claimed responsibility for its delivery.

Given that welfare reforms — or cuts as others have called them — are being scrutinised at Westminster, I hope that the Minister will agree that the failure to agree and implement a childcare strategy means that parents will be subject to the harsher conditionality without the structural support that is in place in GB. On average, childcare is scarcer in Northern Ireland, and the Labour Government's extended schools policy with wrap-around childcare was not rolled out here. The measures in the latest proposed social security changes, such as the reduction in the childcare element of working tax credit from 80% to 70% of costs, will impact heavily on families that are already struggling to pay for childcare.

Childcare touches across the Office of the First Minister and deputy First Minister, the Department of Health, Social Services and Public Safety and the Department of Education, and in the past, critics have scrutinised the Assembly and the Executive. People who looked at the issue closely criticised the fact of our continuing to work in silos, which is evident from the lack of agreement on a childcare strategy. If the economy is the number one priority, childcare provision has to go hand in hand with a well-resourced economic strategy.

Many Members referred to the issue of poverty, and the increasing number of people living in poverty has, hopefully, concentrated the minds of many Executive Ministers. Ms McCann spoke about the people of west Belfast in particular. The long and debilitating impact of poverty on individuals, families and communities was evident from her contribution, and any map of Northern Ireland showing wealth distribution provides further evidence.

My understanding is that the Department of Finance and Personnel is responsible for NISRA and that there was an undertaking that the Minister and his Department would look at how those figures are compiled. If poverty remains an issue that the Executive wish to tackle in their Budget and Programme for Government in order to help people living in rural areas, particularly where there is no spatial

concentration of population, hopefully, the Minister might prioritise that in his Department in the upcoming year.

#### 5.45 pm

The Minister's Department, the Agriculture Minister and DETI in particular, have a key responsibility for the distribution of EU funds. All Ministers want to ensure that every penny — or every cent, in this case — that can be obtained to better the lives of people in the North will stay here. To that end, I urge the Minister to speed up the processes and to make whatever investment is needed in the staff who assess and evaluate EU programmes. Perhaps the Minister might also better inform us about the small loans scheme, which the Minister of Enterprise, Trade and Investment announced some months ago. Will that be extended to the rural sector, particularly the small and medium-sized enterprises? I have asked that question on a couple of occasions at the Committee for Agriculture and Rural Development and have not yet found the answer.

I also wonder whether, under OFMDFM, the social protection fund will be extended beyond its planned lifetime. That was an excellent and timely proposal by my party, which other parties bought into and supported, and we welcome that support. Hopefully, OFMDFM will extend the fund beyond 31 March 2012.

I cannot leave the debate without mentioning the high cost of continued division, its effect on Budget spend and our failure to agree as a society and community on moving forward. We still duplicate services. All Departments should be building good relations into their plans for taking forward their budgets and the Programme for Government.

**Mr Storey:** I thank the Member for giving way. This is an excellent opportunity for the Member to provide clarification to the House. If the Member's statement came from a policy position, will she define for us what the SDLP's view is today of shared education, given the announcement yesterday by CCMS? On the basis of what we saw yesterday, that sector clearly has a long way to go in embracing a shared educational structure.

**Mrs D Kelly:** My constituency will suffer from CCMS's announcement yesterday. Many people are very upset about the closure of Drumcree College. It would have been useful if CCMS

and, indeed, the Department of Education, had looked at the viability of combining shared access and shared services provision in different locations. That is what I said over the weekend after it became apparent that CCMS would announce the closure.

In my constituency, I will not lose sight of the needs of the people of Banbridge, where a number of young people in particular suffer high unemployment. The Minister referred to that yesterday and to some measures that may well be taken forward. Currently, over one third of benefit claimants and over 27% of the long-term unemployed in Banbridge are young people. I hope that the Finance Minister, in discussions with his Executive colleagues, will prioritise investing in the future, and in our young people in particular.

**Lord Morrow:** What about the point that he raised?

**Mrs D Kelly:** I answered it. *[Interruption.]*

**Mr McCallister:** I already hear shouts of encouragement and support from Mr Wells. I am grateful, because he thinks that the Budget Bill is such good news for health. Considering the difficulties that health has had and will continue to experience, I suppose that it may be easier to do the health project now, given that the Finance Minister is slightly more obliging to his party colleagues when giving out some of the money.

Traditionally, health has been very difficult to fund. As Mr Wells said, the need in health rises yearly at a dramatic rate. Health inflation, all the associated costs and the demographic changes that we face are putting enormous pressure on the healthcare system. Obviously, Mr Wells would not support our move to get rid of Mr Poots immediately and take the job himself. However, at some point, he will have to realise that all his remarks are in the Hansard report, and when he is sitting here as Health Minister, we will remind him that he talked about how generous the funding arrangements have been for health over the years, particularly when he is struggling to keep hospitals open and has to announce that Daisy Hill Hospital, the Causeway Hospital or other hospitals around the country have to close.

**Mr B McCrea:** Will the Member give way?

**Mr Speaker:** Order. We are straying into the area of the closure or non-closure of hospitals. *[Interruption.]*

Order. Let us go back to the Budget Bill, please. Once again, I remind Members that they should, as far as is possible, link whatever they say to the Budget Bill.

**Mr McCallister:** Indeed. Thank you, Mr Speaker. I am grateful for that direction. Changes that happen as a result of the Budget Bill could, of course, lead directly to the closure of Daisy Hill Hospital and the Causeway Hospital and associated threats that we face.

When he is Health Minister, Mr Wells may not be as confident about implementing the effects of this Budget Bill.

**Mr Wells:** The honourable Member has been well trained by his predecessor, Mr McGimpsey. However, in Mr McGimpsey's absence, we might have a proxy apology for his outrageous comments this time last year. Will Mr McCallister apologise on behalf of the Ulster Unionist Party and Mr McGimpsey for the latter's totally unfounded prediction of 4,000 compulsory redundancies —

**Mr Speaker:** Order. Even interventions need to relate to the Second Stage of the Budget Bill. I warn Members —

**Mr I McCrea:** Say sorry.

**Mr Speaker:** Order. Allow the Member to continue.

**Mr McCallister:** The Member will know that there will be no apology from the Ulster Unionist Party because it has nothing to apologise for. We have fought hard to get appropriate money spent on health. We have fought hard to make health a priority for the Executive and the Assembly. That is why we are passionate about seeing it mentioned in the Budget Bill. We will continue that fight. We welcome the extra money for capital investment that is outlined in the Budget Bill. However, if we had not put up that fight, where would the health and social care system be now? It would be in a mess. They used to say that Michael McGimpsey was exaggerating when he referred to the £200 million a year shortfall. It turned out to be £177 million. That gap had to be closed. The next few years are going to be very tight for health and social care.

Mr Wells talked about redundancies. During his contribution, he said that we have 21% too many nurses. Obviously, I can see where he is going to get his redundancies in the health service —

**Mr Wells:** I am not going to let the Member get away with that, particularly as it is going to appear word for word in the 'Mourne Observer' next week. What I said was that I was not advocating the loss of one nursing job. I said that when you compare hospitals in Northern Ireland with the most efficient hospitals in the rest of the United Kingdom, you see that we have 21% more nurses per patient. Therefore, by retaining the same staff, we can use them more effectively to provide more services and reduce waiting lists.

**Mr McCallister:** Twenty-one per cent too many. It is too late — it is already away to the 'Mourne Observer'.

There are many things that we would debate about health, and we will continue to fight for it. The DUP has had to acknowledge that health is being protected, yet when we were standing in the 2010 general election, we fought on a campaign of protecting health, and it was thanks to the Conservative Government that you got it protected. *[Interruption.]*

**Mr Speaker:** Order.

**Mr McCallister:** In the Budget Bill, Mr Speaker, they would not have protected health. They did not hand on the full amount of money that was sent from Westminster, so they would not have protected it; that is the decision that they would have made. We would have made very different decisions to fight and defend health and social care because it is the cornerstone of our society.

Other Members mentioned possible changes to the way that we do business, and changes to the Budget process were raised in last night's debate. My colleague Mr Nesbitt talked about the Programme for Government and the Budget structure and said that we have been out of kilter on that. That is regrettable, and we must ask how we will manage that. The Programme for Government is out of kilter with the Budget; hence, the Budget is changing all the time. Many changes have been made to it over the past year already, and there are another three years to run in this Budget process. It is regrettable that those two are not coming together at once.

Jennifer McCann and Ms Kelly talked about services that would be affected, and, indeed, early intervention is key to much of what we do. The Minister and the Executive are struggling,

without the Programme for Government, to get all those things to come together. Their difficulty is that we are not getting in early. We say one thing but then reduce spending on services such as Home-Start, which can make a huge difference in communities. Intervening early can make an enormous difference to the educational attainment of children and probably have an impact on our criminal justice system and the level of NEETs. It has an effect across the spectrum: on mental and physical health and the differences in life expectancy and health inequalities across society. Mr Wells cited the huge difference in life expectancy that the short bus journey from central Belfast to the Malone area makes. We have to do something in this Budget Bill and the Programme for Government to make an impact on those issues.

**Mr Wells:** The honourable Member allegedly sits on the Health Committee and has done for many years. Therefore, he will know that the Compton report, initiated by the Minister, Mr Poots, makes that a priority and states that Home-Start and early intervention are vital. As the Compton report is unveiled, courtesy of extra money provided by the Minister — I think that it is £71 million to deliver that — there will be much more emphasis on early interventions in the areas that he has outlined. Therefore, the Member cannot say that there is no emphasis on it. It will be rolled out as part of the Compton review.

**Mr McCallister:** Mr Wells should know that the Health Department is just one Department. When we talk about early intervention, we need much more. We need the Department of Education, the Department of Justice, the Department for Social Development and OFMDFM involved to drive this. We need a collective approach to the problems that many in this House are speaking about and to address inequalities.

Mr Wells is long enough in the Health Committee to know that everything to do with health is not just for the Health Department: perhaps only 20% of health outcomes are directly related to the Health Department. We need a huge investment from the Department of Education so that we can get in early to improve the educational attainment of children and to identify children with special needs or learning difficulties and put in support for them. That is the sort of collective approach that we need across the Budget Bill. We need to see all of government putting their shoulder to the wheel

truly to make a difference to the lives of our citizens. That is what we mean when we talk about early intervention. Criminal justice has a huge role to play, as, regrettably, we see young people getting involved in antisocial behaviour and falling into the criminal justice system. That has a huge societal cost that we have to address. We need early intervention, and we are simply not seeing enough of it.

### 6.00 pm

I welcome some aspects of the Compton review and the fact that the Budget will allow them to be implemented. Some of what we are talking about, including the Headstart programme suggested in the review, is to be welcomed. I would welcome provision being made in the Budget for that. That would be good, but we need to get a collective approach. If you decouple the Programme for Government from the Budget, you will not have that collective approach. The point that we in the Ulster Unionist Party have consistently made in debate after debate is that you need that direction.

Every Department needs to put its shoulder to the wheel to get movement on some of these issues or we will just continue to fail a large section of our population miserably. They will be left behind and will have no great career prospects. They will be economically inactive across the board or they will languish in the criminal justice system.

Our needs in mental health are also enormous. The Compton review can make a difference, but we are still spending too little on mental health. The Member knows as well as I do that our spend on mental health is falling as a percentage, because we heard that at a recent Health Committee meeting. That is something that we have to address in this Budget Bill. We have to make changes to suit that, or we will be in real difficulties.

**Mrs D Kelly:** Will the Member also raise the concerns of many of the parents of young people with a learning disability who, on reaching the age of 18, have to go into residential care homes with much older people? That is totally inappropriate. It is against the recommendations of the Bain report, and, hopefully, the Compton review will address that.

**Mr Speaker:** Order. Once again, we are moving away from the Second Stage of the Budget Bill. I remind Members again; let us get back to

the Budget Bill. At one time, I thought we were discussing the Compton report. Let us get back to the Budget Bill. Once again, Members need to be continually reminded. If Members continue to do what they are doing, I will ask them to take their seat and I will move on to the next Member on the list to speak.

**Mr McCallister:** Thank you, Mr Speaker. Mrs Kelly is right in that provision has to be made in the Budget Bill to address the very important issues that she has raised.

Everyone knows about the very tight budgetary settlement that we have with which to face the economic difficulties that many other countries around the world are also facing. We are almost one year on from the introduction of the much-heralded social investment fund, yet nothing has been done with it. In fact, I am led to believe that some areas around the fund may not even have been completely defined yet. Information on how we are going to use the £80 million that was allocated to that is lacking in the Budget Bill. What is it there for? Why are we not using it in some of the Sure Start, Home-Start or Headstart programmes to intervene early and do something with that money? Instead, we are trying to reinvent the wheel and coming up with something that does not drive us towards being a shared society, but just sectarianises us. I do not think that that is a helpful approach, and I would like to see the use of those resources addressed in the Budget Bill.

The Minister cannot keep telling us how difficult the settlement is and how difficult the Budget is when we have money waiting in, for example, the social investment fund that is not being used for the benefit of all our citizens.

**Mr Allister:** I think every Finance Minister likes to be thought of as a magician. Yesterday, after the First Stage of the Budget Bill, the Deputy Speaker solemnly announced that the Bill would then be printed. When I made my way from here to my pigeonhole on the second floor, there it was, just waiting for me, magically printed, and here we are, just a few hours later, expected to debate it.

When I picked up the Bill and began to look at it, the first thing that struck me when I read figures like £15 billion and £16 billion is how glad I am that we are part of the United Kingdom. Where would we get £15 billion or £16 billion to run our hospitals and our schools, to pay for roads and to waste the money that we waste if we

were not within the United Kingdom? When I think of some in this House who have a vision of taking us to another place — a bankrupt place — I really ponder where the £15 billion or £16 billion would ever be conjured up from. It would take a very green, magical magician to conjure up that sort of money.

Of course, the reality is that we can only have the level of spend that will be endorsed in this Budget because we are fortunate enough to be part of the United Kingdom. If others had their way, they would take us to a Greek-style crisis, such as we are seeing elsewhere in Europe. Therefore, we should reflect that when we talk about the Budget Bill, we are talking about something that goes to the core of the exercise of our citizenship, and given the extent of the deficit between what we raise and what we spend, the constitutional reality of Northern Ireland is something to be cherished and valued. It does not just mean that we have a rich heritage and are part of a great nation. It means that the Government have money in their pocket to spend. If we were not part of that arrangement, we would not be talking about £15 billion or £16 billion. We would be talking about scraping by on whatever could be raised locally and with a lot less provision in our community — all of our community.

The people who speak the most about wanting to change the constitutional attachment of Northern Ireland should think of their constituencies and ask what their constituency of West Belfast or West Tyrone could raise in comparison with what it spends. When they answer that question, it will be time enough to talk about constitutional change, because the reality is that they could never raise a fraction of what we spend and get in the United Kingdom.

The Budget Bill sets parameters in a very general sense for what each Department can spend, and one of my complaints yesterday, which I will repeat, is that there is only a one-line figure in the Budget Bill, and you do not know the breakdown. Therefore, there is no certainty as to where money is coming from and where it is going. However, it struck me that, within the limitations of the Budget Bill — although it gives some figures — the announcement today already, for this and future Budgets, takes us outside the parameters of what is provided for. In the A5 announcement, the Minister told us that in year 3, I think, he will be £185 million short, and, at this moment, he

does not know where he is going to get it from. Yesterday, I heard that same Minister chiding the SDLP about where it will raise the extra money to do the things that it wants to do.

**Mr Speaker:** Order. Once again, I am trying to lead the House and bring it back to the Budget. I remind the Member that comments made in the House should be very much linked to the Second Stage of the Budget Bill. I am reminding the whole House and trying to get Members back to the Budget again.

**Mr Allister:** Yes, Mr Speaker; I am speaking to schedule 1 to the Bill. It sets out the amount of money allocated to the Department for Regional Development — £907 million. I am making the point that, as the A5 project rolls forward, we are going to be short. We were told this morning that that project was a job-creation project, but, less than a year ago, the same Minister told the House that it was not a job-rich project. Last March, the Minister had one of the many exchanges he seems to have with Ms Ritchie. On 1 March last year, during the Final Stage of the Budget Bill, the Minister said something that must have been relevant and admissible then. I suggest that it is equally relevant and admissible at the Second Stage of the Budget Bill this year. He said:

*“in the last debate on the Bill, her party was vociferous in its support for one of the biggest capital spending projects in the Budget, namely the A5. Believe me, that project is not job rich, because most of the money will go on buying land, and the rest will go on a capital intensive project.” — [Official Report, Bound Volume 62, p380, col2].*

The point that I am making is that in terms of wise spend and in spending money to try to match and track the deficit in jobs, it is right and necessary that we maximise that spend to maximise job return. I am making the point that, today, the Minister has promoted a project, which he knows is not job rich, despite what he said today. How does that fit under the Budget, with the Programme for Government and with the intention to make job creation our top priority?

Of course, there is much more about the A5 project that, perhaps, will be surprising. I asked a question this morning, and I still await an answer. Due process involves an inquiry. In previous answers, the Minister said that he cannot make decisions until he has an inquiry outcome. Due process requires a business case. Has a business case for these two

aspects of the A5 project been given to DFP? Has it been approved? When was it approved?

I make those points because if we are talking in all seriousness about a Budget that is setting parameters, limits and the direction of travel, we are espousing the principles of proceeding by due process. However, when it suits, it seems that due process is an expendable commodity; it is not something that we really have to hold to if political opportunism makes a better offer. That, I think, is one of the problems in respect of setting budgetary arrangements, which are then breached in terms of the arrangements that they are meant to set.

**Mr Wells:** I think the honourable Member is very experienced. He was in the House 30 years ago and he will know that all capital projects are subject to such issues as planning permission, public inquiries, etc, but that the money, obviously, has to be allocated. Will he admit that the extra £92 million is for health service projects at Dundonald, Altnagelvin, etc, that are very labour-intensive and will bring much-needed employment to the building trade in those areas. It is a mixed-balanced package, which will, undoubtedly, be welcomed by the vast majority of people in places such as Kilkeel, where hundreds of unemployed men are desperate for that type of work.

### 6.15 pm

**Mr Allister:** I did not say that the hospital projects were not job-intensive. I have been dealing with the issue of the £330 million spend on the A5 and agreeing with the Minister in his previous contention that it is not a job-rich project. Mr Wells said that there are procedures to be gone through. That is exactly my point. However, you must have the money there to deal with it. We got much further than that today; we got way beyond consideration of business plans. At Question Time, the roads Minister gave us a start date for work that, it would seem, has not even had a business plan and which has not even had a report from the independent inspector yet. Indeed, the Finance Minister told us this morning that contracts had already been awarded for the A5. If that is right, for what and for how much?

**Mr Speaker:** Order. Once again I am slightly worried that we are going into the detail of the A5. I remind the whole House and the Member who has the Floor to get back to the Second Stage of the Budget Bill.

**Mr Allister:** I will seek to take your guidance, Mr Speaker. Others have exalted the A5 project. I am simply seeking to raise what I think are legitimate issues with the budgetary context. If it is to be built, it is coming out of money that will be in Budget x. Therefore, we need to address it.

I looked to see how DETI is fairing in the Budget, and I discovered that Invest NI has, perhaps for many years, had something of a misfocus with regard to its preoccupation with the glamour of foreign direct investment and ignored too much the reality that so many of our people depend on jobs provided by local entrepreneurs — small businesses that might grow into medium-sized businesses.

**Mr Storey:** I thank the Member for giving way. If he had been paying attention to what was happening in his constituency, he would know that as the result of the intervention of Invest Northern Ireland, a local engineering company in Ballymoney has employed more people and secured more contracts. If —

**Mr Speaker:** Let us have all remarks through the Chair.

**Mr Storey:** Mr Speaker, if the Member paid attention to local issues, he would discover that that company in Ballymoney is glad that Invest NI exists.

**Mr Allister:** I am perfectly aware of the situation. Moreover, in my own small way, I have brought some jobs to Ballymoney by recently opening a new advice centre. I am sure that the Member is welcoming of that as well. If he wants to talk about Invest NI and North Antrim, I will be very glad to do so. The sad reality, confirmed by answers to questions, is that, in five years of devolution, two foreign investors have been brought to North Antrim by Invest NI. Since 2007 — the first four years of devolution and Invest NI — when the Member was in this House, not a single foreign investor had been brought to visit North Antrim. I am more than sure of my facts about North Antrim: we have had abysmal neglect by Invest NI in attracting foreign direct investment.

Yes, Invest NI has been very good at spending money on hospitality: £2 million in the past five years, and I am sure that there is money in here for that as well. It has been very good at directing bonuses to its chief executive but

not so good at looking after the on-the-ground requirements of North Antrim.

As the Member engages me on issues pertaining to that, he drives me on to deal with the issue of education. Education is, of course, provided for in this Budget. We do not know a great deal of the detail of the spend, but we anticipate that some will go to ESA in due course; something that the honourable Member Mr Storey, not so long ago, told us had gone and was not coming back. Well, we know that it is coming back, courtesy of the deal that he and Sinn Féin have done. He used to brand ESA — *[Interruption.]*

**Mr Speaker:** Order.

**Mr Allister:** —as bureaucratic and an invention to satisfy the control freakery of the Sinn Féin Department. Now, in due course, he will rise to support and vote for a Bill to bring back that which he said would never come back, but then the honourable Member is a past master at abandoning that for which he previously stood.

I certainly do not endorse ESA, nor do I welcome the fact that, within the Budget, it shall be —

**Mr Storey:** I ask the Member to check the comment of a member, or former member, of his party Terry Williams — I am not sure which, because the members of his party keep coming and going. What was it that he said at the Member's party conference in some room, somewhere? I ask him to check what Terry Williams said about ESA —

**Mr Speaker:** Order. Let us not get into a debate about party conferences. Please let us not go down that road, even in interventions. Let us try at least to keep to the subject. Once again, I remind the whole House and the Member to try to get back to the Budget.

**Mr Allister:** I will take your advice, because we could end up at GAA matches or anything, Mr Speaker, if we were to go down that road. Maybe some will, and the honourable Member may be next to follow in that regard.

**Mr Speaker:** Order. I am speaking to the Member directly and trying to guide him. I warn the Member that we should come back to the Budget. At this time, the Member is more concerned about the detail of various issues in the Budget, when he really should be talking about its principles and objectives. I remind the

Member to stick to the Second Stage of the Budget Bill.

**Mr Allister:** Yes, Mr Speaker.

I regard certain things as being absent from the Budget, and I regret that. We are approaching what will be a remarkable event in the lives of most of us: Her Majesty will celebrate 60 years on the throne, which is a truly incredible achievement. Yet neither in the Programme for Government nor the Budget does one penny appear to have been allocated to celebrate that momentous occasion. Not one penny, it would seem, has been allocated to give our schoolchildren a memento of that occasion. Not one penny, the Culture Minister has already confirmed, of additional funding will help communities to celebrate that momentous occasion. That is, from my perspective, not only hugely regrettable, but a slight, which I, for one, resent. We should be prepared to put that right. It is quite amazing that, in this year of all years, when we have the diamond jubilee, there is not a penny to give our children a memento or to help communities to celebrate, but there is money — “loadsamoney” — for hospitality, spin doctors and all that. In that small but important measure, we have very much got our priorities wrong.

The Ulster covenant will be celebrated this year. On the fiftieth anniversary of the Ulster covenant, there was a public holiday in Northern Ireland. This year, the covenant has its 100th anniversary, and if the House gets it way, it will be barely mentioned because there is nothing in the Budget to afford funding to celebrate that momentous occasion, which was the big building block in the creation of this state.

I make those points to draw attention to the defects in the Bill. I am sure that there is much more that I could say. I regret the fact that, under the Budget, money will be rolled out for the Maze project, which will be blighted by building on the site of the prison to incorporate the divisive prison buildings. We need a conflict resolution centre. Why do we want to build it where it will be blighted and divisive? Let us build it where there is no baggage to bring that bite to it. However, under the Budget, that is exactly what we will see.

I make those few points, and there will be other opportunities to make further points. However, I want to apologise to the Minister: I am usually assiduous in waiting to hear ministerial replies.

On this occasion, I have a commitment, which means that I will probably not be here for his reply. That is no disrespect to him, but I am sure that he will be his gentle self and be as gentle with me as I am with him.

**Mr Wilson:** I am glad that the Member gave way. I am glad that the honourable Member's wife has a stronger pull on his commitment than I do. *[Laughter.]*

**Mr Allister:** I wish that were the case. Alas, it is a commitment in my constituency that sadly has a stronger pull, and that has nothing to do with my wife.

**Mr Agnew:** I will try to be brief, and, hopefully, Jim can stay to hear some of the Minister of Finance's response. As leader of the Green Party in Northern Ireland, I will give my views on the Budget Bill. I also speak as a member of the Committee for Enterprise, Trade and Investment.

As the Committee Chair mentioned, the Committee was surprised at the reduced requirements of Invest NI. Unfortunately, a pattern already exists, with money being given back on two occasions. Invest NI explained to the Committee that that is due to projects to which it had committed being unable to find match funding. That is understandable because of the economic downturn, the reduction in businesses' ability to invest and the inaccessibility of credit.

In that regard, I welcome the proposed Invest NI £50 million loan fund. Before that announcement was made, I had raised the issue of setting up a similar type of public bank. Although I do not presume that the Minister of Finance said, "Steven Agnew suggested this; what a great idea" — I did not think so, Minister — I am glad that the Minister is of a like mind because it is a valuable initiative to help businesses to access credit.

I have asked whether a loan from the Invest NI loan fund could be used alongside other Invest NI supports. It appears that that would not be the case where a combination of the two supports would result in more than 50% of a project's funding being met. Therefore, although I have some concern about how effective the loan fund will be, I appreciate that there are rules on state aid that we cannot infringe.

### 6.30 pm

What the giving back of Invest NI money shows is that, UK-wide, despite the coalition Government's promises that the private sector will step up to the plate to create jobs that have been lost in the public sector, their strategy to cut the public sector and, thereby, suck money out of the economy, is failing. Indeed, the Government's predictions of growth have shown continually, on each occasion, to be overestimated. They have had to revise their estimates on a number of occasions.

Essentially, we are seeing evidence that we need to take a Keynesian-based approach and invest in public sector works at a time when Invest NI is coming to the Committee and saying that the private sector is unable to step up to the plate because of the economic downturn and the inaccessibility of credit. The Assembly and the Executive need to invest in public spending in order to boost the economy. In fact, a scheme of public works is needed that will create jobs, reduce the burden of household energy bills and contribute to the fight against climate change. Of course, I am referring to the green new deal. A mere £12 million has been allocated in the Budget to a project that, as the Chairperson of the Committee for Enterprise, Trade and Investment said, should be a priority for the Executive. A mere £12 million has been allocated over three years, yet, in a single year, £23 million was spent on the social protection fund. That fund gives a one-off payment, which I am sure is very welcome, to households that struggle to pay their energy bills. However, had that money been used to retro-fit homes, instead of being a one-off payment, it would be a payment to households that keeps giving through energy-efficiency measures and becomes ever more valuable as energy prices continue to rise.

As well as the insufficient resources that have been allocated to the green new deal, the spending of those limited resources is being held up by a series of bureaucratic roadblocks. As dole queues grow ever longer, home energy bills continue to rise and climate change continues unabated, the Executive have failed to act to progress the green new deal. The economist Mike Smyth was speaking to the Committee for Finance and Personnel when he said:

*"Research shows that the most effective way of creating and maintaining employment at present is retro-fitting houses."*

I hope that the Minister of Finance and Personnel and the Minister for Social Development, who have lead responsibility in that area, will take that on board.

In recent weeks, we have heard much talk about the devolution of tax-varying powers. I welcome the fact that the Finance Minister has admitted that, in the current Budget period, the Assembly cannot afford the proposed cut to corporation tax, as my party has stated all along. The further cuts to public expenditure that would be required as a result of the corporation tax cut would, inevitably, lead to job losses and further devastation of public services, which are already under considerable pressure.

I must challenge the assumption, which underlies the Budget and will underlie the Programme for Government, of the necessity — often unchallenged — to rebalance the Northern Ireland economy. Although it is often pointed out that 60% of our population is employed in the public sector, Sweden employs a similar proportion and it is considered to have world-class public services and a relatively stable economy. It is certainly not suffering in the same way as Greece, where public sector cuts are continually imposed and no recovery is in sight. We should be proud of our NHS and our education system, but we could look at the Swedish model to see how we can improve our public services.

One of the core principles of my party is to take decisions at the lowest effective level. Although we would like to travel the road to greater fiscal autonomy, we should learn to walk before we can run, and the Green Party does not believe that the Northern Ireland economy is in a place where it would make sense to take on greater fiscal autonomy. We should, however, use the fiscal levers that we have in a progressive manner to ensure that those with the broadest shoulders bear the biggest burden. That is why my party and I welcomed the Minister's large retail levy.

Jennifer McCann pointed out that perhaps we are not doing enough as an Assembly and an Executive to support the most vulnerable. In that regard, we need to look again at our domestic rating system. The cap on rates that means that those who live in modest houses subsidise those who live in mansions must be lifted. When families on low incomes are struggling, we cannot justify their subsidising

the wealthy. I do not know how we justify that or allow it to happen.

**Mr Wells:** I am surprised at the honourable Member's comments. Given that he represents North Down, he must know that quite a few of those who occupy those large houses are widows or widowers. At some stage in their lives, they perhaps had significant incomes, but they have lost their life partners and could not possibly have afforded the rates demands that were initially indicated pre-devolution. Those were so onerous that they would have driven those individuals into bankruptcy. How would the Member have dealt with that? That situation was so prevalent that the Finance Minister capped the overall amount that they would have to pay in rates at quite a high level.

**Mr Agnew:** I thank the Member for his intervention. It is my understanding that the cap is set at £400,000. In business and domestic settings, we look at assets as a form of wealth, as we must do. Although I appreciate the Member's point, in my constituency, many people live in what would have previously been referred to as council estates, in houses that are damp and not energy-efficient — I know that the Member will understand the need to improve the energy efficiency of homes — yet they pay rates to subsidise those who live in houses that are valued at more than £400,000. I do not think that we can have people in estates subsidising those who live in better housing.

**Mr Wells:** Nonsense.

**Mr Agnew:** The Member may disagree with me, but as an elected representative, I reserve the right to make my point.

We hear much about efficiency savings, but often, rather than those, we actually see top-slicing and cuts. The Executive will rightly seek, in the Programme for Government — when we see it — to tackle a number of cross-cutting issues. We could make genuine efficiencies in tackling cross-cutting issues through the pooling of budgets between Departments. Although they engage with one another through ministerial subcommittees and consultation, Departments need to move beyond simply talking to one other and towards collaborative working and the pooling of limited resources to ensure that they can go further. While Departments continue to operate in silos, limited resources will be wasted.

Another advantage of pooling budgets would be to help Departments to engage in preventative spending. Earlier, Jim Wells pointed to the importance of the public health agenda in preventing ill health rather than simply treating it. Equally, the many ill effects of poverty need a similar approach. Northern Ireland has the highest level of child poverty in the UK, and the UK was ranked by UNICEF as the last of the Organisation for Economic Co-operation and Development (OECD) countries in relation to child well-being.

Investment in the early years of a child's life is essential to tackle that problem. As highlighted by Professor James Heckman, the benefits of a £1 spend on children in their earliest years, from nought to six, would require an equivalent spend of £7 in adolescence to produce the same benefits. We need Departments to work together, and I speak specifically of the early years strategy, which, unfortunately, sits in one Department. We need such strategies to be cross-departmental and with a cross-departmental spend to prevent some of the ills that the Budget has to address.

Yesterday and today, we began the legislative process to allow the Budget to take effect, but my party continues to oppose the priorities of the Budget. We need to keep it continually under review to ensure that we spend our limited resources wisely.

**Mr B McCrea:** Today, we are being asked to consider two elements in the Budget Bill. The first is to approve the expenditure of £16 billion for last year, and secondly, we are being asked to approve on account £7.5 billion for the early months of the coming year. I am struck by those numbers, because the £7.5 billion that we are being asked to approve is getting close to half of the Budget.

Having looked at the issues, there are a number of points to raise, but I will confine my remarks to dealing with employment and learning and associated areas because I chair the Committee for Employment and Learning and I have a particular interest in those matters. Members have asked about where we might spend more money. Throughout the debate, I have heard Members' concerns about the levels of cuts to welfare and to the Budget in general. There used to be talk about £4 billion in cuts.

## 6.45 pm

We cannot look at the Budget in isolation. We have to understand that the money comes from Westminster. We have to understand that we are part of the United Kingdom; that, in December, the debt of the United Kingdom rose to £1 trillion for the first time in its history; and that it continues to increase. People sometimes worry about how much £1 trillion is exactly. I do not know whether it is of interest to people here. I hear all these figures of billions and millions, and to put it in context: one million seconds is 12 days, one billion seconds is 32 years, and one trillion seconds is 32,000 years. So, if we repay our debt at £1 per second, it would take us 32,000 years to pay it back. However, we are not paying it back at £1 per second, of course. We are increasing our debt in the United Kingdom. Our debt stands at something like 64% of GDP. We are borrowing £143 billion a year, and this year alone, we had to service that debt at a cost of £48.6 billion. That means that the debt of the United Kingdom may well rise to 100% of GDP by 2015.

People ask, "Can we have some more money, please?" I have to say that that is highly unlikely. We will have to spend what we have got. I hear the argument from the Benches to my right that we might be able to get more money by raising taxes locally. The simple fact is that when 70% of Northern Ireland's economy is based on the public sector, you cannot raise the taxes that you need to fund the services that you want. There is no —

**Mr Speaker:** Order. Once again, the Member is straying outside the real debate, which is the Second Stage of the Budget Bill. I do not know how many times I have repeated myself today: Members, in whatever they say, must try to link their comments to the Second Stage of the Budget Bill. Up until now, I have heard nothing from the Member that tells me that he is linking anything to the Budget Bill. I remind the whole House: let us try to link our comments to the Budget Bill.

**Mr B McCrea:** Mr Speaker, I take direction from you, of course. However, I am a little surprised that I have not been able to convey that, in addition, we are being asked that the Bill will authorise the temporary borrowing of up to £3,493,734,000 in 2012-13. That is a matter of great concern to the House. We can ill afford the borrowing that we are having to take

onboard. I admit that that borrowing will have to be repaid within the year. That is all part of the general discussion about the principles of the Budget, how much money we have, and where we will find it.

I refer to page 5, line 40 of the Budget Bill, which states that the Department for Employment and Learning was allocated £1,074,431,000 last year. However, from the Estimates that were agreed in the summer, we had to find an additional £55,468,000. It is my contention that that figure will rise, as it underestimates what we are going to have to spend. It includes, among other things, expenditure on youth and adult skills training and services, including employment. Mr Speaker, as you well know, unemployment is rising, particularly youth unemployment. In terms of the general principles, I suggest to the Minister of Finance and Personnel that we need to re-profile our Budget because we cannot increase it for the reasons that I have put forward.

There are Members who will advocate consideration of taking control of corporation tax because that would do us a favour in the longer term. However, in the short term, it would have a negative impact on our ability to provide services to the people who need them most.

In respect of the Bill's broad principles, I would like to look at the expenditure put aside for the Department of Enterprise, Trade and Investment. I think that I heard in an earlier speech that some £21 million was recently returned and that around £40 million in total was returned. The figures in front of me suggest that that has been consolidated into a figure of £13 million. The future of Northern Ireland lies not in direct grants but in the skills of our young people. We must tackle youth unemployment. We must give people the skills that they need to compete in an ever more difficult employment regime and world market. That is the issue that I would like people to consider.

Through the Budget, which is itemised in the Bill, precious little is being done for those who are NEET, particularly those with a disability. Only recently, I was talking to people from the Children with Disabilities Strategic Alliance (CDSA), an umbrella group for organisations that represent people with disabilities, about the fact that they do not have the funds required to do what is necessary.

Mr Speaker, although you thought that I strayed off the mark, I have tried to be very succinct and to the point, because I realise that the hour is late. *[Interruption.]*

**Mr Speaker:** Order. Allow the Member to continue.

**Mr B McCrea:** Frankly, I know full well, as no doubt the Minister will remind us, that the Bill is just a tidying-up exercise and a Vote on Account and that the real debate on the Estimates will take place in the summer. Nevertheless, it is worth putting it on the record that given that tourism is an integral part of our economic development policy, we ought to be doing more to make sure that we have a tourism product that we can sell to the rest of the world. I think that it is a problem that some 70% of hotel rooms in Northern Ireland are occupied by people from here, not from abroad, and that there is only one direct international flight from here.

I will conclude by saying that I am a wholehearted believer in early intervention, which is where we should be putting our money. However, we have to realise that, to do that, we have to invest now to save in the longer term. We must see a re-profiling of our expenditure towards things that stop people getting into trouble or getting ill and that make sure that people have the proper life skills to succeed in this competitive world.

**Mr McCallister:** I am grateful to my colleague for giving way. On the point of early intervention, does he agree that we need a proper, collective approach from everyone in the Executive?

**Mr B McCrea:** I thank my colleague for the intervention. It gives me a point on which to close this submission.

**A Member:** Submission?

**Mr Speaker:** Order. The Member has the Floor.

**Mr B McCrea:** Mr Speaker, I understand the trouble that you had in trying to get Members to keep to the subject of the Bill. However, I do not think that you really had a problem with me in that regard. When trying to have a reasoned debate, it is right and proper to put out the issues that have to be dealt with. It is right that points of view be democratically challenged. Therefore, when Members turn round and ridicule others for trying to make a real point, they not only do democracy a disservice but show themselves to be unable to sustain an

argument. When it comes to this issue, I will debate it in the Chamber and anywhere else. If Mr Wells says that we have one in five nurses too many, I will challenge that because it is not right. *[Interruption.]*

**Mr Speaker:** Order.

**Mr B McCrea:** I will conclude on that point but I am absolutely happy to take the debate on.

**Mr Poots:** I want to let the Member know that, in the next two weeks, Antrim Area Hospital will recruit 40 permanent nurses. It is under my Ministry and my party that you will get more nurses, not fewer.

**Mr B McCrea:** Mr Speaker, I want to let you know that I had sat down to finish, but the Minister was so keen to get up that I could not stop him.

**Mr Wilson:** From looking at the crowded Benches, I know that a lot of Members are here either because they do not want to take their wife or husband out tonight or because they want to encourage me to shut up so that they can do so. I am not sure which is the case.

A number of issues were raised. I want to go through them and thank Members for their contributions during the debate on the Bill.

I want to correct two figures that I cited earlier. The Bill contains a significant number of figures, and I want to ensure that the correct figures are reflected in the Hansard report. I stated that resources for use were £8.4 billion; that figure should read £18.4 billion. I am not sure whether that mistake was made by me or whether it was in the notes that I used. I also stated that the cash Vote on Account was £6,687,469,000, whereas it was in fact £6,987,469,000. That is so that the Hansard report contains the correct figures.

Many issues were raised, and I will go through them quickly. Some of them are repeats of what was said yesterday; where they are, I will try to avoid saying a great deal about them.

The Chairman of the Committee for Finance and Personnel raised the issue of the review of Budget allocations for 2013-14 and 2014-15. I want to make it clear once again that I will not conduct a fundamental review of that. It will simply look at where Departments were at the start of this year and where they will be at the final out-turn in May. It will investigate

the causes of the differences and look at the pressures that Departments might have. It is important that we note the scope of the review. However, I would welcome input from Committees so that we can collate their responses.

Mr Storey raised the issue of education funding and the schools end-year flexibility scheme. The response to schools and the pressure on the schools budget are an indication of where it is important — despite what some Members' ill-informed comments, which I will address later, might have led us to conclude — that we look at spending throughout the year, identify reduced requirements and new pressures and meet those needs. Look at what happens with the schools budget. Mr Storey mentioned the £40 million. That was found within the Department's own resources. It was something that the Department produced itself. However, the £120 million, which I found in January and which I announced today as part of the money to be spent on the A5 — that is how we will fund the £120 million over the next three years — is an example of how we have looked proactively at budgets to deal with them.

Mr Storey also said that utility bills have gone up. He will be aware that, in January monitoring, we made £3.7 million available to schools to deal with those utility bills. I am disappointed, and I have expressed this previously, that the Education Minister made a bid for £20.5 million for schools EYF, did not use it all and returned it in January when it is a bit late to reallocate it. However, we will work with officials from the Department of Education to ensure better forecasting in future.

Mr Cree and Mr Maginness raised the issue of Invest NI and the response to the economic downturn. I do not want to add to what I said yesterday, namely, that much of that spend is demand-led. Where firms cannot or will not take opportunities, the right thing for the Minister of Enterprise, Trade and Investment to do is to return the funding so that it can be allocated to other areas of spend that were of themselves job-creating.

Of course, as is indicated by the amount of money that we have put into the headroom provision for DETI, where pressures are anticipated or where DETI anticipates that it can spend the money, it will be made available because the first priority in the Programme

for Government is the growth of the economy. However, there is no point in the Department's simply holding onto that money. Mr Cree said that there should be other, innovative, ways of doing that.

This is probably not the debate to get into it, but Members throw these phrases out, and those kinds of phrases were thrown all around the House today. It is one thing to say that Ministers should be more innovative in looking at how they spend or raise money and another thing to leave it at that. If Members have ideas about how those things could be done innovatively, let them come to their Committees or to Ministers and raise the issues. The Department of Enterprise, Trade and Investment (DETI) still has the funds to promote 25,000 new jobs during the comprehensive spending review period, which includes 6,300 jobs through the jobs fund and research and development funding of approximately £300 million. DETI still has the resources for those jobs.

### 7.00 pm

Mr Maginness and his colleagues raised a number of issues, especially around fiscal flexibility. The Member for North Antrim made the powerful point that the resources that are available in this Budget would not be available to Northern Ireland if we were not part of the United Kingdom. He talked about those whose aspiration is to take us into, and to ally ourselves with, a country that is in very grave economic difficulties. What he did not say is that, equally importantly, there are those who, falling short of calling for constitutional change, want to loosen the economic ties that we have with the rest of the United Kingdom through seeking greater fiscal freedom. Equally importantly, those people ought to bear in mind the subvention that we get from the rest of the United Kingdom. How would we fill that gap?

Do not forget that there are people in the Treasury who would love to say that, if Northern Ireland wants greater autonomy, that is great: you take it and fill the deficit yourselves. I have the benefit of being here and also at Westminster, and I know the attitude that many English MPs have towards Scotland, Wales and Northern Ireland and the amount of subvention that is made available to them. There is nothing that they would like better than for us to seek greater fiscal autonomy because they could then reduce the subvention that they give to us.

Mr Bradley, Mr Maginness and Ms Ritchie raised the issue of fiscal autonomy. I do not know what taxes they wish to have further devolved, apart from corporation tax and air passenger duty, both of which they do not want to raise any extra revenue from anyway. They want to reduce the revenue from those taxes; they want to reduce air passenger duty and corporation tax. There is no extra money coming from that.

The only other two that were mentioned were motor tax and landfill tax. The SDLP needs to get its story straight. I think that it was Mr Bradley who raised the issue of motor tax, and I assumed that, since he wanted extra money to have the flexibility to deal with all of the shortfalls that we are going to have as well as welfare reform and extra housing, he wanted to have motor tax devolved so that we could increase it. The cost of motor tax will have to go up a fair amount if we are going to finance all the things that the SDLP wants financed through the devolution of taxes and putting those taxes up. Ms Ritchie cannot get the story straight, because she told us that one of the problems is that the poor motorist in Northern Ireland pays more for fuel and insurance. Mr Bradley wants us to devolve motor tax so that he can stick it up to pay for welfare reform, housing and Lord knows what else. At least get the story straight if you are going to come in here and make stupid proposals like that. That, of course, is the kind of attitude that we get from the SDLP.

Mr Maginness talked about Invest NI and said that the money that was allocated to other jobs did not fill the productivity gap. He is right. However, if there is no demand for funds at the moment, there is no point in our not spending the money on job creation in other areas. As I said to Arlene Foster, if the opportunities arise for that money to be spent, we will be able to obtain it because of the importance that is attached to it in the Programme for Government.

Mr Maginness also raised the problems that local businesses are having with banks. We are, of course, liaising with the Treasury on Project Merlin and on the participation of local banks in the Government's credit-easing initiative. The Treasury has now confirmed that it is consulting UK-based banks to see how they are operating in Northern Ireland and how they can include provision of the additional money to see how it will be spent in Northern Ireland.

Judith Cochrane talked about the timing of the Budget Bill. I appreciate that the information was made available only on 6 February. We have a very short period for consultation, and the Bill then has to come here for the discussions that we have had yesterday and today and for accelerated passage. Her desire was that the review of the financial process would prevent this from happening in the future. The only reason why the information is presented so late in the day is that it has to reflect all the changes that have been made in the Budget over the year in question, and we do not know those changes until we have done the January monitoring. We also have to build in to the estimates the possible demands from Departments for additional funding. That is that headroom figure that we are talking about, and you can leave that only until right towards the end of the financial year. So, even with a change in the review of the financial process, we cannot hold out any hope that we will speed up or give more time for the process. That is why I always appreciate the Committee for Finance and Personnel's quick work in collating information from Departments. However, Committees do some of the scrutiny during the year when they look at in-year monitoring changes, reduced requirements and Departments' bids.

Judith Cochrane also spoke, as did Stephen Moutray, about the reliance on the public sector. The public sector is important to the well-being of Northern Ireland. It is, of course, important anyway, because it provides many services that could not be provided otherwise, and it is the best vehicle for doing that. We have to bear in mind that, although we have a relatively large public sector in Northern Ireland, it is because our private sector is too small, and the secret is to start building the private sector by whatever means we can through the action of Invest Northern Ireland.

Jo-Anne Dobson raised the issue of the headroom that had been made for DARD for CAP disallowance. We have included a figure of £15 million that DARD believes it may have to pay out this year. That headroom has been made available. If the Department does not use it, it cannot use it for some other purpose, as it is there only for that one. The current situation with the TB and brucellosis compensation is that the taxpayer bears all the cost of animal disease. That cannot continue, because, since that is the case, there is no incentive for farmers to deal with the issue. I welcome the

DARD proposals to put a cap on the TB and brucellosis compensation and to reduce the rate of compensation for in-contact animals.

I loved Mr Bradley's early remarks when he said something like, "Normally, we might have opposed the Bill, but, given the Minister's decision this morning on the A5, we have decided to support it." I am glad that the SDLP can be bought for a couple of stretches of road. It is very cheap. I must say, I am very pleased. In fact, now that I know that, we can perhaps use that information in the future. Mr Bradley asked whether we could give a guarantee that the rest of the scheme would be completed. The answer is that that will be dependent on what happens with the commitment from the Government in the Irish Republic. We have always made that clear. If there is no further commitment, the rest of the A5 will go into the mix with all the other road schemes in Northern Ireland. As it turns out, parts of that will be fairly low priority.

He also raised the issue of increasing the levers in the economic toolkit, and he spoke about greater fiscal freedom, as did Mr Maginness. Mr Maginness, of course, said that he did not want tax-raising powers but tax-varying powers. I am glad that he has come in for this part of the debate. All I can say is that, given that the SDLP sees those levers as being ways of financing some of the things that we cannot finance, the only conclusion that I can come to is that, if we had those additional powers, that party would want to raise the taxes from them. However, we know that it does not want to raise the revenue from corporation tax or from air passenger duty — although Ms Ritchie seems to think that you can reduce air passenger duty. I noted her words carefully. She gets mixed up on those things occasionally. She thinks that you can reduce the amount of money that you take in air passenger duty and the amount that you take in corporation tax and that that will then release more money for capital schemes across Northern Ireland. How that quite works, I am not too sure. I know that people have accused me of being an economic magician, but, I must say, even my magic does not extend to reducing taxes and finishing up with more money. That seems to be the way in which the —

**Mr Agnew:** Will the Minister give way?

**Mr Givan:** Steven thinks that they grow on trees.

**Mr Speaker:** Order.

**Mr Weir:** That is what he means by the green economy.

**Mr Wilson:** You would have to be very green to believe all that anyway.

I welcome the endorsement that the insightful Mr Moutray gave me. Mind you, given that the First Minister used to hold my post, I think that he has perhaps blotted his copybook with some of the things that he said. Nevertheless, he made a number of important points.

He spoke about the importance of dealing with youth unemployment. First of all, the Minister for Employment and Learning has made it quite clear that he is bringing forward a strategy for that, and he has already put considerable amounts of money into it. He got £12.7 million in the monitoring rounds to deal with the Steps to Work programme, which will help young people etc. We are committed to finding ways of meeting the target. Do not forget that, over the next three years, he has a target, and money is included in the Budget for next year for getting 114,000 people back into a position where they will be able to present themselves and have the skills to move back into full-time employment.

He also spoke about government working with local councils. He made a very important point there, because, of course, local councils can borrow money, which we, as central government, cannot do. That is because when we borrow money, it scores against our departmental expenditure limit, so the amount of money that we have available from Westminster is reduced. Local councils are not tied in that way. Belfast City Council set a good example this week. It is going to use its borrowing powers for capital schemes in the city. That co-operation between central government Departments and local councils is something that we should be looking to build on, especially as the RPA will mean that additional powers go to local councils. So, it is something that we should be building on in the future.

### 7.15 pm

Kieran McCarthy talked about the funding challenges that face Edwin Poots and the changes that are required. He also talked about taking care of the elderly. One of the things, of course, that the Health Minister said is that, through implementing the recommendations of the Compton review, he will release resources from some very expensive health infrastructure

so that they can be poured into looking after people in the community. That will take time. It is a great pity, as Mr Wells pointed out, that those steps were not taken by the former Health Minister. However, at least we now have a Health Minister who is vigorously pursuing that agenda, and I hope that he will be successful in doing so.

Mr Wells made a robust defence of the health budget. He made an important point about the health budget and the money that will be spent in 2011-12, which we are now, through the Budget Bill, authorising. He said that we were told that that money would not be adequate and would have all the disastrous effects that he described. None of those things has happened, and they have not happened because we have a Health Minister who, instead of complaining about the amount of resources that were available, actually started to work with those resources and has done a magnificent job living within budget. He has not only lived within budget but has increased, in many cases, some of the services that the Department —

**Mr B McCrea:** Will the Minister give way?

**Mr Wilson:** No. Normally, I would give way, but I will tell you why I am not, and I will refer to it later. The Member waltzed in here about three hours into the debate and made one of the most ill-informed comments and contributions that one could have made because he did not listen at the start of the debate. He then thinks that he can jump and down like a yo-yo or a jack-in-the-box with interventions and smart comments. That is not going to happen. I do not mind giving way to Members who actually had the decency to sit through and listen to the debate, but the Member does not. He thinks that he is going to grandstand, but he will not on this occasion.

Michael Copeland raised a number of points. The first was about the need for social housing. Mr Bradley also made a point about the money that we had hoped to raise, and indeed had raised, from housing associations. The social housing programme will provide for 1,400 new starts this year. Mr Bradley seemed to have the wrong end of the stick when he said that we were going to take money off housing associations and that we had not got a penny off them. That was never the intention. We said that we would reduce the grant that was available to housing associations, which then

freed up capital money for us. It meant that housing associations either had to dip into their substantial reserves or had to go out and borrow money in the market to build the houses. That has happened, and it has released, I think, £15 million this year from the capital budget, which has been made available to others. The target for social housing will be met this year. Of course, in addition, we have been able to put additional funding into schemes such as co-ownership. That in itself has made affordable housing open to a range of people who would not have been in that position before. The Co-ownership Housing Association will no longer have to use the lottery-type process for applications. It has had and will have sufficient money to deal with applications. In addition, of course, the Minister for Social Development and I met the banks to ensure that they would provide money for the mortgage element of the process.

I am hoping, next week or the following week, to look at how the scheme has worked to date. However, I will give Members an example. One family who were renting privately at £500 a month have now been able to purchase a three-bedroom house. They did not have to put down a deposit, because the banks agreed that, since we are carrying 50% of the burden and, therefore, taking the risk on any fall in the value of the house, no deposit was required. That family's mortgage and rent repayments now amount to £280 a month, as opposed to the £500 a month that they were paying before, thus giving them an additional disposable income of £220. That is how the money that we were able to allocate during the year is now benefiting people. When it is expressed in terms such as that, we can see that this Executive have taken responsibility and looked at innovative ways of trying to help people look after their own housing needs in a way that is affordable. Sometimes we do not get credit for some of the innovative things that we do and the results from them.

Mr Bradley also raised the issue of the childcare strategy, as did a number of other Members, including Mrs Kelly. There is £12 million available over the comprehensive spending review period for the childcare strategy. OFMDFM is leading on the issue, and I understand that work is ongoing in that Department to develop the strategy.

I think that I have dealt with most of the comments made by Ms Ritchie, who mostly talked about not having enough levers. I do not

know what taxes she wants to raise, because she has not quite told us what taxes she wants to raise or, indeed, how much we are going to raise. However, I will make the fairly fundamental point that, even if we did have the devolution of tax powers to Northern Ireland and even if the SDLP did suddenly get the courage to vote for increased charges to the public, this is not new money. Do not forget that every time that there has been a call to vote for these kind of things, whether on the issue of fees, water charges or whatever, the SDLP has always said no, it is not prepared to do it. This is not new money. It is simply a transfer of money from the people whom you are going to tax to public spending. Therefore, you take with one hand and you give with the other.

There is not going to be an overall impact on the economy unless the downward multiplier, the money you take away from people, is less than the upward multiplier, the way in which you spend the money at the end of the day. The difference is not going to be all that great. Even if we could get a sensible proposal as to what tax powers the SDLP wants devolved to Northern Ireland and even if we could get that party to raise its hand for an increase in those taxes, there is no guarantee that that would have any more than a neutral impact on the economy in Northern Ireland.

Mr McCallister raised the issue of health spending in Northern Ireland. He seemed to think that, somehow or other, Edwin Poots is now in a position to deliver on things because he is treated much more generously by an "obliging" Finance Minister than poor Mr McGimpsey was. Again, I have to explain to him that if he looks at the record of in-year monitoring allocations between this year and last year, he will find that, this year, I allocated £25 million to my colleague Mr Poots and, in the previous year, when his own party Member was the Minister, the allocation was £38.1 million. I was more than 50% more generous to his Minister than I have been to my own Minister.

Mr Poots managed his budget not because largesse was, somehow or other, thrown at him by an obliging Finance Minister; Mr Poots managed his budget because he is a proactive Minister who did his job responsibly and properly.

**Mr McCallister:** Will the Minister give way?

**Mr Wilson:** I will not give way. The Member had every opportunity —

**Mr McCallister:** He will not look at page 7 of his own Bill.

**Mr Speaker:** Order. Let us not have a debate across the Chamber.

**Mr Wilson:** Let me come to Mr Nesbitt's contribution. He said that he did not hear what I said, as he was not in the Chamber for the start of the debate. He did not hear because my words were drowned out by the noise of him shredding his speech, when he suddenly realised that it was irrelevant. Having heard his speech, I would not have liked to have seen the bits that he shredded, because the part that he brought to the House did not have much relevance either.

First, Mr Nesbitt asked why we had a four-year Budget. The reason is that Westminster allocated us money on that basis. We have to spend it in the years to which it has been allocated. We cannot say that we will take all the money and spend it in the first year; it has to be spent in the year to which it was allocated. That is dictated by the comprehensive spending review period and the allocation made by Westminster.

Mr Nesbitt then said that I had used the term "ceteris paribus", which I did. It is an economic term that means "all things being equal". He said that all things were not equal, because, hardly were we into the four-year Budget period before we were not spending money on fees and trying to find money for this or for that. I hate to tell him this, but when we talk about ceteris paribus, that is not its application, not in any budget. I do not think that even Mr Nesbitt believes that, when we get a four-year Budget, we do not expect a single thing to change over that time. Departments will find efficiencies. We cannot tell them not to find efficiencies and keep on spending, because that would mean that all things were not equal. We find ways of saving money, and we do not tell Departments not to save money because we have allocated it for four years and want to keep it rigid and tidy. If Mr Nesbitt understood the budgeting process, he would understand that there has to be flexibility in the Budget. As I pointed out to Mr Storey, that flexibility and the fact that we make changes as we go along — such as that announced earlier today — shows that we can use that flexibility for our benefit. Mr Nesbitt told us that his preference was for an election, then a Programme for Government and then a Budget.

**Mr Hamilton:** And then an Executive.

**Mr Wilson:** Yes, probably.

Today's exercise shows that you cannot leave a vacuum. The very fact that we had a Vote on Account for the first number of months of this particular year demonstrates that we had to make a decision. The money was available, and we could not have waited until after an election to decide how to spend it. What would happen to Departments in the interim? We worked out the Budget as soon as the money had been allocated to us by Westminster. The Budget reflected the Programme for Government as it stood then, and it still reflects the Programme for Government as it is now. Although there may be a desire, probably rightly, to bring the two closer, that was not possible when the money was given to us.

Mr Allister made a very powerful point about subvention from the rest of the United Kingdom. It was a sobering reminder to us all that cutting constitutional or fiscal ties with the rest of the United Kingdom and thinking that we can go it alone would be totally wrong, and we would be much poorer for it.

The benefit of the union is that we are better off as a result of our union with the rest of the United Kingdom. Regardless of Members' political views, they should at least recognise that that is the case.

**7.30 pm**

**Mr Givan:** They should be grateful.

**Mr Wilson:** It is not a case of being grateful; it is simply a case of recognising a fact of life, which is that there is benefit in being part of a bigger nation and a bigger union that can carry the burden of some of the disadvantages that regions have because of their geographical location, their structural problems or their historical problems. People who want to look at some other kind of arrangement need to bear that in mind and factor that into their thinking.

Mr Allister raised the issue of the A5 and where the money is coming from. He did not see it in the Budget Bill. I do not want to be pedantic, but there is no implication in the next year. The money that we are voting through and the decisions that have been made today about the A5 and other capital projects do not have any impact on the Budget for next year. In fact, there is a £900,000 difference, which can easily be found through in-year monitoring.

The problem arises in the third year, and the Member seemed to think that I did not have a clue where the money was coming from. I think that people know by now that I am not reckless in that way, and, indeed, even if I wanted to be reckless, I have a set of officials who would ensure that I am not. However, I made it clear to the Assembly that there will be an issue in the third year of the programme but it is one that I believe is manageable. However, it is going to require decisions to be made.

I will now come to Mr Agnew. He raised all the usual things that you would expect him to raise; retrofitting, his opposition to the devolution of corporation tax, the importance of the public sector and efficiency savings. In fact, he queried some of the efficiency savings. The efficiency savings are real; they are not a result of simply cutting or top-slicing budgets. I will give two examples that have come out in the monitoring round and in a recent PAC report. As far as consultancy is concerned, last year, we spent 38% less on consultants than we did in the previous year. Since I first took over as Finance Minister in 2009, that figure is down by over 66%. That is as a result of a decision by the Executive that every consultancy application that a Department made worth £10,000 or more had to come to a Minister, and the Minister had to be convinced that it was the right thing to do. The Minister could then ask questions about it, and, as a result, we have brought consultancy costs down. That is a real efficiency.

The other efficiency is the 3.8% saving on administration across Departments. That has released millions of pounds that can then go into front line services. So efficiencies were not simply about top-slicing Departments' budgets. They came about as a result of departmental officials and Ministers taking seriously the promise that was made when the Budget was discussed this time last year, which was that, over the Budget period, we would release as much money as we could to deal with front line services that were under pressure as a result of the cuts in the allocation that we received at that particular time.

**Mr Agnew:** I appreciate the efficiencies that the Minister outlined, but does he recognise that another way that Departments have sought to reduce budgets is through recruitment freezes, which mean that when people have left their job there has been no rehiring? In a number of cases, the jobs have been in front line services.

**Mr Wilson:** Departments have been asked to look very closely, because, very often, vacancies have been retained and those posts have been kept on the books.

You have got to ask yourself the question: if the vacancy has been there for a year and work has continued without that vacancy being filled; is that post essential? Those are the kinds of questions that you need to ask at that microlevel to ensure that you are not spending money unnecessarily. Those are the kinds of things that need to be done, if we are going to make sure that services are delivered to the front line.

The last contributor was Mr McCrea, who gave us a lecture on how much we owe and the cost of it, and he was appalled at the £3 billion of borrowing contained in the Budget Bill. Had he been here at the start of the debate, most of his speech would have had to be scrapped, because he would have known that I made it clear that that borrowing of £3 billion did not provide additional resources to the Executive. It was simply a facility that we had for the better cash management of the system, where money drawn down to the account may not have come down at the same time as the money was being spent by Departments. To ensure that we had that efficient cash management, we had that loan facility. It does not mean additional resources; it does not lead to any long-term commitment to paying off; it does not add to the national debt; it does not add to the borrowing costs nationally. That was explained at the very start.

I thank Members for their part in the debate. I appreciate that it is late, but you still have time to get to whatever restaurant you want to go to and have a pleasant Valentine's evening.

I commend the Bill to the House.

**Mr Speaker:** Before we proceed to the Question, I advise Members that, as this is the Budget Bill, the motion requires cross-community support.

*Question put and agreed to.*

*Resolved (with cross-community support):*

*That the Second Stage of the Budget Bill  
[NIA Bill 4/11-15] be agreed.*

*Adjourned at 7.37 pm.*

# Written Ministerial Statement

**The content of this written ministerial statement is as received at the time from the Ministers. It has not been subject to the official reporting (Hansard) process.**

Office of the First Minister  
and deputy First Minister

## **Programme for Government (2008-11) - Delivery Report to 31 March 2011**

*Published at 9.30 am on  
Tuesday 14 February, 2012*

### **Mr P Robinson (The First Minister) and Mr M McGuinness (The deputy First Minister):**

On 8 December 2011, the Executive noted and agreed the end-year Delivery Report for the Programme for Government 2008-11.

The Delivery Report provides a robust assessment of progress up to 31 March 2011 against the key goals and commitments as set out in the last Programme for Government and the departmental targets set out under its 23 Public Service Agreements (PSAs). The report also provides an overview of departmental initiatives to address the equality and good relations which form part of the PfG.

This report is an important milestone in measuring delivery against commitments over the past three years. Approximately 67% of the total number of targets have either already been completed or expect to be completed.

It is recognised that many targets have achievement dates beyond 31 March 2011. In such cases the report recognises the need for ongoing monitoring of the targets which have not yet been completed.

A copy of the report has been placed in the Assembly Library and is also available from <http://www.northernireland.gov.uk/pfg-2008-2011.htm>







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