

# Official Report (Hansard)

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# Northern Ireland Assembly

Monday 8 October 2012

*The Assembly met at 12.00 noon (Mr Speaker in the Chair).*

*Members observed two minutes' silence.*

## Ministerial Statement

### Public Procurement

**Mr Wilson (The Minister of Finance and Personnel):** I welcome the opportunity to make a statement on public procurement. It is an issue that has been raised in the Assembly on a large number of occasions. I want to outline some of the issues that are pertinent to the questions that Members have raised. It is a cross-cutting issue, and, as Ministers in the Executive, we must explore further the potential for procurement to help to deliver the Programme for Government. That is critical if we are to maximise the benefits for our economy and society as a whole from public procurement.

Departmental procurement plays a very significant role in the Northern Ireland economy. In 2010-11, it amounted to £2.7 billion, which is the equivalent of 26% of departmental budgets. As we face a period of continuing severe economic difficulty, I assure Members that public procurement is meeting expectations and achieving best value for money. I also want to update Members on the further work that is being done to simplify processes, promote increased access to procurement opportunities and ensure that procurement plays its part in supporting the economy.

Members will be familiar with the comprehensive report on public procurement that was produced by the Committee for Finance and Personnel in February 2010. The report highlighted a number of important issues, including the degree of access to public procurement for local businesses, especially small and medium-sized enterprises (SMEs); the need to collect data on the impact of public procurement; the importance of fair payment in government contracts; the need to reduce bureaucracy in procurement processes; and the importance of using procurement to deliver social benefits, particularly employment and training opportunities.

Officials have been working through the recommendations, and I am pleased to say that they have been largely implemented. As a result, we now have a range of measures aimed at ensuring that opportunities for local businesses are maximised. I believe that we are also beginning to dispel the myth that doing business with the public sector is beyond the reach of smaller firms.

Notwithstanding the work that has been done to improve our processes, two further key reviews have been initiated. The first will look at wider issues around the commissioning, planning, procurement and delivery of major infrastructure projects. Construction accounts for about £1.3 billion of the total spend by the Executive each year. Given the impact of the current recession on the construction industry, it is essential for the industry and its clients that the procurement system operates as efficiently as it can. We are working with the Strategic Investment Board, the Construction Employers Federation, the Royal Institution of Chartered Surveyors and the Confederation of British Industry (CBI) to ensure that we adopt practices that are streamlined and deliver value for taxpayers' money. The second review concerns the procurement of supplies and services, and it involves working with the CBI to consider whether government's processes can be further improved.

Members will also be aware of the recent Northern Ireland Audit Office (NIAO) report, 'Department of Finance and Personnel: Collaborative Procurement and Aggregated Demand'. I ask Members to bear in mind that there are protocols for making comments on NIAO reports. Consequently, I will not comment or take questions on the report. However, I have asked my officials to consider its findings and bring to my attention any issues that need to be addressed.

At this point, I want to examine a number of common misperceptions surrounding public procurement. They are not borne out by the facts. The first misinterpretation is that local firms play second fiddle to national and

multinational companies. However, in 2010-11, 77% of all contracts awarded by government went to businesses based in Northern Ireland. For construction contracts, the figure was significantly higher at 96%. That means that almost all construction contracts that year went to Northern Ireland firms.

The second misperception is that small businesses lose out when tendering for public contracts. I recognise that there can be issues with some frameworks and term service contracts, which smaller businesses find difficult to access. However, in spite of this, Northern Ireland remains on a par with Scotland and Wales. Some 67% of all contracts in 2010-11 were awarded to SMEs, a figure significantly higher than the position in England.

The third misperception is that microbusinesses and small businesses are not able to contract directly with government. Again, the figures for 2010-11 tell a different story. In that year, 51% of all government contracts were awarded to businesses with fewer than 50 employees.

These figures demonstrate that local businesses already have a high success rate in securing government contracts. By participating in public contracts and being subject to the disciplines of the procurement process, many local firms are better equipped to compete in other markets. I am aware that Northern Ireland firms have won many contracts in the rest of the UK. I visited a very good example in the Olympic Park, and I am sure that all Members would join me in recognising those successes. It is right that procurement should play its part in helping to enhance the efficiency of local industry.

I do not pretend that our processes are perfect. There is a perception that public procurement processes are overly burdensome. I am sympathetic to that view. The application of procurement principles has been an evolving process. At the outset, the focus was on ensuring an understanding of the process. Now, with greater familiarisation, we are turning our attention to simplifying the processes and ensuring that Departments and their centres of procurement expertise (COPEs) apply them consistently. The procurement regulations limit how far we can go with simplifying processes for higher value contracts. However, we have taken measures to substantially reduce the inputs that are required from tenderers and shorten the time that is taken to award lower value contracts. Those changes have been made as a result of consultation with the industry. Such engagements are vital in helping to develop workable solutions, and, as

a result, businesses should find bidding for government contracts easier and less costly.

I have a word of caution, however. Simplification will not deliver the desired outcomes until it is applied consistently. I will be asking my ministerial colleagues with responsibility for COPEs for their support on this important point. Steps have also been taken to address disproportionate requirements that could prevent smaller businesses from competing for contracts. For example, some contracts include unrealistic insurance requirements. Guidance has recently been issued to help Departments to set more proportionate levels that better reflect the underlying risks. That guidance is a result of direct representations that were made to me by various firms that felt that they were being excluded because of the insurance qualifications.

The public sector is very much open for business. We want to encourage local firms to participate in government procurements, and, to that end, Central Procurement Directorate (CPD) and COPEs meet with suppliers in a variety of settings. For example, there have been nearly 50 "meet the buyer" events in the past three years, the most recent being in Cookstown on 27 September. That attracted 340 SMEs from across Northern Ireland and the Republic of Ireland. I encourage Members to support these events and to encourage SMEs in their constituency areas to avail themselves of these opportunities.

Joint working with groups, such as the Construction Industry Forum and the business and industry forum, is important in informing policy development and providing feedback on policy implementation. I regularly meet with businesses and industry representatives. For example, I met representatives of the north-west small businesses lobby group in July to help me to better understand the particular difficulties that it faces. As Members know, I also met the all-party working group on construction in January, and I am scheduled to meet it again on 16 October. This is an opportune moment for me to thank the members of the working group for their support.

The £2.7 billion that is being spent through procurement presents tremendous opportunities to help to deliver other policy objectives. That was recognised in the public procurement policy and by the Programme for Government. You will all be aware of the commitment on social clauses and the need for government contracts to deliver employment and training opportunities. At a time of high

unemployment, we must exploit those opportunities to the full.

There are examples of contracts that have successfully delivered employment opportunities. The Department of Finance and Personnel's (DFP) property management framework required the contractor to provide employment opportunities for up to 14 unemployed persons and 35 apprenticeships over the four-year life of the contract. By March this year, the contractor had provided 32 employment opportunities. In addition, 15 apprenticeships have been created, and we are still only halfway through the contract period. I remind my ministerial colleagues that the inclusion of social clauses and the scope for achieving social benefits should be considered as early as possible. Indeed, it should be addressed when the project is being defined to ensure that the potential is maximized. Those requirements are now being incorporated into contracts, and it is essential that suppliers and contractors deliver.

That brings me to contract management. We have focused on stripping out bureaucracy from the procurement process, and we have been partly successful. However, whenever contracts are awarded, suppliers must meet the specified requirements, because not to do so would jeopardise the delivery of public services. That puts major responsibilities on suppliers' shoulders, and it is important that they recognise that. Government must be a fair but demanding client.

### 12.15 pm

I have put steps in place to ensure that firms contracting with government are treated fairly and, in most cases, paid promptly. It is frustrating for me then to hear from subcontractors that they are being subjected to archaic practices. Those include blatantly unfair or non-existent contract arrangements and excessively long payment timescales. I am determined that government contracts will ensure that the benefits of government policies, such as prompt payment, are passed down the supply chain. Let me be quite clear: when a contractor fails to deliver on a government contract — whether it relates to meeting the specification or to the treatment of the supply chain — it will be prevented from tendering for future government contracts.

In conclusion, procurement is about the acquisition of goods and services and works. Public procurement requires higher standards of compliance and openness. It also offers the

opportunity to deliver wider policy objectives. It is an area that receives a great deal of public scrutiny, and rightly so. In that context, I am grateful to MLAs who take the time to raise procurement issues with me on behalf of their constituents. However, please bear in mind that, in spending £2.7 billion through procurement, the vast majority of government competitions are not subject to challenge or adverse comment.

It is also important to appreciate that public procurement will never be a panacea to solve our economy's ills. We have to be realistic. The limits on public spending have had an impact on procurement budgets. There is also overcapacity in some supply sectors. In that context, we must guard against the danger of cut-throat pricing, which could have serious implications for otherwise viable businesses.

I have endeavoured to provide the Assembly with assurance that public procurement is being undertaken appropriately, is achieving value for money and is enabling the delivery of wider objectives. It remains under constant review. Changes must be put in place quickly and applied consistently. Public procurement is of great interest to me. My door is open, and I will listen to the views of all concerned, including, importantly, those of business and supplier representatives.

Let me make a final point. If procurement issues are raised, I need specific information, not comments of a general nature. I assure the Assembly that I am committed to having any such issues properly investigated and addressed so that we can continue to procure in a way that supports the economy of Northern Ireland. I welcome the progress made to date but recognise that there is still work to be done. The ongoing reviews will identify what changes need to be made to the procurement process, and, from those, we will put in place measures that ensure that the necessary improvements are delivered. I will continue to work with ministerial colleagues and Members to ensure that the public procurement process continues to meet local companies' needs.

**Mr McKay (The Chairperson of the Committee for Finance and Personnel):** Go raibh maith agat, a Cheann Comhairle. I thank the Minister for his statement. I particularly welcome the reference to social clauses under the Department's property management framework, as the Minister outlined. Is it possible to provide cross-departmental statistics on how social clauses are being included in government contracts, with particular reference to employment and training

opportunities? Further to that, I know that the Scottish Government are proposing to put the use of community benefit clauses in procurement on a statutory footing. What is the Minister's view on that?

**Mr Wilson:** First, guidelines on social clauses now go out to all Departments. Of course, since those guidelines are endorsed by the Executive in the Programme for Government, Departments will be required to include social clauses in contracts. For construction contracts above certain values, there is a requirement to employ unemployed people, provide apprenticeships, and so on. I give the Member one example from my Department, where the guideline has not only been put into the contract but has already been delivered, within half the period of that contract. Further guidelines are being issued. As far as the community benefit clauses are concerned, we do not have those formally in contracts, but those social clause guidelines are continually being updated.

**Mr Girvan:** I thank the Minister for his statement and welcome the fact that £2.7 billion of spend will make its way through the system. As the EU delivers quite a lot of policy on procurement, how will the EU proposals for modernising public procurement help or impact on Northern Ireland?

**Mr Wilson:** First, the EU is undertaking a review of the guidelines. That is being taken forward by the Cabinet Office, and the view of the Northern Ireland Executive is being put forward through CPD.

I suppose there are two ways. First, there is a recognition at European level that there needs to be a simplification of the processes, especially for small and medium-sized enterprises. The other point that we have made to the European Commission and the Government is that we want to see a break between the title of a procurement exercise and some of the things that can then be included in it, so that wider consideration can be given and there can be more flexibility in the contract. Those are the kinds of things that we have been looking at. However, I think it has been clear that there is unlikely to be any softening in the EU approach to larger contracts. It is pointed out that there are international obligations as well, through the World Trade Organization, and that if the guidance were to be relaxed, it would be subject to international dispute.

**Mr Beggs:** The Minister referred to a recent Northern Ireland Audit Office report on

collaboration, procurement and aggregated demand. There is protocol preventing officials from commenting on areas that the Public Accounts Committee (PAC) has decided to investigate, but I am not aware of limitations on the Minister. Will the Minister indicate to us what protocol stops him from commenting on issues? I have checked with the PAC staff, and they are not aware either. Will he advise us, for instance, why he cannot comment on statements in that report such as:

*"Basic price comparisons of common goods and services should be undertaken regularly by all procurement bodies",*

so that ridiculous prices are not awarded in tenders?

**Mr Wilson:** On the general point of whether comparisons should be or have been made by COPEs when they are looking at services, we did not need a Northern Ireland Audit Office report to tell us that. This is something that COPEs should be doing on a regular basis. Indeed, even in the latest guidance that we have issued to COPEs, we have told them that, for tenders under £5,000, all that we require so that we can simplify the purchasing process is for them to compare two prices. We are already giving guidance that they should be benchmarking so that they can have a comparison to ensure that there is value for money. The aims and objectives in the procurement board's own statement for this year emphasise the need for value for money. Value for money requires that there is that benchmarking and that a comparison should be made. As for the point that the Member made about commenting on the report, since my officials will be going through the report and then making a response to the Committee, I would have thought that that is the appropriate way in which we deal with it, rather than going through the detail of the report today.

**Mr D Bradley:** Go raibh maith agat, a Cheann Comhairle. The Minister invites us to join him in recognising successes. I ask him and the Members to join me in recognising the successes of the Armagh and Antrim ladies Gaelic football teams, who procured some silverware for Northern Ireland at Croke Park yesterday.

The Minister welcomed the fact that 67% of all contracts in 2011 and 2012 were awarded to small and medium-sized enterprises and that 51% of all government contracts awarded went to businesses with fewer than 50 employees. Will he provide some clarity on the spread of



these figures? To what extent are these statistics made up of the same businesses? Is it possible to identify —

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

**Mr D Bradley:** — how many new businesses are getting contracts?

**Mr Wilson:** I certainly do not have the details that the Member asks for on the spread of businesses or on how many of the businesses that were awarded contracts this year were brand new businesses to the process. However, I will say that over 15,000 businesses have registered through the e-sourcing portal, which means that a large number of small and medium-sized enterprises in Northern Ireland are now accessing the information. That number is up considerably from two years ago. Two years ago, 500 businesses were awarded contracts having registered through e-sourcing, and now it is over 1,500, which shows that a large number of new businesses are coming into the system.

I join the Member in congratulating the teams that won cups yesterday, but I hope that they did not procure them in the way in which we are talking about procurement today, and that they won them fair and square rather than buying them.

**Mr McCarthy:** I thank the Minister for his statement. Are there any means at his disposal to make it compulsory to ensure that all Departments secure social clauses for construction and any other relevant contracts?

**Mr Wilson:** We have clear guidance, given the value of a contract, as to what we require on employing long-term unemployed people, creating apprenticeships, creating opportunities through Steps to Work and the 40-week secondments for people who come into work through that programme. Those are standard guidelines for large contracts over certain values, and COPEs are required to ensure that they are met.

I do not have the exact figures across Departments for the total values of those contracts, but when I visit firms that have won government contracts, it is one of the first questions that I ask. On all occasions, the firms are able to point out that they are abiding by the guidelines. I said in my statement, however, that it is important that, when a contract is awarded, compliance with those social clauses is carefully monitored. Non-compliance with

those social clauses or other types of non-compliance will attract sanctions.

**Mr Weir:** I thank the Minister for his statement. What is his assessment of the barriers that prevent SMEs from tendering for larger contracts? What actions can be taken to overcome those barriers?

**Mr Wilson:** The main barrier seems to be one of perception, in that they believe that the process is lengthy and bureaucratic and one that they would find difficult to handle. We have done a number of things. First, we have simplified the rules and the amount — and the duplication — of information that has to be given. All that has been done with the relevant business bodies. Secondly, we have issued guidance, which is now available to businesses, that tries to dispel some of the myths around public procurement. Thirdly, through the e-sourcing portal, businesses can be taken through the process very easily. There are videos and other types of guidance on that site to enable firms to see how they can get through the process.

Lastly, as I said in the statement, to try to encourage businesses, we have held "Meet the buyer" days in all different parts of Northern Ireland. They have been attended by thousands of businesses. That has been an important way of illustrating to companies the opportunities that there are for business and the help that they can get when applying for government contracts.

**12.30 pm**

**Mr McQuillan:** I also thank the Minister for his statement. Does the procurement board have a strategy?

**Mr Wilson:** We, like all Departments and all sections of Departments, have a strategy. There are a number of things. The first thing is to provide and to ensure that we get value for money when it comes to public contracts. Secondly, there must be an assurance that public procurement is done properly and with integrity; that is an important one. The other thing, as I mentioned in my statement, is to ensure that the £2.7 billion that we spend through government in Northern Ireland is used in the best way possible to stimulate the economy here. Those are the procurement board's main general objectives.

**Mr Dallat:** I also welcome the Minister's statement. Like Mr Beggs, I regret that, due to protocol, the Minister cannot address questions

that were raised in the recent Audit Office report on procurement. Can he elaborate on the penultimate paragraph of his statement? How does he intend to deal with the rogue arm's-length bodies that ignore the basic principles of procurement and the tendering process, in particular the Belfast Education and Library Board, Northern Ireland Water and, most recently, the PSNI? How do we restore confidence among the public who wish to tender for government contracts when those people persistently ignore every principle of procurement?

**Mr Wilson:** The ultimate deterrent to not doing procurement properly is legal challenge. Where there is a legal challenge, there will be consequences for the organisation in its ability to deliver the work that was required for the bodies associated with that organisation in the form of delays and extra costs. That is the ultimate sanction.

The Member asks an important question. There is a number of things that we can do. First, we seek to have all COPEs accredited so that, before they get accreditation, they have to show that they have met certain standards. Secondly, through the procurement board, which is attended by the permanent secretaries of the major purchasing Departments, we have the opportunity to discuss the kinds of issues that the Member talked about and to ensure that work is done within Departments to ensure consistency. Lastly, we issue updated guidance on a regular basis. Often — this is an important point — that guidance is a result of lessons that have been learnt from procurement exercises that have gone wrong. The guidance being given to COPEs should help to do away with the kinds of problem that have arisen with purchasing arrangements in the past, which have not been good for public procurement or, indeed, the organisations concerned.

**Mr D McIlveen:** I also thank the Minister for his statement. Minister, I am sure that you will agree with me that, at times, there is a negative perception of public procurement that it is almost cloak and dagger. Can you give us an assessment of how small and medium-sized companies in Northern Ireland benefit from the procedure today and of how that compares with other regions in the United Kingdom?

**Mr Wilson:** First of all, as I said in the statement, 67% of contracts awarded have gone to small and medium-sized enterprises and 51% to microbusinesses, which are businesses of fewer than 10 employees. Nearly half the value of contracts has gone to

those firms. The most obvious gain is through the business that they obtain as a result of the contracts, but there is another thing that I found as I went round firms. Some people think that we have a very rigorous public procurement process, but many of the firms said that the rigours of the process in Northern Ireland and the learning experience that it provided had enabled them to compete much more outside Northern Ireland in other parts of the United Kingdom and, indeed, in other countries. That is valuable in itself. There is hardly a construction firm in Northern Ireland that is not working somewhere in GB and winning contracts there, either as the main contractor or a subcontractor. Many of them will say that the experience that they gained in the tendering process here enabled them to win contracts and be successful elsewhere.

**Mr Allister:** Has the practice of single tender actions without accounting officer approval been dealt with adequately across the Departments, bearing in mind that, not so long ago, an answer from one Department — OFMDFM — revealed that it had engaged in the practice to the tune of contracts totalling over £350,000? Has that now been dealt with across the Departments, and what actions can you take in respect of other Departments?

**Mr Wilson:** First, let us be clear that a single tender action is not always a bad thing. Sometimes, single tender actions are undertaken because a contract has to be awarded quickly and a situation has arisen in which expenditure is required. On such an occasion, a Department has to make a decision based on the fact that someone is doing work or, in some cases, the fact that a contractor is already in place. It would not make sense to go out to another contractor because the discontinuity in the work would mean a costly delay. We should lay that point down first. However, I understand the concern that the Member expressed, and, indeed, on a number of occasions, I have expressed the concern that single tender actions may well not lead to best value for money. By their very definition, there is no competition. Where a single tender action is required, it must be authorised by the accounting officer or Minister. At least there is then a trail of accountability and reasons given for the decision. Of course, subsequently, there should also be monitoring to ensure that the procurement has delivered what was promised. Those are the steps that need to be taken to show clear accountability for decisions: why they were taken, what the alternatives were and what the outcomes were.

**Mr Elliott:** I noted that the Minister said that small and medium-sized businesses with fewer than 50 employees still gained a relatively low percentage of the contracts awarded. Is there anything that prohibits procurement in smaller contracts? In other words, could some major contracts be split to allow smaller businesses to access them? That may have a particular effect on stopping cut-throat pricing, which he mentioned at the end of his statement.

**Mr Wilson:** First, I want to make it clear that the percentage of small businesses in Northern Ireland that gain from government procurement is higher than in England and commensurate with Scotland and Wales. Therefore, it is not that, relatively, we are performing badly; we are performing well. Of course, we would love more of that work to go to local firms, and we will keep endeavouring to achieve that, albeit within the rules.

Can I just make something clear? If we are seen to be biased towards local firms, there is, first, the chance of a legal challenge, because the rules are fairly clear. Secondly, as I said, many of our firms now compete outside Northern Ireland, and, if other jurisdictions felt that unfair advantage was being given to local firms, there could be reciprocation. That could damage many of our local firms. They may be good firms that can compete, but they may find that, for political reasons, they are not given the opportunity to do so.

The Member asked whether it was possible to break down contracts so that small firms can compete. That is one way to make contracts smaller so that small firms can compete. However, the Member in front of him raised the issue of collaboration in contracts and making sure that we got best value for money, benchmarking etc. On the one hand, one Member from the Ulster Unionist Party tells us to listen to what the Northern Ireland Audit Office said, which is that we should try to get best value for money by bringing contracts together so that we make economies of scale. On the other hand, the Member behind says, "By the way, we would like you to divide the contracts up so that small business can get up". That is one of the ways in which the Ulster Unionist Party seems to want the best of all worlds with these things. It seems that there is no difference between its approach to procurement — *[Interruption.]*

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

**Mr Wilson:** — and its approach to relationships in its own party.

**Mr Speaker:** Order. That concludes questions on the ministerial statement.

**Mr Beggs:** On a point of order, Mr Speaker. If the Minister deliberately attributes something to a Member that they did not say, what responsibility falls on the Speaker to deal with that issue?

**Mr Speaker:** Order. I see this very much as the cut and thrust of debate in the Chamber, and I have said that continually. Let us move on.

## Executive Committee Business

### Suspension of Standing Orders

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

*That Standing Orders 10(2) to 10(4) be suspended for 8 October 2012.*

**Mr Speaker:** Before I proceed to the Question, I remind Members that the motion requires cross-community support.

*Question put and agreed to.*

*Resolved (with cross-community support):*

*That Standing Orders 10(2) to 10(4) be suspended for 8 October 2012.*

**Mr Speaker:** As there are ayes from all sides of the House and no dissenting voices, I am satisfied that cross-community support has been demonstrated. Today's sitting may go beyond 7.00 pm.

### Air Passenger Duty (Setting of Rate) Bill: First Stage

**Mr Wilson (The Minister of Finance and Personnel):** I beg to introduce the Air Passenger Duty (Setting of Rate) Bill [NIA 15/11-15], which is a Bill to set the rate of air passenger duty for the purposes of section 30A(3) to (5A) of the Finance Act 1994.

*Bill passed First Stage and ordered to be printed.*

12.45 pm

### Investment Strategy for Northern Ireland 2011-2021

**Mr Speaker:** The Business Committee has agreed to allow up to two hours and 30 minutes for the debate. The proposer will have 15 minutes to propose the motion and 15 minutes to make a winding-up speech. All other Members will have seven minutes.

**Mr M McGuinness (The deputy First Minister):** I beg to move

*That this Assembly notes the investment strategy for Northern Ireland 2011-2021.*

Following extensive consultation and consideration by Members of the Assembly, I am now in a position to present the Executive's investment strategy for 2011 to 2021. The investment strategy is the expression of the Executive's long-term vision for investment to renew and upgrade our infrastructure. It sets out a rolling programme of investment for a 10-year period and offers a platform to deliver the objectives of the Programme for Government.

Much has been achieved since the last investment strategy, which was published in December 2008. There have been unprecedented levels of capital investment, delivering some £6.5 million in the past four years. We have improved roads, public transport, schools, healthcare facilities, water treatment and telecommunications networks. The 2011-2021 strategy seeks to prioritise the delivery of investment through the seven major pillars — transport, health, education, social, environmental, productive and justice infrastructures — to meet the needs of the whole community in the years ahead.

The strategy was published in draft form to give everyone an opportunity to have a say and shape the final strategy. During the consultation period, seven public consultation events were held. We also engaged with a wide range of stakeholders, including the Construction Employers Federation, the CBI, NICVA, NILGA and the Equality Commission. In addition to the face-to-face events, 45 written submissions were received. We are grateful for all the comments and feedback. It is particularly pleasing that those who responded to the consultation were generally supportive of our approach and welcomed the investment proposals. They thought that the draft investment strategy provided a more holistic

and integrated view of the Executive's investment plans.

As a result of the consultation and the input received, the document has been revised, strengthened and updated. Some of the themes that emerged during the consultations and are addressed in the final document include social clauses; harnessing alternative finance for investment; providing clarity on investment plans; increasing the indicative allocation for particular sectors; and greater recognition of regional balance and monitoring delivery. Also included in the final draft are key achievements since 2008, including those completed in the period since the draft was published. They include achievements such as the opening of the new Titanic Belfast and Giant's Causeway visitor centres. The final draft gives a sense of the breadth and scope of the capital projects completed and demonstrates our achievements and progress. There are plans to deliver £13.3 billion of capital investment over the next 10 years, with funding of £5.1 billion for the first four years. That includes the investment we announced in February 2012 in the A5 and A8 road schemes and an amount of alternative finance that we will pursue. More detail has been added on social clauses, which will be supported by other work that is under way. There is a commitment to ensuring that information included on the online delivery tracking system is accurate, complete and up to date and a clear articulation of the need for and benefits of greater recognition of regional balance.

Our investment strategy must help us correct the years of underinvestment in our infrastructure. The new strategy for 2011 to 2021 sets out how we intend to invest approximately £5 billion in the first four years and a total of £13.3 billion over the lifetime of the strategy. Despite the fact that an all-party delegation secured from the previous Labour Government an £18 billion investment package to address the infrastructure deficit, the current coalition Government have reneged on their commitment. Hence, the amount received through the block grant will fall by 40% between 2010-11 and 2014-15, with a similarly bleak outlook for the years that follow.

The financial constraints mean that it is essential that we make every pound spent matter, if we are to get best value. The strategy itself commits us to focusing on investment in the right infrastructure in the right place, using the most effective processes. That means that we programme our capital expenditure effectively so that, whatever the budget, it is fully invested here to improve the life of

everyone. We recognise the pain out there in the economy and want to address those needs in our capital investment decisions. A large percentage of capital investment under this investment strategy will go to the construction and associated sectors, but the impact spreads much further as jobs are created and people have money to spend. For example, research suggests that every pound spent on infrastructure creates a stimulus of up to £2.84 in the wider economy. One of our biggest social needs is the creation of jobs. To that end, this strategy is expected to support around 13,000 jobs in the local economy. Where possible, we will prioritise the infrastructure projects that contribute most to employment and make the biggest contribution to the wider economy. We will ensure that major capital contracts include social clauses that give opportunities for employment to the long-term unemployed and young people. This has already been used successfully on projects such as Ebrington Square and the new Peace Bridge, where 23 unemployed people got jobs and seven young people got apprenticeships.

We have put the needs of everyone at the heart of the investment strategy, ensuring that we have the right infrastructure in the right place to help us drive up productivity, drive out waste and improve service. All of this helps protect front line services at a time of lower public funding. The future lies in putting everyone's needs centremost, with investment focused on delivering the modern joined-up services that people need and allowing for the social impacts that such investments can have. The strategic infrastructure planning models being pioneered by the SIB have a big part to play in going forward.

The investment strategy is not just about public services; it also needs to support economic recovery and growth. Local businesses have a vital part to play in helping us deliver the investment strategy and the benefits that will flow from it. High-quality transport, communication and energy networks power competitive advantage in business, reduce social isolation and link people to an expanding world of information, services and opportunity. We want to use our capital investments to target the cost of doing business here and to make us much more productive and competitive.

To support economic growth when appropriate, we will seek to bring forward investment in public works that are more labour-intensive, at the expense of schemes that would deliver a lower employment impact. This will maximise the impact on jobs and the wider economy. As

an Executive, we will continue to promote equality of opportunity, so that all our people can fulfil their potential. It is important that we develop a modern, dynamic and confident society with respect for all. That vision is reflected in the investment strategy by the introduction of social clauses into contracts for major public works. Such clauses require contractors to deliver employment and training opportunities for apprenticeships and the long-term unemployed, and I am aware of the work being undertaken by the Minister of Culture, Arts and Leisure to include social clauses in the stadia developments. We will soon launch a social clauses toolkit as a best practice guide to maximising social benefits from all relevant publicly procured contracts.

The skill base of countries and regions is increasingly key to attracting and keeping private sector investment. Under the investment strategy, we will invest in schools, higher and further education, youth services and libraries. That will ensure that we have the infrastructure in place to create a skill pool to support the expansion of home-grown businesses and attract inward investment. The Executive's commitment to addressing regional disparities and the economic and social sustainability of rural areas is demonstrated by the decision to relocate the DARD headquarters to Ballykelly. That will enhance the availability of quality public sector jobs in rural areas.

The devolution of justice functions on 12 April 2010 has brought that sector into the investment strategy for the first time. Capital investment in the justice community is already under way to support the delivery of front line services. The necessary funding is in place to build a joint services training college at Desertcreat near Cookstown to cater for the police, fire and rescue and prison services. That not only brings the prospect of employment to a rural area but reflects our position of addressing east-west regional disparities.

We are actively exploring all options to achieve the levels of investment that we believe necessary to transport this region and promote our economic recovery. Therefore, we are exploring alternative funding options that will add to the amount that we have allocated from within the Budget. The Executive's Budget review group is considering a scheme to be put forward for Executive consideration, and the investment strategy reflects that in stating the intention to raise just over £1 billion through alternative financial arrangements. Those must be pursued in a manner that protects the public interest, protects front line service to users,

facilitates greater efficiency and offers genuine long-term value for money. We are determined not to delay investments that can improve the productivity and quality of essential public services to deliver jobs when alternative means of bringing forward those benefits remain within reach.

The Executive approved the investment strategy on 3 September 2012. I commend the final document to the House.

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

First of all, Mr Speaker, I will speak in my capacity as Chairperson of the Committee for the Office of the First Minister and deputy First Minister, and then I will say a few words as a Member. Although OFMDFM does not expect to receive a large amount of capital funding — a fact borne out in appendix 2, where, I think you will see, only the Department of the Environment receives less by way of allocation — the Committee has a key role in co-ordinating the responses of Committees to the draft Programme for Government and the draft investment strategy for Northern Ireland, and, in February of this year, the Committee produced a composite report. Chairpersons and members will, of course, be able to speak to their own Committee responses, and I will leave them to do that. My comments will focus on OFMDFM's contribution.

The Committee had the benefit of a briefing from the First Minister and deputy First Minister on the draft Programme for Government and investment strategy on 14 December last year. The Committee was also briefed in January 2012 by the Strategic Investment Board. During that briefing, SIB highlighted that it was currently supporting almost 50 projects, with a total value of some £4 billion. Although OFMDFM's capital spend is relatively modest compared with other Departments, the Committee has taken a particular interest in the development of the former military sites and receives regular updates on the development of the Maze/Long Kesh site, where, as we know, the corporation board has just been established.

The Committee will continue to take an interest in the One Plan regeneration plan for Derry/Londonderry under Ilex, hitherto accountable to OFMDFM and the Department for Social Development. The Committee recently wrote to OFMDFM regarding the filling of the vacancies for Ilex chairperson and chief executive, and it is also aware of the current review of the reporting and accountability

arrangements for Ilex. The Committee has not yet had the opportunity to consider this final version of the investment strategy.

Mr Speaker, I will now say a few words as a Member. The document itself, like all others published by the Assembly and the Executive, should be in support of putting the economy at the heart of all of our activities. I note that, after the introduction, the first heading is 'Supporting economic recovery and growth'. Much is made of the fact that we now have faster and more reliable access to the global internet than many other competitor regions, and that is paying real dividends by way of new jobs. The document highlights the New York Stock Exchange's Euronext, which is streaming market data through its Belfast site.

I am sure I am not the only Member who recently listened with great interest to a series of reports on BBC Radio Ulster's 'Good Morning Ulster'. I think they even surprised themselves by the amount of reaction they got from people, including men and women from small businesses around Northern Ireland, complaining about the lack of high-speed internet access in their area. I was struck by one rather exasperated listener who contacted 'Good Morning Ulster' to say that his connection speed was so slow that he could not even download the software to measure his internet speed. Clearly, that is not acceptable in a 21st-century business environment.

My party also welcomes a focus on the social clauses and the intention to publish a social clauses toolkit in the near future. It is important that such a toolkit puts a focus on practical actions and outcomes, and that it is embedded — for want of a better word — in what we do going forward and is not some sort of a bolt-on. It is something that might well blend into the sort of data we heard earlier from the Finance Minister in his speech on procurement in Northern Ireland.

### 1.00 pm

I take a particular interest in the gifting of military sites, something that the Committee for the Office of the First Minister and deputy First Minister has, as I said previously, been looking at. Some months ago, the Committee visited Shackleton barracks in Ballykelly to look at the practical issues that make the annual maintenance costs so high. We do have, I believe, legitimate concerns, and continue to question the fact that the old adage that the polluter pays is not necessarily being enforced with regard to the gifting of military sites, which actually come at quite a high annual cost. We

will look with interest at how the Shackleton site in Ballykelly is developed by the Department of Agriculture and Rural Development.

As the deputy First Minister said, £5.1 billion is a lot of money, which can pump-prime economic development and recovery. We need some regional balance. We must remember that we are a relatively small country with a relatively small population, and there will be a need to maintain an appropriate focus on our main cities and to make sure that we have agglomeration and appropriate focus of resource where it is needed, particularly in the city of Belfast. To summarise, it will be a challenge to look at those focuses, because we have Members from all over Northern Ireland, who will focus not just on the capital or other cities but on their own regional area. That is, of course, to be expected. However, we must ensure that there is an appropriate balance, given the size of the country, the population and the resources available.

**Mr Givan:** I welcome the strategy released today and the commitment to spend £5 billion over the first four years of the strategy on the back of having spent around £6.5 billion from 2008. That is a demonstration of how the Executive are working and trying to deliver on projects that will benefit the people of Northern Ireland and deal with a struggling economy that is difficult to turn around.

I welcome especially the commitment to maximise every pound that is being spent, to speed up the economic recovery. Where appropriate, there is particular emphasis on those labour-intensive projects that will create the jobs that will sustain the current level of employment; they will be given priority by the Executive. That is a very practical way to deal with the problems we are facing. Ultimately, the economy will recover. It is important that, when we get to the point where the economy is growing, we have retained the skills and abilities of those currently in employment, so that we will be able to benefit from that recovery and really drive on Northern Ireland's economy. Sadly, too many of our young people are having to leave these shores to gain employment elsewhere. Whatever the Executive can do to retain them in Northern Ireland should be welcomed and supported by the Assembly.

I welcome the commentary in the report that work will be taking place with local businesses to provide detailed information on the schemes, allowing them to properly plan. That is something that has been raised with me before by businesspeople. They will tool up themselves to engage with government when

they know better what schemes are coming online and the volume and capacity of the work involved, and they need to be prepared to do that. Something that the Executive have been doing successfully is working with businesses to help them to prepare themselves for the work that is coming from the public sector. The commitment in the document to continue to do that, so that organisations can have the proper people in place to take forward the work, is to be welcomed. Within that is the commitment to continue to work with small and medium-sized businesses to actually bid for a lot of that work. In a previous role, when I worked for the Federation of Small Businesses, companies would regularly come forward to articulate their view that they were not properly aware of the contracts available or properly prepared as to how they could engage with government to bid. A lot of them could do the work, but they did not know how to engage with government to be able to be competitive in the process of tendering. Again, something that the Executive have been doing successfully is working with those companies so that they can have a piece of the cake and benefit from that. The document also shows how the Executive have worked on having a much more joined-up approach to how they go about delivering these programmes. It also refers to the ability to identify any waste or opportunities in the public sector, which means that one Department can take the opportunity to utilise any available space in a different Department. Obviously, that saves the taxpayer money. There will be a reduction in unnecessary capital projects through identifying where such space exists in the system. Having that information and data, and sharing it right across the Executive and all government bodies, will be important in ensuring a reduction in waste. It will also be important in ensuring that every pound being spent is being spent because it is necessary and that all other opportunities to cater for any need in the public sector have already been ruled out. Therefore, the clear need to spend on particular projects will have been demonstrated.

The strategy also refers to the objective being to drive down the costs of doing business here through quality infrastructure, a well-educated workforce and ensuring that we can attract high-end jobs at the cutting edge of technology. Therefore, it is important that we recognise how the likes of Project Kelvin have benefited Northern Ireland's creative industries. We need to have this debate at a high strategic level. Mr Nesbitt referred to a constituent who could not download the software required to measure the speed of broadband. We need to resist reducing this debate to that level and instead

look at the high strategic end, which is what this document does, and I welcome that commitment.

I also have an interest in justice. The commitment of £138 million to Desertcreat is a demonstration of different organisations pulling together to provide an opportunity to train on one site rather than three different organisations having three separate training facilities. This is a demonstration of collaboration and coming together.

Although this is a multibillion pound strategy, the £12 million being spent on forensic science is very important. If you boil it down to your communities, when people involved in antisocial behaviour are arrested for drug dealing, for example, the backlog in testing frustrates the whole process of going through the courts. This money will deal with those underlying issues and help our communities.

In my last minute, I will touch briefly on constituency-based activities. The Maze/Long Kesh site is an opportunity that nobody should minimise, as it has great potential. The site is twice the size of the Titanic Quarter, which puts into perspective what can be achieved there to drive the economic agenda in Northern Ireland over the next decade. Everything that can be done by the Executive to support the board should be done. We have public sector investment, which is important, and we want to leverage in the private sector. Politicians will say that these are the projects that we now want to deliver. The processes that the Civil Service follows need to be outcome driven. Often, people get hung up on process. When private sector companies that are engaging in the likes of the Maze and other opportunities come to those in government for a decision, it is important that that decision can be turned around very quickly. Therefore, let us have the right processes in place to deliver what is a very important strategy for Northern Ireland.

**Mr Flanagan:** Go raibh maith agat, a Cheann Comhairle. Cuirim fáilte roimh an straitéis infheistíochta. I am delighted to welcome the publication of the strategy, which sets out the priorities for investment until 2021. It is crucial that, as we move forward, projects are planned and prioritised well in advance and that a fair process for deciding priorities is put in place. That cannot be done at the last minute. Therefore, I welcome that this was planned so far in advance, and, hopefully, we have our priorities correct.

The previous investment strategy, published in 2008, proposed £19 billion of investment. In



the current strategy, the comparable figure has been reduced to £13.3 billion. When the First Minister responds to the debate, perhaps he would provide an explanation or rationale behind that significant drop. Much of it may be down to the failure of the British Government to live up to financial agreements, and I would appreciate the First Minister providing the House with an update on how the dispute mechanism is progressing and whether we are any closer to a positive resolution.

The subject of social clauses has already been discussed in the Chamber today. Their inclusion, not only in capital projects but in the delivery of goods and services, is particularly welcome. A number of examples have been cited, and those are a good way of demonstrating to the public that progress has been made. However, perhaps the Minister can outline how progress will be monitored in the coming years.

The investment strategy is crucial if we are to deliver on the Executive's social agenda of tackling poverty and disadvantage. In particular, the decisions taken by the Minister of Agriculture and Rural Development to relocate her Department's headquarters to Ballykelly and, more importantly, to move the headquarters of the Forest Service to County Fermanagh demonstrate real delivery by the Executive in tackling regional disparities. That allows me to move nicely along to talk about County Fermanagh.

If Members turn to page 5 of the publication, they will see a finely produced screen grab of the ISNI website, but, unfortunately, much of County Fermanagh has been covered by a key. The people of that affected area, including those living in Enniskillen, Belcoo, Derrylin, Kinawley, Boho and Derrygonnelly, will want assurances that their local area will be included in the roll-out of the strategy. I would appreciate that confirmation from the Minister.

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

**Mr Flanagan:** Happily, Jim.

**Mr Wells:** I knew that this was going to happen: somebody from Fermanagh would be complaining. I hope that the Member will mention that, in Enniskillen on 24 June, we opened the most modern hospital in Europe at a cost of £279 million. Will he recognise that that is a huge vote of confidence in the Fermanagh and South Tyrone area and at least acknowledge that a lot of money has been spent in his constituency in recent years?

**Mr Speaker:** The Member will have a minute added to his time.

**Mr Flanagan:** I thank the Member for that, and I thank the Speaker for the extra minute. Obviously, I am delighted at the opening of the new hospital. However, I would like to point out to the Member, who is the Deputy Chair of the Health Committee and maybe a future Health Minister, that it is not about only buildings and that, despite the opening of the new hospital, the people of Fermanagh and Tyrone have raised serious concerns.

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

**Mr Flanagan:** I will in a second, Mr Wells.

The building is an amazing feat, but it is about the services and the staff, as well as the support that is provided to staff and patients. We welcome the building. Of course it is a positive development, and an awful lot of good work was put into it. I note that I am standing beside Barry McElduff, so I will stop talking about the hospital and give way to the Member.

**Mr Wells:** Does the Member also accept that the Minister authorised additional expenditure to the Western Trust for an extra 16 nurses at the new hospital to cope with the increased demand on that excellent new service?

**Mr Flanagan:** I will, of course, acknowledge that, but we will wait to see how it pans out. Some nursing staff have reported that they are walking up to 12 miles a day, which is unacceptable. So, we will wait for that to pan out.

When we look at the areas that I mentioned, which Mr Wells was quite perturbed by, we see that considerable investment is needed as a result of historical underinvestment. As Mr Nesbitt referenced, broadband access and mobile phone coverage are very poor in those areas, although I do not think that he was specifically talking about them. The roads in many parts of Fermanagh are in a terrible state. We do not boast a single metre of dual carriageway, motorway or active railway line. So, it is good to see that there will be further investment in telecommunications. I had a couple of engagements last week with prospective telecommunications providers, and, working with DETI and DARD, they are talking about a further roll-out of mobile phone and broadband access in very hard-to-reach areas, which is very positive.

It is, however, disappointing to note that no further improvements to the A4 and N16, which link Sligo and Belfast, including a much talked-about bypass of Enniskillen, are included in the strategy. However, I note that that remains a priority in the regional development strategy. The Executive can expect to hear more about that in the coming years, because the people of Fermanagh expect considerable progress to be made on it.

I also warmly welcome progress on the redevelopment of the Ulster canal, which will provide a significant rural investment and regeneration opportunity and recreate an extensive all-island inland waterway network of over 600 miles, as well as provide further activities for the people of Fermanagh and the tourists who go there.

The redevelopment of the old Erne Hospital site in Enniskillen to turn it into a public services hub for all government agencies is a very ambitious project that Fermanagh District Council, in conjunction with the MP and six MLAs for the area, is taking forward. It is important that that project receives support from the Office of the First Minister and deputy First Minister as well as from the Strategic Investment Board. Having recently visited Enniskillen to hear further details about the proposal, I am hopeful that the First Minister and deputy First Minister will roll in behind the scheme, which will deliver significant regeneration opportunities for the town centre and stop the slippage of crucial public sector jobs from Fermanagh. Some key tenants, such as the South West College, have already bought into the concept and are prepared to move forward on it. It is important that other Departments assess the potential benefits of greater collaboration and join us on that project.

### 1.15 pm

One point missing from the strategy is spatial planning on an all-island basis. The Chair of the Committee for the Office of the First Minister and deputy First Minister hit the nail right on the head when he said that we are a small country. However, we have a population of 6.4 million, not 1.8 million. We cannot afford to have two systems of everything. That leads to unnecessary wastage and duplication. Looking at my area, which you are all fed up hearing about, that leads to the complete neglect of border communities. There is no need for back-to-back planning on this island. Such an approach needs to be consigned to the dustbin of history.

**Mr McGlone:** Go raibh maith agat, a Cheann Comhairle, agus gabhaim buíochas leat as an seans an stratéis seo a phlé. Thank you for the opportunity to discuss the strategy. I welcome OFMDFM's presentation of the investment strategy for 2011-2021 and the opportunity that it presents to debate the long-term plans of the Executive to address the economic situation.

I go back to a point made by Mr Givan. Perhaps he did not regard as important broadband speeds and communications in some of our rural areas. If we are to have a roll-out of proper business, we need an effective and efficient communications strategy. That includes broadband, which is so pivotal to growth, especially of the agrifood sector, as anyone with a knowledge of the sector knows. It is how many farms develop and monitor their operations, right through to the host and parent companies. Therefore, if we are emphasising agrifoods, as we rightly do, communications has its role to play as well in the development of that sector.

The strategy envisages some £5 billion being spent between 2011-12 and 2014-15, and a further £7 billion between 2015-16 and 2020-21. As we saw with previous long-term investment strategies, however, the actual investment delivered will depend on economic circumstances and political decisions beyond the control of this or the next Executive. Perhaps by 2021 the A5 project will be complete.

Corporation tax remains the great unknown in the Executive's investment strategy, and it may have implications for the strategy. There is general agreement that a reduction in corporation tax would encourage investment and provide a much-needed boost to our economy. We continue to hear about the negotiations with the Treasury and how they are at a critical point, but we have no clear information about when or if the devolution of the power to set the corporation tax rate will take place. More importantly, we have little or no information about how much the devolution of that power will cost the Executive, other than speculation ranging from £200 million to £700 million. It is very important to provide us with more detailed discussion and factual advice in that regard. It is a key point that needs to be resolved if we are to be able to plan for investment in the years ahead.

According to the strategy, cohesion, sharing and integration are at the heart of how we plan for the future. That is another area of OFMDFM strategy in which we have lack of clarity. Even today, that clarity may not exist. As well as the

specific policy, there is much more to be done on increasing the cohesion, sharing and integration of public services on a North/South basis. Mr Flanagan referred to that. I welcome the Health Minister's recently declared intention to explore fully an all-island solution for the provision of paediatric congenital cardiac services. That, too, is an important, reasonable and sensible position.

A successful investment strategy can be seen in the results. How successful has the strategy been to date? A key result by which we can assess the Executive strategy to date is in job creation. I welcome the £138 million investment in the policing and emergency services centre at Desertcreat in my constituency. That is very important and is good to see. It will have benefits and spin-off for local services, and, hopefully, it will lead to local employment of unemployed people from the construction industry.

Given the make-up of the Executive, however, let us compare the impact of the Executive strategy for the past five years in the First and deputy First Ministers' constituencies. The figures are from the Department of Enterprise, Trade and Investment. From 2007-2012 in East Belfast, total planned investment was over £750 million, assistance offered by Invest NI was £58.81 million, and the number of new jobs expected is 2,914. In Mid Ulster over the same period, total planned investment was £165 million, assistance offered by Invest NI was £17.71 million, and the number of new jobs expected is 1,690. *[Interruption.]* You are bound to be clapping for all sorts of reasons after hearing those figures and not just because of the 1690 one. Members can draw their own conclusions about the apparent regional disparity that shows up through those figures. I should declare an interest — I represent that constituency and was born and brought up in it.

On the subject of investment over those five years in a constituency that the deputy First Minister's party used to be concerned about, West Belfast, the relevant figures are £51.16 million for total planned investment; £5.74 million of assistance offered by Invest NI; and 913 new jobs expected. Those figures are not a record of actual new jobs created. The Northern Ireland Audit Office review of Invest NI's performance noted that Invest NI's own estimate of the conversion rate from expected to actual new jobs is 75%. Other estimates suggest that the conversion rates into jobs created that are fully additional is as low as 50%.

Across the North, between 2007 and March 2012 there was a decrease of 38,500 jobs, one third of which was in the construction sector. Therefore, for many of those people, the issues around corporation tax, investment and, indeed, looking to Europe, which is the responsibility of OFMDFM, and how matters might pan out there as we move from the notion of austerity alone to the idea of growth and how investment may be drawn down is paramount. The role of the First Minister and deputy First Minister in liaising and working with Europe as we seek to get information, look for investment, and to be at the races in drawing down that investment is of crucial and paramount importance to the many people we represent. Indeed, instead of watching the boats leave for places such as Australia, we should be giving hope to our young people.

The rises in unemployment have been higher here than in England, Scotland or Wales. That in itself can hardly be viewed as a coherent, shared and integrated success. The SDLP wants to see an investment strategy that delivers jobs in all our constituencies not just those with a particular party representative at Executive level.

**Mr Speaker:** The Member's time is almost gone.

**Mr McGlone:** That would mean an investment strategy for all our people, particularly for our young people.

**Mr McCarthy:** The Alliance Party broadly welcomes the investment strategy as brought to the Assembly this afternoon by the deputy First Minister. The strategy is a key overarching document from the Executive, and it is important to give strategic direction over the medium to long term. It is also important that we continue to invest in our local and regional infrastructure for a number of reasons.

First, especially when investments are strategically planned, capital expenditure will increase the competitiveness of the Northern Ireland economy. The quality of our infrastructure is something that does make a difference to investors, both international and local. Ease of mobility is one key aspect. That is something we should bear in mind in light of the ongoing traffic chaos in Belfast. Let us hope that that is a short-term inconvenience to reach a long-term goal.

Secondly, it is important that we continue to provide quality accommodation for the delivery of our public services. A number of sectors

have suffered from a lack of investment down the years. That includes water and sewerage services, and the consequences of that have been very clear this year and in recent years.

Thirdly, investments will bring employment opportunities. That is particularly important for the much beleaguered construction sector, which has suffered more than any other sector in the recession. All efforts must be made to get our tradesmen and tradeswomen back to work as soon as possible.

Finally, the multiplier effect of that investment in construction in spending and the maintenance of jobs in the wider economy is regarded as greater than other aspects of public expenditure. The Construction Employers Federation has been consistently strong in making that point in recent times.

Our public expenditure environment has changed considerably over the past few years. We have suffered as the UK Government pursues their austerity measures overzealously. As a result, our capital budgets have been constrained. Indeed, the future remains uncertain in that regard. Therefore, we in the Alliance Party are content for consideration to be given to other forms of revenue-raising and alternative sources of finance.

I wish to highlight a number of specific issues. Although the Alliance Party welcomes the investment in transport by the Executive, we continue to be concerned by the balance between roads and public transport. Our balance is tilted very much in favour of roads, which is still the case even when you factor in the rural nature of much of Northern Ireland. Perhaps Belfast needs proper investment in public transport rather than the creation of an artificial battle between public transport and the private motorist.

The Alliance Party accepts that our health estate is in need of substantial investment. We must strive to provide first-class facilities that are as near to our public as humanly possible. I think of the threat to our children's cardiac unit in Belfast. We must also appreciate that the health sector is about to go through its biggest change in a generation through the Transforming Your Care process. It is critical that future investment in health and social services reflects and is consistent with changes in policy and that it delivers a first-class service, from the cradle to the grave, to everyone in Northern Ireland.

The Alliance Party supports further investment in our schools estate. It is important that our

children are educated in modern and safe buildings. I very much welcome the fact that the brand new Tor Bank School in Dundonald for our children with special needs is almost complete. We have campaigned long and hard for it, and it is almost there. We welcome that. We cannot deny the current demographic problems in our education sector, with a forecast of some 85,000 empty school places and an already inefficient sector, with many layers and providers. An over-provision of schools already means that our education revenue budget is skewed in favour of maintaining buildings, many of which are underutilised, rather than investment in the direct needs of our pupils. It is important that future investment does not lock us into an already inefficient pattern for another generation. We need to ensure that future investment reinforces policies around area planning and sustainable schools. In particular, full consideration needs to be given to a range of options for shared education, including schools that are integrated and open to all.

As I come from the Alliance Party, you would expect me to reinforce the need to "shared future-proof" all our future investments. All public space is and should be protected as common and shared. However, until now, the divisions in our society have often shaped the provision of public buildings and facilities. Often, their use has been dominated by one particular section of the community. Hopefully, that state of affairs is now coming to an end. Future investments should be situated and designed in such a manner as to maximise their use by all members of our community on an equal and free basis, regardless of race, colour, religion, etc.

I welcome the recognition of what has happened in the past and the commitment to more proactively seek options for sharing in the investment strategy. In that regard, the strategy goes somewhat further than some other government documents, which can only be good for our entire society. Those commitments should be integrated into the consideration of business plans, with specific requirements to demonstrate that opportunities for sharing have been maximised and the risk of partial use minimised. Furthermore, issues around sharing should be encompassed in future planning. The investment strategy that was presented this morning contains many —

**Mr Speaker:** The Member's time has almost gone.

**Mr McCarthy:** — ideals. Let the Assembly prove its worth, and let us do our utmost to

bring prosperity, employment, etc, to every corner of Northern Ireland.

**Mr Weir:** I welcome the investment strategy . As politicians, sometimes the accusation is that we engage in short-termism, that we are reactionary in our nature, or, indeed, that, on some occasions, we do nothing at all.

This document is the very antithesis of that. Instead of being short-term, it builds on what is already in place and projects ahead to 2021, the anniversary of the foundation of the state of Northern Ireland.

### 1.30 pm

In the debate, I would like to hear unambiguous support for the document, although I suspect that I will not, necessarily, hear that. It seems that some Members — we have heard from some already — cannot look into a bright, sunny day without seeking the clouds on the horizon. I urge Members to take a leaf out of the progressive book of Mr Flanagan across the Chamber. I see a slightly surprised look from Mr Wells and others, but Mr Flanagan has shown that this is very much a day for moving forward. Five or 10 years ago, he would have complained about any map that contained Fermanagh within Northern Ireland — he was trying to get it out. Now his complaint appears to be that Fermanagh is obscured on a map of Northern Ireland. We should all welcome that positive embracing of the strategy.

There is no doubt that we all should embrace the importance of the document. An investment of £13.3 billion is talked about. Let me give one indication of the scale of that investment. About half of the construction jobs in Northern Ireland, around 30,000 jobs, are dependent on ongoing public investment and public works. If there was, for instance, no investment strategy and no investment, that, in and of itself, would increase the unemployment rate in Northern Ireland by 50%; it would rise from around 60,000 to 90,000. The investment is highly significant.

In a joined-up approach, as highlighted by the Finance Minister in his earlier statement on public procurement, through this document and other means, we are looking at how best we can focus in that investment for Northern Ireland. That is particularly seen with the social clauses that are referred to in the document and the ongoing work to ensure that public procurement is very much open to local small and medium-sized enterprises. It is about delivering for the whole of Northern Ireland.

I think that it was Mr Flanagan who compared the levels of investment in the previous Assembly with those of this Assembly. The very obvious reason for that difference is that the block grant from across the water has been cut so substantially. Although a lot of the focus at that time was on the impact on revenue spend, the levels of reduction that came from the Westminster Government were much more heavily weighted towards capital spend. I believe that government across the water — across the UK — needs to focus much more on capital spend, and, as a party, we will return to that focus later today in our amendment to the final motion.

The document covers a wide range of areas, and it would be impossible to touch on them all. However, I want to mention a couple.

The high level of significant investment in health has been mentioned, and I suspect that, in his contribution, Mr Wells will deal with that. We have seen investment in state-of-the-art equipment and buildings that can enable us to move towards a much healthier society. Locally, significant investment has been made and continues to be made at the Ulster Hospital in Dundonald. That is very important for the wider greater Belfast area, particularly for north Down, Strangford and east and south Belfast. That is something through which we can make a massive difference.

A vast investment has also been and is intended to be made in our town centres. One of the concerns raised, particularly by local businesses, is that town centres have suffered from the growth of out-of-town shopping centres and internet sales. Investment has taken place and continues to take place in our town centres, and I look forward to the ongoing work between North Down Borough Council, local traders and the Department for Social Development to invest in Bangor and Holywood town centres. That is a major step forward.

Much has been made of our waste water infrastructure. Clearly, we have suffered the consequences of that from time to time when there are, for instance, heavy deluges of rain and flooding. The commitment in the document to improve the waste water infrastructure and, on the other side of the coin, the waste infrastructure with the waste groups will bear dividends for Northern Ireland as a whole.

The previous Member who spoke mentioned education. There are areas in education requiring specific investment, but we must ensure that we have appropriate buildings for

our children in the 21st century. Rightly, the specifics of where investment will take place await the wider education audit. However, I express my hope that, in my constituency, priority will be given to the shared building scheme in Holywood and the much-needed newbuild for Bangor Central Integrated Primary School.

This is a good news story for Northern Ireland. It shows that the Executive are delivering. The document looks beyond what government can do; it looks to where government can lever in additional funding. We can expand the capital amount, not simply by lobbying Westminster or through direct spend by Departments but through trying to find innovative solutions. I do not believe that ideology should act as a barrier to practical solutions. We need to ensure that we have solutions that work, but every additional piece of capital that we can lever into Northern Ireland to find that investment is to be welcomed.

I believe that this document builds for the future, that it will help our economy and that it is something that we can look forward to with great anticipation. In a number of years, we will be able to look back with a sense of pride at the fact that, at a time of great economic troubles, we were prepared to invest in our capital structure. The strategy is both an end in itself and the means to an end, and so I call on the House to support it.

**Ms McGahan:** Go raibh maith agat. I welcome the publication of the investment strategy. It is important that it lives up to its key objectives if it is to have a lasting impact on disadvantaged communities. This is about standing up for deprived areas. It is about ensuring that the most vulnerable are protected as far as possible from the demoralising impact of the continuing economic downturn. The investment strategy must support communities to build pathways to employment, tackle deprivation, increase community services and address dereliction.

I welcome the further investment in telecommunications. I come from a rural area, and broadband provision in such areas has been a key issue. Evidence-based studies can be provided to show mapped hotspots with little or no coverage. Local people face issues including an impact on businesses, particularly in export businesses that require adequate infrastructure. Many of those are major rural employers. The agriculture sector is also impacted, particularly through the additional requirements to make online transactions, including those for HMRC, VAT returns and so

on. Many rural residents do not receive the same opportunities as those in urban areas, and that can impact on their education and quality of life.

I also welcome the focus on skills. During August, in the Dungannon district of my constituency, 500 young people were not in work, education or training. As outlined in research papers, one of the main planks of the road map for economic growth is ensuring that the long-term unemployed keep in contact with the labour market. Skills levels are an important factor for economic growth, and there is a need to deliver genuine potential for full-time employment.

Finally, it is important that all agencies are involved so that communities get the best value from the money invested in their area and a positive legacy is created.

**Mr Wells:** Mr Speaker, you will recall that, during the Minister of Finance and Personnel's statement, an honourable Member's mobile phone went off. I trust that you will search out that culprit and that the full wrath of the Speaker's Office will come down upon them.

**Mr Speaker:** The search is ongoing.

**Mr Wells:** Good. I hope that the full wrath of the Speaker's Office will come down on the head of the culprit who offended the House by letting his or her mobile phone go off in the middle of that important statement.

On a more serious note, this is, as many Members have said, a good news document. Huge progress has been made, much of it west of the Bann. As expected, some Members have already stood up and accused the Executive of concentrating resources in specific areas, but, if we look at the health estate, we see that most of the good news has been in Fermanagh and Tyrone. I have already mentioned, in response to the Member for Fermanagh and South Tyrone, the new South West Acute Hospital. The Health Committee had the privilege of visiting that new facility three weeks ago. As it stands, it is the most modern acute hospital in Europe. Of course, new hospitals are being built elsewhere on the continent, and, eventually, that situation will no longer apply. However, at the moment, we can be proud of the fact that we have delivered that amazing new facility at a cost —

**Mr Flanagan:** I thank the Member for giving way. I am not being negative about the hospital; it is just the negative thing that I have

about language. However, there is this line that is always used that says, "It is the most modern hospital in Europe". It is the most modern hospital in Europe until another new one opens, and then it is not any more.

**Mr Speaker:** The Member has another minute added to his time.

**Mr Wells:** If Mr Flanagan sees light at the end of the tunnel, he goes out and orders more tunnel. That is the reality. It is always a case of the glass being half empty rather than half full. On an occasion when the Executive deliver a brand new facility, I would love Members from west of the Province to stand up, recognise that fact and acknowledge that huge resources have been put into Mr Flanagan's constituency. The vast majority of the work in that contract was carried out by local contractors. The stone was supplied from Fermanagh. Much of the electrical work and a huge proportion of the construction work were carried out by his constituents. That local contractors successfully tendered for that work in the face of very stiff competition is also a good news story.

We then move up to Omagh, where, again, after a lot of campaigning from the representatives of Mid Ulster and west Tyrone, the Minister of Health has announced a brand new local hospital at a cost of £90 million. That is to be very much welcomed.

Of course, we then had the announcement of a new radiotherapy unit at Altnagelvin Hospital in Londonderry. We all remember that, on the last day of the previous mandate, the then Minister of Health and Social Services, Mr Michael McGimpsey, stood up and said that there was not the money to buy that new cancer therapy unit for Altnagelvin. Within a few weeks, we had an election and a new Minister. In conjunction with the First Minister, he was able to announce that the money had been found for that new unit. It is essential that it goes ahead, not only for cancer sufferers from the north-west but for those from the Irish Republic. That is a good news story that, again, I hope individuals would recognise as such.

I, of course, am delighted with the provision of the new local, and, again, extremely modern, hospital in Downpatrick. To use an Americanism that I do not like but that sums up what we must do, we have to sweat those assets. Having put a huge amount of capital into the development of those new facilities, we have to make certain that they are fully utilised. That may mean that we have to move patients down to those facilities. As we all know, it is

much further from Belfast to Fermanagh than it is from Fermanagh to Belfast, in the sense that we expect people to travel from rural areas of Northern Ireland to Belfast to avail themselves of acute services, but it is unreasonable, we are told, to expect Belfast people to go west of the Bann to visit modern facilities. We are going to have to try to encourage consultants and experts in their fields to utilise these modern facilities, wherever they are in Northern Ireland, and not concentrate on the congested greater Belfast area.

All those capital investments — I could mention Gransha, the new wing in Altnagelvin and so many others — are very welcome. However, we are moving forward in the context of 'Transforming Your Care', which will fundamentally change the direction of how health is provided for in Northern Ireland. There will be a move towards more community, secondary-based care. There will an expansion in the number of local clinics and health villages, and a moving of resources down the ladder of healthcare provision and away from the very expensive A&E facilities that we have in Northern Ireland.

I, therefore, welcome, for instance, the development of a new healthcare facility in Portadown. We were all delighted in south Down when the Minister came to Banbridge to announce its new health village. Seven of those villages have already been completed, but if we are to deliver 'Transforming Your Care', we will have to develop such facilities throughout Northern Ireland so that the first port of call is not the hospital A&E but your local healthcare provider in the form of a community health facility. That will require a fair degree of investment over the next few years.

Setting aside my health hat, I make one plea. Missing from this document is the Ballynahinch bypass. I think that all those who represent South Down or Strangford want to see that facility provided very soon, because the congestion is killing Ballynahinch and preventing access to the rest of south Down.

**1.45 pm**

**Mr Kinahan:** I apologise for not being here at the beginning of the debate, which I very much welcome. However, I question its true value, given that it is taking place months after the publication of the Programme for Government and 17 months after the return of the Assembly. Those are two events with which, you would have thought, the 2011-2021 investment strategy should have sought to be in tandem.

Nevertheless, its eventual publication is still very welcome.

My comments today will largely focus on the proposed investment in skills, of which the lion's share unsurprisingly appears to be directed towards education. I will follow my brief as education spokesman for my party and say that, although unreasonable spending reductions should be required by most Departments, and I believe that education should be no exception, I fear that, without due consideration and thought, cutting hastily now will have huge impacts on education in years to come.

Given that a significant contributory factor to our future economic success will be the ability of our workforce to adapt to future challenging circumstances, we must ensure that our young people are given the skills and training required to allow them to enter what will be a truly globalised world economy. Sometimes I fear that we are a little too insular in the Chamber. Jobs are important and, indeed, vital here, but we must also look outwards at the same time, find every Northern Irishman, every Ulsterman, every Ulster Scotsman, the Irish and everyone abroad, and develop our links with them for apprenticeships. Do not exclude the voluntary sector either, or the Churches. We should be developing all our links worldwide and investing in every possible corner that we can touch.

The skills section of the strategy unsurprisingly contains many lines of self-praise and self-adoration, just like those we heard in a previous speech, but I warn that, in sweating our assets, what we seem to be doing is sweating our patients. It is they who are taking a lot of the stress. I would like to delve into detail a little. The strategy refers to 47 major capital school projects having been completed since 2008, as well as the announcement in June 2012 of a further 18 capital projects. I make the point that, for every one of the schools that was fortunate enough to have been included in June's statement, there were, and still are, many that are desperately clinging to the hope of new funding as they literally watch their buildings crumble around them.

One school in particular that I know has yet to go through a fruitless battle with many over its new resources is Parkhall Integrated College in my constituency. For nearly 10 years it has been expecting a newbuild. It watched Massereene Community College be demolished and thought that that was the start of it all happening, yet it is costing over £200,000 a year to keep the school running on split sites. The newbuild was delayed by the

previous Education Minister, with more loopholes being added, and it is now being delayed by the area planning consultation. There are many schools like that, all waiting for building work.

The Education Minister will be aware that I have long had concerns about the excessive attention that he is devoting to prioritising the Irish-medium sector. Although spending his time on such projects is all fine and well, and it is his democratic right to do so, it is when he continues to spend large sums of money on such projects to the detriment of the other sectors that the situation becomes unacceptable. Today's strategy has quite rightly identified area plans as a key determinant of future capital priorities. Again, all Executive Ministers will be aware of the huge concerns over the current consultation on area planning. Every Minister represents his or her constituency, and they all will no doubt have had representations from local schools and parents about the flawed nature of the entire process.

Consultation is ongoing on post-primary education, but parents, teachers, staff, governors and even boards do not feel that they have been properly consulted. A week ago, the members of the stakeholders' group, mainly the parents and teachers there, complained that they had not been properly consulted. They asked us to hit the pause button and then move quickly when we have got the decisions.

The investment strategy refers to working towards the sharing of education. Indeed, it even makes particular reference to Lisanelly in Omagh. That should have been a site with huge potential, but because of the failure of the Department to secure appropriate buy-in, as well as the failure to show flexibility for local concern, the site continues to represent missed opportunities. I suppose that, in a way, that sums up the past five years of mutual carve-up. Everyone in the Chamber truly believes that the future of our education system is one that is built on greater sharing and collaboration between sectors. My party is clear about how we see its future here, which is as a single education system in which children of all faiths and none are taught in a welcoming environment. I am in no doubt that Northern Ireland is still years from seeing this, but we should be looking towards current efforts, such as the shared education programme, to see how it may be done in years to come.

The area planning process is carving up our education system, not sharing it out. The investment strategy should be helping to



promote sharing, not limiting it. We all know of cases in almost every town and village where there are multiple schools from different sectors, often all of them with an intake below the maximum enrolment.

At present, many of them are terrified of the changes that are coming, but of which they know so little. In many cases, it is those schools, of all types, that are leading the way in sharing and working together. I think of the excellent example in Moyle, or possibly what is coming up in Crumlin, where there is a proposal for a shared management school to suit unionist and nationalist families. That is truly groundbreaking.

Just think of the savings that area planning could bring in.

**Mr Speaker:** The Member's time is almost gone.

**Mr Kinahan:** Hopefully, when the Assembly gets around to discussing the 2021-2031 investment strategy in a decade's time, this vision for education in Northern Ireland will not be so far off in the distance.

**Mr Speaker:** The Member's time is gone.

**Mr Hazzard:** Go raibh maith agat, a Cheann Comhairle. I, too, welcome the publication of the Executive's investment strategy. With laissez-faire underinvestment characterising much of direct rule governance of the North in previous decades, the local Assembly has been faced with serious infrastructure inadequacies from its very inception. Thankfully, however, the Executive recognised that modern infrastructure is vital to the future regeneration of our local economy, and with that in mind initiated schemes to ensure that moneys available were used. In total, more than £5 billion has been invested in the past four years.

Set against the backdrop of unprecedented international economic decline, the ability of the Executive to consolidate local accountable government with a capacity for global investment has been a remarkable achievement for all concerned. Communities throughout the North now enjoy the benefits of improved healthcare facilities, modern transport systems, new schools and one of the most modern telecommunications networks in Europe.

However, both the supranational and regional economic environments remain delicate, to say the least, and the Tory-led coalition

Government in London continues to cut public spending. With the Executive's focus now turning to protecting jobs and public services, infrastructure investment will undoubtedly reflect the current climate. In the next few years, investment will have to secure value for money at every level. Now, more than ever, we must invest in the right place at the right time. Only by doing so can we provide the catalyst for growth in tandem with protecting front line services.

Linking the investment strategy to the continued delivery of the Executive's social agenda of tackling poverty and disadvantage is to be welcomed. Indeed, the inclusion of social clauses in goods and services as well as capital investment projects has been a real success in the past few years, and we continue to see how they can help young people to access valuable training and employment opportunities.

I call on the Executive to reinforce the already considerable impact of social clauses in investment contracts. In these economic times we should be looking to include such measures in as many places as possible. I would also like the Executive to publish details of the impact of social clauses on a regular basis so that the Assembly can monitor the commitment of all Ministers and their Departments to the Executive's social agenda throughout the North.

Connected to the significance of social clauses and the wider principle of equality of opportunity in Executive investment is its ability to incorporate economic growth with cohesion, sharing and integration in our society. We are only too aware of the deadly divisions that have come to characterise life across many parts of the world. From Jerusalem and Beirut to Berlin and Belfast, walls have kept communities apart and services duplicated, with existing patterns of infrastructure still imitating those divisions today.

It is crucial that this new investment strategy leads the way in breaking down barriers, both physical and mental. Only through area-based planning and investment can we ensure that public moneys are used effectively and efficiently, while supporting the strategic aims for cohesion, sharing and integration.

Such principles guide much of what is contained in this investment strategy, but there can be little doubt that it is within education in particular that these challenges are being put front and centre of future planning and investment. Sinn Féin has continuously advanced the argument that the priority in education going forward must be to ensure that

all our young people receive the highest quality education.

Against a backdrop of the most challenging Budget settlement in education history, it is clear that we must prioritise the needs of children over institutions. At the core of that challenge is how we plan investment in the education system. The 2006 Bain report illustrated beyond all reasonable doubt that we have inherited a pattern of provision that is unsustainable both educationally and financially. As outlined by various educationalists, we have too many schools that do not have the capacity to give young people the broad and rich educational experience that they deserve.

It is encouraging to know that the Executive plan to invest to meet the needs of our children and not the demands of the institutions that we inherited. Through area-based planning, the pattern of provision and investment will be dictated by the needs of education in the 21st century and an economy that requires a diverse, educated workforce with a vast array of skills. Bearing in mind that the needs for investment far exceed the funding available, the importance of strategic and focused area plans cannot be overstated. That will be fundamental in identifying priorities for capital investment.

With more than 40 capital school projects completed in the last few years, a further 18 major capital school projects are now under construction, including five special school projects. Coupled with the schools enhancement programme, that exceptional investment in education provision has been a considerable boost to the local construction industry. Taken in conjunction with the wider educational estate of further and higher education, the best part of £1 billion has been invested in local education provision. That will undoubtedly enhance our local skills base and contribute greatly to the local economy in years ahead.

The investment strategy outlines that:

*"A peaceful, fair and prosperous society has at its heart a well educated populace with the skills to engage fully and positively in society and in the economy ... The skills-base of countries and regions is increasingly the key determinant of relative economic growth, competitiveness and productivity — factors vital to support higher living standards in an increasingly globalised economy."*

The commitment to spend £5 billion in the first four years is to be welcomed, especially when such investment contains a solid focus on job-maximising programmes. I welcome the emphasis on focused and integrated planning. In times of economic hardship, it becomes increasingly pertinent to invest taxpayers' money effectively and efficiently. I am content that the investment strategy bears that in mind.

**Mr D Bradley:** Go raibh míle maith agat, a Cheann Comhairle. Fáiltím roimh an díospóireacht seo ar an straitéis infheistíochtas. I welcome this debate on the investment strategy. The strategy recognises that growing a regional economy will benefit from strong cities and rural areas. It states that our rural areas, including our towns and villages, have a key role in supporting economic growth:

*"Our rural areas offer real opportunities in terms of potential for growth in the provision of rural recreation and tourism, their attractiveness as places to invest, live and work".*

I certainly agree with that.

You will forgive me if I use examples from my own constituency to illustrate some of my points. Newry and Armagh are good examples of cities that are ripe for future investment. Newry is well placed to capitalise on North/South trade, not just retail but tourism and commerce. The city would benefit greatly from infrastructural investment. For example, a southern relief road would take heavy traffic from Warrenpoint docks directly onto the A1. Such infrastructure, as well as freeing up Newry city centre from heavy commercial traffic, would significantly reduce journey times to and from Warrenpoint docks, thus making that facility more competitive and placing it as one of Ireland's key ports for imports, exports and ferry services.

Reference was made earlier to the development of army sites. I look forward to the development of the old army base at Forkhill. I want to see progress on that site in the near future. The transformation of sites from symbols of conflict to signs of hope for the future is very important.

The facilities that they will offer local people will be welcome.

**2.00 pm**

I welcome the urgency that the Minister of the Environment has brought to planning decisions.

Tardiness in the planning process has frustrated commercial and industrial development through the years. Speed and efficiency in the planning process will encourage future and further investment, which is badly needed at this time.

As was mentioned earlier, it is important that connectivity in rural areas and, indeed, cities outside of Belfast and Derry is a priority. Recent indications show that much still has to be done to ensure that broadband speed and mobile connectivity are enhanced in all areas. These are now a prerequisite to investment.

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

The document emphasises the investment in tourism. There is a growing perception that, in this respect, the focus is on Belfast to the exclusion of other areas. We in Newry and Armagh have cities that have much to offer and areas that would benefit from further investment. Newry is a city of waterways where there is potential to develop the Albert Basin as a key regenerator for the city and where a new weir on the Clanrye would control the flow of the river through the city centre. Newry canal has great potential for development, and the Inland Waterways Association of Ireland has been leading the way in showing what is possible.

Both the cities of Newry and Armagh are ideally situated to exploit the Irish Christian heritage that we are all so proud of. Both cities are also within reach of Belfast and Dublin and the rich heritage of the Boyne valley. We have world-class places to visit: the Mourne, the Ring of Gullion and the Cooley peninsula. Investment in tourism infrastructure, including the bridge at Narrow Water, would do much to enhance the tourism product.

The strategy states:

*"Through the Investment Strategy we will also seek to tackle regional disadvantage by addressing the issues that affect our rural communities: tackling" —*

**Ms Ruane:** Will the Member take an intervention?

**Mr D Bradley:** Yes, sure.

**Ms Ruane:** Go raibh maith agat. I thank the Member for taking an intervention. I am glad to hear that he has mentioned the bridge at Narrow Water. Will he agree with me that we

need to get planning in the North and with An Bord Pleanála in the South and that the sooner we do that the better? He speaks about regional disparity. Will he agree that that is one of the areas and ways of reducing regional disparities?

**Mr Principal Deputy Speaker:** The Member has an extra minute.

**Mr D Bradley:** Thank you very much, Mr Principal Deputy Speaker. If the Member had been in earlier, she would realise that I mentioned two bridges: the southern relief road, which is also a bridge, as well as the Narrow Water bridge. She will know that the SDLP has led the battle for the Narrow Water bridge, and I welcome the fact that she has come on board as well. Hopefully, we will be able to cross the bridge together some day in the future.

As I was saying, the investment strategy states that it will:

*"seek to tackle regional disadvantage by addressing the issues that affect our rural communities: tackling poverty, encouraging diversification, enhancing connectivity and improving the overall quality of service provision."*

I hope that these are more than mere words and that they will, in fact, be put into action in the future. I hope that this will be applied to such areas as Newry and Armagh.

Much has been said about the importance of the devolution of corporation tax powers. Perhaps one illustration of that is a report that I saw recently in 'The Irish Times' that announced 300 extra jobs in the creative industries for Galway city. It said below the headline that corporation tax was the key element in securing the investment.

That illustrates, if anything does, the need for Northern Ireland to have a rate of corporation tax that is competitive and attracts jobs. Hopefully, this will be pursued with even greater vigour by the Executive in the weeks and months ahead. Cuirfidh mé críoch le mo chuid cainte ansin, a Phríomh-LeasCheann Comhairle, agus gabhaim buíochas leat fosta as an deis cainte seo a thabhairt domh inniu. I will end there. Thank you for the opportunity to contribute today.

**Mr Allister:** Judged by its cover and glossy presentation, this is an impressive document. However, like most things associated with this

Executive, when you begin to read it, you discover that it really is a triumph of form over substance and, indeed, laid throughout with contradictions.

My first point is this: where has it been? When I pick up the OFMDFM business plan for 2011-12, and, if I am meant to take that document seriously and read it, I discover the promise to:

*"By June 2011 submit a final Investment Strategy 2011-2021 for Ministerial approval"*

Here we are, 16 months later. Has it been becalmed for all that time in the Executive? Was it submitted in June 2011? Has it been the object of some dysfunctional disagreement? Or was that promise not kept? Did it not get to the Executive by June 2011? Either way, it has taken a very long time to get to the House. Here we are, more than a third of the way through the first term of the period 2011 to 2015 before this shiny, glossy document lands on our desks. In itself, it is a demonstration of the failure and dysfunctional operation of this Executive that it has taken so long to get to this point.

I turn to page 6 of the document and read some very good-sounding, sensible affirmations:

*"When it is appropriate, we will seek to bring forward investment in those public works that are more labour-intensive at the expense of schemes that would deliver a lower employment impact. Research has demonstrated that areas like facilities and roads maintenance, refurbishment, upgrades and extensions typically support twice as many jobs as similar value works that require the purchase of land and specialist materials. The Executive is determined to maximise the impact on jobs of every pound invested in order to speed up economic recovery."*

I then turn over a few pages and discover that one of the projects that it lauds is the A5 project, which, of course, does not meet the criteria for a dual carriageway judged by the standards applied to others and does not have the required traffic volumes but is there because it is, essentially, a political demand. The Minister of Finance and Personnel, who might be thought to know something about these things, once said in the House about the A5 project:

*"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, p382, col 2].*

So much for making sure that every pound buys the most jobs, especially as one of the capital projects that is now highlighted in this document is something that the Minister of Finance said is not a job-rich project at all.

If we turn further into this document, we find at page 21 that it states that the focus now is:

*"on moving people rather than moving vehicles".*

That has been working. That has been a rip-roaring success in Belfast city centre in the past few weeks. Moving people rather than vehicles? We take half the road, prohibit vehicles other than buses and some taxis from travelling on it and say that we are in the business of moving people, not vehicles, while people sit in their vehicles for hours on end. Someone must have forgotten to tell those involved in the A5 road scheme that the focus is now not on moving vehicles but on moving people.

This is a document that I think, in itself, is flawed in much of what it has to say. It then tells us that one of the capital projects — this is about capital investment — is the moving of the DARD headquarters. I must say that the moving of the DARD headquarters will not create one new Civil Service job — not one new job in the public sector. So, it is hardly an example of jobs for pounds. It is another illustration of a strategy, if we can call it that, that does not really seem to have much idea where it is going.

Then I turn to page 44 and begin to read about things pertaining to our prison estate. I read about the enthusiasm for this consultation exercise on the outline estate strategy, with proposals for the development of the prison estate over the next 10 years. Not a mention of the fact that, just three or four short years ago, a programme was produced to rebuild Magilligan. Four million pounds was spent on bringing that proposition to the point of detailed plans.

**Mr Principal Deputy Speaker:** Will you bring your remarks to a close?

**Mr Allister:** Not a mention of the fact that, in concert with that, we are spending £5 million just opposite the prison to build a new sewerage works —

**Mr Principal Deputy Speaker:** Time.

**Mr Allister:** — to accommodate an 800-bed prison, as well as the local community. So, one has to ask —

**Mr Principal Deputy Speaker:** Order.

**Mr Allister:** — in which direction this strategy is going. Alternatively, is it just going in whatever direction suits the expediency of the moment?

**Mr A Maginness:** I think that the acid test of this document is in asking what difference it will make to investment in Northern Ireland over the next number of years. We are in a very difficult economic situation. We are in a double-dip recession. The United Kingdom certainly has not come out of recession yet, many countries in Europe are in recession, and the euro zone is effectively in recession. We are in a very difficult world, where capital transfers very quickly — in the space of a few months — from one area to another.

I look at this document to see whether there is a remedy in it that addresses those fundamental issues of recession, underinvestment, unemployment and under-resourcing. I do not sense that there is a real strategy in this document. Yes, there is an outline of various programmes across a wide spread of different Departments, and I welcome those. I think that it is important that we invest in projects such as the prison estate, the Desertcreat police college and Forensic Science. All those things — I take just that small section of quite substantial investment — are to be welcomed, and only a curmudgeon would be overly critical of the fact that £5.1 billion is going to be invested over the next four years or so.

**2.15 pm**

However, in my opinion, that is not sufficient. What one looks for in the document is some innovative thinking. It is not so much what is contained in the document as what is left out. I do not see a big emphasis on our relationship with the European Union. I do not see a great emphasis on how we will attract more funding from Europe through its various agencies into this region. Moreover, if we are to build an alternative strategy post-2013, I do not see much discussion on how we deliver on corporation tax. Those omissions, and the lack of detail and development, are glaring, and that makes the document weaker and less effective. I hope that that can be remedied. It is important that the Executive look at those areas to see whether we can develop in a deeper way those

relationships with Europe and the fiscal policy for corporation tax.

In addition, I looked for innovation on the green economy — the greening of our economy. There is massive potential in that area, yet there is little or no mention of it in the document. Yes, it mentions renewable energy, but it is almost an afterthought. It does not have the centrality that I believe it deserves. There is huge potential in the green economy and renewable energy, something that will affect not just our rural economy but our urban economy.

Therefore, there are deficiencies in the document. Although one welcomes a more considered view of government and government policy here —

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

**Mr A Maginness:** Yes; of course.

**Mr Bell:** Pages 36 and 37 of the document refer to the environment. What has the Member to say about the £1 billion investment since 2008; the work that has been done on recycling, through the Rethink Waste campaign; the work that has been done on flood protection measures, on defence and on drinking water; and Rethink Waste grants of £4.38 million? In 2011-12, there were grants for 26 projects, totalling £1.49 million. All those are on a double-page spread in the document, yet you say that the green economy is not included?

**Mr Principal Deputy Speaker:** The Member has an extra minute.

**Mr A Maginness:** Thank you, Mr Principal Deputy Speaker. Let me make this point: you are highlighting things that have taken place in the past. Another aspect of the document that I found rather odd was that there is a lot of emphasis — the First Minister can look at me strangely — on historical objectives and achievements. Yes, the Executive have every right to say, "Yes, we did this, and we intend to try to do more." However, the fact is that the document should be looking forward, not backwards. Yes, there are positive achievements, but we have to develop things in a much cleverer and much more innovative fashion in order to exploit the great opportunities that are there. Yes, the junior Minister is right to point out such things, but I do not believe that what he said contradicts the fundamental point that I am making, which is that there must be more innovation and creativity in government green policy. I would

like to see the Executive becoming a model innovator of the green agenda. I do not sense that it is, but that is the approach that I urge the House, the Executive and the Office of the First Minister and deputy First Minister to pursue.

I look at this document as a representative of North Belfast, and I ask the First Minister and deputy First Minister, what difference will this make to my constituents? What difference will this make to a North Belfast man? How much better will his life be? Will the strategy provide more job opportunities or a better standard of living? That is the acid test. I am not giving a definitive view on this, because we are only noting it today —

**Mr Principal Deputy Speaker:** Bring your remarks to a close.

**Mr A Maginness:** — but I am not certain that a North Belfast man would be entirely satisfied with the document.

**Mr Storey:** It is only right to place on record the fact that, despite all the negatives that Members have raised with regard to what is or is not in this document, an overall accumulative amount has, and will be, invested. That is something that we cannot simply set aside, given where we are and the economic challenges that we all face — comments with which, I think, the Member who has just spoken prefaced his remarks. We have control over some of those challenges and no control over others. In many regards, we are subject to forces that are, sometimes, beyond the control of any of the local devolved Administrations.

However, I come now to the area that I want to focus on particularly, and which has been mentioned in a number of contributions — education. There is no doubt that if we look at the maintenance backlog in education, we will see that there is an excess of somewhere in the region of £300 million. There is an absolute need to ensure that we have a strategy and a process that deals with maintenance, but which also knows where we are going with regard to capital build. That is where what we say about it being in a document and how it translates to being delivered in practice sometimes become problematic.

Members will be aware that all of us are subject to the area plans that are out for consultation in the five education and library board areas, for example. However, nowhere in those plans, ideas and suggestions on how we rationalise the schools estate is there anything that aligns and joins up the strategy with regard to the

capital build. Rather, over the past number of years, we have had, from the previous and current Education Ministers and Departments, what seems to be a very disjointed approach to implementing the strategy and the way forward.

I will give an example, and I declare an interest as a member of the board of governors of Ballymoney High School. This is an issue that has been going on for some time. There was a plan to have a newbuild, joined with Rainey Endowed School in Magherafelt. It was to be progressed under a PPP project, but the Department of Education, in its wisdom, decided to ditch having a PPP and to go the conventional route. What all of that has led to is that Rainey Endowed is going in one direction, in a proposal with Sperrin Integrated College according to the area plan but probably not according to the reality on the ground, and Ballymoney High School is going to sit as it is currently — an 11-16 school, with no prospect, as far as area plans are concerned, of having its newbuild. That is where Members will have a challenge in joining up the practicalities of what is set out in a strategy and how it is delivered by individual Departments. However, there are elements of the strategy, such as the capital build programme that the Education Minister has said he will take forward, that are to be welcomed. For example, in June of this year, he announced newbuilds, particularly in relation to special educational needs provision. Hopefully, Castle Tower School in Ballymena will be a beneficiary of that announcement, and that project will be brought forward.

Let me come to another element that was mentioned: the Lisanelly site. Here we have a vision. Here we have a plan. However, does the Department of Education really know, at this minute, who it is that will be part of Lisanelly? The Education Committee will visit Omagh on Wednesday. Part of the reason for that visit is to have a discussion about whether there can be any clarity as to who will be part of the Lisanelly project. Remember, Members, that there was considerable investment in a new school — namely, Drumragh Integrated College — and it will remain in that new school with only the possibility of the transfer of sixth-form provision to the new campus. We have already had the Department of Education being taken to court. The Catholic maintained grammar school in the town decided to take the Department to court over a promise for a newbuild. That has been under consideration by the Department for some months now. So, although we see things outlined in the strategy, serious questions have to be asked of the Department of Education as to how it is that it

can deliver this project and this particular educational provision.

I conclude by putting a challenge to the Education Minister around area plans. That is a vital point to make. We can have plans for the rationalisation of the schools estate. However, aligned to that must be a capital project plan that reflects accurately the needs of schools that have been sitting waiting, for some considerable years, and that will still require newbuilds, despite whatever the area plans will be for that area. I welcome the investment we have had. I look forward to the practical outworkings of further investment in a way that is consistent with ensuring good educational provision in our constituencies.

**Mr Principal Deputy Speaker:** As Question Time begins at 2.30pm, I suggest that the House takes its ease until that time. The debate will continue after Question Time, when the next Member to speak will be the First Minister.

*The debate stood suspended.*

2.30 pm

## Oral Answers to Questions

### Health, Social Services and Public Safety

**Mr Principal Deputy Speaker:** Questions 1 and 11 have been withdrawn and require written answers.

#### Transforming Your Care

2. **Mr McDevitt** asked the Minister of Health, Social Services and Public Safety for an update on Transforming Your Care. (AQO 2586/11-15)

6. **Mr McCarthy** asked the Minister of Health, Social Services and Public Safety how the voices of carers will be heard during the Transforming Your Care stakeholder engagement and the implementation and evaluation of the population plans. (AQO 2590/11-15)

9. **Ms Maeve McLaughlin** asked the Minister of Health, Social Services and Public Safety how the Transforming Your Care proposal will target health inequalities. (AQO 2593/11-15)

**Mr Poots (The Minister of Health, Social Services and Public Safety):** With your permission, Mr Deputy Speaker, I will take questions 2, 6 and 9 together.

In July this year, I announced that I had taken receipt of draft population plans and the draft strategic implementation plan. The development of those plans was a key proposal in Transforming Your Care. The draft plans have been subject to a quality assurance process over the summer months. I plan to make a statement to the House tomorrow in which I will provide an update on Transforming Your Care and the arrangements for moving to consultation.

During the development of the population plans, a number of meetings were held with the voluntary and community sector, which included a number of carer views. The views of carers will be an important part of the forthcoming consultation, which will include a series of public meetings at which carers will be invited to participate. Consultation will provide the opportunity for the community as a whole to have its say on proposals for improving health and social care services to optimise outcomes for patients and other service users.

Addressing health inequalities is a priority for me. Transforming Your Care highlights the need to address inequalities in areas such as lower life expectancy, rates of respiratory mortality, suicide, smoking and alcohol-related deaths and self-harm. The draft population plans and draft strategic implementation plan include proposals for change to improve health outcomes for all our population.

**Mr McDevitt:** The Minister will know that change always causes some people concern. Will he take the opportunity here this afternoon to assure the House that it is not part of his vision for the health service in Northern Ireland that any aspect of primary care health service delivery will be delivered through any vehicle other than the National Health Service?

**Mr Poots:** I thank the Member for his question. Change causes concern, but that does not mean that you should not do it. The Member may be asking whether I am looking to engage in some privatisation process of primary care, but that is not on the agenda. We will deal with the issues in more detail tomorrow, but it will be fairly evident that that is not part of our agenda.

**Mr McCarthy:** I welcome the input that the carers will have as we move forward. Can the Minister give any details of the new models of respite and short breaks that are in the implementation plan?

**Mr Poots:** In terms of respite, we recognise that carers make an essential contribution. In fact, the carers organisation has identified that carers save our economy about £4 billion through the work that they do. Therefore, in recognition of the work that carers do, we need to ensure that carers are sustainable. Otherwise, if the carer breaks down and is not able to continue carrying out that service, it will be much more expensive to us as a Government. Therefore, investing in carers is something that I support, and it needs to go beyond paying lip service to having an effect on the ground. That is a course of work that needs to be addressed.

**Mr Principal Deputy Speaker:** I am aware that Maeve McLaughlin's question was linked and that she was not here for the first part of the answer. I call Maeve McLaughlin for a supplementary.

**Ms Maeve McLaughlin:** Apologies for not being here for the original comment. Will the Minister give an update on how the welfare reform cuts will impact on the Transforming Your Care strategy? Go raibh maith agat.

**Mr Poots:** That is an interesting question. Of course, welfare reform has an impact. If we were to do something completely daft and cost the Assembly £220 million, it would probably cost my Department around £100 million. Therefore, if we do not proceed with welfare reform and stay with parity, we will have longer waiting lists for hip operations, we will have longer waiting lists for people who require heart surgery, and we will have people dying as a consequence of that. I urge all Members to take great cognisance of the fact that this health service, which is under significant strain as things stand, would be put under much greater pressure as a consequence of taking some grandstanding position on welfare reform.

**Mr Gardiner:** Family carers already lose their caring allowance when they care for their loved ones. Will the Minister assure us that Transforming Your Care will not lead to the state dumping even more responsibility on family carers?

**Mr Poots:** I thank the Member for his question. It is important that it does not, and the Member is right to highlight that. Transforming Your Care is about looking at what is likely to be expected of us over the coming years. If you add that expectation to the problems we have meeting the public's expectations now and then look at the size of the budget, you will see that the three elements do not stack up. Transforming Your Care is about making them stack up. It is about making the service more efficient, smarter working and doing more through primary care, early intervention and prevention. No aspect of it is about dumping on carers. We certainly need carers and the support of families to deliver good health. This needs to be done in a way that aids and supports the people who provide that care.

**Ms Lo:** Will the Minister assure us that there will be joined-up working across the statutory, voluntary and community sectors during the implementation of the population plans?

**Mr Poots:** That will be the role of the integrated care partnerships. That course of work has already started, and there has been very good progress on that front.

## Flu Vaccination

3. **Mr Hilditch** asked the Minister of Health, Social Services and Public Safety what action is being taken to promote the uptake of the flu vaccination. (AQO 2587/11-15)



**Mr Poots:** I launched this year's seasonal flu vaccination programme on 27 September. This is its thirteenth year in Northern Ireland. Eligible groups are now familiar with the need to get vaccinated, which is one reason why Northern Ireland consistently achieves one of the highest uptakes in the UK. The vaccine is free for anyone in the target groups. Every year, the Public Health Agency closely monitors the uptake in each GP practice and takes steps to improve it where it is low. The agency also runs training sessions for the healthcare staff who deliver the programme, and one of the aims of the training is to promote uptake by the target groups. In addition, this year, the agency will rerun a media campaign encouraging people to get vaccinated in advance of the flu season. Last year, that contributed to a 25% increase in the number of people coming forward to be vaccinated compared with 2010. That is vital in reducing serious complications and deaths from flu.

**Mr Hilditch:** I thank the Minister for his answer. Will he provide us with further details on the public information campaign?

**Mr Poots:** The strapline for the campaign is:

*"Flu is more serious than you think – so get the flu vaccination now."*

Last year's campaign contributed to the uptake of the seasonal flu vaccination surpassing the target set by DHSSPS, with a 25% increase and the highest vaccination rates in the UK. It is important that we encourage this and encourage uptake by our professional staff. There are two new strains of flu this year, and all the indications from, for example, Australia, where the flu season happens earlier, are that there are fairly significant problems. So we want to encourage as many people as possible to get the flu vaccine.

**Ms S Ramsey:** Go raibh maith agat, a LeasCheann Comhairle. I agree with the Minister that we need to encourage as many people as possible to take up the vaccination, and I am encouraged by the increase in the number doing so. How many flu vaccinations have not been used over the past number of years? What is the shelf life of said vaccination? Although there has been an increase in the uptake, we still need to encourage people to be vaccinated so that we do not lose money.

**Mr Poots:** In Northern Ireland, unlike the rest of the UK, the PHA centrally purchases the seasonal flu vaccine for onward transmission to

GPs and trusts. This year, 428,000 doses have been procured for use in Northern Ireland, and, by mid-September, over 430,000 doses had already been received. So we do not believe that we are overordering lots of flu vaccinations and then not using them.

**Mr Beggs:** Does the Minister agree that the effects of increased flu vaccine uptake include a reduction in flu-related deaths and hospital admissions? Does he also agree that there is a great benefit to the individual and community in reduced winter pressures, meaning that that should be the greatest issue in selling the vaccine to the public so that uptake can be increased even further?

**Mr Poots:** Unusually, there is nothing that I can disagree with Mr Beggs on.

**Mrs D Kelly:** Are there any other contagious diseases that the Department will be concerned about over the next few months and that the public ought to know about?

**Mr Poots:** Whooping cough is one of the more recent ones that we highlighted. We heard about that a lot, certainly, when I was a child; maybe that was not the case for Mrs Kelly. It was something that we heard of in our younger days. Unfortunately, it is back, and there have been quite a number of incidents of it in parts of GB. We want to encourage mothers to take up the whooping cough vaccination during pregnancy, so I thank the Member for highlighting that.

## Health Technology

4. **Mr Craig** asked the Minister of Health, Social Services and Public Safety for his assessment of the potential for the health technology sector to assist Northern Ireland's economy. (AQO 2588/11-15)

13. **Mr Clarke** asked the Minister of Health, Social Services and Public Safety for his assessment of the role that electronic health records can play in improving healthcare delivery. (AQO 2597/11-15)

**Mr Poots:** Mr Speaker, with your permission, I will answer questions 4 and 13 together.

The increasing use of technology is key to providing high-quality health and social care that is based around patients' needs. 'Transforming Your Care' sets high standards that are to be attained in providing patient-centred care. We simply cannot achieve those

standards with current ways of working. Indeed, the increased use of technology was a key recommendation in the report.

The introduction of the electronic care record (ECR) will benefit everyone in Northern Ireland. The new system provides the ability to access and share information securely across the health and social care system. It has the potential to vastly improve the quality, speed, safety and clinical outcomes for patients and service users. The ECR will help to cut the time spent searching for appropriate records, allowing clinicians to spend more time treating patients. It will be rolled out across the HSC, streamlining the process.

Some of the technology that we need is available, but much development work is necessary. Last December, I signed a memorandum of understanding on Connected Health and prosperity with the economy Minister. Arising from that is the recent establishment of the Northern Ireland Connected Health ecosystem, which brings together academia and industry, along with the health and social care sector, to take forward developments. We are working closely with the economic development Department to contribute to the Executive's economic strategy. Products developed and, hopefully, manufactured in Northern Ireland should be commercially viable worldwide, thus contributing to the local economy. By becoming a recognised centre of excellence for Connected Health, we will attract more business and investment.

**Mr Craig:** I thank the Minister for that comprehensive answer. Will he outline the benefits of an ecosystem coming to Northern Ireland?

**Mr Poots:** The ecosystem is one of the methods of delivering the action plan between DHSSPS and Invest NI. We are looking for significant participation by business in engagements and events, along with the life sciences sector, that are organised by Northern Ireland Science Park or the universities. We are also looking for the successful drawdown of funding for research and development and new product innovation by local companies working in partnership with universities and our HSC trusts through competition for UK-wide funds, including, for example, those available in Technology Strategy Board competitions.

We are also working closely with Europe on the matter. Considerable work is being done on that front, and I hope that we will make substantial progress so that Northern Ireland is

recognised as a leader in technology and its application to health.

**Mr Clarke:** I thank the Minister for his answers so far. What were the findings from the ECR proof-of-concept evaluation?

**Mr Poots:** Well, 94% of clinical users agreed that the use of ECR improved patient care, 89% of users agreed that its use improved patient safety, and 83% of doctors reported a better clinical outcome as a result of its use. So, it is evident from the clinical and user side that people believe that they are getting better results as a consequence.

**2.45 pm**

**Mr Kinahan:** In south Antrim, we have Randox, which is one of the top diagnostic companies. How is the Minister helping such high-tech companies to reach overseas markets such as the USA, Finland and Spain, where I believe he has been recently?

**Mr Poots:** I have developed a good working relationship with Randox. As Health Minister, I have visited the site on a number of occasions. It is a leading company in diagnostics, supplying, I think, around 7% of the world's diagnostic equipment, which is significant for a country the size of Northern Ireland compared with the rest of the world. We need to recognise such companies and the work that they do. We also need to work with them and assist them. Some of the things that we are doing to assist technology companies and those that are developing in the pharma field include the development of the electronic care record, which will enable us to simplify tests and prove the benefits of what is proposed.

The Member mentioned Finland. We were able to connect Kainos, a company based in Belfast, with VTT in Finland, and substantial work is being done there. There are terrific opportunities for us in little Northern Ireland to make a significant contribution to healthcare across the world. We need to be flexible and business-minded in our approach, and we can really help.

**Mr Rogers:** I thank the Minister for his answers so far. Does he have any plans to introduce stereotactic body radiation therapy, which has been shown to be very effective in treating some forms of cancer?

**Mr Poots:** That is slightly off-question, but at this stage we do not have any plans. We do not have the numbers of people available to

use it, thankfully. However, people can obtain the service in GB, and we support people in doing so. There is a process to go through, which requires consultant support and all of that, but we can ensure that people from Northern Ireland receive that treatment.

## Ralph's Close Care Home, Gransha

5. **Mr McCartney** asked the Minister of Health, Social Services and Public Safety for an update on the recent incidents in Ralph's Close, Gransha. (AQO 2589/11-15)

**Mr Poots:** I assure the Member that, in the first instance, my overriding priority and that of the Western Trust is to ensure the safety and well-being of all those in its care.

Further to my response in the House on 10 September, I can advise that the trust, working closely with the Regulation and Quality Improvement Authority (RQIA), has put in place an improvement plan to bring about the change required to ensure that Ralph's Close fully meets all the statutory regulations and standards. The improvement plan will transform the culture of care at Ralph's Close from a nursing model to a social care model, which is more in keeping with a residential home. It will also address leadership and governance, training and development, and adult safeguarding. Implementation is being overseen by a project board that is made up of senior managers from the trust. The trust is reporting progress to the Department, the Health and Social Care Board, the Public Health Agency and the RQIA. It is also keeping all the families of residents in Ralph's Close fully informed of developments.

The PSNI investigation into the original allegations is continuing. It remains the case that we should not comment in any way that might prejudice that investigation. However, along with other Members, I encourage anyone with information that may assist the investigation to bring it forward.

**Mr McCartney:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for his answer. I also acknowledge his role in dealing with the matter.

The Minister has put a process in place. I know that he is aware that staff training was a big issue that was pointed out by the families and staff. Is he satisfied that the process will ensure that staff training is adequate?

**Mr Poots:** It is absolutely essential that it be adequate, and we are doing a considerable amount of work to ensure that that is the case. When you have vulnerable people in your care, the ability of individuals to take advantage of the situation is enhanced greatly. We need to take every step and every precaution that we can to ensure that it does not happen. Obviously, the investigation into Ralph's Close is not complete, but I think that, after all the time that we have had to consider vulnerable people and the care that they receive, it would be very disappointing if, in 2012, that sort of behaviour can still happen in our facilities. Therefore, if the investigation finds that it has happened, there will have to be a thorough inquiry into how it was allowed to happen and how we can ensure that it does not happen again elsewhere.

**Mr Durkan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank the Minister for his answers thus far. What arrangements are in place to ensure that residents of Ralph's Close receive adequate care as the investigation is ongoing?

**Mr Poots:** Subsequent to the first anonymous letter, which was received on 24 July, considerable effort has been made to ensure that there is adequate support in the facility. Key agencies, including the Western Trust, the PSNI, the RQIA, the Health Board, the Public Health Agency and the Department, along with professional advisers, have been involved. The Western Trust is collaborating very closely to deal with the allegations. People from outside the facility have been brought in to oversee, supervise and ensure the safety of everyone in the facility. Therefore, a huge amount of supervision is currently taking place.

**Mr Hussey:** Will the Minister confirm whether, following that particular incident, he has reviewed all other trusts to ensure that this type of incident will not happen in any other trust facility?

**Mr Poots:** What is so disappointing is that this particular facility is new. It is excellent in its ability to meet the requirements of the individuals who use it. Perhaps, processes and so forth have fallen down, which have allowed the circumstances to develop that have brought about the discussion that we are having at present.

With respect to other facilities: when all investigations are complete and the facts are known, we will want to identify what comes out of the report and apply it elsewhere. Trusts and

other organisations that are contracted to provide services for vulnerable adults need to ensure that the guidance and procedures for best practice are adhered to and, indeed, that proper records are maintained. There are already specific regulatory requirements and minimum standards that apply across a range of health and social care settings to ensure that people are vetted before working with vulnerable adults; appropriate training and supervision is given, and minimum standards of care are maintained. Guidance on adult abuse in all its forms is in place for staff and the general public with instructions on how to report it or suspicions that it might be occurring. Additionally, there are procedures for staff to properly report concerns that they have about their workplace, particularly about the safety and protection of people in their care and, indeed, their fellow staff.

People should operate on the first principle that, if in doubt, it is better to be safe than sorry. It is better that someone is investigated and it is found that there is no substance to the allegations than for someone not to be investigated and it later transpires that that person was engaged in some form of abuse.

**Mr Campbell:** I know that people will be reassured by the Minister's comments so far.

Without prejudice to the outcome of any ongoing investigation, will the Minister undertake to ensure that following those investigations, he will be open and transparent about any report that comes out in order to try to ensure that people get reassurance from the very top of the Department?

**Mr Poots:** I assure the Member that whatever comes out of the investigation will be dealt with in an open, transparent and honest way because I see no benefit in trying to cover things up.

**Mr Principal Deputy Speaker:** Question 6 was grouped.

## Health: Republic of Ireland Patients

7. **Mr Allister** asked the Minister of Health, Social Services and Public Safety to outline the annual cost of providing health services to patients from the Republic of Ireland and the amount received for treating these patients. (AQO 2591/11-15)

**Mr Poots:** There is a reciprocal arrangement between the UK and the ROI on the provision of healthcare. The financial information for the

agreement is dealt with centrally by the Department of Health in England on behalf of all four UK jurisdictions. As it is a centrally held budget, there is no breakdown by individual UK country.

Earlier this year, my Department's guidance to health and social care trusts, which set out the arrangements to be put in place, was to identify all non-resident patients and determine whether they are entitled to healthcare. Trusts are currently working on implementing the guidance. I reiterate that the HSC is, first and foremost, a resource for the residents of Northern Ireland and is not automatically available without charge to everyone regardless of their status.

**Mr Allister:** Can I express surprise that, although we know the number of children from the Republic of Ireland whom we educate and the cost of that education, we do not know the number of patients whom we treat in Northern Ireland and the cost of their treatment? Surely, as the Finance Minister said himself in a recent debate, that information is vital to future budgetary and planning processes. Is it acceptable to the Minister that he is ignorant of those matters?

**Mr Poots:** Mr Allister appears to be someone who always wants to have parity with the rest of the UK and wants to be an integral part of the UK. If he had listened to the answer that I gave him, he would have heard me say that the Department of Health in England, on behalf of all four UK jurisdictions, looks after that matter. If he wants to break that, he can write to the Health Minister in England to ask him to break it. Perhaps he could go along with others who want to make a lesser connection between Northern Ireland and the rest of GB.

**Mr Brady:** Go raibh maith agat, a LeasCheann Comhairle. Is the Minister in a position to tell us how much money could be saved by both Departments if there were more all-island co-operation?

**Mr Poots:** It is not so much a matter of saving money. One area that we are looking at is paediatric congenital cardiac care to see how we can work together to ensure that the best services possible can be provided to families and children north and south of the border. The same will apply when the radiotherapy unit at Altnagelvin is open. The same may apply in circumstances in the South West Acute Hospital and Daisy Hill Hospital and to other aspects of care in Altnagelvin. That is in the public's best interest because, in some cases,

people in County Fermanagh may lose services if more people do not use them. It is in everybody's interests that we work together on these issues. Perhaps people in Monaghan and Donegal will get a far better service from the South West Acute Hospital than they would otherwise get. Where it is of mutual benefit to the public's health, we need to act.

**Mr Dallat:** To cheer this place up a bit, could the Minister tell us of any recent conversations that he has had with James Reilly, the Health Minister in Dublin, on how we can further enhance cross-border co-operation on health matters for the sake of everybody?

**Mr Poots:** I am not sure that the full details of those meetings would cheer people up. I am happy enough for them to know them. Had the Member announced his resignation today, that might have cheered the House up. Nonetheless, my more recent conversations with Mr Reilly have been around paediatric congenital cardiac care and the work that needs to be done on that. Things are progressing with the Altnagelvin radiotherapy centre as planned and in a very steady way, with good reciprocation from the Republic of Ireland Government. We are also working quite closely with them on minimum pricing for alcohol. That is moving ahead apace. We are watching closely what is going on in Scotland. There are things to which reciprocal arrangements can make a real difference, and we need to apply those.

## Primary Care Centres

8. **Mr Swann** asked the Minister of Health, Social Services and Public Safety how many primary care centres he proposes to establish during this Assembly term. (AQO 2592/11-15)

**Mr Poots:** Work is currently ongoing to construct new health and care centres in Ballymena, Banbridge and Omagh. The centres in Banbridge and Ballymena are due to be completed in spring 2014, and the centre in Omagh, as part of phase 1 of the local hospital project, is due to be completed sometime in 2016. Recently completed health and care centres include Shankill centre and Beech Hall centre, which were both completed in early summer 2011. My aim is to provide a full range of health and social care services that are outside the acute sector and closer to people's homes. I have given approval to move forward with a business case for the development of Lisburn and Newry health and care centres to evaluate an alternative revenue-based funding approach, to test value for money and to work

through any other emerging issues. More details about the potential network of health and care hubs across the Province will be available following my Assembly statement on Transforming Your Care tomorrow.

**Mr Swann:** I thank the Minister. What criteria will you use to determine the priority of further health centres?

**Mr Poots:** We certainly intend to develop a considerable number of health and social care centres. A course of work that was carried out some time ago recommended what was required. Unfortunately, the last Minister decided to shelve that and allowed it to gather dust. I have dusted it down and resurrected it, and we are currently working on that basis as we move forward.

It will involve non-public funding from the private sector, which will mean that we will have to make repayments. However, those repayments should be on a basis that will ultimately save the health service money, because we will be able to carry out more earlier interventions and, as a consequence, avoid hospital admissions.

3.00 pm

## Justice

### Office of the Police Ombudsman

1. **Mr B McCrea** asked the Minister of Justice what action his Department intends to take following the consultation on the future operation of the Police Ombudsman's office. (AQO 2598/11-15)

**Mr Ford (The Minister of Justice):** The consultation on the future operation of the Police Ombudsman's office ended on 8 June. My Department has prepared a report that summarises the views of all respondents and draws out the key themes that have emerged. The report will be considered by the Justice Committee at its meeting on 11 October and will then be published on my Department's website.

I will continue to work with stakeholders, including the Justice Committee and the Police Ombudsman, in considering what detailed changes are needed to enhance the office's effectiveness and to contribute to public confidence in the operation of the ombudsman's office and policing more widely. Over the coming months, I also intend to meet

with all parties to discuss the contents of the report and the next steps.

Once that process is complete, I will publish detailed policy and legislative proposals for consideration in the first half of 2013. The outworking of the consultation, along with the lifting of the suspension of historical cases, which I understand is a priority for the Police Ombudsman, will assist in restoring and securing public confidence in the office.

**Mr B McCrea:** The Minister will remember that some of the difficulties with regard to confidence in the office came from its dealing with historical cases. Is the Minister in a position to tell us when the ombudsman might start to look again at historical cases? What safeguards will be put in place to ensure that it does not affect public confidence in the future?

**Mr Ford:** I thank Mr McCrea for that question. The new ombudsman, Dr Maguire, has made lifting the suspension of investigation into historical cases a significant priority, and I understand that a lot of work is ongoing in the ombudsman's office. The expectation is that Criminal Justice Inspection will do the independent validation, which is part of restoring confidence, during December, with the hope that the work will be able to proceed from January onwards. Members will, of course, also remember that my Department was able to provide additional funding of some £10 million for an enhanced history directive in the ombudsman's office in order to speed up the work that is being done to better provide assurance to the community.

**Mr McCartney:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for his answer and particularly his outline on the historical cases. Does the Minister agree with me that one of the things that led to a lack of public confidence in the past was external interference? What steps will be taken to ensure that the office is free from external interference in the future?

**Mr Ford:** I appreciate Mr McCartney's point. There were allegations of previous interference and suggestions of inappropriate behaviour by an official in the then Northern Ireland Office, which were included in the findings of the Tony McCusker report. However, the suggestions made then that there was interference historically have certainly not been suggested by Tony McCusker in the current operation. I am determined to see the good work that is being done by my Department in sponsoring

the ombudsman's office continue. There is no suggestion of interference, and I will ensure that there is no operational interference.

I think that it is noteworthy that, although there has been a small drop in public confidence in the operation of the office, the most recent survey shows that public confidence remains at over 80%. That is an indication of the good work that is being done, and I am committed to ensuring that that good work continues.

**Mr A Maginness:** Dr Maguire has taken over as ombudsman and has brought stability and an element of reorganisation to the office. When will the chief executive be appointed? That will further help the efficiency and effectiveness of that office.

**Mr Ford:** I entirely agree with Mr Maginness about the importance of getting a new chief executive into the office. That process is under way, and it is, of course, being led by Dr Maguire. It is not my direct responsibility, although the Department will have to agree remuneration and terms and conditions. It is my understanding that the process is proceeding speedily. I think that we would all hope to see the new chief executive in place as soon as possible.

**Mr McCarthy:** As usual, we are grateful to the Minister for the work done over the past year to improve the effectiveness — *[Interruption.]*

**Mr Principal Deputy Speaker:** Order. Ask a question.

**Mr McCarthy:** Will the Minister tell us what arrangements are in place to increase the effectiveness of the office?

**Mr Ford:** I thank my colleague for reminding me that there are a few in the House who agree with me some of the time. It is always good to know that. *[Laughter.]* A number of issues clearly run together, including the fact that society and the Assembly have not collectively worked out how we deal with the impact of the past. The result is that justice agencies, including the Police Ombudsman in particular, have to perform a lot of tasks that I wish that they did not have to perform because we had a more inclusive process. However, I believe that we have seen Dr Maguire take a grip of the office since his appointment and that work is being done to deal with the historical backlog; to ensure that comfort can be provided to victims and bereaved families; to ensure that that work will be done in a proper, professional and efficient way; and to ensure that the staffing

structures will be put in place and the money my Department is providing will be put to good use. So I believe that the House can have confidence in the future of the ombudsman's office.

## Hate Crime

**Mr D Bradley:** Cheist uimhir a dó.  
[*Interruption.*]

2. **Mr D Bradley** asked the Minister of Justice whether he will review the Criminal Justice (No. 2) (Northern Ireland) Order 2004 with a view to improving the response to hate crime. (AQO 2599/11-15)

**Mr Ford:** Mr Principal Deputy Speaker, no translation was necessary, thank you.  
[*Interruption.*] The Criminal Justice (No. 2) (Northern Ireland) Order 2004 places a requirement on the courts to consider hostility as an aggravating factor that increases the seriousness of an offence and to state in open court that the offence was so aggravated. An offence is aggravated by hostility if, at the time of an offence or immediately before or after its commission, the offender demonstrates hostility to the victim based on the victim's racial, religious or sexual orientation group, or on their disability; or where the offence is motivated wholly or partly by hostility towards members of a group. The implementation of the legislation has been subject to review, including by Criminal Justice Inspection, which carried out a follow-up inspection in 2010. On foot of that inspection, changes were made to the management of cases through the justice system, but it is clear that further work is needed.

I have instructed my officials to review the implementation of the 2004 order to identify and address any weaknesses in the administration of cases through the courts. The review will ensure that all necessary changes are made to the recording of cases in courts to ensure that the legislation is applied as it was intended to be. I have instructed officials from across all relevant justice agencies to monitor the use of the 2004 order and to report to me regularly. I will keep the issue under review, and I am determined to ensure that the legislation is effective. If the changes being made to the system do not improve the use of the order, I will revisit the use of the legislation.

**Mr Principal Deputy Speaker:** I remind the Member that, for the courtesy of the House, all questions must be translated.

**Mr D Bradley:** Gabhaim buíochas leis an Aire as a fhreagra ar cheist uimhir a dó. I thank the Minister for answering question 2. Given the increase in sectarian hate crime, will he strengthen the courts' capacity to increase sentences in order to highlight the odious nature of such crimes?

**Mr Ford:** I am not sure whether we need to enhance the courts' capacity in the way that the Member suggests. The key difficulty, as we all appreciate, is that we start off with victims' perceptions of the crime. Whether that is necessarily accepted by the police in how it is investigated, or by the Public Prosecution Service (PPS) in how it is prosecuted, are different issues. It is also clear that, at times, it can be very difficult to obtain a conviction that includes the hate element of a hate crime, even though it may be relatively easy to get a conviction for the offence as such. That is the sort of issue that I have asked officials to look at, and if there are specific suggestions for changes that need to be made to make the legislation more effective, I will consider them. In many cases, we should recognise that although a case is not prosecuted with the addition for hate crime, cases are successfully prosecuted for the basic underlying offence. That certainly does not mean that people are getting off. However, there is obviously more work to be done about the enhancement.

**Mr G Kelly:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle, agus gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for his answers so far. In doing the review, is the Minister's Department engaging with relevant sectoral bodies, such as NICEM (Northern Ireland Council for Ethnic Minorities), NICRAS (Northern Ireland Community of Refugees and Asylum Seekers) and, indeed, the Assembly's all-party group?

**Mr Ford:** I thank Mr Kelly. At this stage, the issue is for my officials and those who are in other relevant agencies to examine their practice. However, I have no doubt that, to conduct a review properly, it will be necessary after that preliminary work to engage, as he highlighted, with all the relevant organisations, such as NICEM.

**Mrs Dobson:** Will the Minister elaborate on what discussions he or his officials have had with other Departments with a view to supporting existing, or instigating new, initiatives that are aimed at tackling hate crime in our community? Those could include renewing the media campaign that was so successful in the past.

**Mr Ford:** Clearly, Mrs Dobson is widening the issue from the specific one of the operation of hate crime to hate, which is not an issue that is solely for my Department. I believe that the very fact that I stand here with the emblem of the Unite Against Hate campaign in my lapel indicates my Department's commitment to engage in that work across a range of hate areas and in all the work that needs to be done. I trust that that would be recognised by all Members.

**Ms Lo:** I believe that I was the victim of a recent hate crime, whereby my house was damaged. The damage was slight, but it was damaged. I must say that when I called the police, they responded really quickly. Within minutes, a police car arrived at my door. Will the Minister let us know the number of hate crimes that have been prosecuted and the proportion that succeeded in convictions?

**Mr Ford:** I certainly sympathise with my colleague for the attack on her house. I remember that she also suffered a personal attack some time ago, so we should recognise the seriousness of hate crime, and, indeed, of a variety of crime and its effect on members of society.

The statistics that she asks for are slightly difficult to present in a meaningful way. Research that Neil Jarman of Queen's presented at the recent conference shows that the number of crimes that are recorded as hate crime incidents in the victim's perception — or hate incidents, as they are recorded — compared with the number that the Police Service records as hate crimes results in a drop of something like a third. The number of cases where it is possible to produce a file to go to the PPS drops by a further 50%. The number that the Public Prosecution Service is prepared to prosecute drops by a further 50%, and then a very small number are successfully prosecuted for the hate element. As I indicated in my principal answer, that is the sort of issue that we need to address. However, it is an issue that goes beyond the immediate management of individual cases and into the way in which wider society reacts to hate between different groups.

### Prison Officers: Memorial

3. **Mrs Hale** asked the Minister of Justice what plans his Department has to provide a memorial for the 29 prison officers who lost their life whilst on duty. (AQO 2600/11-15)

**Mr Ford:** I recognise the sacrifice that was made by the 29 prison staff who lost their lives while in service, and I acknowledge how important it is that, as we look to the future, we also remember the past. Across the individual sites that make up the prison estate, there are four commemorative plaques bearing the roll of honour and two memorial stones, as well as gardens of remembrance at the college at Millisle and Magilligan Prison. The Northern Ireland Prison Service (NIPS) will maintain those memorials across the estate where establishments remain operational. In the event that any establishment ceases to be operational, the Prison Service will identify alternative sites where the memorials can be relocated.

The outline prisons estate strategy also considers how best NIPS should remember those who lost their lives while on duty. That strategy is subject to public consultation, and careful consideration will be given to any proposals that are raised through that consultation process.

**Mrs Hale:** I welcome the Minister's commitment to honour the memory and sacrifice of these prison officers. Will he assure me that there will be no delay and that, if a relocation has to happen, he will contact the families to discuss where this appropriate memorial will be put?

### 3.15 pm

**Mr Ford:** I recognise the sensitivity that Mrs Hale has outlined in her supplementary question. I am not sure that we could necessarily consult all the individual families, but I can certainly give a commitment that every effort will be made to contact those organisations that have specific responsibilities and that represent them, and to ensuring that any question of relocation of memorials, including the possibility that has been raised by the Prison Officers' Association (POA) and others about a specific memorial garden elsewhere, will be addressed in as sensitive a way as can be.

**Mr Copeland:** I thank the Minister for his answers thus far. Is it his intention to discuss the matter with the Prison Officers' Association and its spokesman? Can he further confirm whether HMP Hydebank Wood young offenders' centre is viewed as a potential location for such a memorial, given the desire for work to be done there by the POA?

**Mr Ford:** I can certainly confirm to Mr Copeland that I have discussed the issue with the POA



and expect to continue to do so. It has made specific representations about part of the land at Hydebank Wood. Obviously, the wider issues of the estate strategy have to take that particular point into account.

**Mr Allister:** Is it not the case that, by saying that the matter will wait out the outcome of the estate strategy consultation, the Minister is dragging his feet on an issue that is a slight on the sacrifice of 29 officers, and that it is the very clear view of the Prison Officers' Association that he should get on with it, and get on with it now, at Hydebank?

**Mr Ford:** Mr Allister can talk about all the slights that he likes. The recognition that we have a number of memorial tablets already in place and that we are seriously considering the question of an alternative memorial — particularly in the context of the college at Millisle closing in the next few years — is an indication that the issue is being considered with appropriate sensitivity. If Mr Allister is suggesting that we should go ahead and advance a relocation of the memorial garden from Millisle to Hydebank Wood in advance of properly working through the estate strategy, with all its financial implications, I do not think that that would be a particularly wise use of public money.

## Prisons: Full-body Imaging Scanners

4. **Mr F McCann** asked the Minister of Justice for an update on the use of body scanners at Magilligan and Hydebank prisons. (AQO 2601/11-15)

**Mr Ford:** As I have previously announced, the Prison Service continues to make progress on the testing and evaluation of body-scanning technologies. The first of two millimetre-wave body scanners has been operational in Magilligan prison for the past two weeks. Although it is very early in the evaluation process, the pilot is progressing well. A second millimetre-wave scanner from a different supplier is due to be delivered to Hydebank Wood young offenders' centre next week, and a similar pilot will commence then.

**Mr F McCann:** Thank you very much. Will the Minister tell us whether there is a timeline provided for the licensing of a body scanner at Maghaberry?

**Mr Ford:** If Mr McCann is referring to the transmission X-ray scanner that is being considered for Maghaberry, as opposed to the

millimetre-wave scanners at the others, I cannot give any definite timeline beyond the work that is being done and is due to be completed in the Prison Service by the end of this month. However, that will then require consultation with a number of other Departments across the UK, and I can give no timeline for the potential for that. The work being done on that by the Northern Ireland Prison Service is at the forefront of work being done anywhere in the UK, and we will have to wait for some of the other regions to catch up with us.

**Mr Storey:** I thank the Minister for his answers thus far. However, given that an integral part of ensuring that an effective body scanner is in operation is to have bodies to be scanned, will he give us an indication that there will be a prison at Magilligan in the future, contrary to the current consultation, and that he will ensure that Magilligan prison remains where it is and is not relocated?

**Mr Ford:** Pardon me, Mr Principal Deputy Speaker, but I did not expect to be answering question 15 at this stage. Given that there is an ongoing consultation on the estate strategy, I cannot give the sort of assurance that Mr Storey is asking for. I can give an assurance that, contrary to what may be the perception, when the Department of Justice carries out consultations, they are genuine consultations seeking people's opinions. That is why there is a public meeting in Limavady tonight, which, I suspect, will concentrate largely on the future of Magilligan prison. The Criminal Justice Inspection has highlighted the positive work being done at Magilligan, but in its report, it also highlights the difficulties with the accommodation, which is simply described as being wholly unsuitable.

There are serious issues that need to be addressed. I am determined to see that we have a prison estate that is fit for purpose and is not dealing with the situation of 30 and 40 years ago. If people can suggest appropriate ways of using the Magilligan site as opposed to another site, I hope to hear them, but we cannot give a blank cheque to simply rebuild Magilligan on its current site as it is, particularly in the expensive way proposed under direct rule. I am keen to hear any suggestions on the best way to make use of the estate that the Prison Service has or might build in the future.

**Mr P Ramsey:** Further to the question from the Member for West Belfast, will the Minister accept the rationale for the introduction of pilot schemes at Hydebank Wood and Magilligan prison to enable him to set in train the

installation of scanners in Magilligan? Is it not reasonable to expect him to outline to the House the time frame within which he expects those scanners to be installed?

**Mr Ford:** I appreciate Mr Ramsey's point that it may be reasonable to ask me to give a timeline, but where there is no precedent anywhere in the UK and where consultation is required with the other jurisdictions and a number of Whitehall Departments, it would simply be unrealistic for me to give any specific commitment. The commitment I can give is that the matters will be proceeded with as fast as I can manage. That means that good work is being done in the Prison Service, but when issues get to Whitehall or in consultation with Scotland and Wales, we can give no specific timeline except that we will not be lacking.

### Coroners Service: Removal of Bodies

5. **Mrs Overend** asked the Minister of Justice whether he intends to carry out a review of delays in the removal of bodies from the scene following sudden death. (AQO 2602/11-15)

**Mr Ford:** The loss of a loved one is a distressing time for families, and I can understand that, when the death is sudden, unexpected or violent, the distress can be all the more traumatic. I appreciate that, in some cases, the necessary involvement of the police and the coroner in investigating a death can result in further unintentional distress being caused.

The police have necessary duties to perform in investigating sudden deaths, and the particular circumstances of each death will dictate the course of action taken. There are legitimate and necessary steps that must be taken before a body can be moved from the scene of death. A funeral director will not be tasked by the police to remove a body until they are satisfied that their investigation is at an appropriate stage to do so.

The Coroners Service for Northern Ireland has established contracts with funeral directors to remove bodies from the scene of death within specific time frames. In Mid Ulster, and indeed, all of police F and G districts, that is two hours. In the vast majority of cases, these time frames are met and there is no delay in the removal of bodies, so no review is required.

I can reassure the Member and the House that any concerns raised by families are fully investigated and responded to by the Coroners Service.

**Mrs Overend:** I thank the Minister for his response. Does he accept that the time frame for the collection of such bodies should not just be the two hours allocated from when the police contact the contracted undertaker, but should be from when the police are first notified?

**Mr Ford:** I am afraid that I cannot agree to that. No one other than the police officers and those who assist them from the forensic science agency at the scene can possibly give, in advance, a time frame for how long it will be required to secure a scene and carry out the necessary investigations at the scene.

Therefore, although I accept, and as I acknowledged in my first answer, that there can be additional trauma for families in those circumstances, the important thing is to ensure that the investigation is carried out properly and that any evidential opportunities that might lead to a conviction are taken. In those circumstances, all that can be done is to set the time frame from the time when the Coroners Service notifies the funeral director who is responsible for lifting the body.

**Mr Lynch:** Gabhaim buíochas leis an Aire as an fhreagra sin. Minister, this is something that came to my attention when a neighbour died suddenly recently. You have mentioned the two-hour time frame. This woman lay for four hours, and the undertakers arrived late because they had got lost on the way from Lurgan. It was in a rural area and they did not know the way.

**Mr Principal Deputy Speaker:** Is there a question?

**Mr Lynch:** Does the Minister agree with me that it is unacceptable for someone to have to wait four hours for a loved one to be picked up?

**Mr Ford:** I certainly agree with Mr Lynch. If it was four hours from the point that the undertaker was tasked by the coroner, that is unacceptable because the time frame is two hours. Current performance in F district, the south-west area, is that 93% of removals met the two-hour time frame. In a further 5% of removals, the two-hour time frame was exceeded by only five minutes or less. In fact, only one of the 61 removals to the end of August 2012 exceeded 125 minutes. Clearly, one is one too many, but we need to acknowledge that, in many cases, the delay is caused by necessary work that has to be carried out by the police rather than the specific issue of the removal time.

**Mrs D Kelly:** Is the Minister content that the State Pathologist's Department has the capacity to deal with the number of current cases? Can he give some outline of the role of the State Pathologist's Department?

**Mr Ford:** I have no evidence to suggest that there is inadequate capacity in the State Pathologist's office. Frequently, delays that are blamed on the pathologist are not necessarily the pathologist's fault. In one example that was drawn to my attention recently, there was an issue of a delay over a weekend. The coroner required to contact the patient's GP, but the GP was not available over the weekend. That cannot be blamed on the Coroners Service, because contacting the GP was an essential part of carrying out the work before consideration of a post-mortem examination. So, a number of factors come together. However, if Mrs Kelly or any other Member wishes to raise specific concerns about resourcing for the Coroners Service, I would be happy to take any evidence from them.

## Human Trafficking

6. **Mr Spratt** asked the Minister of Justice to outline his Department's plans for tackling human trafficking. (AQO 2603/11-15)

**Mr Ford:** As I have said to the House before, there is a raft of work ongoing to tackle human trafficking. Work is being taken forward by the Organised Crime Task Force's (OCTF) immigration and human trafficking subgroup and others on three fronts: prevention, prosecution and protection.

On prevention, there is training for health and social care staff, police officers and others. In fact, 2,800 PSNI officers and staff have completed an online training package. I will launch guidance tomorrow on working arrangements for the welfare and protection of adult victims of human trafficking, which is directed primarily at the PSNI and health and social care trusts. Work is also being taken forward on a project to change mindsets and to drive down demand for organised crime activities generally. Proposals on engagement with non-governmental organisations will be announced at an event for NGOs on Anti-Trafficking Day and Anti-Slavery Day on 18 October.

Work ongoing on prosecution includes two new clauses on human trafficking offences in the Criminal Justice Bill. Proactive investigations are being taken forward by the PSNI, which is liaising as relevant with an Garda Síochána.

There have been two convictions for human trafficking, and others are pending. Sentencing guidance on human trafficking was set out in April 2012 in the case of *Crown v Pis*. The Public Prosecution Service's policy for prosecuting cases of human trafficking will be published before the end of the year.

On protection, my Department funds a package of support for all victims of human trafficking in Northern Ireland during the recovery and reflection period. That amounted to some £145,000 in 2011-12.

**Mr Spratt:** I thank the Minister for his answer. Is he satisfied that the UK Border Agency (UKBA) has enough staff to deal with human trafficking? Can he elaborate on what discussions have taken place with the agency in relation to staffing levels?

**Mr Ford:** I appreciate Mr Spratt's point, but it is not for me to be satisfied with the operation of the UK Border Agency. I will leave that to the Home Office. What I can confirm is that I have had discussions with my ministerial colleague in Scotland and with the UK Border Agency about issues such as how we control movement across the North Channel in and out of Belfast, Larne and Cairnryan ports. I believe that good work is being done with the involvement, for example, of the PSNI alongside UKBA. I will duck his precise question on the UKBA and leave that to the Home Secretary.

**Mr Beggs:** Those involved in trafficking exploit weaknesses in the system. In the past, I have been advised of people destroying their IDs, claiming to be minors, and then being referred to social services. Can the Minister tell us whether there have been cases of people who might be involved in trafficking unwittingly disappearing from the referrals of social services and going into the hands of traffickers, who are modern-day slavers?

## 3.30 pm

**Mr Ford:** I appreciate Mr Beggs's point, which is on something that is clearly seen as a matter of concern in different regions of the UK. I have no specific knowledge of the issue of those who are under age and are in the care of health and social care trusts. Therefore, I fear that I would have to pass that one over to Edwin Poots.

**Mr McDevitt:** Has the Minister had any specific conversations with the Minister for Justice, Equality and Defence, Mr Alan Shatter TD, about human trafficking? If so, what was the specific nature of those conversations?

**Mr Ford:** I can certainly confirm to Mr McDevitt that human trafficking is an issue that features almost every time that I meet Alan Shatter. Indeed, it features almost every time that I meet Kenny MacAskill. It is an ongoing issue of concern. I have seen the good work that is being done by the immigration and human trafficking subgroup of OCTF, where good work is being done between the PSNI and an Garda Síochána. That is one of the key ways in which we will address the issues of trafficking across an open border. Obviously, the issue is of significant concern to many Members, and I will do my best to ensure that we continue to maintain those good relationships with Scotland and the Republic, our closest neighbours and where movement happens between those jurisdictions and this one.

## Executive Committee Business

### Investment Strategy for Northern Ireland 2011-2021

*Debate resumed on motion:*

*That this Assembly notes the investment strategy for Northern Ireland 2011-2021. — [Mr M McGuinness (The deputy First Minister).]*

**Mr P Robinson (The First Minister):** I listened carefully to the points that were made in the debate, and I am grateful to my ministerial colleagues and their respective Departments and to the many external stakeholders who responded to the consultation for their help in the planning of this investment strategy. During the debate, a number of Members raised the issue of the length of time in bringing the strategy to the Assembly. Some, more than others, were prepared to ascribe sinister motives to that. More often than not, the deputy First Minister and I get attacked for pushing things through the Assembly and not allowing sufficient time for consideration and consultation. This time, this had more to do with the attempt by the deputy First Minister and I to encourage alternative finance as a feature. I am glad that, because of the delay that we agreed to, we have been able to include in the strategy £1 billion of alternative finance. We always have to take a decision on the most appropriate time to come to the Assembly with the issues, and we had to deal with a number of unfolding matters.

The Chairman of the Committee for the Office of the First Minister and deputy First Minister very rightly indicated that the economy is the number one priority for the Executive. That is outlined in our Programme for Government, and, naturally, the investment strategy flows from that. The blueprint before us will determine and shape Northern Ireland's success in the coming years, and, even in these hard times, I can assure you that the Executive have not been standing still. Much has been achieved since 2008, even against the difficult economic background that we are facing. We have already provided capital investment at unprecedented levels, delivering some £6.5 billion in the past four years. We have improved roads, public transport, schools, healthcare facilities, libraries, water treatment and telecommunications networks.

A number of Members raised the issue of the reduction in overall investment, and, of course,

the decision by the coalition Government in Westminster to cut public spending by some 40% was, naturally, going to have a very considerable impact on our spending plans, particularly our infrastructure programmes. As an Executive, we have pressed the Government to put more funding, and immediately, into capital spend throughout the whole of the United Kingdom. The deputy First Minister and I signed a communiqué, along with the First Ministers of Scotland and Wales, to ask for precisely that to occur. The overall impact is that the Budget that we operate at present gives us an investment strategy valued at £13.3 billion, and we will continue to apply as much pressure as possible.

The Executive recognise the importance of improving Northern Ireland's infrastructure, not just for the benefit of public services but to make this region an attractive place for investment. I remind the House that, in the past four years, the Executive have made almost £3 billion worth of commitments to the economy. At ground level, it has supported more than 15,000 new jobs, 9,600 of which came from some 170 projects set up by inward investors and have had the effect of protecting 1,300 existing jobs. It is important that the majority of the jobs created during this period are high-quality positions offering attractive rewards. Average salaries associated with new inward investment to Northern Ireland have risen by about 40% thanks to our appeal as an operating location to the software, IT, telecommunications and aerospace industries. Invest Northern Ireland is on target to meet the Programme for Government goal of 25,000 jobs by 2015, and, thanks to the Executive's energy and promotional drive, Northern Ireland is winning a higher share of these technological projects than Great Britain or the Republic of Ireland.

I say to the Chairman of the Committee for the Office of the First Minister and deputy First Minister, though in his capacity as party leader, that when he says to his party conference that the Executive aspire to bring in only 25,000 jobs and so half of the unemployed will remain unemployed, he does not understand business very well. Those are the jobs that the Executive, through Invest Northern Ireland, are helping to fund and promote, but we expect the private sector, which must be the creator of jobs, to, as soon as we get out of this recession, get us down again to the lowest unemployment levels in the United Kingdom.

Software developers here are ahead of anything that you will find anywhere else in the United Kingdom or the Republic of Ireland.

Software developed in Northern Ireland lies behind trades in every major international exchange, and Belfast is now the prime location of choice, beyond anywhere else in the world, for financial technology and research and development investment. We may be a small region representing a mere 2.8% of the UK population, but I am proud to say that we still won 7% of all the foreign direct investment attracted to the United Kingdom in the past three years. By co-ordinating our investment plans through a single investment strategy and channelling the work flowing from it through Departments and their related public bodies, we can identify opportunities to collaborate with one another and with our external partners to deliver better services and avoid waste.

The investment strategy represents an intelligent response to today's economic realities, and it is a twin-track solution that will stimulate business and deliver public services. Its priorities were laid down by the Executive. It represents a significant commitment to investing in infrastructure over the coming years. Some £5.1 billion is to be invested over the current Budget period, and up to £13.3 billion will be invested overall. That breaks down as £2.6 billion for our networks, including roads, public transport, gateways, telecoms and energy; £2 billion to be spent on skills, which means schools, higher and further education, youth services and libraries; £3 billion for health, directed towards primary care, public safety, technology and hospital modernisation; £2.5 billion for social projects dealing with regeneration, social housing, culture, arts, sports and inland waterways; £1.8 billion for the environment in respect of water and waste water, waste management, flood risk management and the general environment; £700 million for enterprise and innovation, tourism, rural development, primary industries and public sector reform; and £700 million for the justice system will contribute to the work of the police, prisons, the probation service, courts and tribunals, forensic science, the Youth Justice Agency and the Public Prosecution Service. We want to maximise the impact on jobs of every pound invested to speed up economic recovery and meet our Programme for Government commitments.

I noticed that some Members raised social clauses, and I would like to point out that considerable progress has been made in that area. We will soon be launching a social clauses toolkit as a best practice guide to maximising social benefits for all relevant publicly procured contracts. I have to say that, when I was in Finance and Personnel, I

remember going to my first meeting of the procurement board, where I acted as the chair. At that stage, social clauses were not part of the procurement work programme. Indeed, I was warned to watch out for an independent member who had some crazy notion about inserting social clauses into public procurement contracts. The more I listened to that crazy member, the more I became convinced that he was the one who was sane and sensible. I am glad to say that, since then, we have been able to make this a standard and routine part of what we do with major contracts.

One example of how our investment in the past has helped to develop our economy is the high-speed telecoms link, which enables companies to locate core operations, such as systems support and quality assurance functions, in Belfast or, indeed, in Northern Ireland more generally. In the creative industries, too, major film producers' decisions to consider Northern Ireland as a production location reflect the very high-speed connections from here to post-production facilities on the west coast of the USA. We now have a distinctive competitive advantage as a result of earlier wise decisions.

Mr Nesbitt, a Member for Strangford, raised access to broadband, and a number of Members around the Chamber echoed that point. We recognise that although we can claim to have 100% access to broadband, some areas have to cope with fairly low download speeds. We have now moved on to the next generation of high-speed broadband. We have already invested £51 million in that, and 94% of homes and 89% of business premises have access to high-speed broadband.

In order to deliver an accelerated programme and support jobs, we will look at all the options for raising additional capital from alternative sources in a sustainable, affordable and cost-effective way. To do that, we are committed to working with business and social enterprise where appropriate and to sharing the burden of investment to transform our infrastructure. We recognise that the private sector already provides significant aspects of our infrastructure, such as energy, food distribution and, indeed, it has to be said, telecoms. Our voluntary and community sector has a wealth of knowledge about delivering services, having worked with the public sector to deliver cost-effective services that the user values. We are committed to working with those sectors to maintain the momentum of investment and ensure that we get best value.

My colleague Paul Givan raised asset management. Having invested in infrastructure

assets, we must, of course, manage them effectively. An Executive asset management strategy has been drawn up under which all Departments and their sponsored bodies will develop comprehensive asset management plans identifying clear plans for greater efficiency and value. Through asset management plans, Departments will identify assets that are no longer required or are underused. Those can be used either by another Department or a public body, or they can be sold to raise money for capital reinvestment. Although market conditions are not, of course, favourable for an extensive programme of asset disposal, potential opportunities for sales or other innovative approaches will be considered, always with value for money in mind.

In line with the principle of open and transparent government, the Executive have launched an online information website at [www.isni.gov.uk](http://www.isni.gov.uk) to monitor programme delivery for the investment strategy's key projects and to provide up-to-date information on projects that are in the pipeline. That means that the public and the industry have a greater degree of foresight into public sector investment in a format that is quick and easy to access and understand. Recognising the particular challenges that are facing the construction industry, a delivery-tracking system has been designed to provide updates on major capital projects and programmes and their procurement stage. We will continue to update and improve that website to support the needs of the industry and the public.

### 3.45 pm

I now turn to some other points that Members raised. The Member for North Belfast Alban Maginness asked why the document did not outline the approach for securing EU funding additional to that which we have at present and why it did not include issues relating to corporation tax. Those matters, of course, are not contained in the document because they are relevant to the Programme for Government as opposed to the investment strategy. He will see that they are contained in that document and that we have goals set in the Programme for Government on those issues.

A number of other Members also raised the issue of corporation tax. I point out that the ministerial working group will meet on 18 October. We have not abandoned the issue. We are not looking for a plan B; we are still promoting plan A.

The Member for Mid Ulster Mr McGlone raised the issue of cohesion, sharing and integration. I am not quite sure exactly how it fitted into the debate. He will, of course, be aware that we have delayed handing over the document on cohesion, sharing and integration at the behest of his party. The Executive want to make every penny of capital count for our capital investment towards providing better public services and making Northern Ireland an even better place for business by employing a carefully thought-out strategic approach. This document helps us to do that. It will be an ongoing process, because government will always need to be flexible, responding to change and taking advantage of opportunities as they arise. Crucially, the investment strategy represents new thinking and strikes an important balance between planning ahead strategically and giving Departments the flexibility to use their allocations effectively.

Mr Principal Deputy Speaker, I see that I am running out of time. There are a number of other issues. We will look over them and reply in writing to Members where we have not been able to include their comments today. I commend the report to the House.

*Question put and agreed to.*

*Resolved:*

*That this Assembly notes the investment strategy for Northern Ireland 2011-2021.*

## Committee Business

### Business Improvement Districts Bill: Extension of Committee Stage

*Resolved:*

*That, in accordance with Standing Order 33(4), the period referred to in Standing Order 33(2) be extended to 13 December 2012 in relation to the Committee Stage of the Business Improvement Districts Bill [NIA 9/11-15]. — [Mr Maskey (The Chairperson of the Committee for Social Development)]*

## Farming

**Mr Principal Deputy Speaker:** The Business Committee has agreed to allow up to one hour and 30 minutes for the debate. The proposer of the motion will have 10 minutes in which to propose and 10 minutes in which to make a winding-up speech. All other Members who are called to speak will have five minutes.

**Mr Frew (The Chairperson of the Committee for Agriculture and Rural Development):** I beg to move

*That this Assembly notes with concern the current crisis in farming caused by the failure of the food supply chain to react to rising production costs and feed prices in particular; further notes the lack of transparency within the food supply chain and the existence of a very significant differential between Northern Ireland, Great Britain and Republic of Ireland producer prices; and calls on the Minister of Agriculture and Rural Development to acknowledge the crisis and to bring forward initiatives to alleviate the short-term financial pressures on farmers.*

As Chairperson of the Committee for Agriculture and Rural Development, it is my privilege to bring this important topic to the attention of the Assembly, the Minister and the wider public. The Committee decided to table the motion in light of concerns raised with it by various bodies and stakeholders. Individual members of the Committee, and no doubt many other MLAs, have heard at first hand from their constituents about the crisis facing our farming industry. Indeed, given the media coverage of similar and ongoing crises all over Great Britain and the world, it would be hard to avoid being aware of the crisis at the moment.

What is happening? Our agrifood sector is one of Northern Ireland's successes in the current economic climate. Over the past 10 years, external sales from the food and drink processing industry have risen 66% in real terms, with external sales of almost £2.4 billion recorded in 2009. External sales represent approximately 70% of the value of all sales from the food and drinks processing industry. As for our farms and farmers, the total agriculture labour force in 2011 was 47,000 people, with nearly 24,500 active farm businesses in Northern Ireland. By any standards, but particularly in today's economy, the farming industry is a substantial employer. Food and drink processing and our farming industry is spread throughout Northern Ireland, creating jobs and wealth across the Province. It is vital that we do all that we can for both industries

and to create the conditions for them to flourish and grow equally.

Farming is at the very foundation of potential economic growth, and the industry is under severe strain. The heart of the matter is that many of our local farmers are being paid less for their products than they cost to produce, and that is putting them under severe financial pressure. More must be done to help our farmers receive a fairer price for their produce. Otherwise, one of the most important industries in Northern Ireland could collapse. If help is not forthcoming, it could have serious consequences for the whole of the agrifood industry, which is one of the cornerstones of the proposed economic recovery in Northern Ireland.

Why is the crisis happening? Why is it happening now? It appears to be down to a combination of factors. It is partly coming from rising input prices of fertilisers, animal feeds and oil prices; partly down to the price that the farmer is getting for their produce; and partly down to issues in the food supply chain and the impact of the weather, not only in Northern Ireland, but across the world.

Let me give you some examples of what I mean. There has been a massive hike in grain prices in the past year. According to research commissioned by the Committee, the price of soya bean, for example, the common foodstuff imported into Northern Ireland and used to feed cattle, pigs, sheep and poultry, has increased by 66% in eight months; and, over the past 10 years, one of the most commonly used fertilisers has increased by 223%. As for the weather, and it has been a bad summer here, the period from June to August was the wettest for 100 years. It was also one of the dullest and coolest. For farmers, a wet, cold and dull summer meant that livestock had to be kept indoors for longer, and that meant extra demands on fodder. The harvesting of crops has also been affected, and there are some concerns about the effect that the weather has had on the quality of the crops harvested, particularly silage.

There is also the impact of the worst drought in the USA since 1939 and, indeed, the drought in the Russian and South American farming belts. That means that the world price for the grains and seeds that we import into Northern Ireland to feed our livestock will continue to increase. The ramifications of that shortage of feed crop will be felt in all the farming industries, be that pig, meat or poultry producers.



It is currently costing more to produce our milk and meat than the farmer can sell at, and it looks like costs will not be going down any time soon. Let me expand on that latter point. During the summer, farmers from all over the UK and Northern Ireland protested over the gap between what they receive for their produce and what the customer pays. There appears to be a lack of transparency in the food supply chain. During the summer, the Ulster Farmers' Union (UFU) opened a shop for one day at its headquarters to demonstrate that. It sold produce, not at supermarket prices but at the price received by the farmer. The gap between the two prices is shocking and alarming. There is some hope that the Groceries Code Adjudicator Bill, which is going through Westminster, will help to address that issue. There is also some concern that the Bill lacks teeth and will not make any real, meaningful difference. Irrespective of that, the Bill is some time away from coming into law. In the meantime, the crisis is here and now, and we do not have the luxury of waiting to see what difference it will make.

Local farmers have always been at the mercy of the weather and, indeed, know all about shifting prices driven by market forces. It is the very pace of change that is concerning at the moment. The marked and rapid increase in animal feed, the unpredictability in world markets and the price variations between regions, on top of one of the worst summers for decades, are having an impact. Because of those conditions, we as a Committee are calling for the Minister to acknowledge the crisis and to bring forward initiatives to alleviate the short-term financial pressures on farmers. As a Committee, we would like to see the Minister accept that what farmers are facing is a combination of extraordinary circumstances, and, in recognising that farming is the foundation of one of the main pillars of growth in Northern Ireland, to bring forward initiatives to help farmers weather the storm.

Mr Principal Deputy Speaker, I will speak now on behalf of my party, the DUP. Yesterday, I was at a harvest service, where we gave thanks for the yield and harvest we have had this year. I know farmers are generally very positive and thankful for what they do receive. We have to always keep that in mind. There are people throughout the world who are starving. However, as legislators and MLAs, we have a responsibility to Northern Ireland, its population and its farming community to ensure that what we do makes the industry the best that it possibly can be. We cannot interfere with business. We do not want to interfere with the commercialism of the sector. However, we

have to ensure that we have a Department that is fit for purpose, works well in Europe and has the capacity to deal with whatever Europe brings down by way of single farm payments. We have to have a payment agency, Department and Ministry that are fit for purpose and will best alleviate the pressures on our industry. I am not sure that we can say that at this time. I am not here to blame the Minister for the weather, although I would let her take the credit for a really great summer. We cannot do anything about the weather. The Minister cannot even do anything about global markets or the price of soya beans and fertilisers, but she must ensure that her Department is fit for purpose and running at full capacity to make sure that any practical measures she can apply that will help the industry are put in place.

**Mr Clarke:** I thank the Member for giving way. On the point about what the Minister can do, you talked in your opening remarks, speaking as the Chair, about the unprecedented weather we have had. Notwithstanding the problems many families have had with flooding, surely the Minister could make a financial contribution to help those farmers who have suffered poor harvests and who are using next year's supplies already.

**Mr Frew:** I thank the Member for bringing that forward. Something that could be implemented is advance payments. We know the debacle there has been over the years around the single farm payment and how that has been drawn out. Some farmers wait nine months to be paid their single farm payment, which is crucial to the industry. I ask the Minister this: when are we going to be in the position of the Republic of Ireland? We can talk all we like about working in partnership with the Republic and our neighbours, but when are we going to be in a position, as it is, to issue advance payments to the vast bulk of our farming industry? Next week or the week after, farmers in the Republic of Ireland will receive 50% of their payments, which will help them throughout the lean period as we come into the winter. Sinn Féin has had this Ministry since devolution. When are we going to see real benefits and dividends? When are we going to see a Department that is fit for purpose and fit to react to the pressures and crises that we have now? This might well be a short-term crisis, but the Department of Agriculture and Rural Development (DARD) must be flexible and agile if it is to deal with the issues and actually make a difference —

**Mr Principal Deputy Speaker:** Bring your remarks to a close?

**Mr Frew:** — and assist the farming industry.

**Mr McMullan:** Go raibh maith agat, a Príomh-LeasCheann Comhairle. At the end of August, I was invited to attend a meeting of the UFU at its headquarters, along with MLAs, MEPs and reps for the pork producers. It was quite clear from that meeting that there is a crisis in the pig industry. The cost of feed was discussed. The price is tripling, with suppliers being given no credit. The pig producer in England, using the same feed and producing the same finished pork product, is anything from 8p to 10p per pig better off. The Member mentioned the cost of feed stuffs. At the present time, wheat prices for November 2014 have already been agreed at £164 a ton. That is for 2014. The cost of feed, as producers know, is 60% to 70% of the cost of producing, for example, a pig. We talked about the difference between pork prices here and in England, and it is the same for beef. You are talking about 40p a kilo, which equates to about £140 per animal.

Given the present figures, around 8,000 cattle are slaughtered here every week. If you take it that they are 40p per kilo, it equates to a loss of around £1 million per week. The loss to the pig industry on the same differential is £160,000 per week, which equates to roughly £7 million per year. Those are the figures that we need to look at instead of trying to see what everybody can do. Those are the figures that we need to be united against and see whether we can improve.

#### 4.00 pm

Wheat, barley and maize crops are up, and heating and transport costs are up, making the profitability of the industry bleak. The food chain is greatly controlled by major retailers. They control the farm gate price. In some ways, the processors are in the hands of the retailers, and the producers are in the hands of the processors. It is a vicious circle that goes round and round, and the one person who is suffering all the time is the farmer.

In 2008, the Competition Commission completed an inquiry into the UK grocery market, with 93,000 stores and sales totalling over £143 billion. In 2009, it was found that four of the main retail chains — Tesco, Asda, Morrisons and Sainsbury's — accounted for two thirds of that total. That is the problem facing the farming industry today.

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

In August 2010, the British Government decided to establish a grocery code adjudicator who would have the authority to protect farmers' contracts, settle disputes and generally regulate the industry. That needs to be put in place as soon as possible.

Last week, we got formal European Commission recognition of the North's freedom from Aujeszky's disease. Pig producers brought that up at the UFU headquarters and said that it would greatly help the industry. I know that the Minister had been very active on getting that lifted, and we have found out that it has been lifted, and it has also been lifted in the South of Ireland. That will allow pig producers to get their new markets and increase trade throughout the island of Ireland.

This Minister has recognised the plight of the farming industry and the structures and pricing, which is outside the control of DARD. She has involved the College of Agriculture, Food and Rural Enterprise (CAFRE) and the Agri-Food and Biosciences Institute (AFBI) in a supply chain development programme. She set up a red meat subgroup for the beef industry, and she set up a plan to make the industry profitable. At the end of September —

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

**Mr McMullan:** No, I am nearly finished.

The European Central Bank announced the exchange rate for converting the single farm payment to sterling. *[Interruption.]* Sorry?

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

**Mr McMullan:** No, I will not. Sit where you are.

**Mr Deputy Speaker:** Order. I remind Members that there is to be no correspondence across the Chamber. All remarks should be made through the Chair.

**Mr McMullan:** The exchange rate in 2011 was 0.86665 overall. That means a reduction here for the farmers in the region £20 million.

**Mr Deputy Speaker:** Draw your remarks to a close.

**Mr McMullan:** The beef industry needs a single farm payment to sustain its business because it is being paid well below production costs.

**Mrs Dobson:** This debate is extremely important for every farming family in Northern Ireland and for everyone who works in, or is

associated with, our agriculture industry. It has been said in this Chamber before, and it is no exaggeration, that the Northern Ireland agriculture industry is a jewel in the crown of our local economy. However, all sections of the industry — the producers, processors and retailers — need to work together in harmony to achieve a healthy and future-proof industry. It is unacceptable that farming families are receiving prices for their produce, which are far below their production costs. This is leading to hardship and threatens the future of farming families in Northern Ireland and, indeed, the vibrancy of our rural way of life.

Farmers are faced with spiralling feed costs caused by climate conditions in other countries, which are far beyond their control, yet they are being left to count the cost. That is especially damaging for pig producers, as almost three quarters of their production costs are feed related. The adverse weather conditions have resulted in an estimated drop of over 60% in fruit growers' crop yield, and I know that representatives of the Northern Ireland Fruit Growers Association are at Stormont today. The crippling effect is also being felt by local beef farmers, who are receiving almost £200 less per head of cattle than those in other regions of the United Kingdom. Recently, farmers have been expressing their anger about low farm gate prices, especially for milk, pork and beef.

The Ulster Farmers' Union held a series of crisis meetings, which I know representatives from political parties across the House attended. It also held a sale of produce at production costs in protest against supermarket prices. That was aimed at making the public aware of the wide disparity between the cost of production and the price shown on the shelf. Indeed, one constituent recently called at my office to ask when the Ulster Farmers' Union was having its sale again, because she heard how low the prices were. That proves that the strategy worked.

I declare an interest as a beef farmer and as someone who attended the Ulster Farmers' Union meetings in August. The Ulster Farmers' Union is absolutely right to stand up against the clear and present danger that exists and, indeed, threatens the long-term future of the industry. Farmers live with that situation every single day and constantly tell me that it cannot continue. They are clinging on by their fingernails. Farming really is in crisis.

As we know, running a farm is more than just a job; it is a way of life. The work is constant and physically demanding, involving 12-hour days of

feeding animals and milking at 6.00 am. Now, more than ever, the job of a farmer is mentally demanding, with the added anguish of knowing that all that hard work is likely to result in a financial loss. How would anyone else cope with that? This spells disaster for the future. Farmers are already concerned about the changes coming to CAP reform. Dairy farmers are worried about the future in a post-quota world, and all farmers are suffering as a result of soaring feed prices. The Department must urgently engage with the industry to ensure a fair distribution of profits for everyone.

The Ulster Farmers' Union welcomed the political willingness of representatives to attend its crisis meetings. However, farmers will now be looking for results and political action.

**Mr Elliott:** I thank the Member for giving way. Does she agree that one way to resolve the imbalance, as many of us would describe it, in the amount of profit that retailers return to farmers would be for Planning Service to put in place criteria so that major retail stores could not get planning permission unless they gave back a reasonable profit?

**Mrs Dobson:** I thank my party colleague for that intervention. He is quite correct, and I welcome that suggestion.

As I said, it is critical that farmers see not just a willingness to attend their meetings but a willingness to act.

In response to a recent question for written answer that I tabled on producers receiving a fair farm gate price, the Minister said that she hoped that prices would recover in the coming months. The Minister needs to move beyond the realms of hope and start directing some of DARD's copious resources at finding answers to the farming crisis. I also urge the Minister, when responding to the debate, to detail the lobbying in which she and her Department have engaged to urge the coalition Government to progress legislation to create a groceries code adjudicator. The Ulster Unionist Party has led on this issue since 2007, when we launched a campaign calling for profits to be more equally distributed across the supply chain. I would also like the Minister to tell us whether she will follow Minister Paice's lead and hold negotiations with the industry to work towards a voluntary code of practice. I am aware that the Minister met local fruit growers earlier this year, and I look forward to hearing what initiatives she intends to bring forward to assist the sector.

Farming families across Northern Ireland will be looking to this debate to deliver stability and a

return to profitability for the industry. I again urge the Minister to replace hope with action —

**Mr Deputy Speaker:** Draw your remarks to a close.

**Mrs Dobson:** — and to direct the resources of her Department towards ending the farming crisis before we reap a harvest of devastation for the industry across Northern Ireland.

**Mr Deputy Speaker:** The Member's time is up.

**Mr Rogers:** I support the motion. Every business will sink or swim depending on cash flow. Margins have been further reduced, with ongoing price increases in fuel, fertilizer and feed. Bank borrowing has become more difficult across the industry. Rightly, the Executive respond when companies such as FG Wilson experience difficulties, but we need a similar response for our biggest industry: that of our farmers.

Members touched on mother nature and the weather, but our cereal farmers have experienced a drop in yields. Many potato fields are flooded and their crop water slain. With the shorter days and less likelihood of good drying, some fields will never be dug. Although potato prices are better, that will not compensate for the losses. With so much rain, the quality and quantity of silage are poor. Silage has to be supplemented with more meal to keep the milk yield up or to finish the beef.

When one reads the headlines in the farming press, one would mistakenly believe that milk producers are OK. However, if you are receiving 29p a litre and it costs 30p a litre to produce, it does not stack up. Other Members spoke about the price differential between here and Britain, which is up to £200 with cattle and £12 for pigs or lambs. It just does not add up.

Beef producers in particular in Down and Armagh are concerned about the future of beef processing in the area. With plans to build a shopping centre on the ABP site in Newry, farmers and, indeed, the entire local economy are depending on that plant to be relocated in the area. I call on DARD to work closely with the Department of Enterprise, Trade and Investment (DETI) to ensure that that new processing facility is progressed without delay.

The Minister is, no doubt, aware that our white meat sector is stressed financially as a result of soaring production costs. Reports indicate that every pig and poultry unit in the country is so dependent on bought-in feed that the prime

outlay in their respective businesses is operating at a loss week by week. Feed costs have risen in the region of 30% in the past 16 weeks alone, and, what is more, they continue to rise. The Minister will, no doubt, agree with me that such a scenario is simply not sustainable. If it is allowed to continue, many pig and poultry producers will cease production, the consequences of which are frightening, and not for them alone.

The warning must go out to not only the Department of Agriculture and Rural Development but the Minister of Enterprise, Trade and Investment and the entire Executive that, if our pig and poultry producers close their enterprises, what is next for local processors if they have no local produce to work with? Will they keep the plant doors open waiting on a possible recovery in farming lines? I think that we know the answer to that.

It is simple fact that, if the cheque coming through the producer's letter box does not even match the production costs, one does not need a degree in economics to analyse the viability of the business. It must be remembered that, although feed is the prime outlay in pig and poultry production, there are other costs such as labour and energy, which everyone who is interested in household economics knows are continuing to rise at an astronomical rate.

Add to that, as other Members articulated, the problems with DARD, whether that is the countryside management scheme, late single farm payments or the Euro exchange and a loss of £20 million to the farmer. It is my belief that the single farm payment needs to be redistributed at a flat rate, particularly for the hill man.

**Mr Elliott:** Given his concern for hill farmers, will the Member appreciate that the introduction of a national park could also be detrimental to them?

**Mr Rogers:** I agree, yes. Thank you for the intervention. So, for the hill man, the countryside management scheme was a regime to manage overgrazing, which resulted in scrub encroachment, under-grazing and decimation of mountain grazing, and forest fire and a £60 million fine. The problem is there, but there are no upland heath experts in DARD to deal with the issue.

I would be totally surprised if the Minister remained unaware of the situation, but, as an elected representative, I wish to hear her give in the Chamber today a fully detailed explanation of the actions that she has taken to date to halt the decline in those key sectors. I am equally

anxious to learn of her short- or long-term plans to ensure the recovery of this very important industry and, as another Member said, advanced payments to hard-pressed farmers. Although my anxiety about the matter is borne out of concern for the industry and my constituents who are engaged in farming, I can assure the Minister that there are many producers out there who will be listening and will be deeply interested in what she will tell them today and in how she intends to bring to the Executive our concerns, which are the concerns of Northern Ireland's largest employer, the farming industry.

**4.15 pm**

**Mr McCarthy:** I fully support the comments of the Chair of the Agriculture and Rural Development Committee and, indeed, those of other Members who spoke on this very important topic. It really is unfortunate, Mr Deputy Speaker, that the Committee has had to bring such a motion to House, but, as you heard, our entire agriculture industry is under severe threat, not because of or through any fault of our farmers or anyone employed in the industry but simply because of outside conditions, including costs, prices, weather, and so on. As a result, the whole farming industry is almost on its knees.

I pay tribute to all our farmers and, indeed, all our people who work and produce on the land. At times, it is not a very pleasant task, as we all know, and involves working unearthly hours, day and night. Everything produced in this country is of 100% excellent quality, and because we have a good clean and green environment, our products are renowned throughout the world. That does not happen just by accident; it takes everyone working together to reach such high standards and, more importantly, to retain and promote all our products.

I pay tribute to all our farming groups, who are out there working and campaigning on behalf of the farmers and the agriculture industry to promote all our products at every opportunity. I cannot let the day pass without congratulating our people in my constituency who provide Comber spuds, which were recently added to the list of specialities. We also have Portavogie prawns, Glastry Farm ice cream and peninsula vegetables. The list goes on and on. They are all top-of-the-range products that are made locally for local people and by local people. To reach that status for all our farming products involves hard work and, at present, very little reward, as other Members said.

This Administration, the Minister and her Department must roll up their sleeves and take action to ensure that we do not lose this major industry. A comment was made to me that the Department is leaderless and lacks direction in providing for and promoting our industry. That may or may not be the case, but it has been said. It may well be the case that little can be done at this time. The weather is certainly totally out of the hands of the Minister and everyone else. World prices and oil —

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

**Mr McCarthy:** I will.

**Mr McMullan:** Does the Member agree that the agrifood industry is now a billion pound industry?

**Mr McCarthy:** I do indeed. Let us hope that we can capitalise on everything that is going on.

I was criticising the price of fertiliser, oil and other commodities, which has reached very high levels. However, prices at the farm gate are not in keeping with the outlay. The Committee Chair mentioned a groceries adjudicator. As I understand it, no one is in place as yet, but it would certainly help if someone were in place to ensure fair and equal treatment of farmers by supermarkets. Concern was expressed at the pressure put on farmers by large supermarkets. Perhaps the adjudicator, when appointed, will ensure a fair price for our excellent products — a fair price for the producer, for the supermarket and, most importantly, for the consumer.

I thank our own people in this Building who prepare the briefing packs. Everything is included, and it is a real help to us and to the Committee. We are all extremely grateful. I also pay tribute to our own officials, who serve the Committee on this very important subject. I hope that the Minister and her Department acknowledge the seriousness of our agriculture industry and take action immediately to help assist and retain a very valuable industry for everyone in Northern Ireland. I reiterate the call by farming groups for local people to buy local produce. As I said earlier, Northern Irish agriculture products are the best available. For constituents who wish to enjoy good, healthy, nutritional food and the good health of all in their families, it makes sense that the best thing that they can do is to buy locally. They can have a good life while supporting local farmers and producers. Our agrifood business, Mr McMullan, has a fantastic opportunity to lead the way in best quality food production. Let us

all support the endeavours of farmers and hope that the Minister and the Department will listen to what has been said today.

**Mr Irwin:** At the outset, I want to declare an interest as a dairy farmer and someone who has been involved in farming for many years. As a member of the Committee for Agriculture and Rural Development, I welcome wholeheartedly the opportunity to give my views on what is a growing and serious issue in the agriculture sector.

The motion uses the word "crisis". There is no doubt that we are used to hearing and using terms such as that, perhaps, when, in reality, no crisis may exist. In this instance, however, the word "crisis" describes perfectly the situation in which many farmers find themselves.

The sustained bad weather that we have experienced for what now seems like months on end has served to focus farmers' minds on just how precarious the situation is for agriculture in Northern Ireland. Indeed, recent Met Office statistics state that the summer of 2012 was the wettest for 100 years. At least that explains why I have not seen a wetter one in my day—I can tell you that.

The biggest concern for farmers is the unfairness in the cycle from the farm gate to the supermarket shelf and the fortress mentality of supermarkets and factories to any reasoned calls to review prices. Of course, the price gap has always been an issue for farmers. However, now, factors that are entering the debate are higher fuel costs, higher feed costs, higher energy costs and, on top of that, the wettest summer for 100 years. There is also cut-throat banking and all of that pitched against the backdrop of intense competition between the big retailers, which forces farmgate prices down. It is vital that pressure is put on banks to give additional credit to farmers in order to help them to get through the winter. I hope that the Minister takes that on board. Supermarkets want to be cheaper than their rivals, but also have big profits. We, therefore, have to look down the chain to see who is bearing the brunt of that ruthlessness. We all know who is bearing the brunt: it is the farmer.

I know that a motion on food banks and the importance of those facilities is to be debated in the Chamber following this debate. However, there is one glaring reality, which is that, when all things are considered, food prices will remain low. When prices are contrasted with the escalating costs to produce food for supermarkets shelves, it shows that that situation is unsustainable. In any other sector

of business, the person who produces the goods is able, to an extent, to control their own margins with the other end of the chain, making the necessary adjustments to reflect the realities of escalating input costs and other variables. That is not the case in farming. Farmers are being asked, or, rather, they have no choice, to keep producing while costs rocket. Yet, those who buy the produce continue to take a bigger slice of the profit.

Recently, I met farmers who are involved in the pork and beef sector. There is great concern about their plight. On mainland GB, prices for beef cattle are 30p to 40p a kilogram higher. For finished pigs, the price is 12p to 15p a kilogram higher.

Feed costs are at their highest ever. The cost of soybean meal has increased by 184% in 10 years and a further 66% in the past eight months. Those types of rises are throttling farmers. At recent meetings, farmers laid bare their anger and concern. I have spoken to farmers who are operating at a loss. I share their concern about finding a way out of this downward spiral.

We have heard it said that the agrifood sector is posting the highest recovery and growth rates in the economy. Yes, food and drink suppliers and retailers are posting profits. We must, however, not be overbuoyed by those reports. The big retailers, to put it bluntly, are trampling the farmer into the muck to ensure that their products are cheaper than their nearest competitor and that they address any decline in profits. That is not death by a thousand cuts for the farming industry; it is death by one big slash.

A few days ago, Tesco posted half-yearly pre-tax profits of £1.66 billion, some 12% down and its biggest decline since 1992. That is a significant profit, and that figure is despite further advancements in Asia, the US and eastern Europe. Farmers will shed few tears for Tesco over a small drop in fortunes, or indeed for any of the big retailers, which make such massive profits and yet fail to —

**Mr Deputy Speaker:** Draw your remarks to a close, please.

**Mr Irwin:** — address the widening price gulf between the farmer and the seller. That situation needs to change, and change fast.

**Mr Deputy Speaker:** The Member's time is up.

**Mr Irwin:** Having spent most of my life in farming, I know that the situation is dire and unlike anything that I have experienced before.

**Mr Deputy Speaker:** Time is up.

**Mr Irwin:** The time for action is long overdue.

**Mr Deputy Speaker:** I call Mr Declan McAleer.

**Mr Irwin:** I trust that meaningful steps can be taken by the Agriculture Minister and the Executive to —

**Mr Deputy Speaker:** Sorry; your time is up.

**Mr Irwin:** — address this important issue.

**Mr McAleer:** Go raibh maith agat, a LeasCheann Comhairle. Members who represent rural constituencies will know that the lives and livelihoods of a huge number of families revolve around the farm. It is a way of life for people. This year has been particularly devastating for the local farming industry. I want to be associated with many of the remarks that Members have made. The weather has been atrocious; it has reduced fields to mud tracks and forced farmers to house their cattle much earlier than usual. The cattle, when housed, eat into silage stock that is already depleted because, in many cases, the wet weather prevented second and maybe third cuts from being made.

The combination of wet weather and drought across the world has resulted in the cost of feed and silage going through the roof. Many farmers are, therefore, forced into selling off or slaughtering many of their stock. Faced with the prospect of running out of feed, they have little option. A recent agricultural market report indicates that the delivered price per ton of wheat was £216 for the week ending 11 August. That is a staggering increase of 23·8% from the same time last year, when the delivered price was £174·50 per ton. The farmers' plight is made worse by the falling strength of the pound against the euro. Although the actual rate is set by the European Central Bank and is beyond local control, it will nevertheless result in a reduction of approximately 8% in the single farm payment awarded to already under pressure farmers. As was said earlier, across the board, that is a £20 million shortfall in single farm payments this year.

On top of that, farmers are faced with very poor farmgate prices. Dairy farmers are regularly forced to accept a price for milk that is lower

than its production cost, while the huge supermarket chains can make a profit margin of up to 250% on the very same produce. The innovative initiative taken by the UFU during the summer, which Mrs Dobson referred to earlier, was a stark reminder of what farmers are paid for their long hours of hard toil: 22p for a litre of milk, 42p for a pack of 10 bacon rashers and a whole chicken for £1·19. That was a very effective illustration of just how little farmers receive for their produce, and it was a very commendable exercise by the UFU, as all the profits were donated to the NI Cancer Fund for Children.

Farming communities are also angered by the fact that their counterparts across the water earn in the region of £3·45 per kilo, while, here, they receive just over £3 per kilo. I welcome the fact that, to date, the Minister has worked very closely with the industry. In recent times, she, along with Minister Foster, set up the Agri-Food Strategy Board, which established a red-meat subgroup to develop a strategic plan for the red-meat sector to help to make the industry more profitable and sustainable. I also note and welcome the fact that she regularly engages with rural stakeholders. For example, earlier this afternoon, the Minister met a delegation of rural councillors from the Omagh district who came here to highlight their concerns about the many issues that affect the farming community. Through the Department, CAFRE and AFBI, the Minister has prioritised education, training, technical support and research to help to improve efficiency and competitiveness.

Farming is our indigenous industry. It is the backbone of rural communities. Farmers are experiencing crises that are largely due to extreme weather conditions and the global economy. I support the call for initiatives to help to alleviate the pressures on farmers at this very challenging time.

**4.30 pm**

**Mr Buchanan:** I support the motion. As a member of the Agriculture Committee, I welcome the opportunity to speak in this important debate.

No one around the Chamber can disagree that the agriculture industry is one of the largest economic drivers in Northern Ireland, not least in a rural constituency such as West Tyrone, where it is the main economic driver. It is always said that when the farming community does well everybody else does well, yet, this summer, the future stability of the industry has

been seriously affected by extreme weather conditions and reduced margins. Many farmers are struggling to cope with rising fuel, energy and animal feed costs. That is ignored by the retailers and food processors, and many farmers now receive less than the cost of production at the farm gate. No business or industry can survive where the cost of production exceeds the price paid for the final product. Unless something changes in the industry, there is no future for it other than going to the wall.

There is much discontent in the farming community at the way that it is being treated by retailers and food processors, and there is growing anger at the ongoing moves to drop prices at a time when producers are struggling with running costs and difficult conditions. Many farmers in West Tyrone — I come back to West Tyrone again — who normally have a six-month grazing season for livestock have only had a six-week period this year, and they have been unable to conserve sufficient silage for their winter feed. Indeed, a significant amount of their feed has already been used, leaving them to face a difficult winter, with the need to buy silage and concentrated feeds.

It is deplorable that processors are using the crisis to undermine the agriculture industry. Those folk know that farmers are in a difficult situation and that many have to get rid of their stock. What are they doing? They use the crisis to keep the cost down, get the produce as cheaply as they can and make the farmers suffer. That is what is happening. If the processors and retailers expect an ongoing supply of high-quality produce, it is time they accepted responsibility for ensuring that the prices paid to producers are fair and reflect the current challenges.

Reduced margins as a result of falling prices has squeezed the agriculture industry to its very limits. This summer, we have witnessed milk prices falling to 21p per litre, pig producers losing £20 per pig, lamb prices at 25% less per head than this time last year and beef prices in Northern Ireland significantly less than those received by farmers in GB. Northern Ireland farmers consistently produce to the same high-quality standards and supply the same markets as those in GB, and that situation is totally unacceptable. Something must be done to alleviate that problem, otherwise the agriculture industry we are so proud of in Northern Ireland will not and cannot survive.

That brings us to the final and most important part of the motion which calls on the Minister to:

*"acknowledge the crisis and to bring forward initiatives to alleviate the short-term financial pressures on farmers."*

It is all very well calling for the Minister to take action, but what action can she take? There is a cash flow problem, and the Minister must take steps to alleviate that by advancing the single farm payment. When we look back at the single farm payment that was issued for 2011, we can see that the way that some farmers were treated was deplorable. Small farmers in West Tyrone did not get their farm inspection until January and were not paid their single farm payment until late August. Those people were on their knees awaiting that payment, and that process has to be speeded up. Pressure also has to be put on the retail sector, so that it realises the difficulties that are being faced. It is totally unacceptable for small shops to sell milk and bread at —

**Mr Frew:** I thank the Member for giving way. I agree with what he says about the practical measures the Department can take that are not being seen to happen at the moment, which include advance payments. However, even if we cannot do that this year, will the Minister give us a timetable for when that will occur? Also, can the cap on farm modernisation schemes be lifted so that businesses can advance in a more productive manner?

**Mr Buchanan:** Thank you. I trust that the Minister will take that point and bring answers forward in due course.

Small, independent shops need to work with the farming community. It is totally unacceptable that small shops are selling milk and bread as a loss-leader just to attract people in while the farming community is on its knees because of this situation. The Minister also needs to work with the banks. There has to be more flexibility there so that they can continue to work with the farming community as they did prior to the crisis we find ourselves in.

**Mr Deputy Speaker:** The Member will bring his remarks to a close.

**Mr Buchanan:** I look forward to the Minister bringing something positive to the Assembly —

**Mr Deputy Speaker:** The Member's time is up.

**Mr Buchanan:** — and letting us know exactly what steps she intends to take.

**Mr Swann:** I often rise in this place when we debate Committee motions. Those debates



usually end up with Committee members talking to themselves, reading from the same briefing packs and quoting the same statistics at each other in an endless monotone. I am glad that every Member who has spoken to date has brought forward real and personal experiences, either from their constituency office or their personal involvement.

We are talking about a crisis in farming, and we have already mentioned our reliance on the single farm payment. In considering the threat that is coming from the changes to the common agricultural policy, we ask the Minister what she can do, as the Member who spoke previously said. The Minister knows well that she should concentrate on the UK portion of the Budget that will come forward for agriculture and on making sure that Northern Ireland gets its fair share. I believe that Scotland is already lobbying Westminster to make sure that they receive a larger portion than they did last year. It is important that our industry and our Minister do the same.

A number of Members spoke about advance payments. That is something that the SDLP Deputy Chair of the Committee previously championed, but, although the advanced payment of the single farm payment would be laudable and credible, it is imperative and would be more beneficial if your Department processed payments and got the majority of them out on time. Some of the excuses the Committee has heard for payments not being made are based on bank details not being correct. If your Department was proactive, made phone calls to get those bank details and got those single farm payments processed as soon as possible, that would alleviate the cash flow problems that we are talking about.

I welcome the fact that the motion includes reference to the Republic of Ireland. I urge our agrifood industry to be cautious about getting too wedded to that of the Republic. There is an old saying "Keep your friends close and your enemies closer". That is exactly what they are doing at this time. We must be aware that, in this economy-led industry and retail industry, a Republic of Ireland processor would as quickly steal a Northern Ireland processor's contract as it would anywhere else in the world, so we must see a Northern Ireland-based food promotion strategy come out of the Agri-Food Strategy Board. We have seen the Republic of Ireland's Bord Bia promoting Republic of Ireland produce only and doing it at full tilt. It does not look to promote Northern Ireland produce. When it comes to the Republic of Ireland, that is where we have to be cautious. When looking to its milk industry and asking, as we did last week or

the week before, about milk quotas and what will happen in 2015 when those quotas are removed, the Minister said that, unlike Britain, we export most of our milk. That is exactly what the Republic of Ireland's milk sector is targeting. It is targeting our markets.

Minister, a number of commodities have been mentioned here today. There was representation from the potato sector, which again goes back to the bad weather, which you cannot control —

**Mr Elliott:** I thank the Member for giving way. Before he leaves the milk issue, does he accept that, if quotas were disbanded, it would allow the Republic of Ireland to increase its milk production significantly? That would put more of a squeeze on to milk producers in Northern Ireland.

**Mr Swann:** I thank the Member for his intervention. That is exactly where the Republic of Ireland's milk industry is going. It is already gearing up for what, I think, is a 15% to 20% increase. It is getting ready to do that now, whereas the Northern Ireland industry is definitely not being supported by the Department in preparing for the quota reduction in 2015. That is what the Minister told me:

*"We will continue to work with the industry to make sure that we are prepared for post-2015. That work is ongoing." — [Official Report, Vol 77, No 5, p27, col 2].*

We need to see credible evidence of what that will be.

I go back to the potato producers in North Antrim — a very valuable crop. Again, I have met producers and processors. At the start of this year, when we saw how the weather was affecting processors and retailers, I asked the Minister what the Department could do. She answered:

*"In these circumstances I have no plans to bring forward additional support measures to the potato sector."*

Each sector of our agri-industry needs to look forward to support here in some way.

Poultry is another major agrifood sector in my constituency, North Antrim. We have Moy Park, formerly O'Kanes. The poultry industry directly employs something like 7,000 people in Northern Ireland. If we do not get a credible answer soon about what we are going to do with poultry litter in regard to Rose Energy, we

will see an entire industry crippled and on its knees. There are poultry producers out there who are willing and want to expand their business and production, but they cannot at the minute because they do not know what they will do with the poultry litter. The Committee has asked the Department what its plan B is, if Rose Energy does not get off the ground and into development. The only option that seems to be there at the minute is to transport our poultry litter to Scotland. There is another added cost to poultry producers in Northern Ireland. Not only will they pay for increased energy and food, but they will have to pay for their poultry litter to be exported to Scotland.

Minister, what brings this home credibly is the human aspect. You attended the tenth anniversary of Rural Support last Thursday, and some of the case studies that were put forward —

**Mr Deputy Speaker:** Will the Member bring his remarks to a close?

**Mr Swann:** — showed the real human face of the agrifood crisis at this minute in time.

**Mrs Overend:** As a Member from Mid Ulster, an area with a high concentration of pig farmers, I want to concentrate my comments on that industry. I declare an interest, being married to a mid-Ulster businessman who specialises in breeding pedigree and sales of artificial insemination (AI).

The farming crisis affects the whole supply chain. The future existence of producers and processors is important, as they are interdependent. Since the motion became public knowledge, I have received intensive representation from farmer and processors, including the main pig processor in mid-Ulster, Vion, which many across Northern Ireland know better as the Cookstown factory — the one that the late George Best promoted as the "Cookstown sizzle". Vion currently buys over 22,000 pigs per week. Some 40% of its sales are exported to the likes of Hungary, Germany and the United States of America. As I have said in the House before, with the economy in its current dire state, we need to build on our export markets. It is vital that government builds relationships with other countries, creates the agreements necessary and opens new markets to which we can export our high-quality, superior products.

**Mr McMullan:** I thank the Member for giving way. Would she agree that some producers import a lot of their own stock and that drives

down the price to the local farmer to the point where he cannot compete? Would you agree that some producers are taking in their own stock?

**Mrs Overend:** Sorry, I do not quite understand the point that you are making. If you want me to give way again, I will let you explain that.

So, what can be done to help the current situation? I have specific questions for the Minister. Last week's news that Northern Ireland has achieved Adjeskys-free status is very welcome. However, if Northern Ireland's interests are truly at the heart of the Agriculture Minister for Northern Ireland, I question the delay in achieving that status for this region. To wait for the status to be awarded to the Republic of Ireland at the same time is seriously questionable. The Minister should learn from her Republic of Ireland counterparts' loyalty to its industry and concentrate her loyalty on this place. I call for the Minister of Agriculture and Rural Development to bring forward immediate action.

#### 4.45 pm

China is the largest pork-eating country in the world. Northern Ireland needs a portion of that market. Can the Minister give categorical assurance that she has made representation to DEFRA with regard to finalising agreement to open up the export market to China and provide a timescale for definitive movement in that area? I would also like to hear if the Minister has made real contacts in China already, in preparation for when those markets open. Russia is another lucrative market that requires additional approval. However, I understand that there is a UK-wide industry and government consensus to prioritise the beef and sheep sectors before they turn to pork, yet the pig industry is a sector that is heavily reliant on expensive feed and is heading towards a particularly difficult winter. There is a dire need to expedite that process.

Something else that the Minister could look at is the important labelling issue. I ask the Minister again where her priority lies. Pigs come up from the Republic of Ireland to Northern Ireland to be slaughtered and have for some time been sold to the Republic of Ireland market through various large supermarkets, the names of which I will not mention. However, that market has completely closed up due to problems with labelling. Is it not crazy that, while Irish pigs leave the Republic of Ireland to be slaughtered and made into delicious pork chops, sausages, pork fillets etc, in the Republic of Ireland they

do not want to buy their own product back again? "Why?", I hear you ask. Because the labelling officials will not allow the same label to be put on the Republic of Ireland pork. I asked the processors this specific question: is the traceability there so that assurances can be received that pork or pork products can be identified as being from the Republic of Ireland? The answer was yes, yet supermarkets down South will not shelve Republic of Ireland pork processed in Northern Ireland. The strength of the farmers and the IFA has meant that their actions to reject so-called UK products on their shelves have actually resulted in the rejection of Republic of Ireland products from their shelves because of problems with labelling. That, surely, is something that the Minister could take more action on.

The pig industry in Northern Ireland is feed-intensive. The cost of that feed is climbing due to world market conditions, and it is choking our pig farmers across Northern Ireland. I know that it is really good pork, and I want everyone to appreciate its quality and its delicious taste. Moreover, I want China to have some. I believe that Russia should buy it too, as should many other countries across the world. Can the Minister detail to the House her action on these issues? I await her comments with interest.

**Mr Allister:** Following on from the last contribution, I too would like to begin by setting my remarks in a wider context. Of course it is right that we debate the immediacy of the crisis here in Northern Ireland affecting agriculture, but we have to have regard to the wider setting, particularly going forward, and how it might affect us. One thinks of CAP reform — I will perhaps return to that in a moment — but there is an even bigger picture that affects the future of agriculture, and that is the WTO outcomes and the fact that, for reasons that defy logic and sense, the EU has negotiated an outcome with the WTO that will stagnate European agriculture in the years to come and will cap our production at a time when world population is increasing and, therefore, food demand is increasing. We were perfectly suited to capture much of that market, and what does the EU do for us? It negotiated with the WTO to effectively stagnate and cap our production. That is folly, and it is tying the hands of our industry behind its back.

The other hand may well be tied behind its back by CAP reform. Some of the propositions there will make life in Northern Ireland very difficult for some. There are many priorities in CAP reform, but some of the things that concern me the most relate to our intensive sector — the red meat and the pig meat. The big worry,

especially among beef finishers and pig finishers, many of whom do not have the acreage to command a single farm payment of sufficient quantity if it moves exclusively to an area-based formula, is that it is hard to see, for example, our beef sector, which sustains thousands of jobs in Northern Ireland, surviving without some element of headage payment. That option is something that we have to seek to hold onto.

Then, of course, there is the question of where the money will come from to fund CAP reform. As it does, the EU Commission has demanded an inflation-beating increase between 2014 and 2020. Mr Cameron is threatening to veto it. Mr Cameron and the Conservative Party issue a lot of threats and deliver on very few, so he may or may not. The likely outcome, I suspect, is that we might well see a freeze on CAP funding at the 2013 level. If we see that, it means, effectively, that cuts will roll out over the years. Then it becomes a matter of priorities within that diminishing pot, whether it is single farm payments, rural development or the various competing priorities. There are many things on the wider stage that are reasons for concern.

What of our local Department? As our farming crisis deepens, has it been up to the job? I have to say that, sadly, it has not. It is the supposed champion for farming, but all we get are words, words, words. There is sympathy for the capital dearth throughout the farming industry, but the Department's response is to prioritise its own capital spend on a new headquarters for itself and new, lavish offices for its civil servants. There are sectors in despair, such as the potato sector and the apple sector following the weather, but there is no help from the Minister. Processors are ripping off the pig and beef producers, but there is inaction from DARD and no ministerial summit to thrash out fair play for the producers. No; there is inaction. The dairy sector has been ravaged by bovine TB, but there is feet-dragging from a Department on the patently obvious step of a badger cull.

**Mr Elliott:** Does the Member accept then that it is even more important that deliberations start at an early stage in the next round of the rural development programme so that all is not missed out on by the farming community?

**Mr Allister:** I agree absolutely with that. I will make this point: when a worthwhile fund comes along, such as the farm modernisation scheme, it is starved of meaningful funds so that the payouts are derisory and available only to a few. It does not even cover safety equipment to make slurry handling safer.

The issue of paying out single farm payments expeditiously and even early has been raised. What do we get from the Department? We get more feet-dragging. Constituents who had inspections last January were paid this September. There is continuous feet-dragging from this Department.

We need a poultry litter scheme to rescue the industry from the pressures of Europe, but where is our Agriculture Minister on that? At best sitting on the fence and, probably, more predictably, pursuing the dogma of opposing it.

**Mr Deputy Speaker:** The Member must draw his remarks to a close.

**Mr Allister:** The unpalatable truth is that we do not have a Department of Agriculture, and —

**Mr Deputy Speaker:** The Member's time is up.

**Mr Allister:** — certainly not a Department for agriculture.

**Mrs O'Neill (The Minister of Agriculture and Rural Development):** Go raibh maith agat a LeasCheann Comhairle. Ba mhaith liom buíochas a thabhairt do gach aon duine atá anseo ag an díospóireacht inniu. I thank the Members who contributed to the debate, and I welcome the fact that the Committee has tabled the motion. We have had a useful discussion today.

I want to say from the outset that I absolutely share the concerns about the increases in production costs, particularly for feedstuffs, and the current market conditions that are being experienced by our farmers. We all have the same interests at heart, and we all want to see a profitable local livestock sector as part of a thriving and sustainable rural economy. I should also point out that the price paid to producers and the establishment of a pricing structure is a commercial matter and is, therefore, not in my control. I acknowledge that the Chair of the Committee recognised that earlier. However, I want to share the concerns about the current prices that local producers receive. I would like to see our producers receive fair and equitable prices that provide a fair distribution of profits right across the supply chain. As many Members have pointed out in the debate, producer prices across the milk, beef and sheep sectors have fallen in 2012. There is a significant differential in the beef, pig and sheep prices here compared with those in Britain. There is a difference of 34·2p per kilogram for beef, 46·11p per kilogram for sheep and 10·67p per kilogram for pigs.

On the beef and sheep side, in light of recent concerns, the Livestock and Meat Commission has commissioned an independent evaluation of the disparity between beef prices here and in Britain. The LMC also carries out a valuable role in the dissemination of market information, which helps producers to make informed decisions about when and where to market their livestock to receive the best return. My Department will watch that work closely. I hope that I can help to identify and develop plans to address the issues that cause the disparity.

Milk prices have increased over recent months following a severe fall earlier in the year. Obviously, we all hope that that trend continues. When I am out and about meeting farmers, I still continually hear their statement — it is absolutely true — that the cost of production is outstripping the price that they are paid. That is not sustainable for the farming sector in the future.

Members will appreciate that the local industry is highly dependent on external sales and that prices fluctuate depending on market conditions. Our distance from British and mainland European markets means that transport cost is a significant factor in explaining price differentials. Markets take time to adjust, and it takes time for prices to feed through to producers. I understand farmers' frustrations, particularly in these difficult times. I call on the whole supply chain to look critically at the gap that exists between prices here and the destination markets for our produce.

Some Members picked up on the introduction of a groceries code adjudicator, which I support wholeheartedly. We continue to monitor the progress of the Bill as it goes through Westminster. Arlene Foster, the Minister of Enterprise, Trade and Investment, and I have put our views very strongly to the BIS Minister and DEFRA that we need that adjudicator to have teeth and real powers to intervene and do something to stand up for the rights of our local farmers.

As regards increasing production costs and feed prices, the increase in global cereal protein prices has resulted in significant increases in feed prices in recent months. Those increases come at a time when cereal prices were already high, following a hike in 2010. As the Chair said, there are fears about further increases due to depressed world cereal harvests caused by the drought in the United States and diminishing harvest prospects in the Black Sea region. Feed is the main input for livestock farming, which predominates here. Feed price increases have an immediate impact on farm

profitability unless there is an accompanying increase in farm gate prices. However, the sector's reliance on imported cereals for feed manufacture will inevitably continue to be a key weakness for our livestock sector.

Recent weather conditions are also adding to livestock production costs, as diminished grass supply and reduced silage stocks and forage quality are substituted with more expensive feedstuffs. Poor weather has also affected crop yields and harvesting costs for our arable sector. In addition, global fertiliser and crude oil prices are having an impact on production costs. Producer prices will not always respond immediately to increases in input costs, leaving many farmers in a more difficult situation. However, I hope that, in the longer term, producer prices will adjust to reflect those increased costs. Unfortunately, global market developments cannot be influenced by either producers or my Department. Therefore, the focus has to be on improving efficiency to keep production costs as low as possible.

As I mentioned, I am very aware of and absolutely sympathise with the difficulties being experienced by farmers due to bad weather and the impact on grazing and fodder production for the coming winter. My officials are monitoring the situation. They have provided and will continue to provide practical information and advice to help farmers deal with the impact of the poor summer weather.

Responding to the situation, CAFRE has launched an initiative to assist farmers and growers in the run-up to and during the winter. That will assist locally based workshops to assist farmers with winter feeding decisions across the livestock sectors. It will also include bulletins, press articles and provision of online management tools to calculate the volume of feed stores and estimate livestock requirements. The workshops will be tailored to the needs of local regions and enterprises. I am pleased to report that 220 farmers attended the first three workshops, which were held last week. I encourage all farmers to contact their local CAFRE development adviser to get enrolled in those workshops at an early stage.

Members picked up on the issue of wet weather payments. I wish that it were as simple as that. I am committed to making sure that we provide practical advice and information through the fora that I outlined. The difficulties with wet weather payments are around both EU state aid rules and business case requirements. Those are all factors that we have to take into account.

**5.00 pm**

**Mr Allister:** Will the Minister give way?

**Mrs O'Neill:** I will give way later in my speech.

The Department has commissioned research into additional measures that farmers can take to mitigate risks associated with extreme weather events, and the findings of this research will be disseminated to farmers through CAFRE when it becomes available. Unfortunately, no financial support measures are available to compensate farmers for their losses or to put towards additional feeding costs due to the poor weather. Any potential for compensation funding is further severely constrained by business case requirements and compliance with EU state aid rules.

My Department will continue to do what it can to support producers, and it is involved in a range of initiatives to help farmers to produce and market high-quality produce. Under the competitiveness measure of the rural development programme, the Department provided funding of £45 million for a number of measures aimed at improving the competitiveness of agriculture and forestry through supporting, restructuring, development and innovation. I know that Members are aware of those measures, so I will not go into them in detail. They include the Focus Farm programme, which looks at good practice, mentoring and the benchmarking provided to farmers, which is very important in monitoring input costs and livestock performance. Other measures include the Family Farms Options initiative, the supply chain development programme and the farm modernisation programme, through which almost 3,000 farmers benefited, receiving over £8.4 million of support in the previous tranche. The current tranche is out at present with an increased budget of £5.5 million. I encourage all farmers to make use of the considerable support and schemes that are available through the rural development programme. Farmers can also benefit from the ongoing programme of research undertaken by AFBI and obtain advice on farm management and planning through CAFRE.

In the area of animal health, I am very pleased with the progress being made, which will help to reduce costs for producers and increase trading opportunities. I am delighted that, last week, we achieved formal EU recognition that the whole island of Ireland is now free of Aujeszky's disease (AD). This achievement is testimony to the hard work and commitment of the members of the joint government and industry working group over the past number of years. As we are a region free of Aujeszky's disease, herd

owners can now export live pigs to other AD-free regions without the high cost of compulsory isolation, herd surveillance and blood testing. Achieving this free status allows pig producers here to access new markets and increase trading opportunities.

I also welcome the increasing desire in the industry to tackle diseases that have a significant impact on trade and competitiveness at farm level, such as bovine viral diarrhoea (BVD) and Johne's disease. A point was made about when we filed for our Aujeszky's disease-free status. It makes sense that we filed for the status across the island at the same time, because, if we had received our disease-free status and the South had not, all sorts of controls and mechanisms would have had to come into play. This way makes sense, and now the whole island has been given that status by Europe, which I very much welcome.

I was also delighted to attend the launch of the new industry organisation, Animal Health and Welfare NI, last month. I remain very keen for my Department to help to get that industry-led initiative off the ground, given the potential to the farming industry. I have agreed in principle, subject to economic appraisal, to support the contributions committed by industry stakeholders during the start-up period. Our active work on tackling animal health issues, in partnership with the industry, is another example of where we can start to make a real impact on the profitability and competitiveness of our farms, which is crucial in these difficult economic times.

As well as considering all the very real issues that face farmers, we have in place mechanisms to look at prospects for the entire agrifood industry and how we can support its success in the medium to long term. I have told the House on many occasions about the Agri-Food Strategy Board, which Arlene Foster, the Minister of Enterprise, Trade and Investment, and I have set up. The board is looking at developing a strategic action plan for the industry, in line with the Executive's commitment under the Programme for Government. It looks at all the sectors in the farming industry that Members picked up on. The board's key objectives are to identify growth targets, strategic priorities and actions needed by industry and government to achieve these targets. The board has been appointed for three years, and the development of the strategy is only a part of what we have asked it to do. It will also advise on the action needed to implement the plan and the resources necessary to deliver these strategic outcomes. I am sure that co-operation and communication

in the supply chain will be one of the many issues that will be addressed by the board. Any action plan for future growth in the sector will have to be underpinned by sustainable, resilient supply chains to have any chance of success.

In addition to the actions that my Department has already taken and what I have just outlined, I announce a new measure that I am taking to support the farming sector. I am pleased to announce to Members that I have decided not to apply a further year of voluntary modulation for the 2013 single farm payment year. This will have the effect of adding €19 million, which is about £15 million at today's exchange rate, to the total funding available for the 2013 single farm payment. That money will go directly into farmers' pockets through next year's single farm payment.

The European Commission has made provision for voluntary modulation to continue for another year in the context of the ongoing discussions on CAP reform. It has said that the money that is taken from the single farm payment can be used in the new round of the rural development programme. I understand that other Administrations in Britain will make use of that provision again. However, given the real challenges that our farmers face now and over the coming years, I have decided not to continue to apply voluntary modulation. That will provide some much-needed additional income for farmers in the 2013 single farm payments and will help to stimulate the rural communities in which farmers live and spend their money. In taking that decision, I have had to balance the opportunity to make extra funding available for our new rural development programme against the very real challenges that are facing our farming community, which we heard about today.

Although significant challenges remain ahead in securing a fair share of the EU rural development budget, and although I cannot rule out, at this stage, the need to make transfers to that budget in the future, I am sure that acting now to make that additional funding available can help to offset some of the additional costs that our farmers face. An additional €19 million in farming incomes will have the effect of pumping money directly into rural communities at a time when our economy needs all the support that it can get. That is why I feel that it is important to act now to support a sector that the Executive see as having enormous growth potential. I am hopeful that that additional boost to farming will help our farms to remain competitive and will help to stimulate the wider growth that we need in the economy.

I will not get into all the points that were raised during the debate; hopefully, I addressed most of them in the body of the speech. However, numerous Members made calls for advanced payments and staged payments. I think that we can look towards that for the future, and we are working to get to that position. The EU rules dictate that we cannot make a payment until all inspections are complete. As part of the ongoing negotiations on CAP reform, we are asking Europe to look at whether we will be allowed to make payments once the individual inspection is complete. That will be a step forward, and we are looking towards that in the future.

Members talked about people getting their single farm payment in time. We met our targets this year, but if you were outside that group, you were under significant financial stress. So, this week, I am delighted that we have started inspections four weeks early. I think that that will make sure that we speed things up. We have improved maps, and a number of cases are being dealt with through satellite imagery for inspections. So, I believe that all those things will lead to an improved situation next year.

Members mentioned the potential for trade in the future. I am going to China, and the Minister of Enterprise, Trade and Investment is also going to China in November. We are building up those real links. There is lots of potential, and we need to exploit all those markets for the future and use every opportunity that we have to develop trade links and university links. We are very much involved with that.

In closing, I want to take the opportunity to assure Members that I am well aware of the difficult circumstances that farmers face, and I fully support the fair distribution of profits across the supply chain. Unfortunately, a lot of the issues that we discussed today, such as pricing in global markets, are beyond our control, but we have to continue to work with industry to do the best that we can for all those involved. My Department will continue to offer advice and assistance to the sector in these difficult times to ensure that it is operating in the most efficient and cost-effective way that it can.

I want to end on a positive note. I can support the motion. I understand the pressures that are on our farmers, and I want to help. The motion calls for me to take further action to alleviate the financial difficulties that have been expressed by the sector, and I hope that my announcement today on modulation, which will put an additional €19 million directly into

farmers' pockets, shows the House that I understand the short-term challenges that are facing the industry and that, where I can act to support the sector, I will.

**Mr Byrne (The Deputy Chairperson of the Committee for Agriculture and Rural Development):**

First, I welcome the fact that the Speaker allowed the debate to take place. It is very timely and welcome for farming people at this time.

As we all agree, farming is suffering because of the rising cost of feeds, energy and fertiliser. It is also suffering because of compliance costs and, as many people outlined, low farmgate prices. We have the real problem of bad prices for milk, beef, pig meat, sheep meat, and, indeed, for vegetables and fruit. As we know, all those problems have been compounded by the severe weather conditions over the past number of years. We have problems in harvesting crops, with poor ground conditions and with animals having to be fed winter feed stocks early.

The general uncertainty, however, surrounding CAP reform proposals, as well as pressure from banks, is adding to the difficulties that farmers face. In this region over the past three years, delays and difficulties surrounding the processing of integrated administration and control system forms and single farm payments have caused great annoyance and grievance to many farmers. The whole mapping problem in the Department and the delay in implementing the land parcel identification system for mapping is causing great frustration.

The long-term strategic challenge for farming in the North, however, is centred on how 80% of farm produce can be exported and marketed successfully to realise a decent return for the primary producer. For many years now, farmers have felt powerless, because farmgate prices have a disproportionately low return in comparison with what processors and retailers get in profit. That has been raised by many other Members.

Farmers, unfortunately, are price takers. Can there be any social corporate responsibility in the food chain? That is the real question. Will the groceries code adjudicator deliver any results for the farmers? There has been quite a bit of talk about the groceries adjudicator. The question is this: will the adjudicator have teeth and will that office be relevant and meaningful in what it can deliver for farmers?

Northern Ireland is only part of an island that collectively has to export 80% of its farm

produce, so it is crucial that CAP reform be handled delicately to get a decent return for farmers over the medium to long term. That is the real strategic issue.

**Mr Swann:** Will the Deputy Chairperson give way?

**Mr Byrne:** Yes, indeed.

**Mr Swann:** We have already touched on the importance of CAP reform. Does the Deputy Chairperson agree that that is why it was so important that we had the European Commissioner for Agriculture and Rural Development over here on 20 September, along with my party colleague Jim Nicholson MEP?

**Mr Byrne:** I agree with Mr Swann. It was a very timely visit to Northern Ireland, and I hope that the commissioner will listen to the concerns raised about the type of CAP reform proposals that would best meet our needs.

The farming community is looking to the Minister and DARD to recognise the short-term difficulties, as well as to point out a long-term development strategy for agriculture and food processing in the EU context. I very much welcome what the Minister said about moving £15 million extra into the single farm payment scheme and away from the voluntary modulation scheme. I think that that would be a very welcome development for the farming community.

CAP reform for Northern Ireland must be maximised within the context of the British Treasury's budgetary allocations and the EU-determined single farm payment envelope, and other supports such as the less-favoured areas (LFA) scheme and rural development/environmental schemes.

The long-term strategic marketing of food products needs to be delivered in the context of an all-Ireland framework, with Irish-labelled food produce and international marketing. A number of Members raised concerns about animals being brought into Northern Ireland for processing and then difficulties arising in the retailing of the finished product on the shelf in the Republic. That is something that the Minister must take up directly through the North/South Ministerial Council, and let us have the issue debated and worked on.

**Mrs O'Neill:** Will the Deputy Chairperson give way?

**Mr Byrne:** Yes, indeed.

**Mrs O'Neill:** I would like to inform the Deputy Chairperson that I have already raised the issue with the relevant Minister in the South, Simon Coveney. We have had a discussion at the North/South Ministerial Council. It is a big issue — one that we must resolve — and we are using every avenue to alleviate it.

**Mr Byrne:** I welcome what the Minister has to say on the issue.

The current round of CAP negotiations may culminate during Ireland's EU presidency in 2013. Therefore, it is crucial that the farming case must be maximised. Family farm income supports must be balanced, as must be the environmental considerations conducive to the sustainability of the agrifood sector. The current uncertainty in farming and the agrifood sector must not impede the long-term strategic development and sustainability of the industry in a global marketing context, given the EU CAP reform parameters.

Farming is a native industry that must be protected and sustained. The time is now right for leadership from the Minister and DARD to show the farming community that CAP reform outcomes can be maximised for all concerned. It is crucial that the Department take some steps to deal with farm safety and the cash-flow problems associated with the delayed single farm payments in the current year. I have to say that it is disappointing that the Minister has not recognised the frustration that farmers are experiencing over difficulties surrounding the process of single farm payment applications.

## 5.15 pm

I pay tribute to Farmers for Action and the Ulster Farmers' Union for the campaign that they have conducted over the past two to three months in Northern Ireland. They have certainly highlighted the great disparity between farmgate prices and the retail prices that the consumer has to pay. Farmers want a fair price for their produce, and that is the challenge for everybody. How can we create an industry where the primary producers — the most important part of the food chain — get a decent and fair price for their products?

A lot of Members took part in the debate, including a lot of colleagues on the Agriculture Committee, and I welcome their comments. At the start of the debate, the Chairman set the scene for the entire issue before us in the farming community. He covered all the key



difficulties associated with the current crisis. That is the point: it is a crisis for many farmers, who have the banks breathing down their neck and who are earning low prices. Mrs Dobson, along with others, mentioned the pig farming crisis. Pig farmers, for example, are selling produce at a loss of as much as £2,000 a week. That is the actual impact and the severity of the crisis that they are facing.

Oliver McMullan talked about the Ulster Farmers' Union crisis meeting on pig meat and beef prices that was arranged for MLAs some weeks ago. He talked about the vicious circle. We hope that the grocery adjudicator — if it happens — can do something about breaking the vicious circle and making sure that the farmer gets a decent return. There is something badly wrong when, as happened last week, bullocks can go from Northern Ireland to Scotland and fetch an average of £180 more there than they would have got in Northern Ireland.

We all know that the single farm payment in Northern Ireland was worth about £267 million two years ago. However, in the current year, with the currency differential, it is now down to about £247 million. We are enjoying about £50 million in total for the other aspects of farm support, be that support for LFAs, countryside management schemes or other rural development programmes.

Tom Elliott talked about the Ulster Farmers' Union shop sale. Over the summer, the Ulster Farmers' Union sold food products at the price that the farmer gets, which very much highlighted the differential.

CAP reform concerns also relate to fruit growers, and they are sometimes forgotten. We talk about pig meat, sheep meat and beef prices, but we do not hear very much about fruit growers. Obviously, an MLA from Armagh would have to mention that issue, and we recognise what Mrs Dobson said.

Sean Rogers talked about the cash flow problem and the pressure from the banks. He also talked about County Down potatoes. Of course, MLAs who represent County Down quite often reflect the problems associated with potato farmers.

The pig and poultry sectors are at a crucial stage. We have many people involved in pig production and poultry production, and they are really up against it with cash flow problems with regard to the cost of feed as opposed to what they are getting for their produce.

**Mr Deputy Speaker:** Will the Member bring his remarks to a close, please?

**Mr Byrne:** Mr Deputy Speaker, there are many other points that I could make about what other Members said. It is fair to say that there is a crisis. We welcome the fact that DARD —

**Mr Deputy Speaker:** The Member's time is up.

**Mr Byrne:** — could be more proactive in speeding up single farm payments. I hope that something can be done about that to relieve the immediate cash flow problems. I welcome all the support for the motion and commend it.

*Question put and agreed to.*

*Resolved:*

*That this Assembly notes with concern the current crisis in farming caused by the failure of the food supply chain to react to rising production costs and feed prices in particular; further notes the lack of transparency within the food supply chain and the existence of a very significant differential between Northern Ireland, Great Britain and Republic of Ireland producer prices; and calls on the Minister of Agriculture and Rural Development to acknowledge the crisis and to bring forward initiatives to alleviate the short-term financial pressures on farmers.*

## Private Members' Business

### Food Banks

**Mr Deputy Speaker:** The Business Committee has agreed to allow up to one hour and 30 minutes for this debate. The proposer will have 10 minutes to propose the motion and 10 minutes to make a winding-up speech. All other Members who wish to speak will have five minutes.

**Mr Hamilton:** I beg to move

*That this Assembly notes the growth in the number of food banks established by churches, charities and other community organisations; welcomes the positive response by these sectors to the needs of people and families suffering from the ill effects of the economic downturn; and calls on the Minister for Social Development to ensure that his Department continues to support and promote the work of food banks.*

I thank the Business Committee for affording me the time to move the motion. I thank the Minister for his attendance and, in advance, for his response. It seems that this afternoon's business has been scheduled in an apt way. We had a debate about a crisis in food production, and now we have one about a crisis in which people do not have enough food to eat.

At the outset, I must say that I do not think that there is a need to re-rehearse all the ill-effects of the recession and the economic downturn, even though that is very much the context of this debate. Members know full well what is happening in the communities they represent. Contrary to the perception that some in the world of media would wish to portray, we do not have eight-week holidays over the summer period when we are lying on beaches. We are actually working with our constituents in our constituencies, and we know how people are suffering in our communities as a result of the recession and the downturn. We know that jobs are being lost; we know that incomes are down; we know that more people are claiming benefits and that some people are claiming benefits for the first time in their life. We also know that people are increasingly getting into debt and that, because of that, when unexpected bills arrive, they are having a harder impact on people in our communities.

I think it is fair to say that Governments like our own can, and do, take initiatives to alleviate the

worst effects of the downturn. That could be something like Invest Northern Ireland's jobs fund, the social protection fund, the social investment fund, the youth unemployment initiatives, which the Minister for Employment and Learning is taking forward, or even things like social clauses. The Finance Minister was here earlier talking about procurement and such measures as social clauses, which are bringing unemployed people and apprentices into the workforce as a result of procurement contracts. All of those have an impact, but their impact is not quick enough in many cases. That is something that Governments here in Northern Ireland and around the world suffer from; we do not get a quick enough response to many of the problems that we have in society. We see some of those problems manifest in our constituencies in the casework that we do. Help is being offered, but sometimes it is not quick enough to materialise. Somebody may be entitled to benefits, but they may have to wait for a few weeks before that benefit starts to arrive in their bank account. In the meantime, however, that person and their family need to survive.

I and, I am sure, others have seen that benefits are frequently taken off people in error, or there might be a mix-up with their tax credits, or their income is changing because of changed hours. Suddenly, that has an impact on their housing benefit or other benefits they are in receipt of. There is, therefore, a period in which there is no income coming in and, again, their family needs to continue to survive over that period.

Obviously, there are some mechanisms within the system and the social security system. People could avail themselves of a social fund loan, for instance, but as it was put to me last week by somebody working in the food bank sector, the last thing that somebody who has, perhaps, lost their job may be attracted to is a loan. Even though the social fund loan is there as a system and a means to help those people in those sets of circumstances, taking out what they perceive to be a debt on the first day or in the first couple of days after coming out of work is not what they necessarily want to do. There is, therefore, help in the system, but sometimes it is slow to materialise, and government is not well equipped to deal with short-term and immediate problems like that. Indeed, even if government was able to design and invent something to deal with people who had those short-term gap problems that prevented them from having enough money to pay for the food that they and their family need, I dare say that whatever it would be would be overly bureaucratic, tied up in red tape and not anywhere near as effective or efficient as what

the community and voluntary and faith-based sectors are able to supply.

That is where churches, charities and community organisations can, and are, stepping in. We see a growth in the number of food banks right across Northern Ireland. I think that that is, in some ways, an unfortunate development. They should not have to exist, but it is at least a positive response by that sector to a growing problem and to something that the people involved see within the communities in which they live.

I want to highlight the good work that three food banks that I am aware of are doing. Doing so, will show Members and the wider public the good work that they are doing. The first one that I want to touch on is the Newtownards food bank. It was established back in December 2011 as a social franchise under the Trussell Trust model, which has been operating quite successfully on the mainland for a number of years. In fact, junior Minister Mr Bell and I were at the launch of the food bank just before Christmas of last year, and it has gone from strength to strength over that period. It has grown from about 10 volunteers initially to around 100 volunteers today. It handles and receives around 1,000 kilograms of donated food each and every month, and distributes that to approximately 100 people a month. That food comes from about 30 feeder churches, schools and businesses in the community. It also works very closely with the supermarkets. Supermarkets took a bit of a bashing in the previous debate, but there has been no lack of willingness on behalf of the big supermarkets locally to allow that food bank to use their premises to get food donations. On a Saturday, you will frequently see somebody from the food bank handing people a little shopping list as they go into the supermarket. If you have the time and money to be able to purchase one of the goods off the list, it asks that you donate it, to replenish its stock and allow it to grow. It supplies a three-day emergency supply of food, and gets referrals from people working at the coalface: doctors, social workers and, indeed, even local elected representatives like myself and others. It provides not only that emergency food, but an opportunity for people to come in; people who have perhaps a debt or benefit problem can come in and talk about what is affecting them. Often, that is the first time that they will have had the chance to talk to anybody else about the problem they are facing.

The second one is Storehouse, an independent charity working in the Belfast area. It has been operating now for five years, and has seen its work grow from about 10 cases a week up to

helping 100 households a week. It has had 9,000 individual cases, a lot of which have been repeat cases. Therefore, the actual instances of its work are much higher than 9,000 cases. At the end of June, Storehouse opened a premises in Cornmarket in Belfast, and in the short period of time between June and now, has had 310 individual cases and 650 separate sessions with people in need. Storehouse has 30 to 35 churches, of all denominations, helping it to get the food that it needs to pass on to those in need. Some 60 to 70 bodies assist Storehouse by referring to it people who are in need. That is a very good example of where, again in the faith-based sector, organisations have come together positively to work together to try to, across denominations, alleviate the problems in their community.

The third one I want to cite is in Ballynahinch, and is headed up by the First Presbyterian church, working alongside the Baptist and Methodist churches in the town and other Presbyterian churches. Again, people are signposted to the service by social services, the citizens advice bureau and counselling services. From a very small start, it is seeing its workload grow and grow on a weekly basis.

It is quite remarkable what those people are doing, and almost entirely on a voluntary basis. We are seeing large quantities of food being donated and work being done on a non-denominational basis. It is impressive and inspirational what those people are doing. No one, least of all me, would suggest for a second that food banks are a cure for all the ills in society or the recession. However, they are making a vital contribution, even beyond food. I have heard of some cases where the help of the food bank, in taking away that one pressure that a family is facing, has helped to avert marriage breakdown or, in some cases, persuaded people not to self-harm. The help knows no socio-economic boundaries. Food banks are seeing people come to them, not just from the socio-economic backgrounds that you would expect but from wealthier, traditionally middle-class backgrounds.

The question is: what can government do? It is not necessarily about providing additional funding, although I think any sector would appreciate any funding that was there. It is about promoting the work of food banks in partnership with statutory agencies, such as the Social Security Agency, social services, jobs and benefits offices and the Housing Executive. Those agencies can partner with food banks to ensure that no one who is in the sort of need that they are seeing, where people cannot afford to put food on the table for their family, is

let slip through the net. Food banks can also help government in a practical way, by providing statistics about the types of groups of people who are coming in and using their services and the reasons why they are presenting themselves to food banks. Using that information and those statistics, government could then help look at policy. If it is because people are falling through gaps in benefits, government, in the shape of the Minister and his Department, can help to address those problems. In many ways, it is unfortunate that churches and charities feel obliged and driven and that it is their mission to open food banks, but we should be immensely grateful to them —

**Mr Deputy Speaker:** The Member's time is up.

**Mr Hamilton:** — for what they see as their duty to serve their community in such a positive and purposeful way. Without them, it would undoubtedly be the case that the problems we face socially in Northern Ireland would be much worse than they are.

**5.30 pm**

**Mr Brady:** Go raibh maith agat, a LeasCheann Comhairle. I support the motion and welcome it being put forward by Members. It is a topical and pertinent subject at this time. While we welcome the positive contributions of churches, charities and other community organisations in the alleviation of immediate hardship, the Minister for Social Development has a statutory responsibility to protect the most vulnerable, tackle poverty and address the lack of affordable homes. There is absolutely no doubt that charities play a very important role in our society, as Mr Hamilton has outlined, but they are not there to take on the statutory role of the Department. While it might support charities, it should not manufacture a situation in which the voluntary sector is left to become the main provider for the most vulnerable.

When the welfare state was introduced in 1948, benefits such as supplementary benefit were designed to be a safety net for those unfortunate enough to fall outside the normal range of benefit provision. Due to a lack of foresight and unwillingness or inability to provide adequate resources, more and more people became dependent on supplementary benefit and, more recently, income support. More and more lip service was paid to resolving these problems, but no real sustained effort was or has been made to alleviate the real hardship suffered by many people in our

society. Instead of trying to put in place a system to deal —

**Mr F McCann:** I was reading something earlier that Simon had mentioned about some of the trusts. One of the articles said that someone had to borrow a tin of soup from their next-door neighbour to stop their 18-month-old daughter going to bed hungry. That is just one of a number of testimonies. Do you believe that, with the onset of severe welfare cuts, we could be dealing not only with food banks but with the setting-up of soup kitchens for people to go to?

**Mr Brady:** I thank the Member for his intervention. The example that he has given mirrors the reality faced by many people.

Instead of trying to put in place a system to deal with the problem, we have increasingly seen efforts by successive British Governments to ensure that the gap between rich and poor grows increasingly. In Scotland, the CAB reports that changes in benefits are causing increasing numbers of clients to fall through the social security safety net. Unfortunately, for many of those people, their only way of sourcing food is through a food parcel. Benefit changes are the main reason why there is a growing demand for food parcels. Changes to the social fund in Britain have reduced the number of awards being made. The introduction of the social fund in 1988 was designed to be a safety net for people in need to cover costs such as food and housing and for people who needed emergency financial support through crisis loans. A limit on the number of crisis loans a person can apply for in a fixed period has had an adverse effect. The policy does not address any of the reasons why an individual may need a crisis loan and may well push someone towards other sources of help, such as moneylenders, loan sharks etc.

When we think of food banks and food parcels, we normally think of people who are in dire straits facing extreme poverty or homelessness. Food banks report that most of those accessing the services are low-income families who are experiencing some form of crisis. Interestingly, taking into account all the arguments that we have heard so loudly and so recently about getting people back to work, many of those needing food parcels in increasing numbers are in low-income, working households. There are many factors causing families and individuals to become increasingly dependent on food banks. The cost of food in general continues to rise alarmingly, and benefit and wage increases have simply not kept pace with that. The minimum wage is now approximately £6.18 per

hour, having gone up by the huge sum of 11p just two weeks ago.

I recently watched an item on 'Newsnight' on a food bank in Coventry in England. The main reason given by those using the food bank was benefit issues. The use of benefit sanctions played a big role in people having to apply for food parcels. Also, a number of people who were interviewed had to apply because of long delays in processing their benefits — in some cases, from six to eight weeks. When they applied to the social fund looking for a crisis loan, many were turned down without a good reason being given. Again, interestingly, many of those interviewed were working on low incomes and were unable to manage.

In an article in 'The Guardian' in September, the director of the food bank charity, the Trussell Trust, which Mr Hamilton mentioned, was adamant that it will not become an arm of the welfare system. The number of people being fed by the Trussell Trust continues to grow. Some 28,000 were fed in 2008, and 128,000 got food parcels in 2011-12. This year, the figure is expected to rise to 200,000. In Coventry, 43% of the people affected had experienced benefit problems. There is no doubt that the growth of food banks shines an uncomfortable light on the state's retreat from welfare provision. Chris Mould, the director of Trussell, is scathing about how the state can coldly impose benefit penalties on vulnerable individuals while:

*"knowing that no one will actually die of starvation because someone else — the voluntary sector — is looking after them".*

The Minister needs to stand up and ensure that he takes responsibility for protecting our most vulnerable and that that is effective. Otherwise, it will be food banks today and back to the workhouse tomorrow.

**Mr Copeland:** I apologise in advance, as I speak under an even more present cloud of cynicism than even I am used to. I could have been unkind, and, in fact, I almost intended to be unkind by remarking initially that the motion, like some others, amounts to two Members calling on a party colleague to do something that he is already doing. I must confess that Mr Hamilton, perhaps unwittingly, covered in his initial address some of the points that were giving me concern. However, I still admit to a sense of frustration that here we are, at this late hour in the day, discussing matters that are relevant to the welfare of people who depend on the welfare state, and yet we are still denied the chance to debate such matters fully. I will

say more about that tomorrow — a good deal more in all likelihood. It is, therefore, with a somewhat mollified sense of warmth, that I welcome the motion. On the one hand, I salute the fantastic work being done by those involved in the establishment and progression of these schemes; on the other hand, I cover my face in shame that we — the sixth wealthiest nation on the face of the earth, allegedly — are even contemplating that food banks should be a feature in any of our cities, towns or villages. I asked Mr Brady on the stairs on my way down here whether food banks represented a progression from soup kitchens. Neither of us was really sure what the honest answer to that was.

One of the biggest problems facing us is being addressed by, for example, the Trussell Trust. It is opening four new food banks in the United Kingdom every week to keep up with demand. One of the biggest problems it faces, besides the problem of people without jobs, which we all know about, is people with jobs running out of money before their next pay cheque arrives and those struggling with rising bills and facing the choice of paying bills or eating. It goes without saying that those without a job are in an even more desperate situation, as they find that their benefits and entitlements at the current level do not keep pace with their needs, never mind what the situation will be after the introduction of the proposed changes. We anticipate that those same people will, of course, have their problems compounded by the introduction of welfare reform.

Since April, the Trussell Trust has fed over 50,000 people in the UK, not to mention the fact that many thousands of church and community groups provide independent support through schemes similar to the food bank. I remind the House — not that it needs reminding — that behind every digit, comma and number in the statistics lie people, each with an individual story that, I feel, we all need to pay particular attention to. I think that I can safely say that there is no one in the Chamber or this Building who will not enjoy the benefits of a meal at some stage today, but there are people in the Province and kingdom who enjoy no such benefit.

Northern Ireland's first food bank was launched in Newtownards last December. Since then, there has been a massive increase in demand at the centre. The number of volunteers has risen from six to 90 in less than a year. The church has expressed its shock at the rise in the number of those in need. That is happening in Newtownards, which is not the most depressed place in Northern Ireland. Those

affected include people who have a well-paid job but have found themselves in this position. Food banks, of course, are not new in Northern Ireland. Churches and organisations across the country have been operating various forms and sizes of food distribution schemes for several years. However, they undoubtedly rely on the community's goodwill and support. As an Assembly, we should and must be committed to supporting people on low incomes. In this case, we can lend our support indirectly by encouraging food banks and all associated schemes.

We should hope to see more and more churches working together closely to serve the towns and communities so that no one goes hungry. The most vulnerable in society form a much larger group than they used to. They look to us to protect their interests. I am deeply grateful to those who are involved in these activities, and, as I said, I am deeply ashamed that their actions are necessary.

**Mr Durkan:** I also welcome the motion. The need for food banks here in the North is apparent now more than ever, with increasing numbers of children — a quarter — living in poverty. The most recent unemployment rate, which covers the quarter from May to July 2012, is estimated to be up by 10,000. Levels of joblessness here are rising above the UK average. There is the continually rising cost of living. Utility bills here are up by £800, and the average cost of a shopping basket has gone up by 18% since 2008. It has been calculated that, compared with four years ago, an average household in Northern Ireland will need to spend an extra £3,500 just to pay the bills. As we all know, however, plenty of families out there do not have anywhere near that.

We acknowledge the increase in the number of food banks that are being established in this region to deal with the demands of the economic downturn. We pay tribute to the excellent response of the charity sector, community and church organisations to this dire situation. Without the work of those three sectors, it would simply not be possible for many of the families concerned to survive.

In 2011-12, the large charitable organisation, the Trussell Trust, which other speakers mentioned, provided almost 130,000 food parcels for people in crisis across the UK. That is double the amount of the previous year, alarmingly pointing to a huge deterioration in the economic situation. CAB's report 'Voices from the frontline ... The rising demand for food parcels' estimates that half a million people will be in receipt of a food parcel by 2016, by which

time it aims to have opened 500 food banks. That is a very scary and imminent reality.

As a Government, we must make it a priority to support those organisations, not only via promotion but in funding, given the huge strain that they already face and will face even more in the coming years with increased demand and reduced donations. The SDLP cannot stress enough the value of food banks. They are virtually a lifeline for many people. We must ensure that people have access to food that is nutritious and of good quality. It is a sad reality that we must make provision for such extreme poverty. Unfortunately, that is the situation that the world is plagued with, and we must respond effectively to it.

We cannot, as Mr Brady said, expect voluntary organisations to catch those who have fallen through the ever-growing holes in the safety net of social security. With the welfare reform changes, we will see the abolition of the social fund as we know it, which will mean the loss of community care grants and crisis loans for general living expenses. Many charitable organisations, as well as individuals, rely on those funds to lift people out of crisis and to sustain services such as food banks so that they can provide front line assistance to those in poverty.

Under the expected provisions, individual local authorities will be given the funding and flexibility to redesign services. It is important that the Department encourages local authorities to aid food bank providers and to work with the charitable, faith and community sectors to assess areas of need so that resources can be placed where there is most need. If the Department is seriously to honour the commitments made in the Programme for Government to alleviate child poverty, it should not only support and promote the work of food banks but tackle the real problems that cause the reliance on those services.

The SDLP attempted to table an amendment to the motion. Unfortunately, our amendment was not accepted. We wished to strengthen the Assembly's call to the Minister not only to promote food banks but to oppose the very reforms, as they are called, that will significantly worsen the financial situation of many families here. We want to see a proactive Government working to tackle the issues rather than simply dealing with the aftermath of cuts. We must not simply accept any system that will force —

**Mr Deputy Speaker:** The Member's time is up.

**Mr Durkan:** — thousands into poverty and inhibit the potential for economic growth in this region.

**5.45 pm**

**Ms Lo:** I thank the Members who brought this important issue to the House. Last year, food banks fed nearly 130,000 people across the UK, which was a 100% increase on the previous year. Redundancy, illness, high unemployment, domestic violence, debt, delays in benefits, family breakdown and high fuel costs — we have all heard about the dilemma "To eat or to heat?" — are just some of the reasons why food banks are becoming more vital than ever. Indeed, just last week, jobcentres in England and Wales started to refer people to charity-run food banks that will give them a food parcel. That is the first time in living memory that hungry people will have been passed on to charities in that way.

Food banks not only feed the hungry but have been proven to help prevent crime, homelessness, family breakdown and mental health problems. We now have a number of such food banks in Northern Ireland, which Members who spoke previously mentioned. Storehouse, for example, is a local charity that focuses on donating long-life produce to households across greater Belfast. It currently provides around 100 households with three days' worth of food every week. However, it has had to stop promoting its work as it just does not have enough donations to meet the overwhelming need. Instead, Storehouse works via referrals from 50 to 60 local charities and churches.

Supermarkets throw away tons of perfectly good food every year instead of donating it, because it is cheaper to do so and carries no risk of liability should someone get ill from eating food donated by them. We need to consider ways in which supermarkets can be brought into the charitable process, perhaps by having a donation trolley at the exit of a store and asking shoppers to donate long-life tinned or dried food items to a local food bank. I was at a Sainsbury's branch at the weekend where the retailer has united with FareShare, the food redistribution charity, to run a pilot scheme in which shoppers are urged to buy one and give one free to FareShare. As an enthusiastic supporter of FareShare, I, of course, donated.

A recent survey by the Pennies Foundation found that the economic downturn has resulted in more than one in three people donating less to charities. However, by investing in the community and voluntary sector, we get value

for money for front line services, as well as getting more efficiency and less bureaucracy, which, in turn, leads to financial savings for the Government. As unemployment rates continue to rise and with welfare reform changes on the way, there is likely to be an increase in those needing to use food banks and advice services. It is vital that the sector continue to provide such services.

The Minister should provide financial support for our local food banks so that they can meet the overwhelming need that has arisen out of the economic downturn. They have proven how necessary they are, and they already have the systems in place. However, without additional resources, they will be unable to keep up with demand. I support the motion.

**Mr Weir:** I support this important motion. When we define food banks and their purpose, it is important, in certain regards, to point out what they are not. They are not intended to be a substitute for the state looking after the most vulnerable in our society. It would be wrong if they took on that role. There needs to be, above all, that degree of protection for the most vulnerable in our society. Consequently, whatever charitable help is given, it should not be a substitute. On the flip side of the coin, even if we had a perfect society in which the state looked after everyone who was vulnerable, that would not abrogate our responsibility — that personal responsibility — through Christian, community or social organisations, to look after and give assistance to those in our society who need our help. So, a very important role is played by the food bank movement.

As was indicated, even in the best of systems, any social security system will have to be, by nature, bound by rules and regulations. There is no alternative to that. However, food banks can play a vital role because they have a speed and flexibility of response that can be vital on the ground. There can be occasions when people have fallen on hard times, and there will obviously be a certain delay before any form of social security mechanism can look after them. There could be people who do not fit into the exact set of circumstances to qualify for help. The big advantage for food banks is that they can operate very quickly. Storehouse has three-day packages of food that can be given to people at very short notice. That is a swift response that the state cannot always maintain. There is also a level of flexibility. It is not a one-size-fits-all situation when it comes to food banks. It can be a one-off intervention that lasts for a few days. It can be a situation in which a package can be provided for six weeks

or longer. As has been mentioned already, Storehouse can work with people's individual circumstances.

Food banks can cover a multitude of situations, the most obvious being where people or families are suffering economic hardship. Churches can intervene where there are particular circumstances in which the person would not necessarily qualify for state help. That could be through illness in the family. It could be that the person in a couple who normally provides and cooks the food falls ill and their partner is, effectively, stranded. Again, the response of the state is not quick enough to fill that void, so very good work can be done by food banks.

Mention has been made of Storehouse in Belfast and Newtownards. I highlight Storehouse North Down, which, I think, arose through the Bangor inter-church community initiative. A number of churches, including my church — Hamilton Road Presbyterian Church — and Holywood Baptist Church provide services of that nature. For a long period, there was a desire to make a difference. Following a number of meetings of the Bangor inter-church community initiative, it was felt that, rather than trying to reinvent the wheel, the best thing was to link with Storehouse. Therefore, Storehouse North Down was born. It has operated out of Kiltonga Christian Centre, which is part of the Oneida factory. It has worked with local churches to provide that for the greater north Down area. It has recently benefited from someone who was effectively on a gap year working with it.

It is important to realise that food banks do not operate in isolation. I am sure that the Minister will refer to that. Whether it is statutory bodies, the Department or shops, food banks will work as part of a partnership. Therefore, they can provide a holistic solution to people's problems and help to break the cycle of poverty. There is a need for the state to protect its citizens, but there is also a need for people to step up to the mark and make that social contribution, whether that is through their church or community organisation. I commend the work of the food bank movement. It is making an amazing difference and a vital contribution to Northern Ireland. I urge Members to support the motion.

**Mr Anderson:** I support the motion and congratulate my two party colleagues on tabling the debate on this matter.

Governments and society in general have come to rely more and more on the contribution of the voluntary and community sector. That, in itself,

is a subject for debate, but, as the pressure on public finances continues to grow and we face the prospect of a prolonged period of austerity, we will become increasingly dependent on the voluntary and community sector. I never cease to be amazed at the way in which that sector rises to the occasion. It restores my confidence in human nature when I see so many people across the community prepared to give up their time to help with a wide variety of worthwhile causes. I pay tribute to the army of volunteers and charity workers, and I want to praise the generosity of the general public. Even in days of financial pressure, people in Northern Ireland will always go that extra mile in response to appeals for help.

It is vital that such public generosity of spirit is fully supported with the practical support of government, a point highlighted by the motion before us today. The importance of a meaningful partnership between government and the voluntary sector has also been recognised in the concordat between the Executive and voluntary groups.

The motion refers to the growth of the number of food banks run by churches, charities and other community organisations. When the Trussell Trust started in 2004, it had one food bank; five years later, that number was 50. As the recession began to take hold, the number of food banks increased dramatically. The figure now stands at over 250 across the United Kingdom, and it is growing steadily. That is a stark reminder that the financial and economic crisis is having a major impact on an increasing number of people. In the current economic climate, there are many reasons why people find themselves unable to put food on the table, and people who never thought they would need the help of food banks are now turning to them.

We live in 21st-century Britain. We have a welfare state, and yet in our own nation and Province the grim reality is that ever-increasing numbers of people are dropping below the poverty line and finding it hard to provide for themselves and their family. Government has the primary responsibility to tackle poverty and that must remain the case. However, others play a vital role. The motion commends the charitable and voluntary sector, and, as an active member of my church, I pay a particular tribute to the key contribution of the churches. The Church's first aim must always be to preach the gospel, but it also has a social conscience grounded in the teachings of the bible. It was that conscience that inspired men like Dr Tom Barnardo and William Wilberforce to take steps to address the social issues of their day. That same spirit of concern and



compassion motivates a number of churches today that are establishing and promoting food banks. In Northern Ireland, we live in what is still a strongly church-based society, and the Church is a central part of the fabric of community life. It is no surprise, therefore, that the Church's contribution to food banks is crucial.

In June, my party colleague and mayor of Craigavon, Councillor Carla Lockhart, presided over the announcement of the launch of the Craigavon area food bank at the Craigavon Civic Centre, an event that was attended by over 180 people. My church at Drumcree has committed to support that initiative, which we hope will be up and running very soon. Many other churches across Craigavon borough are involved, and I want to thank and encourage them all. I know that the Minister for Social Development does not need to be persuaded about the benefits of church involvement in the food bank initiative. However, I urge him to ensure that his Department gives all possible help and assistance to the many churches, voluntary organisations and individuals who give of their time to help this needy cause.

**Mr McGimpsey:** I support the motion and commend the individuals who tabled it.

The provision of food banks by churches and voluntary organisations not only is highly beneficial to the individuals who receive food but is an act of charity for which they must be commended.

### 6.00 pm

The point has already been made that we are in the UK, which is the sixth richest country in the world, and we are distributing food parcels. I come from a generation that talked about people starving in China, Africa or Asia, but since the institution of the welfare state in the UK, we have never been in a position in which individuals and families are relying on this type of charitable work. That is a symptom of the challenges that are facing our society, the Government in the UK and the Executive here. We have a society in which 20% of the population is living in poverty, and 1% of income is earned by 10% of the population. Over the past five years, food prices have risen by 5%, but the minimum wage has risen by some 12%, and people often do not even get those types of rises if they are not on the minimum wage.

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

Oxfam says that we are now living in the perfect storm: falling incomes, rising prices, public service cuts, benefits cuts and a housing crisis. All that is combining to become one of the biggest challenges that our society has had to deal with for generations, and we need to understand exactly what we are facing.

Recipients of food from food banks say that there are three main reasons why they require such support: benefit issues, unemployment and debt. Tomorrow, we will debate the Second Stage of the Welfare Reform Bill and its proposals, and it is inescapable that those three reasons will be magnified, reinforced and will grow. They will continue to fuel the situation.

We are talking about hunger, poverty and want, which is a real challenge. We need to look at the need and then address it. We should not say that we have a certain amount of money and hope that that is enough to do the deal and provide support. In Belfast, for example, some 20% of primary-school children go to school every morning without having eaten breakfast. If children arrive in school hungry, how will they learn? We provide an education to allow children to fulfil their potential in life, and yet we give them that type of challenge.

Let us look at how an ordinary, poor family will deal with those issues. Very often, those families that are in receipt of benefits have some support. However, there has been a massive increase in the number of families who are almost on benefits — in other words, the working poor. A large proportion of our children are living in poverty in homes in which one member of the family is earning a wage, and those who are on the edge are being cut off from benefits. As was mentioned, community care grants are being abolished, so many families are dealing with real difficulties and challenges. We are returning to 2005 funding levels. We are facing enormous challenges, and to deal with the issue, it will need —

**Mr Deputy Speaker:** Can I ask the Member to bring his remarks to a close?

**Mr McGimpsey:** Thank you, Mr Deputy Speaker. I will do exactly as you tell me.

Those issues will require flexibility. With the Welfare Reform Bill, we should make as much room to manoeuvre as we possibly can.

**Mr Wells:** Sometimes we reach the stage where everything that could be said has been said. We are certainly at that stage this evening. I am not going to rise to Mr Brady's

bait and get into the whole debate about why we need food banks in this part of the United Kingdom. You can be sincere and support and praise those who are involved in this charitable work without compromising your position on the situation that led to the need for food banks. We need to be careful that we acknowledge —

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

**Mr Wells:** I certainly will.

**Mr Brady:** I did in fact, if the Member had been listening, praise the work of the charitable organisations that are providing food banks. The point that I am making is that there is a statutory obligation and that the state has a duty of care. Which has primacy? Is it the duty of care of the state or that of the charitable organisations? I imagine that it is the duty of care of the state.

**Mr Deputy Speaker:** The Member has an extra minute.

**Mr Wells:** Yes, although I have to say that the tenor of the amendments, which were tabled, and in my opinion rightly rejected, indicated that there seemed to be a hint of criticism of those who, Mr Brady suggested, are taking on the role of the state. Apart from that note, I think that we would all congratulate those who, because of their Christian concern, have decided to do something for the needy in our community.

Food banks have been created in Northern Ireland over the past number of years as a way of helping those who are most vulnerable. The organisations are mostly charities, but they are distinct from the state sector in so far as they do not act as a replacement for food provision for the elderly or for asylum seekers' food vouchers.

It has been interesting to watch the way in which this movement has grown from Newtownards to Belfast and north Down. In listening to the debate, what occurred to me was that there are many rural areas in Northern Ireland, west of the Bann and in the south of the Province, in which this service is not available. Therefore, many people in rural communities would value this type of food bank provision very much. However, it is not there yet. I hope that the organisations that are active in the field will consider expanding to other areas.

Food banks should not be seen as just the work of a small central charity that is trying to put right a problem. They should be viewed as a

network of different groups — churches, community groups and interest groups, such as Women's Aid — that deposit into, or withdraw from, food banks on behalf of their clients.

As others have done, I would like to highlight in particular the work of Storehouse — or Stonehouse, as Ms Lo would call it. Storehouse is a Belfast-based food bank founded by the Belfast City Vineyard Church. It works with more than 50 churches and 35 organisations to provide food parcels, furniture and clothing. A point worth mentioning is that this is not simply about food; some "food banks" provide basic clothing and furniture to needy families. Storehouse feeds more than 80 families a week in Belfast and Lisburn. That represents 160 bags of food per week. Unfortunately, that figure is expected to rise in the winter months due to the uncertainty over oil and coal prices.

Storehouse and its partners gather food on a weekly basis and store it in a warehouse in the city. Volunteers sort, pack and deliver the food and toiletries according to the various sizes of families and individuals. None of this would be possible without the activities of volunteers, who do a tremendous amount of good work in providing food for the needy. Indeed, as everyone has admitted, this system could not work without volunteers. If you were paying people to do it, the system would simply collapse. It is, therefore, part of what we see as the big society and the trend of Northern Ireland people giving their time to help those who are more needy.

The food that Storehouse collects is distributed in two ways. First, and most common, the withdrawal partners — it is a big word, but it refers to those who are associated with Storehouse — pick up the food parcels on a weekly basis and distribute them to their clients. Secondly, Storehouse runs a Belfast City Council centre where referred parties can collect the food themselves and can have up to six bags of food in a six-month period. This is clearly not designed to be a long-term solution for feeding the hungry but a temporary stopgap for those who are having to choose between food and other essentials.

Storehouse also provides donated furniture to those who are referred by its partners, and it provides personal clothing services, whereby an individual or family can choose from clothes, donated to Storehouse by many generous donors, on racks. Furniture is delivered by volunteers from Storehouse using a van generously provided via funding from a private trust grant.

It must be emphasised that Storehouse is a volunteer-run charity that has no paid staff. Pastors from Belfast City Vineyard Church take responsibility for the charity, but they are given only time not payment for their work with Storehouse.

One message coming from the debate is that some form of seed investment could — I have an extra minute, Mr Deputy Speaker.

**Mr Deputy Speaker:** The extra minute is almost up.

**Mr Wells:** A bit of core funding could, indeed, allow this to expand quite dramatically and help the poor and needy.

**Mr McCausland (The Minister for Social Development):** I thank the Members who tabled the motion. I certainly listened with interest to all that was said, and I thank all those who contributed. I welcome the opportunity to respond now to the debate.

Combating poverty and tackling disadvantage is a complex and difficult challenge. There are many facets to it and many different factors in play, including low incomes, isolation, stigma and low educational attainment. As Minister for Social Development, I am very aware of the scale of the challenge we face in tackling disadvantage, especially in these times of economic hardship and instability. The coming years will require a great deal of hard work to lay the foundations of growth, to support individuals and communities in tackling unemployment and worklessness and to ensure that our most vulnerable citizens are supported and protected.

The Programme for Government commits the Executive to work in partnership with the private sector and the voluntary and community sector to build a better and shared future for all. In support of that, the concordat, which is the agreement between government and the voluntary and community sector, outlines the key values and principles and establishes a set of shared commitments on how they can work together to better serve the people of Northern Ireland. Each of the Executive's five priorities under the Programme for Government will rely on voluntary and community sector input — that includes the faith sector — to meet the needs of the most vulnerable and to encourage social responsibility. That is why my Department is keen to engage with faith-based organisations.

I am very much aware of the good work that is being done on the ground through the operation

of food banks, such as that run from the Thriving Life Church in Newtownards. That work depends on a dedicated core of volunteers. I want to take the opportunity to commend the commitment and dedication of the volunteers who participate in the various programmes.

My Department has lead responsibility for volunteering and, in March this year, published Northern Ireland's first ever volunteering strategy. As I travel across Northern Ireland as Minister for Social Development, I am continually astounded but not surprised by the level of volunteering that takes place. My Department provides funding of approximately £1.7 million annually to support volunteering across the Province, and I fully recognise the contribution of those who give freely of their time, experience and expertise in helping the most disadvantaged in all our communities.

Our new strategy is about getting more people to volunteer and recognising the tremendous and invaluable work that volunteers do. It is also about supporting the development of volunteers' skills and improving volunteering management practice. Implementation of the strategy will present significant opportunities for areas of volunteering that have not been supported traditionally.

I am committed to helping faith-based groups better reflect on the contribution they make to society, and I am committed to having honest dialogue and engagement with that sector. I will seek to champion the cause of faith communities as potential partners for Departments and government agencies as we strive to make Northern Ireland a better place. There is also a need to allow faith-based organisations to raise their concerns directly with government and advise on issues that are emerging at grass roots. The Government also need to facilitate faith communities in identifying ways that they can be more effective in meeting the needs of disadvantaged, marginalised and excluded people in their local communities. Those faith communities should share learning and best practice about the contribution that their groups make in Northern Ireland, particularly in traditionally hard-to-reach communities and in new, emerging minority communities. Food banks are just one of the many ways that faith-based communities can assist my Department to engage with those hard-to-reach individuals.

#### 6.15 pm

In May 2010, the Department established a community faiths forum that brings together

over 20 faith-based community practitioners from different faith backgrounds in Northern Ireland, including ethnic and minority faith groups. I am pleased that that initiative has proved to be successful and that officials from not only my Department but others, as well as voluntary and community representatives, are engaging with the forum members regularly on important policy issues. It is my hope that the forum will continue and develop over the next number of years.

The benefits system, which my Department administers, aims to provide a safety net for people who find themselves needing financial support through no fault of their own. We know that many people who may be entitled to benefits are not receiving them for a variety of reasons. Encouraging benefit uptake is not a statutory requirement, but it has been a key priority for the Department since 2005. It is now a key building block in the 2011-15 Programme for Government under priority 2. The Social Security Agency delivers a benefit uptake programme that is aimed at improving the uptake of benefits. That programme uses a number of evidence-based approaches, including direct and indirect targeting, as well as advertising and promotion. It also uses community outreach, which includes home visits to assist vulnerable customers with access to benefits. To date, that work has generated over £50 million in additional benefits and arrears for more than 15,000 vulnerable people.

In the past year alone, £13.1 million in additional benefits was paid out. Interestingly, that figure has trebled since the previous year. In the 2010-11 year, £3.9 million was paid out; in 2011-12, the figure was £13.1 million. The real difference is the use of different approaches, such as working with particular groups, to see whether there are other ways that we can increase the awareness of potential benefit uptake or whether there are things that we can do in a different way, including working with different stakeholders to increase the uptake. It has certainly been working, especially when you consider that the figure has trebled since the previous year. I think that that is a good example of what we often speak about: devolution making a difference.

A new benefit uptake programme is under consideration. It will include building on some pilot work that the Social Security Agency has been trialling, and there will be engagement with partners over and above the traditional advice-sector partners. That is being explored and all opportunities optimised, including working with the Churches and faith-based

groups, community and sports groups, community development organisations and other civic partners. Through those community and sports connections, as well as through the Churches and the faith-based groups, we can reach people who may not previously have been reached through other methods, whether that is television or other forms of advertising. That is because those groups bring together, whether through sport, faith or whatever, groups of people —

**Mr Brady:** Will the Minister give way?

**Mr McCausland:** OK.

**Mr Brady:** Thank you for giving way, Minister. When discussing uptake, it was mentioned that social security staff in England have been referring people to food banks. Does the Minister envisage that happening in social security offices here?

**Mr McCausland:** I will come back to that. That point has been raised, and I will certainly return to it.

I want to see how we can maximise the number of people who are getting the benefits that they are entitled to and to minimise the number of people who are at risk of slipping through the system. I am not talking just about social security benefits, because I have asked my officials to explore how they can use this engagement with the community, voluntary and faith-based sectors to explore opportunities for people to gain access to other benefits that they may be missing out on. It may be something around free school meals, school uniforms or whatever, but I am hopeful that, now that contact has been established, there are opportunities there that we can take to see how we can expand the work that is being done and take that further.

Working closely with non-traditional partners, such as churches and faith-based groups, is a key opportunity to reach those most vulnerable in order to ensure that they are accessing their full entitlement to benefits. Many people are not taking up social security and other benefits. Discussions continue between the Social Security Agency and a wide range of new partner organisations about new, non-contractual initiatives to better reach and influence decisions about the uptake of benefits by those at risk of poverty. Partnership arrangements will include benefit-uptake promotional material being distributed by, for example, the Thriving Life Church in Newtownards and those involved in the food

bank that it operates. That will help to ensure that those at the most vulnerable point are referred from the food bank to the Social Security Agency for a full benefit entitlement check to assess whether they are in receipt of all their benefits and the services and supports that they and their families are entitled to. I believe that faith- and Church-based groups will have an increasing role in helping us to reach those who may have entitlement to new and/or additional benefits, services and supports.

Food banks are not an alternative to a benefits system that is designed to support people in need, especially over the medium and longer term. Although a person presenting in urgent need at a social security office or jobs and benefits office can, where possible, be assisted through a social fund crisis loan, food banks can provide an extra tier of support for people. They can complement the benefits system by providing support for people who find themselves in urgent need and who may not be able, or want, to apply for benefits. They are an effective way for the voluntary and community sector to help to meet the needs in their communities, and they provide an opportunity for us to promote benefit uptake and to get people the benefits that they are entitled to. They can be a valuable tool in our fight to combat poverty and tackle disadvantage.

I will now address a couple of points that were raised during the debate. I think that it was Simon Hamilton who made the point that the benefits system can sometimes be slow to respond, particularly in an emergency situation. A person presenting in crisis will be assisted under the social fund crisis loan or budgeting loan scheme, which will, in fact, end in GB next April, a point that was made recently in regard to the imperative to proceed with the Welfare Reform Bill. However, through the Welfare Reform Bill, I intend to bring forward a new Northern Ireland scheme for discretionary support that will widen the qualifying criteria.

The question was asked whether the role of the food banks is reflective of deficiencies in the benefits system. It is not an alternative. It is not a substitute for the benefits system. It is to be seen as complementary and supplementary. It is not substitutionary but supplementary. Food banks can certainly complement the benefits system, and I think that we see that as their role.

Sydney Anderson spoke about the "army of volunteers" that is committed to this and said that it was good example of social outreach from churches. Peter Weir also made the point about food banks not being a substitute but

being supplementary and complementary. Anna Lo talked about people being directed to food banks here. At the moment, it is in fact more a case of my Department working with the food banks so that they have access to the relevant information and can signpost people to benefits that they may not be aware of. In fact, that gives added value: you not only get the direct work of the food bank but the extra value of the linkage to the benefits system.

On Mickey Brady's point about the scale of the social fund, there were 263,427 social fund awards in 2010-11 and almost £82 million was allocated to those in need. In setting up food banks, is the voluntary sector doing what government should be? No, it is complementing and supplementing the work that government is doing, which I think is the role of the voluntary sector.

Finally, what assistance is the Department giving to support the voluntary and community sector and faith sector in that work? The Department provides funding in the region of £14 million to support the voluntary and community and faith sectors in maximising their contribution to tackling issues such as disadvantage. Some £1.7 million of that is used to promote and support volunteering across Northern Ireland, and funding of £310,000 has just been earmarked to help the faith sector to maximise its contribution to tackling issues such as poverty. There is a pilot scheme there. We want to see how that works, and if it works, we can take that further.

In closing, I commend the good work that is being done by the food banks, and I want to say how much we value it. We value the commitment and dedication of the volunteers, and we are keen to expand the co-operation and take that further. I am sure that people right across the Chamber will join me in hoping that we see that taken forward very successfully.

**Mr Douglas:** This has been a very good debate so far. Many topics have been covered. The proposer of the motion, Simon Hamilton, clearly stated the impact that food banks are making right across Northern Ireland. I think a number of Members referred to that.

There are a couple of themes coming out of the debate. First, it is clear that many families go hungry because they do not have enough money to make ends meet. I think most Members who spoke referred to that. There are a whole range of reasons for that, including family break-up, mental health issues, people becoming homeless and the fact that many

families are in debt at the moment, often through no fault of their own. Others have lost their homes, there are problems for low-income families, and, as Anna Lo mentioned, there is the issue of domestic violence.

Simon Hamilton talked about how encouraging it is that there are those in society who still care and who are willing to give their time. It shows the depth of compassion that exists in our communities. Other Members who spoke referred to that as well. Even with all our difficulties, we still have a caring community out there, caring for people in an arena that is certainly increasing. Some people spoke about the number of food banks increasing from, I think, one in 2004 to 250 today in one particular area. That shows the scale of the problem. People have said that this is not a long-term answer. It is certainly a short-term measure. The whole notion is that those organisations — charities, the voluntary and community sector, churches and faith-based organisations and ethnic minority groups — can respond in a very quick and efficient manner.

Simon Hamilton also highlighted the initiatives that we have taken as an Assembly, including the social investment fund, which is coming down the track, hopefully very soon, youth employment schemes and some of the social care initiatives. Many of those schemes are making an impact. Although the food banks are not a substitute, as the Minister said, in one sense they can be a very necessary intervention because of their pace, because of the local knowledge and because of the commitment of thousands of volunteers right across Northern Ireland. The importance of volunteering came out in the debate, as did the support for volunteering. The Minister spoke about some of the initiatives that he is involved in to try to encourage skills in that sector.

There was also praise for some of the supermarkets for the work that they are doing. It was also highlighted by, I think, Mickey Brady that some of the larger supermarkets do not want to become involved because of the cost and the health and safety issues. Those are real issues, because the last thing that the supermarkets, or any of us, want to do is to give out food that is past its sell-buy date and cause food poisoning or some other illness.

### 6.30 pm

Fra McCann's intervention was timely. He talked about welfare cuts, as did a number of Members, and he asked whether we were going to move towards having soup kitchens. The question arose as to the difference

between a food bank and a soup kitchen and whether a food bank is a progressive version of a soup kitchen. We did not come to any conclusion on that.

**Mr F McCann:** I raised that issue because I watched a documentary a couple of months ago about the introduction of welfare reforms in New York. Over a short period, two million people were moved off benefits, and the result was that large factories were opened as food banks and tens of thousands of people totally depended on soup kitchens to survive the daily problems.

**Mr Douglas:** That was a good intervention, Mr McCann; I appreciate it.

I will move on. Michael Copeland said that we would discuss these matters tomorrow. That will be a very interesting debate, to say the least. He said that we needed to look at people as individuals and not as 100 people here or 200 people there. Our role as an elected Assembly is to protect the most vulnerable in society. Quite a number of Members supported that assertion.

Mark Durkan welcomed the motion. He talked about the 25% of children who live in poverty and about the increase in the cost of shopping and other family bills. He rightly pointed out that food banks are an important lifeline for many families that cannot make ends meet.

A number of Members talked about the Trussell Trust and the 130,000 food parcels that were delivered in 2011. I believe that Citizens Advice said that, by 2015, some 500,000 people will regularly be looking to food parcels.

Anna Lo thanked the Members who tabled the motion, and she highlighted the 100% increase in food parcels in one year, which shows the scale of the problem. She asked how that demand could be managed, because it will continue to increase in the coming years. She also mentioned supermarkets, as I did, which, because of costs and for health and safety reasons, throw away tons of food. Someone else suggested that perhaps they should provide shopping trolleys with "Buy one, get one free" offers. I think that Anna Lo mentioned FareShare, which is an idea that is close to my heart. Some Members suggested that that is already happening in some supermarkets.

Peter Weir said that we were talking not about substitutes but about protection for the most vulnerable. We can all sign up to that. However, it is not a one-size-fits-all solution; there are different needs out there, and we

need different responses. Mr Weir mentioned the role of the faith-based organisations in particular, their local knowledge and the way in which they can react speedily to and identify the people who are most vulnerable. He mentioned north Down, Belfast and Newtownards, and the Stonehouse or Storehouse.

**Mr Weir:** Stonehouse is a completely different organisation.

**Mr Douglas:** It is definitely Storehouse. A number of Members mentioned its amazing work. We need to help and support those organisations, and perhaps we should look at mainstreaming their funding.

My colleague Sydney Anderson supported the motion. He said that government and society have come to rely on the community and voluntary sector. Like all of us, he never ceases to be amazed by the generosity of spirit and the commitment right across Northern Ireland among people who give up huge amounts of time and energy. He talked about the importance of the Government and the charitable sector working together. It is not a case of ourselves alone — it is about all the sectors working together. He also paid tribute to the churches and, in particular, Dr Barnardo and Mr Wilberforce, who addressed issues facing the most vulnerable in society.

Michael McGimpsey also supported the motion. He, like someone else, mentioned that we are the sixth richest country in the world and yet we are debating the importance of food banks. Do I have an extra minute?

**Mr Deputy Speaker:** Will the Member draw his remarks to a close, please?

**Mr Douglas:** Even the likes of Jim Wells was supportive — Jim Wells was particularly supportive. It was a good debate. There was real consensus that we need to help the most vulnerable and encourage the Minister to do so as well.

*Question put and agreed to.*

*Resolved:*

*That this Assembly notes the growth in the number of food banks established by churches, charities and other community organisations; welcomes the positive response by these sectors to the needs of people and families suffering from the ill effects of the economic downturn; and calls on the Minister for Social Development to ensure that his Department continues to support and promote the work of food banks.*

## Economic Recovery

**Mr Deputy Speaker:** As two amendments have been selected, the Business Committee has allocated up to one hour and 45 minutes for the debate. The proposer of the motion will have 10 minutes to propose and a further 10 minutes to wind. The proposer of each amendment will have 10 minutes to propose and five minutes to wind. All other Members who wish to speak will have five minutes.

**Mr Flanagan:** I beg to move

*That this Assembly notes, with concern, the continuing pursuance of austerity measures by the British and Irish Governments and the subsequent detrimental effects on our local economy; and calls on the First Minister and deputy First Minister to impress on both Governments the need to follow a path to economic recovery that is based on job creation, progressive taxation, the protection of the most vulnerable and the provision of first-class front-line public services.*

Go raibh maith agat, a LeasCheann Comhairle. Tá áthas orm an rún a mholadh. The principal reason for bringing this motion to the House this evening is to send out a very clear message that austerity is not working. It did not work when it was tried in 1929, and the IMF has tried it in Asia and Latin America. Each time, it succeeded merely in turning downturns into recessions and recessions into depressions. It appears that we are on that road again. It is time that we sent out a clear message that enough is enough. Austerity is not working. There is a growing acceptance across Europe that the policies of austerity have failed. They have not led to any form of economic growth. They have only perpetuated the problems and resulted in the return of emigration and soaring unemployment. What we need is a change of direction.

The conservative Governments in both London and Dublin are failing the people of these islands. Both Governments claim that they have taken their chosen path to close a Budget deficit, but the actions they have taken have resulted only in a greater problem than the one they started with, with the economies on both islands contracting so far in 2012. It is also very clear that these decisions are a result of their own political ideology rather than any great understanding of economics. The British Government unilaterally took billions from the Executive's block grant. They are attempting to decimate the social welfare budget, with George Osborne today attempting to take a

further £10 billion from the least well-off in our society under the guise of welfare reform. They have cut the top rate of tax for high earners and failed to adequately collect tax from multinational companies, which often account for billions of pounds in unpaid taxes. None of these measures is fair or just.

The Dublin Government, elected to office on a platform of change, have simply capitulated to the ECB and the IMF. They continue to pay out billions of euros to unsecured bond holders who have no right to repayment, all the while imposing regressive taxation measures on the least well-off and failing to invest in any kind of job creation measures.

There are now 65,000 people unemployed across the Six Counties and 310,000 people unemployed in the South. That is almost 375,000 people unemployed across the island, 85,000 of whom are under the age of 25. All indications are that these figures will get worse. At a recent meeting of the Employment and Learning Committee, members were told that Department for Employment and Learning (DEL) statisticians have predicted that unemployment will reach 69,500 by the end of 2013, an increase of around 10% on the current figures. We cannot simply stand back and sleepwalk into this.

Despite the fact that the Executive's hands have been tied by the lack of fiscal or borrowing powers, many positive interventions have been made. The current economic strategy aims to create 25,000 jobs by 2015. The European Council meeting in June requested member states to engage in growth-friendly fiscal policies to curb both youth and long-term unemployment. However, this call is being ignored by both the British and Irish Governments. This is an incredibly difficult time to be young in Ireland. It has been said that for the first time since World War Two this generation of Europeans will be worse off than their parents. This is an intolerable situation.

We need significant investment and stimulus to create jobs. We need investment on an all-island basis. This means an all-island job creation strategy and greater co-operation North and South to realise the potential of the entire island. We need to challenge the austerity measures being introduced by the British and Irish Governments. We need better approaches, and an investment strategy that is based around stimulus and growth needs to be worked on in the North. Today, we saw the launch of that investment strategy, and it is important that the promises and the targets set out in that are delivered.

I will quickly deal with the amendments that have been tabled by the DUP and the SDLP. The DUP amendment comes very close to matching the sentiments that we sought to address, albeit with a substantial change in terminology. Do not let me suggest that anyone in the House is being petty. If the Members speaking to the DUP amendment can convince us that they are calling for a clear change in direction away from the failed policies of austerity, that will leave it much easier for those of us on this side of the House to support that amendment. There is a lack of clarity on that, and we will wait to hear their contributions. It is important to note that the motion and the amendment reflect the agreed Programme for Government from the Executive through a focus on job creation, the protection of the most vulnerable and delivering first-class public services. There is a small dispute about the lack of a reference to progressive taxation, but we are willing to hear what DUP Members have to say. We will make a decision on whether we support the amendment on the basis of that.

The SDLP amendment does not call for an end to austerity, but, given that that party backed the austerity treaty in the South, this should come as no surprise. However, I make the same offer to the proponents of that amendment: if you can make it clear that the amendment calls for a move away from austerity, we will consider supporting the amendment.

Reducing disposable income, coupled with the reduction of spending on infrastructure and capital projects will have the inevitable effect of pushing more and more people into poverty and deprivation. This is further evidence of the need to have maximum fiscal powers transferred away from London to the Assembly, as it is clear that economic policymakers in Whitehall have no conception of the social and economic conditions that pertain here. The North has faced significant financial constraints due to a substantial reduction in the block grant, a cut introduced by the Tory Government. This is the backdrop against which we have to operate. The consequences for funding and investment are severe. However, we as an Assembly are committed to mitigating the worst impacts of the imposed cuts and to ensuring that the most vulnerable and disadvantaged in our society are protected. To prevent the Tories from making future cuts to the block grant, we need greater fiscal autonomy. We need a system that gives us full budgetary and fiscal decision-making powers. During these times of austerity, every penny and every cent counts. More importantly, we need greater fiscal autonomy to allow us to be



innovative in finding ways of generating revenue without the continual threat of the cut to the block grant coming from the British Government.

Sinn Féin is not a high tax party; it is a fair tax party. Taxing the very wealthy during the good times would have left these islands with the resources needed to cope during the bust. Government policies across these islands place exports as a key to delivering growth, and, from reading through the Executive's economic strategy, that is very clear. For many businesses here, the first steps into a new market are across the border, but both Enterprise Ireland and Invest NI compete with limited resources to promote companies from their respective jurisdictions in the global marketplace. For an island the size of Ireland, there must be a cohesive approach to attracting foreign direct investment. At present, the limited resources of Invest NI and the IDA are spread too thinly in the global marketplace, and they compete for investment in similar sectors.

There is a growing acceptance across Europe that the policies of austerity are failing. I appeal to Members to support the motion and send out a clear message that it is time for a change, a move away from austerity. We need to move towards a path of economic growth that is based on job creation, progressive taxation, protecting the most vulnerable and providing first-class services.

**6.45 pm**

**Mr Hamilton:** I beg to move amendment No 1:

*Leave out all after "notes" and insert*

*"that the UK Government, as well as those in the Republic of Ireland and many other European countries, continue to pursue policies of austerity; expresses its concern about the detrimental effect this is having on the Northern Ireland economy; and calls on the First Minister and deputy First Minister to urge HM Government to reassess their deficit reduction strategy in light of recent evidence and seek to stimulate economic growth by measures such as a short-term increase in capital spending and targeted VAT reductions."*

I did not think that I would start by thanking Mr Flanagan, but I do so for his setting the scene so comprehensively. I do not disagree with the sentiment that he expressed or with the ultimate objectives of what he is trying to set out. It is more a matter of detail. If I can, in the nine and a half minutes that remain, convince him to

support our amendment, I will try to do that. If I am able to convince him and his colleagues, I do not know whether he or I should be more worried. I will try to do so nonetheless.

Our amendment recognises that austerity is causing problems to the Northern Ireland economy, as it does to economies across the world, and it tries to do so in what I believe is the proper context. The original motion refers only to the United Kingdom and the Republic of Ireland, and, as anybody knows, we face a much broader and much more global problem than one that simply affects the British Isles. Decisions taken at Westminster by the UK Government have the most direct effect on Northern Ireland, not least because of the way that that Government have had an impact, continues to have an impact and will, in all likelihood, have an impact in the future on the block grant that the Assembly has to spend on services in Northern Ireland. The UK is our biggest market, both in trade and tourism, and anything that depresses demand, growth and confidence in the UK economy is not good for Northern Ireland. Austerity is certainly doing that.

The Republic of Ireland is having issues as well. On the front of this week's 'Time' magazine, which landed at my door at the weekend, we can read about the Celtic comeback. Perhaps something is happening down there that the rest of us cannot see. I would not be as churlish as some might be and rejoice at the fact that the Irish economy is in the bin. However, the fact that it is helps convince those of us of a unionist persuasion and, perhaps, those of us who are not that our best economic future lies within the Union. The Irish economy is clearly our biggest external market outside the United Kingdom. We see drops in tourist numbers from the South and a drop in cross-border shopping, so it is having an impact on economic growth in Northern Ireland because there is no confidence and less money in the Irish economy, not least because of austerity measures.

As everybody knows, this is a broader problem. Spain, Italy, Portugal, Greece and now France are moving towards austerity measures, and there is hardly an EU country that is not. It is happening right across the European Union and beyond, and the amendment tries to set that broader, more European and more global context. I notice that the Chinese are suffering their slowest rate of growth in three years. In the second quarter of this year, they had 7.6% growth. Oh, to have the problems that the Chinese have with just 7.6% growth. Some parts of Europe would settle for 0.6% growth —

never mind 7.6% — but it is the slowest rate in three years and illustrates that this is a global problem.

As the Member outlined, a clear effect in Northern Ireland is on unemployment. Austerity is depressing economic growth, and we have poor or low growth at best in Northern Ireland. Its biggest impact is perhaps on public sector spending. In an economy such as ours that is, rightly or wrongly, dominated by public sector spending, that is a bad thing. As the Member mentioned, some £4 billion has been taken out of our Budget in this Budget period, and that represents about 8% to 10% of public spending in Northern Ireland. That is most acutely felt on the capital side, where our budget was reduced by 40%. An ailing construction sector has been hit further by those reductions, and that is a direct result of the austerity measures brought in by the Government in Westminster.

It is always worth noting that we can depress ourselves almost too much in discussing these issues, and it is sometimes worth taking a moment at least to congratulate those who are doing some impressive things for our economy. In the face of a global downturn and severe difficulties, Invest Northern Ireland is still able to attract companies of the calibre of the Chicago Mercantile Exchange, Cowan and Citigroup, which has expanded in Northern Ireland. Ten, 15 or 20 years ago, those companies would not have looked at Northern Ireland as a place to invest, yet they are now investing and expanding in Northern Ireland. We should also be rightly proud of some of the fantastic tourism events and infrastructure that we have put in place, including the Giant's Causeway visitor centre, Titanic Belfast, the Irish Open and so forth. So, even in very difficult times, good things are going on in Northern Ireland, and we should be proud of the attempts that we are making. In many cases, it is not enough to redress all the problems of the recession, but at least positive things that we can be proud of are happening in Northern Ireland.

The other point of context or detail in which I wanted to set the amendment is an argument that comes from this side of the House rather than the other. We believe that it is not our business to tell the Irish Government what to do, however detrimental the impact of their policies on our economy. We do not believe that it is our job to tell them what to do any more than we would like them to tell us what to do here in Northern Ireland.

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

**Mr Hamilton:** Yes, I will.

**Mr Allister:** Does he agree that one of the most pointless parts of the motion is the suggestion that this Executive or any other could tell the Republic of Ireland how to adjust its economy? The Republic of Ireland's Government are totally beholden to the EU, cannot make up their own economic policy and are required to follow the diktats of the European Central Bank and the EU. Therefore, whether one wished to or not, it would be a totally futile exercise to try to direct the Irish Government to take a particular direction, which is the plea in the motion.

**Mr Hamilton:** The Member will, I am sure, agree with me that we should not be telling them what to do anyway. I agree with the point that that section of the motion might be better directed at Brussels, hence the amendment, which tries to set the issue in a broader context.

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

**Mr Hamilton:** I will give way very quickly.

**Mr Flanagan:** I thank the Member for giving way. I will just point out a bit of irony. We cannot tell the Dublin Government what to do when it comes to economics, but, when Members across the Chamber seek an apology for something, it is good enough to tell them what to do.

**Mr Hamilton:** I have only three and a half minutes left, but I can pick that point up at some other stage outside this place. That issue was to do with the internal affairs of Northern Ireland, as my colleague said from a sedentary position.

**Mr Flanagan:** Will the Member give away?

**Mr Hamilton:** No, I will not. I do not have enough time. We have plenty of time to discuss those things.

The UK's austerity plans are having a serious impact on Northern Ireland. Even when we listen to what is coming out of Birmingham today, it seems that this is the one-track course that they have set for themselves. Everybody but everybody is pleading with them to look at policies that would stimulate at least some growth in the UK economy, but they are heading down one track and one track alone. That is happening, even though the evidence is that there is a double-dip recession that has been the longest in British history, there is rising unemployment and, for 52 out of the past 58

months, inflation has been above the 2% target. All the evidence suggests that this is not working, yet they will not give any countenance whatever to changing the course that they are on.

Most of us recognised back in 2010 that something had to be done, but, in the opinion of many of us, they went too hard and too fast. I read once that, if you have a toothache, you know that you have to go to the dentist, but, when he puts the drill in your mouth, you do not want to see a smile on his face. So, too much relish was taken in cutting away at the UK economy, and, coupled with issues in the banking sector and lending to businesses, it all became a heady cocktail. The Government have seen us dip into a second recession and prolonged problems when we would have expected, at this stage, to be moving out of recession. People sometimes forget that, in 2010, when the current Government came in, the economy was actually growing. So, this is, in large part, a problem of their making.

My amendment suggests some potential solutions to the problem. It calls for a stimulus in the UK economy, a short-term increase in capital spending to at least plug some of the 40% gap that we, in Northern Ireland, are suffering. It also calls for targeted VAT cuts. At the start of the session, I tabled a motion calling for VAT cuts in the hospitality sector, but equally they can be applied to repairs, maintenance and home improvements. There are different sectors at which they could be targeted so that they could have a positive impact on our economy.

The sad reality is that a Government who have U-turned on everything from pasties to caravans and from railway lines to forest sell-offs are unlikely to avert their course, change direction and go in the way that everyone, including, in all likelihood, this Assembly, will tell them to. If you listen to what is coming out of the Tory party conference this week, you will find that that change seems to be increasingly unlikely. Yet the evidence is global. Look at the US economy, which has gone through a period of stimulus. It seems to be working, and the US now has growth of 1% to 2%. That is not ideal, but at least it is growth and steady growth at that. The unemployment rate there is also falling.

It is not just we who are saying to the Government that they need to change course. The IMF is telling them that they need at least to prepare a plan B. It told them that in May of this year. It accepted that fiscal consolidation

was needed but was concerned about the slow pace of spending cuts, and —

**Mr Deputy Speaker:** Will the Member bring his remarks to a close?

**Mr Hamilton:** It said that the economy needed policies to bolster growth. I hope that what I have said and what colleagues will follow me in saying will be enough to unite the House around amendment No 1. I will leave others to address the SDLP's amendment, but I hope that the House can at least see that the sentiments and objectives contained in amendment No 1 are something that everyone can unite around.

**Mr McGlone:** I beg to move amendment No 2:

*Leave out all after "economy" and insert*

*", including contributing to rising local unemployment levels; calls on the Executive to address these effects by launching a robust job creation and business support strategy; and further calls on the Executive to establish a commission in the style of the Commission on Scottish Devolution to present the British Government with an evidence-based argument on how further devolved powers would provide the Executive with additional tools to encourage job creation, progressive taxation, protection of the most vulnerable and the provision of first-class front-line public services."*

Go raibh maith agat, a LeasCheann Comhairle. I thank the proposer of amendment No 1 and the proposer of the motion for bringing the debate to the House. I will provide a wee bit of clarity on what the SDLP's amendment proposes. I heard Mr Flanagan speak about promoting job creation, progressive taxation, front line services and protecting the most vulnerable. However, we outline a strategy for doing that, which is to establish a commission in the style of the Commission on Scottish Devolution to present the British Government with an evidence-based argument as to how further devolved powers would achieve that.

Indeed, although today's debate on economic recovery is welcome, it is nonetheless set in the context of an increase in unemployment of 38,500, many of whom were employed in the construction sector. No doubt, many in the Assembly will be sympathetic to all the sentiments in the motion. However, I have outlined the issues that the SDLP has with it, and we would require some further expansion so that a proper strategy could be developed.

The UK economy contracted for five consecutive quarters during 2008-09, and recovery since has been very slow. I have already mentioned the number of jobs that were lost between 2007 and March 2012. There is widespread concern at the British Government's decision to follow an austerity agenda in these circumstances, as there is no trust in a Tory-led Government following such an ideologically driven agenda. We heard the Chancellor outline today how he will further target people on benefits, to the tune of £10 billion. There is also a lack of belief in that agenda being able to deliver a sustainable economic recovery.

The Irish Government's austerity measures owe as much, if not more, to the demands of the IMF and the European Central Bank as they do to any political decisions taken in Dublin. I heard Mr Flanagan say that we needed growth. This is an important point: to whom will we look for growth? We will look to central Europe for growth. We will look to the exact same countries as gave us the EU — the EU that delivered less-favoured areas, major structural projects, major SEUPB and INTERREG projects. All of those came from Europe and through the European Commission, and there are only two parties in the House that say they are pro-Europe — the Alliance Party and us. It is good enough to take its money and look to it for investment —

**Mr Allister:** Our money.

**Mr McGlone:** Well, yes, part of it is our money.

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

**Mr McGlone:** Yes, certainly.

**Mr Allister:** Is it not indisputable that, since the UK joined the EU, every year we have been a net contributor to the tune of several billion pounds and that that gap is now set to widen even further under the next budgetary arrangements?

**Mr McGlone:** I take what the Member, Mr Allister, is saying, but let us face facts here. This region is a net beneficiary through all the EU moneys. I am sure that, if the computations were done properly, you would find that out, whether it be INTERREG funding, SEUPB funding, funding for less-favoured areas or major infrastructural projects. That is the case.

We agree that both Governments' chosen paths are having a detrimental effect on the local economy, including contributing to rising local unemployment. However, the motion is flawed,

and we seek to address those flaws through our amendment. It is not sufficient for the Assembly to call on the First Minister and the deputy First Minister to impress our concerns on the Irish and British Governments. Blaming someone else is always the easier option, particularly when you are not prepared to take on the responsibility of making those decisions yourself. That may be the preferred approach of a party more comfortable opposing government than exercising it, but not this party. For a start, the First Minister and the deputy First Minister are the joint chairs of the Executive Committee.

It is the Executive who exercise what powers we have and, as with the investment strategy the Assembly debated earlier today, any plans we make for building a sustainable economy and economic recovery remain at the mercy of decisions made by others elsewhere.

#### 7.00 pm

The Irish and British Governments have more immediate political, economic and electoral concerns to consider, and those concerns will very often be a much higher priority than ours. The pleading of the First Minister and deputy First Minister, however special it might seem to some in the Chamber, has been too easily ignored by the Irish and British Governments. The Executive need to be more proactive if they are to be taken seriously in any debate over the correct path to economic recovery.

Where the Executive have the ability, they should be acting now. That means launching a robust job creation and business support strategy to address the local detrimental effects of the austerity agenda of both those Governments, but the Assembly and the Executive need to take more responsibility for shaping that economic recovery. That requires the maximum possible devolution of economic levers into the hands of locally accountable representatives. To date, the fiscal powers under consideration for devolution have been severely limited and/or unnecessarily delayed. The proposed decrease in the rate of corporation tax is a case in point. There is general agreement that a reduction in corporation tax will encourage investment and provide a much-needed boost to our economy. We repeatedly hear how Ministers' negotiations with the Treasury are at a critical point, but we have no clear information as to when, or if, the devolution of the power to set corporation tax will take place. Recently, the Assembly debated a reduction of the VAT rate for the hospitality sector and the boost to the tourism

industry that that would provide. Currently, we do not have the power to reduce that rate; we can only send our special little pleaders to London on our behalf.

This is not about simply raising more revenue locally; it is about taking responsibility for the impact of our economy on the levels of those rates and taxes. I am sure Members will have their own examples of other areas in which the Executive could act to build sustainable economic recovery, if they had the power to do so. That is why we are proposing that the Executive should follow the example of the Scottish Government and establish a commission to present the British Government with an evidence-based argument on how further devolved powers would provide the Executive with additional tools to encourage job creation, progressive taxation, protection of the most vulnerable and the provision of first-class public services. The British Government could not ignore the recommendations of the Calman Commission on Scottish Devolution as easily as they can the pleadings of the First Minister and deputy First Minister. The Calman commission, assisted by an independent expert group, produced a cautious set of recommendations. They were reluctant to devolve taxes where the tax base was mobile, such as taxes on goods or capital, to avoid creating opportunities for tax avoidance and harmful competition, which could result in the under-provision of public services. They recommended the devolution of income tax, with a Scottish rate applying uniformly to all rates. Other more minor taxes, such as stamp duty, land tax, aggregates levy, landfill tax and air passenger duty were also recommended for devolution.

Since then, the Scottish Bill, which was to be the means of implementing the Calman commission recommendations along with new borrowing powers for the Scottish Parliament, has been overshadowed by the Scottish independence referendum. Unionist parties in Scotland, the Conservatives, Lib Dems and Labour have, in the course of the referendum campaign, reloaded Calman to include corporation tax and other taxes. They have also the luxury of seeking a geographic share of oil revenue — something we certainly do not have.

The Devo Plus campaign group leader said:

*"With Devo Plus therefore we move to a situation where the Scottish parliament is predominantly responsible for raising the revenue that it spends."*

Although, locally, we may be some way short of being able to match that ambition, and there is much work still to be done to rebalance our economy, it is a good starting point for further discussions with the British Government. Underpinning those discussions in Scotland and in London has been the recommendation of the Commission on Scottish Devolution.

If the Assembly is serious about taking responsibility for our economic recovery — this is the point of the SDLP amendment — rather than continually blaming others, we must be prepared to set out a rational argument for devolving the powers required to set our own policies to suit our own circumstances. The first step in doing that is to establish a commission to present the British Government with an evidence-based argument on how further devolved powers would provide the Executive with additional tools to encourage job creation, progressive taxation, protection of the most vulnerable and the provision of first-class front line public services. I commend the amendment to the Assembly, a LeasCheann Comhairle. Go raibh maith agat as éisteacht.

**Mrs Overend:** I will speak first to the motion as proposed by Sinn Féin before looking at the amendments. The motion expresses concern about:

*"the continuing pursuance of austerity measures by the British and Irish Governments".*

I do not believe that that makes the situation that we are in sufficiently clear. Everyone in the House is well aware that budget cuts in all Northern Ireland Departments have been necessary because of the deficit reduction policies being pursued by the coalition Government at Westminster. We should also be aware of the reasons for that policy: we are seeking to redress the deficit of the UK economy. That was, of course, originally down to problems in the UK banking sector that were compounded by the Labour Government's excessive spending, which has left the UK with a mountain of debt that now has to be repaid. In Europe, the situations in countries such as Greece, Portugal and the Republic of Ireland are telling. IMF bailouts and strict controls over public spending are in place. Those are the circumstances that we are in, and Northern Ireland is not immune to its share of some of the pain.

That said, my party is under no illusion about the vast effect on Northern Ireland from more constrained spending. To be specific, when comparing 2014-15 with 2010-11, there is a

decrease in real terms of around 8% in total moneys allocated to the departmental expenditure limit current expenditure, and a decrease in allocations in the region of 40% to DEL capital expenditure. That is concerning for Northern Ireland. However, we should be very clear that a Budget containing those cuts for Northern Ireland was supported by Sinn Féin. The Ulster Unionists and the SDLP could not support that Budget. We did not, and do not, believe that that Budget is fit for purpose. During the Budget debates, we made our reasons clear. All the while, Sinn Féin continues to oppose the austerity measures being put forward in the Republic of Ireland. That irony will not be lost on the people of Northern Ireland or, for that matter, the people in the Republic. That all proves that, when push comes to shove, Sinn Féin is content to implement cuts in Northern Ireland; its approval of that Budget says as much and highlights the divergence of Sinn Féin positions, north and south of the border. The motion is simply political posturing. In that respect, we can easily see through it.

I turn again to the motion, which asks for the First Minister and deputy First Minister to impress the importance of:

*"job creation, progressive taxation, the protection of the most vulnerable and the provision of first-class front-line public services."*

Although I agree with the importance of each of those issues, we in the House have the power to deal specifically with some of them. Let us take job creation as an example. The Programme for Government target is to create 25,000 jobs by 2015. Where are we on meeting that target? How many jobs have been lost since that target was put in place? Why has the scenario been allowed to happen in which we have not had a dedicated business start-up programme for over a year? Why have the negotiations on corporation tax led to figures such as £700 million being brought into the public domain, when DFP estimated that the entire corporation tax receipts here, two years ago, amounted to £711 million? What about the protection of the most vulnerable in society, as is mentioned? Why has OFMDFM been unable to administer the social investment fund? Why is there still such disparity in educational underachievement among Protestant working-class boys? We should deal with those questions in the House before we have a debate on impressing things on the UK and Irish Governments.

In conclusion, we support the motion as amended by the DUP as that gives a more accurate reflection of our circumstances. It is good that the DUP supports what the Ulster Unionist Party called for following the job losses at FG Wilson. We set out then that a plan B is needed and believe that increased capital investment in infrastructure is vital. That is backed up by the findings of the Institute for Public Policy Research report into Her Majesty's Government's economic policies. It is good that other parties are coming on board with that. We do not support the SDLP amendment as we believe that there should not be an increase in the costly bureaucracy that a commission is likely to create. I preferred Mr McGlone's comments that we need to take responsibility ourselves. Maybe his colleagues will detail the costs of such a commission in other areas.

**Mr Deputy Speaker:** Will the Member draw her remarks to a close, please?

**Mrs Overend:** I thank you very much.

**Ms Lo:** The Alliance Party supports the main motion, and we are happy to support the DUP amendment. Both highlight the effects of austerity measures and stress the need for relaxation of the pace of rebalancing public finances. Those are views that we can agree with.

There is much that we can identify with in the SDLP amendment. In particular, we have a long and proud record of arguing for tax-varying powers for the Northern Ireland Assembly. However, the call for the creation of a robust job creation and business support strategy ignores the reality that, only earlier this year, the Executive, including all five main parties, agreed a comprehensive economic strategy for Northern Ireland. We have to give that strategy the opportunity to be delivered. The economic strategy should remain at the core of economic policy over the years ahead. However, that does not preclude further consideration of what additional measures can be considered.

The most immediate challenge lies in getting the economy moving again in the short term. The critical issue in that regard is access to finance. That theme was discussed in the economic motion that the Alliance Party brought to the Assembly last week.

Unemployment is an overall problem here, but, within the figures, there is a particular concentration on young people. While unemployment issues are now common in

many other countries and regions, we have a duty to bring forward our own local solutions. In that regard, I will highlight the youth employment scheme that is being taken forward by my colleague the Minister for Employment and Learning, who plans to deliver 6,000 work experience and training opportunities for young people by 2015 in priority sectors, including attractive employer subsidies.

We should continue to give particular attention to the tourist sector. We have a wonderful set of new attractions and have seen a boost in visitor numbers. The challenge now is to sustain the growth over the rest of this decade and beyond and, in particular, to attract visitors from new markets, notably those in the Far East, such as China. Tourism also has the potential to create a lot of employment quickly.

Turning to what steps we need to take to rebalance the economy, we should be clear on the overarching vision. We must seek to expand our private sector and, in particular, to increase new markets and exports. We need to develop more in relation to our renewable energy. All these measures will increase not only the levels of employment but the gross value added of our economy.

Perhaps the key driver of change in our economy will be investment in skills. Northern Ireland is coming from a position where we have too many people with low or no skills. By contrast, the main way in which we will be able to compete in the future will be through the skills of our people. It is essential that we drive up skill levels across a broad front and, in particular, in those areas that are most economically relevant.

Leaving aside the current economic difficulties, it is important to recognise that Northern Ireland is forecast to create more and more jobs over this decade. That will be the case even without the devolution of corporation tax, but, obviously, it would be so much better if we had that power.

**Mr Ross:** There is no doubt that austerity as planned is not working. I listened to the comments from Mrs Overend, and although we need to close the deficit and pay off the debt, the irony is that we are not paying off the debt. By addressing the deficit, we are still borrowing and adding to the debt.

**7.15 pm**

Nevertheless, this debate happens in the context of a global recession, as other

Members said, particularly given the euro zone crisis, with Spain being the latest country to have real difficulties. We in Northern Ireland are not immune from the global downturn. Indeed, it has hit home in my constituency of East Antrim, with job losses at the FG Wilson plants in Larne and Monkstown. Of course, people in the surrounding area who are employed there will feel that as well.

Despite recent job announcements following a successful trip to San Francisco and indications from independent bank research that consumer confidence is rising, forecasters still say that any growth will be very modest. That is something to be concerned about, particularly given the hit that our Budget has taken from Westminster and the 40% cut in our capital budget, as other Members said.

I listened to Mr McGlone's comments when he put forward the argument for the SDLP amendment. It seems that he has not realised that we have an investment strategy, an economic strategy and a Programme for Government, all of which are aimed at creating jobs. So, for him to say in his amendment that we do not have a strategy for that is, frankly, not paying attention to the sorts of things that we have been doing. At least Mr Flanagan recognised in his opening comments that the Executive have, as far they can, taken measures to help on that front.

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

**Mr Ross:** I will give way in one second.

They have done so through the growth fund and by stepping in where the banks are not lending. The Executive are trying to do that even though that is not the role of government. We have also had the Boosting Business programme, the small business rate relief scheme from the Finance Minister, and even the youth employment strategy from the Employment and Learning Minister.

I will give way briefly.

**Mr McGlone:** Thanks very much indeed for giving way. I just want to expand on my comments. I was talking about a strategy for taxation powers in respect of VAT, corporation tax and the like, which are the very issues that your colleagues raised previously. That is the strategy that is absent, and that is the opportunity that I am seeking as a result of our amendment.

**Mr Deputy Speaker:** The Member has an extra minute.

**Mr Ross:** I am going purely on how the amendment is worded in the Order Paper. It states:

*"launching a robust job creation and business support strategy"*

That is what I am addressing.

There have been other successes. Ms Lo talked about the tourism successes from the MTV awards and the money generated by that. We have also had a huge number of visitors to the Titanic centre. What is most pleasing about that is the number of out-of-state visitors; around 65%. The work of Invest NI has created jobs, and it is on track with the 25,000 jobs created by the Programme for Government. That, of course, is balanced against the job losses we have had, which present huge challenges.

I want to address one of the issues that Sinn Féin, and the SDLP in particular, mentioned, and it is the argument for taxation powers coming to the Northern Ireland Assembly. The SDLP has said that on numerous occasions, and I must say that its argument has not gained any more leverage with me. Devolving taxation powers to the Assembly would come at a huge cost. The deficit that we run each year would have to be devolved and we would have to forgo the degree of certainty we have in our Budget planning for future years.

If the SDLP wants to have the first-class front line public services that it talks about, presumably it means that it wants to spend additional money on public services. That means that we would have to raise taxes for householders who are already struggling to pay their bills at present. Again, if the party wishes to lower other taxes — and we heard only a matter of months ago that the SDLP wants to lower fuel duty — it has to realise that this comes at a price, which has to be balanced by raising taxes in other areas. That is something that the SDLP has failed to address; how it would pay for those taxation powers.

**Mr Weir:** I thank the Member for giving way. We heard evidence last week when we were looking at the issue of air passenger duty, and the Finance Minister indicated in his response that every penny taken off fuel duty costs us somewhere in the region of £30 million. Therefore, we would have to make a very significant reduction in order to have any impact

on fuel duty. We could be into hundreds of millions of pounds before we made any dramatic difference, so there is a very real cost to this.

**Mr Ross:** I thank the Member for that. The SDLP's argument was lost in the debate a number of months ago, and I think that it was lost again today. The Member made some very good points. My other colleague pointed out that perhaps the SDLP is still hankering after selling off land that it does not own in order to pay for some of that, but I will perhaps be more kind.

We know that there is a degree of hostility from both nationalist parties to any private finance or public/private partnerships. So the SDLP would not be willing to do that to meet the huge cost. It is easy to call for central government to do something or come up with false solutions that will leave us worse off without telling us how they would pay for them or spelling out their consequences.

Our amendment at least outlines some practical measures, such as an increase in capital spend and VAT reductions in certain sectors, which we think will, in the longer term, help to boost our local economy. We call on the House to support our amendment.

**Mr McKay:** Go raibh maith agat, a LeasCheann Comhairle. I welcome the debate and both amendments. I look forward to listening to other contributors outlining the rationale for them.

The proposer of the motion, Phil Flanagan, challenged the proposers of the amendments to outline how they would approach the austerity issue. To be fair, the DUP addressed that, but the SDLP did not accept the invitation to outline its position on the Irish and British Governments' austerity policies. Perhaps the next SDLP Member to speak will address that. However, I was interested in the comments from the Ulster Unionist Party. Its Members said that they agreed with the DUP amendment's urging the British Government:

*"to reassess their deficit reduction strategy".*

The interesting thing is that it was the Ulster Unionist Party that championed the initial deficit reduction strategy from the British Government, so I do not see how it can ride two horses. As we saw today, the British Government, particularly George Osborne, are intent on continuing that same strategy. A couple of years ago, he had a number of high-profile



economists behind him. They are not there any more, and he is still intent on following through on those strategies.

**Mr B McCrea:** Just today, the Office for Budget Responsibility, an independent body, announced a £15 billion black hole in the Government's finances. From where does the Member suggest that he gets that money? The gap is there, so will we borrow it or raise taxes? Where will you find the money?

**Mr Deputy Speaker:** The Member has an extra minute.

**Mr McKay:** The Member does not address the fact that he now wants the Government to reassess their deficit reduction strategy, and, as the DUP outlined, that goes against the political position that you just outlined. So I am a little bit confused about the Ulster Unionist Party's economics.

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

**Mr McKay:** In a moment, I will just finish the point. We need to ensure that the wheels keep turning. In Britain, and this partly affects here as well, the wheels are in danger of grinding to a halt. If that happens, it becomes much more difficult, and costs a hell of a lot more money, to get the economy moving again, and the Ulster Unionist Party needs to take that into account.

**Mr Ross:** Just before the Member moves off the subject of the Ulster Unionist Party, does he agree with me that it is disappointing that that party is now focused on plan B and seems to have given up on plan A, the devolution of corporation tax, which is, perhaps, the biggest tool that we could have to transform our economy?

**Mr McKay:** Absolutely, I agree with the Member. If we are serious about job creation, which is mentioned in the SDLP amendment, we need a full set of job creation levers, not half a set, as we have now in the Executive. We need the devolution of corporation tax, and I congratulate the Office of the First Minister and deputy First Minister on its progress to date. I listened intently to Alastair Hamilton's comments in the wake of the job losses in east Antrim. He said that thousands upon thousands of jobs were ready to come to the North once that rate is dropped. So the opportunities are there, and they are staring us in the face.

Last week, the Minister briefed the Finance Committee on air passenger duty.

PricewaterhouseCoopers has said that the abolition of air passenger duty and the transfer of corporation tax would be equally beneficial to the economy. Coming from a constituency such as North Antrim, I know that the abolition of air passenger duty would be a huge boost for tourism because tourists come here via Dublin. We need a level playing field and a consistent policy across the island to ensure that more tourists arrive here in the North. In the South, the Government are talking about abolishing air passenger duty, and, in the North, the typical rate is £26 per flight so, obviously, airlines and passengers will go to Dublin first. So, we need to be serious about devolving that. It may cost £60 million, and the DUP raised the point about how you would meet those costs, but, I think that, in the greater scheme of things, it is about looking at the wider impact on the economy, how it will benefit businesses, how those businesses will make further profits and how those profits will be returned to the central pot. So, it evens out —

**Mr Mitchel McLaughlin:** Thank you very much for giving way. Does the Member agree that the £60 million price tag of devolving air passenger duty would apply only if it were abolished across the board? However, if the Assembly, in its wisdom, decided to select particular routes that were beneficial to the economy and foreign investment, we would, in fact, be talking about a graduated approach that would cost much less and would allow us to test the value and efficacy of removing air passenger duty. I think that doing it on that selective basis would be a planned way forward.

**Mr McKay:** Absolutely, and I think that we need to consider all the different bands. The initial transfer of the rate, which affects primarily the Newark route, involves only a small percentage; I think that it is only about 2% or 3% of overall air passenger duty take. So, we need to look at selective routes, particularly when we are talking about getting into the BRIC economies — Brazil, Russia, India and China — and opening up routes to those countries. We need to look at not only direct long haul flights but at those indirect two-tier journeys —

**Mr Deputy Speaker:** Will the Member draw his remarks to a close, please?

**Mr McKay:** — into those economies.

I support the motion and look forward to the comments on the amendments.

**Mr Newton:** I support amendment No 1, which Mr Hamilton, Mr Weir and Mr Ross tabled. I do so because I think that it offers a practical approach to and takes a practical view of the problem. *[Interruption.]*

*(Mr Speaker in the Chair)*

**Mr Newton:** In doing so, I need to accept in my mind that, across the Chamber, there is a genuine concern about addressing the issue. It is an issue that all sections of our economy and community are suffering as a result of; indeed, none more so than the young people who are the lifeblood of this economy for the future. More than 20% of them are unemployed, which is a dreadful situation, and it is going to be a problem for some time for the well-being of the economy.

Mr Hamilton made the point that we are really looking at a global situation and that we are experiencing global problems. Mr Allister, who is no longer here, made a point about the European context. Indeed, the economies of Portugal, Spain and Greece —

**Ms Fearon:** I thank the Member for giving way. You referred to youth unemployment. I was just wondering how exactly a short-term increase in capital spend and a VAT reduction would address youth unemployment, given that 21,000 young people are unemployed in the North alone.

**Mr Speaker:** The Member will have a minute added to his time.

**Mr Newton:** Thank you, Mr Speaker. I will come to that point later in my remarks.

The point has been made that we are dealing with an economic downturn that is a global situation. It would be remiss of us, obviously, to indicate that we could have any influence on the Republic of Ireland's economy. It would be very high-handed of us even to think that we could affect it in any way. In fact, I suppose if we were to interfere anywhere in this situation in a European context, it would be with Angela Merkel, rather than with any individual country, as it is she who controls the economic levers in Europe.

I think that Mr Ross made the point that the Sinn Féin motion and the SDLP's amendment calls for the provision of first-class front line public services. I do not accept that we have a perfect set of front line services, but I accept that, wherever the SDLP and Sinn Féin see them, they have not spelled out how they would

fund them so that they could be improved and taken to another dimension.

**7.30 pm**

I have said that I believe there to be genuine concerns on the other side of the Chamber, and I do not wish to be unkind to Sinn Féin for tabling the motion. However, it strikes me that it is somewhat in line with previous motions that it tabled, such as those on mobile roaming charges and the all-Ireland job creation strategy. Those motions are not practical; they are devoid of reality. Sinn Féin knows that, yet it brought them to the House. It certainly brought those two earlier motions with a political basis attached to them rather than trying to deal with them through an economic approach.

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

**Mr Newton:** Will I get another minute, Mr Speaker?

**Mr Speaker:** No.

**Mr Newton:** I will not give way, then.

I support my colleagues' amendment. It is targeted at VAT reductions in the construction sector in particular. It will allow increased capital spend in that sector. I also include in that the communications area, in which there is huge potential in Northern Ireland and the UK as a whole. In partnership with the private sector, we have the potential to drive forward our economy.

**Mr B McCrea:** It is a pleasure for me to rise at this late hour to talk on the subject of the economy, which Mrs Overend and I will tackle jointly. I am almost minded to vote for Sinn Féin's various proposals because I would really like to see what it would be like if you were in charge. All the hogwash would immediately become obvious for what it is. I heard an argument from Mr Flanagan about the block grant and how we are going to manage tax-varying powers, and all of that. What he does not understand but which I have explained to his colleagues at different venues is that we spend £21 billion a year on government expenditure, yet we raise only £12 billion in taxes. We have £8.5 billion of money that comes in subvention.

**Mr Flanagan:** It is £9 billion.

**Mr B McCrea:** It is £8.5 billion or £9 billion. *[Laughter.]* We can do the rounding up, but the important thing is that I am glad that the Member is listening. When people rail against the austerity measures and say that we do not want to do this or that, they never tell me where the money comes from. There is a hole in the Budget; there is not sufficient money. The point that was made from these Benches in response was that if you are going to cut somewhere, you are going to have to raise somewhere else. This is Mickey Mouse economics. There is simply not the money to do what you want to do. When I look at the —

**Mr Weir:** I thank the Member for giving way. I will be very brief. The Member mentioned a £15 billion hole in the Budget. Does it suggest that the current Government's policies are not working if they have not been able to cure that problem? Clearly they have created more holes than they have filled.

**Mr B McCrea:** I am sort of surprised that a man of Mr Weir's intellect would advance such an argument. It is quite clear that the damage was done under a Labour Government. For 10 years, we spent more than we had. That is what we are trying to fix. People can say that we are not doing it quickly enough or that we are not going to get it resolved until 2018. The simple fact is that we spent far too much. We have huge debts — £1 trillion and rising. The only way in which you are going to fix that is if you raise taxes or cut spending. You cannot borrow your way out of deficit. That is not the right way to go forward.

I say to Members to my left that we were looking at their amendment with interest to see some of the points. Of course, however, you had to have a dig. You had to come along and say —

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

**Mr B McCrea:** No, I will not give way. The Member had his chance. You want capital spending. Do you want to know when the great meeting about corporation tax takes place? On 18 October. The DUP will come back from it and say that corporation tax cannot fix things, and it will then talk about plan B — £200 million or £300 million of capital spending. That is what the amendment means. It has all been worked out. So, whenever I come back round to this issue — *[Interruption.]* If it is news to you, I cannot imagine that the communications —

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

**Mr B McCrea:** No; I will not give way.

**Mr Speaker:** Order. Let us not have a debate across the Chamber.

**Mr B McCrea:** I come back round to the ridiculous statements coming from my left as well. Actually, I did not really want to deal with those; I wanted to deal with the SDLP. I am surprised that Mr McGlone would not take an intervention from me, because I normally take his. The figure of £10 billion was mentioned, but the SDLP Members have still not answered the question of where they will raise their £10 billion from. When Mr McGlone or his colleague talked about Europe, it was brought up that there is a £2 billion net contribution from the UK to Europe. Do you know what? During the heyday in the South, when we were getting money from Europe, the maximum amount they got in any one year was only €500 million. That is not the way round.

Mr Newton said that we are speaking to the wrong people and that we should be speaking to Merkel because she is the one who does it all. Wrong. We get our money from the UK Treasury. Those are the people who look after us and who fund our lifestyles. Those are the people who are trying to do the right thing for us, and those are the people who we have to go and stand shoulder to shoulder with when we try to resolve this mess. No amount of playing to the crowd —

**Mr Speaker:** The Member's time is almost gone. Sorry, you have an extra minute. *[Laughter.]*

**Mr B McCrea:** Thank you, Mr Speaker. I nearly missed the opportunity to ask the question about taxes. When people say that they want "devo max" and tax-varying powers, are they suggesting that they are going to reduce taxes in this part of the world, or will they put them up? The SDLP and Sinn Féin are tax-increasing parties. They are going to increase the tax burden on hard-pressed families in Northern Ireland at a time when they can least afford it. That is not acceptable.

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

**Mr B McCrea:** I am sorry. You had your chance; you cannot come in now.

I want to finish by talking about the Alliance Party. Members from that party said that it is about employment laws, skills and science. I agree with those things, but that was what was announced today —

**Mr Speaker:** The Member's time is almost gone.

**Mr B McCrea:** — and the Alliance Party have the Minister. We will consider our position on whether we will support anybody in this debate. *[Interruption.]*

**Mr Speaker:** Order.

**Mr M McGuinness (The deputy First Minister):** I thank everybody for their contributions to the debate. No doubt there will be further contributions after I sit down, and people will, of course, continue to challenge each other on the points that were made.

The local economy has clearly been badly affected by the global downturn, the recession in the Irish and British economies, the crisis in the euro zone and the cuts to public expenditure and the block grant. Unemployment has been rising, job numbers have been falling and output has contracted over the past number of years. As recently as a few weeks ago, we had some very bad news on the economy, with job losses announced in FG Wilson in the same week as the unemployment rate increased to 8.2%. It is a matter of great concern that there are almost 375,000 people unemployed across the island of Ireland, and within those figures are 85,000 young people who have little or no employment opportunities.

It is very clear that government austerity policies in Britain and Ireland, combined with the global downturn and the EU debt crisis, continue to affect growth in our economy. None of us in the Executive or the Assembly can be complacent. We are facing real cuts in our budgets. The spending review has resulted in a real terms reduction to the Executive's current expenditure DEL of 8%, with a more severe reduction in capital investment of 40% by 2014-15. The First Minister and I have protested to the British Government at the highest level and have made our position very clear. What is that position? It is that you cannot cut your way out of a recession.

Obviously, as an Irish republican, I have a particular perspective on how the lack of fiscal powers for the North is hampering our ability to solve our economic problems in a real and meaningful way. My DUP partners in this office have their perspective, and the SDLP amendment suggests another proposal. That is all fair enough, but it is clear that although the motion and the amendments have different emphases, they all have one common theme,

which is concern about the real impact that Budget cuts are having on our people and the ability of the Assembly and the Executive to respond in a meaningful way.

As we look to the future, speeches from the British Tory Party conference today indicate that the current British Government intend to continue with their austerity policies and cut even deeper. It is, therefore, important that a clear message goes out from the Assembly tonight that further cuts are not acceptable and are not the way to resolve the economic crisis. Rather, we need investment and growth in our economy for the fightback.

**Mr Flanagan:** I thank the Minister for giving way, and I presume that he will share my astonishment at Basil McCrea's claim that he nearly supported our motion, which would rule him out of his much-rumoured defection to the Conservatives here. Does the deputy First Minister agree that the current fiscal arrangements with Westminster do not meet the needs of the Assembly and the Executive to tackle our economic crisis adequately?

**Mr M McGuinness:** I agree, and many Members would also agree. As we have been trying to find solutions to tackle the economic and financial crises, it is a source of great frustration that the Executive and the Assembly are hampered by regulations imposed by Westminster. My view is that fiscal autonomy, including the ability to borrow without penalties on the block grant being imposed by Westminster, would give us the tools to work in the best interests of all our people.

Despite limitations in the Executive, we are not complacent on the need to grow and rebalance the economy, create jobs, tackle disadvantage, protect the most vulnerable and protect front line services. Our economic strategy sets out how we aim to improve economic competitiveness through a focus on export-led economic growth. It also includes a promotion of more than 25,000 new jobs over the next four years and actions to rebuild the local labour market. Key commitments from our Programme for Government are to achieve £1 billion of investment in the economy, which includes £375 million as a result of foreign direct investment; £400 million from indigenous businesses, supported by Invest NI; and £225 million as a result of the jobs fund. We plan to increase visitor numbers to 4.2 million and tourist revenue to £676 million by December 2014.

There have also been some good news stories at an individual project level, including

investments by Bombardier in its C Series wing project, which is the largest inward investment project to date; investment in financial services from the Chicago Mercantile Exchange Group; and investment in R&D from M/A-COM Technology. That highlights the competitiveness of our economy as a location for international investment.

I want to repeat, in spite of some of the criticisms that have been made here today, details of the work in which the First Minister and I have been involved. He and I, working with Arlene Foster and Invest NI over the past three years, have managed to bring more jobs to the North of Ireland than at any other time in the history of the state. We have done that against the backdrop of a worldwide recession, and against the backdrop of some parties in the Assembly saying at the beginning of our journeys to the United States of America that we would not attract one job. We have attracted thousands of new jobs.

We are clearly also having great success on the tourism and events front. According to figures recently announced by Belfast City Council, the MTV Europe music awards in November 2011 generated some £10 million in visitor revenue and had a worldwide audience of more than 1.2 billion people. Recent successes in attracting world-class production companies such as HBO also provide a practical investment in our economy while profiling the North as an excellent location for film and TV production. Keeping HBO in the North to continue making the ongoing series 'Game of Thrones' was an achievement, given that the First Minister and I also engaged with the British Government to ensure appropriate tax incentives to allow companies such as HBO to continue filming and provide employment for up to 700 people, as is currently the case.

Titanic Belfast has had over 300,000 visitors in its first four months of operation, while the Titanic Belfast festival was attended by around 60,000 people and £43 million was generated in PR coverage, including a number of high-profile BBC programmes that were viewed by 12.4 million across Britain.

#### **7.45 pm**

Delivering growth and prosperity requires co-ordinated action from all sectors — public, private and third sector, as well as universities and, of course, FE colleges. An enterprise strategy to support the economic strategy is under development. This will focus on promoting enterprise and entrepreneurship and creating the necessary conditions that will

enable businesses across all sectors of the economy to start and to grow. In our draft investment strategy, we provide a £5 billion stimulus over the four years to 2014-15 to the construction and related sectors of the economy. Economic research indicates that such a programme will support over 13,000 jobs in the construction industry and more in the related supply chain. The Budget review group has a strategic work programme, which is to examine alternative options for accessing finance, to realise the value of surplus and underutilised assets, to increase the drawdown from competitive European funds and to review arm's-length bodies.

On the issue of corporation tax, once the outcome of the ongoing work on devolving corporation tax powers is known, we will reassess the degree to which we can further strengthen the ambitious nature of our overarching economic goals. A reduction in the rate of corporation tax here would provide a major stimulus to the local economy and is one of our key Programme for Government commitments. We continue to pursue outstanding issues around cost and affordability in negotiations with the British Treasury. We continue to press the British Government hard on the need for this to happen in a way that is beneficial to the Executive and Assembly.

Given some of Patsy McGlone's remarks, it is important to absolutely refute any suggestion whatsoever that there is any negligence on the part of the First Minister and me, the Minister of Finance and the Minister of Enterprise, Trade and Investment in prosecuting our case for lower corporation tax powers. The blockage is not ours. The delay in taking a decision rests in London and in an ongoing discussion that is obviously being had by politicians at the highest level and the Treasury. Of course, the First Minister and I have had first-hand experience of how difficult that can be. For example, at the outset of this process, it was he and I who witnessed, in the Cabinet Office, almost a stand-up row between politicians and Treasury officials. So, let us scotch the nonsense that there is any delay in our Executive's position in relation to how this is dealt with. The delay, at this moment, rests in London, and we are seeking an answer, and the answer has to be an answer that is affordable for this Executive and for this Assembly.

While we are putting in place the steps that are needed for a successful path to recovery to rebuild, rebalance and grow our economy, we equally need to tackle disadvantage and protect our most vulnerable citizens. The impending welfare reform makes this even more of a

priority. Given that we have had more bad news out of Birmingham today, that has never been more relevant than now. Under our Delivering Social Change programme, we are putting in place effective and responsive cross-departmental working arrangements to tackle poverty and deprivation. These frameworks for action complement the much larger social and economic policies that we have and provide streamlined governance with clear lines of accountability and focus on delivering actions that add real value and measurable improvements.

It is generally recognised that despite significant progress in the past number of years towards peace and stability, certain areas have not fully benefited and suffer from higher levels of unemployment and deprivation. Our social investment fund will be targeted at such areas that can demonstrate and evidence objective need, with a view to improving employment opportunities and making the areas more attractive for investment. It is an £80 million fund, established by the Executive to address poverty, unemployment and dereliction over the period 2011-15. It will operate across nine identified social investment zones and be delivered primarily through strategic area plans. Those are intended to build pathways to employment, tackle the systemic issues linked to deprivation, increase community services, address dereliction and promote investment in the physical regeneration of deprived communities.

In closing, I want to reiterate that the Executive are committed to growing our economy, creating jobs and tackling disadvantage and poverty. We are constantly considering how to be more effective and we are clearly not standing helpless while events unfold. Ministers met on 13 September in the wake of the newly published employment statistics and the news about job losses at FG Wilson. Following that meeting, each Department was asked to identify current actions and new initiatives to improve the economy and support job creation and retention. That work is under way, and it will include meetings with representatives of the private sector and the community, voluntary and social economy sectors. Proposals will be discussed at an Executive meeting specially dedicated to the economy at the end of October.

We will continue to work hard as an Executive on growing the economy, tackling deprivation and disadvantage, creating jobs and protecting front line services. As different political parties, we will have different emphases and policies, as, indeed, we are entitled to have. However, I

believe that our greatest strength is in working together on areas of agreement. We are clearly agreed that public spending cuts and austerity measures are not the way to solve our present economic crisis, and we should send that message right across these islands.

**Mr A Maginness:** This evening's debate has been littered with a whole series of deathbed conversions. All the parties — Sinn Féin and the DUP — are converting to the view that austerity is bad. I have not heard that so robustly put forward in the House by the DUP or Sinn Féin. Sinn Féin, of course, is used to deathbed conversions, because it has converted on the fundamental issue of our membership of the European Union. The deputy First Minister can shake his head, but, for many decades, that party put its face against the European Union, in the same way in which it put its face against a reduction in corporation tax rates in the South. It wanted to put up corporation tax in the South and throw away the competitive advantage that the South had in relation to corporation tax. That was the standard position of Sinn Féin for many years. You cannot deny it. *[Interruption.]*

**Mr Speaker:** Order.

**Mr A Maginness:** Now you have converted to the reduction in corporation tax, and we welcome that. The deputy First Minister can smile to his heart's content.

I represent North Belfast, where we suffer from high levels of unemployment and deprivation. The deputy First Minister spoke eloquently about how much work they are doing and how the Executive are not complacent in relation to the economic situation. He talks about the tremendous work that they have done, but the reality is that, between 1993 and 2007, employment in Northern Ireland grew by 188,000. Between 2007 and March 2012, there has been a decrease of 38,500 jobs. That is a result — *[Interruption.]* I see the First Minister chirping in as well. That is a result of economic circumstances — *[Interruption.]*

**Mr Speaker:** Order.

**Mr A Maginness:** — but it is also a result of a lack of co-ordination, a lack of effort, a lack of imagination and a lack of innovation on the part of the First Minister and deputy First Minister. They hold responsibility for that. They can answer to my voters and constituents — those young people who are unemployed at the moment. Youth unemployment in Northern Ireland increased by 5% this year and now

stands at 23·5%. That is a shocking statistic. Is that the future that you are giving to young people in North Belfast, Mid Ulster, Derry and elsewhere? You have a serious problem if you think that you are not complacent and that you have been effective. Yes, you have brought jobs from abroad, and I welcome that. I support you in that, and any time that I have had an opportunity to do my bit, I have supported that, as has the SDLP, and we will continue to support efforts to bring employment here.

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

**Mr A Maginness:** I am running out of time. I am not running out of steam but I am running out of time.

The SDLP has said that we need a new range of fiscal powers to tackle the situation. Yes, we have a global situation, and, yes, the local economy has been affected, but we need the tools to rebalance the economy. Corporation tax is central to that, and we need those tools to address a wide range of other issues and other taxes and to generate jobs and create a robust job strategy.

We have looked at the Commission on Scottish Devolution, and we believe that that is the right approach. It does not have all the answers for Northern Ireland, but it is the right approach and the right direction.

**Mr Speaker:** The Member's time is almost gone.

**Mr A Maginness:** For you to turn your face against that is a dereliction of duty. That is why you should support the SDLP amendment.

**Mr Weir:** At the conclusion of the debate, I welcome the contributions that Members made to it, and in particular those who supported our amendment. I welcome the support of the Alliance Party and one of the two positions of the Ulster Unionist Party on this issue.

I will give Basil McCrea a free piece of advice. If he gets a phone call tomorrow at 9.00 am calling him into a meeting, I suggest that, perhaps, he should not be there. To be fair to Mr McCrea, whether we are hearing one of the current Ulster Unionist spokesmen on the economy or a future Conservative spokesman on the economy remains to be seen.

**Mr Hamilton:** Or UKIP.

**Mr Weir:** I suspect that David McNarry would not have him.

I give a cautious welcome to Mr Flanagan's opening speech in which he mentioned keeping an open mind. I will put two caveats on that: having praised him once already today, I do not want to entirely condemn him to political obscurity in his own party, but I will also reserve judgement because I want to wait to see what position Sinn Féin takes on the motion.

It is clear that the Member opposite who talked about conversions was not listening in 2010 when my party indicated, as did others, that the methods of tackling the recession that were proposed in the Programme for Government established by the Conservative Government cut too deep too soon. That was the basis on which we fought the 2010 election. We issued a warning and, unfortunately, we have been proved correct. Indeed, Mr McCrea referred to a £15 billion black hole. If that is not evidence of the failure of the current Government to deal with those issues, I do not know what is. From that point of view, we can accept that there have been problems, and, indeed, our amendment indicates our concern about austerity. Indeed, had there been greater economic stimulus from the UK Government, we believe that we would not have the level of problems that we have today.

I will turn briefly to the SDLP amendment. The SDLP preaches the establishment of a Calman commission for Northern Ireland. Corporation tax changes and targeted air passenger duty are beneficial where they are done strategically. However, it would be an economic own goal, if, for example, we were given devolution powers to vary income tax or adjust fuel duty. That would produce a swift response from a Government looking to make cuts and more cuts. They will simply say that if we have the power to raise income tax by 3p in the pound, they will cut the block grant, and if we want to make up the difference, we should simply raise taxes. That is the economic own goal that the SDLP is preaching.

The SDLP puts forward a roll of economic disaster rather than economic salvation. *[Interruption.]* The SDLP seems to think that it is OK that we will see the block grant cut and higher taxation. That is the kind of economically illiterate response that has become all too prevalent from the SDLP.

**8.00 pm**

We tabled our amendment because we felt that there are three inadequacies with the motion, although we believe that the sentiments behind

it are correct. First, as Mr Hamilton indicated in proposing our amendment, the context is wider than simply the UK and Ireland; there is a European context. That may be a semantic point, but we feel that it is important that we acknowledge it. Secondly, whereas we can give an indication of how we believe the external affairs of the Irish Republic affect us, we do not believe that it is our place to preach to the Irish Republic how it handles its internal economic affairs. I suspect that that would be a form of British imperialism that, in other circumstances, some of the Members opposite would rail against. We need to concentrate on what is here. Finally, we believe that it is important to give a number of examples. As regards capital spending, we are actually committed to plan A. I note Mr McCrea decrying that. However, both the Ulster Unionist Party's economic spokesperson, a couple of weeks ago, and Mike Nesbitt, in his conference speech, called for £200 million or £300 million extra capital spend and targeted VAT reductions.

**Mr Speaker:** The Member's time is almost gone.

**Mr Weir:** It may surprise Members to learn that we do not believe that we have a monopoly of wisdom on this corner of the Bench. We are happy to listen to others, but we believe that our amendment improves the motion. Therefore, we appeal to the House to support our amendment.

**Ms Maeve McLaughlin:** Go raibh maith agat, a Cheann Comhairle. I thank Members for their contributions to what is, ultimately, a critical debate. I would like to reflect on the fact that the principle of the motion is to state that austerity is not working and that it is a call for a change in direction. As the proposer said, the fact remains that we have 375,000 people unemployed across this island. The consequences of austerity are everywhere. They can be seen in the number of our young people who are unemployed. They can be seen in the thousands of our young people who emigrate. They can be seen in every household that struggles to pay rent, mortgages and bills. They can be seen on every main street, where there is a growing number of vacant shops.

I was particularly interested in Simon Hamilton's explanation of the amendment. He did not necessarily disagree with the sentiment of the motion, but he did not provide the clarity that we requested. He suggested that this issue goes broader than relationships across these islands.

However, although the European economic situation is undoubtedly having an impact across these islands, the fact remains that the 375,000 people who are unemployed have been impacted directly by the austerity policies of the Dublin and British Governments.

Interestingly, Patsy McGlone did not talk about austerity. The SDLP amendment does not refer to austerity, and he did not reference it in his comments. He talked about the European impact and the impact of funding streams. I ask Patsy to contact organisations in the border counties that have not have had great success in accessing that list of funding streams. I remind Patsy and the SDLP that our engagement with Europe is critical and is one that we will continue to pursue.

It is also interesting that Robin Newton did not provide any answer when questioned by Megan Fearon on the impact that an increase in capital spending and VAT reduction would have on unemployment among our young people.

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

**Ms Maeve McLaughlin:** I will, if I get an answer.

**Mr Newton:** I thank the Member for giving way. I admit that, when I was trying to answer that question, I did myself out of an extra minute. I will not take the extra minute, but I will indicate to the Speaker where the solution to the NEETs problem arises. There are a number of solutions to it, and I am not saying that we can deliver them all. The Programme for Government and the economic strategy, approved by this House, have developed a strategy based on a number of sectors of industry: telecommunications and ICT; health sciences and life sciences; agrifoods; advanced materials; and advanced engineering. All of those are doing well, and none of those can be criticised for a lack of growth. *[Interruption.]*

**Mr Speaker:** Order. Interventions should definitely not become statements.

**Ms Maeve McLaughlin:** I am not sure whether the Member was making a winding-up speech or trying to wind everyone up. Thank you for your intervention.

One of the major obstacles facing the building of a vibrant and sustainable economy is that fiscal power, taxation and public expenditure are all still set in London. The fact is that the North's economy is only incidental to British economic decisions, which are made in the



interests of the island of Britain. What we need is the capability and capacity to devise economic policies specific to the island of Ireland. Like it or not, the economies of North and South are inextricably linked, which dictates that we take an all-Ireland approach to building a strong and sustainable economy. Forward planning is required to ensure the mobility of workers and the integration of tax and fiscal policies to facilitate business and employment in an island marketplace. As the proposer said, it is a very practical solution that, in an island the size of Ireland, there must be a cohesive approach to attracting foreign direct investment. At present, the limited resources of both INI and IDA are spread too thinly in the global market, and they compete for investment in similar sectors.

As I have already referenced, border regions, in particular, are subject to economic instability as a result of having two economies on such a small island. The policies being pursued by the Tory Government reflect economic considerations in Britain. Our economy does not register in their economic thinking. They have abandoned commitments that they gave at St Andrews, which recognised that the North required specific support as a result of the decades of conflict and the legacy of underinvestment. Sinn Féin believes that our economic destiny should be in the hands of locally accountable Ministers with the power to affect our economy and the flexibility to shape our economic conditions. We need maximum responsibility for economic matters to be transferred to Ministers who understand the island economy and are accountable to the Assembly and to the wider community. Our economic needs do not register with policymakers in London. The biggest impact on our economy is the situation in the South. Our economies are interconnected and interdependent: that is not a political statement but one of economic fact. Greater co-operation across the island will deliver more for all our people than the existing competition between our regions.

**Mr McKay:** I thank the Member for giving way. Does the Member agree that we should, as some have said, look at what further powers should be transferred to the Executive to improve the economy? Will she also agree that the model to look at is not one for which the terms of reference were set by Scottish unionists?

**Ms Maeve McLaughlin:** Absolutely. The Member is referring to the piece of work that was very apparent when we looked at the amendment's reference to the Commission on

Scottish Devolution. I thank the Member for his contribution.

Given economic reality, Sinn Féin is calling for a frank, open and objective discussion to develop an all-Ireland strategy. As I said at the beginning of my remarks, we asked for that clarity in the DUP amendment. I have to express our disappointment that we did not receive that clarity from the DUP. I support the motion.

**Mr Speaker:** Before I put the Question on amendment No 1, I advise Members that, if amendment No 1 is made, I will not put the question on amendment No 2, as the wording of the original motion will have been changed to such an extent that it would not be in order for the House to vote on amendment No 2 as well.

*Question put, That amendment No 1 be made.*

*The Assembly divided:*

*Ayes 38; Noes 51.*

## **AYES**

*Mr Allister, Mr Anderson, Mr Bell, Ms P Bradley, Ms Brown, Mr Buchanan, Mr Clarke, Mr Craig, Mr Douglas, Mr Dunne, Mr Easton, Dr Farry, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hilditch, Mr Humphrey, Mr Irwin, Ms Lo, Mr McCarthy, Mr McCausland, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McQuillan, Lord Morrow, Mr Newton, Mr Poots, Mr G Robinson, Mr P Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir, Mr Wells, Mr Wilson.*

*Tellers for the Ayes: Mr G Robinson and Mr Spratt*

## **NOES**

*Mr Boylan, Ms Boyle, Mr D Bradley, Mr Brady, Mr Byrne, Mr Copeland, Mr Dallat, Mrs Dobson, Mr Durkan, Mr Elliott, Ms Fearon, Mr Flanagan, Mr Hazzard, Mr Hussey, Mrs D Kelly, Mr G Kelly, Mr Kennedy, Mr Kinahan, Mr Lynch, Mr McAleer, Mr McCallister, Mr F McCann, Ms J McCann, Mr McCartney, Ms McCorley, Mr B McCrea, Dr McDonnell, Mr McElduff, Ms McGahan, Mr McGlone, Mr M McGuinness, Mr McKay, Mrs McKeivitt, Ms Maeve McLaughlin, Mr Mitchel McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, Mr Molloy, Mr Nesbitt, Ms Ní Chuilín, Mr Ó hOisín, Mr O'Dowd, Mrs O'Neill, Mrs Overend, Mr P Ramsey, Ms S Ramsey, Mr Rogers, Ms Ruane, Mr Sheehan, Mr Swann.*

*Tellers for the Noes: Mr Flanagan and Ms Maeve McLaughlin*

*Question accordingly negated.*

*Question put, That amendment No 2 be made.*

*The Assembly divided:*

*Ayes 11; Noes 78.*

**AYES**

*Mr D Bradley, Mr Byrne, Mr Dallat, Mr Durkan, Mrs D Kelly, Dr McDonnell, Mr McGlone, Mrs McKeivitt, Mr A Maginness, Mr P Ramsey, Mr Rogers.*

*Tellers for the Ayes: Mr D Bradley and Mr Durkan*

**NOES**

*Mr Allister, Mr Anderson, Mr Bell, Mr Boylan, Ms Boyle, Ms P Bradley, Mr Brady, Ms Brown, Mr Buchanan, Mr Clarke, Mr Copeland, Mr Craig, Mrs Dobson, Mr Douglas, Mr Dunne, Mr Easton, Mr Elliott, Dr Farry, Ms Fearon, Mr Flanagan, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hazzard, Mr Hilditch, Mr Humphrey, Mr Hussey, Mr Irwin, Mr G Kelly, Mr Kennedy, Mr Kinahan, Ms Lo, Mr Lynch, Mr McAleer, Mr McCallister, Mr F McCann, Ms J McCann, Mr McCarthy, Mr McCartney, Mr McCausland, Ms McCorley, Mr B McCrea, Mr I McCrea, Mr M McCrea, Mr McElduff, Ms McGahan, Mr M McGuinness, Mr D McIlveen, Miss M McIlveen, Mr McKay, Ms Maeve McLaughlin, Mr Mitchel McLaughlin, Mr McMullan, Mr McQuillan, Mr Maskey, Mr Molloy, Lord Morrow, Mr Nesbitt, Mr Newton, Ms Ní Chuilín, Mr Ó hOisín, Mr O'Dowd, Mrs O'Neill, Mrs Overend, Mr Poots, Ms S Ramsey, Mr G Robinson, Mr P Robinson, Mr Ross, Ms Ruane, Mr Sheehan, Mr Spratt, Mr Storey, Mr Swann, Mr Weir, Mr Wells, Mr Wilson.*

*Tellers for the Noes: Mr Flanagan and Ms Maeve McLaughlin*

*Question accordingly negated.*

*Main Question put.*

*The Assembly divided:*

*Ayes 43; Noes 46.*

**AYES**

*Mr Boylan, Ms Boyle, Mr D Bradley, Mr Brady, Mr Byrne, Mr Dallat, Mr Durkan, Dr Farry, Ms Fearon, Mr Flanagan, Mr Hazzard, Mrs D Kelly, Mr G Kelly, Ms Lo, Mr Lynch, Mr McAleer, Mr F McCann, Ms J McCann, Mr McCarthy, Mr McCartney, Ms McCorley, Dr McDonnell, Mr McElduff, Ms McGahan, Mr McGlone, Mr M McGuinness, Mr McKay, Mrs McKeivitt, Ms Maeve McLaughlin, Mr Mitchel McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, Mr Molloy, Ms Ní Chuilín, Mr Ó hOisín, Mr O'Dowd, Mrs O'Neill, Mr P Ramsey, Ms S Ramsey, Mr Rogers, Ms Ruane, Mr Sheehan.*

*Tellers for the Ayes: Mr Flanagan and Ms Maeve McLaughlin*

**NOES**

*Mr Allister, Mr Anderson, Mr Bell, Ms P Bradley, Ms Brown, Mr Buchanan, Mr Clarke, Mr Copeland, Mr Craig, Mrs Dobson, Mr Douglas, Mr Dunne, Mr Easton, Mr Elliott, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hilditch, Mr Humphrey, Mr Hussey, Mr Irwin, Mr Kennedy, Mr Kinahan, Mr McCallister, Mr McCausland, Mr B McCrea, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McQuillan, Lord Morrow, Mr Nesbitt, Mr Newton, Mrs Overend, Mr Poots, Mr G Robinson, Mr P Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Swann, Mr Weir, Mr Wells, Mr Wilson.*

*Tellers for the Noes: Mr G Robinson and Mr Spratt*

*Main Question accordingly negated.*

*Adjourned at 8.48 pm.*







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