

Official Report (Hansard)

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Suggested amendments or corrections will be considered by the Editor.

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Northern Ireland Assembly

Monday 22 October 2012

The Assembly met at 12.00 noon (Mr Principal Deputy Speaker [Mr Molloy] in the Chair).

Members observed two minutes' silence.

Ministerial Statement

Welfare Reform

Mr McCausland (The Minister for Social Development): At the beginning of the year, I gave a commitment to a full scrutiny of the Welfare Reform Bill and that I would not seek accelerated passage. Hence, the Assembly is now considering the Bill clause by clause at Committee Stage and giving this important legislation proper and detailed scrutiny.

The Welfare Reform Bill is not only the largest Bill to come before this Assembly — that challenges those who have suggested we do not take forward major legislation in this place — but also, arguably, the Bill with the furthest-reaching consequences. Very few parts of our society are not in some way impacted by this legislation.

Two weeks ago, during the lengthy sitting at the Second Reading stage, many contrasting views were expressed on the measures in the Bill. Clearly, we all have concerns about the content of some of the 134 clauses in the Bill. However, I take great encouragement from the level of interest from all sections of the House, as evidenced by the number of Members who spoke. There has been an engaging debate thus far on welfare reform, which, I believe, demonstrates the progress we have all made in this place beyond constitutional issues and towards dealing with the matters that affect our constituents day and daily — what we usually call the real bread-and-butter issues, the issues of normal politics.

At Second Reading, although some argued for delays and others, including myself, that we should move on to detailed scrutiny, one thing that was very clear was a commitment across all parties to try to make the Bill the very best it can be for the people of Northern Ireland. The Chairman of the Social Development Committee rightly stated that we should work together collectively to improve the legislation. I agree.

Given the level of interest across the House, it is right that I should come back to this place to report on the progress made in my discussions with Lord Freud, the Minister for Welfare Reform in Whitehall. The level of interest in welfare reform that I have referred to is not confined to this House. All across Northern Ireland, there has been an active debate, whether at voluntary and community sector events, in the media or in the church and faith sector. In turn, my officials and I have been meeting people and listening to the many different views expressed across the community. That has included an ongoing detailed dialogue and negotiations with the team of Ministers in the Department for Work and Pensions (DWP), involving face-to-face discussions in Belfast and London, telephone conversations and correspondence with Lord Freud and Iain Duncan Smith. I also met Maria Miller on disability issues when she was a member of the DWP ministerial team. Those ministerial engagements will continue and so will the intense level of official discussions including large swathes of my Department.

In my dealings with Lord Freud, I have found him to be someone who has a genuine interest in the specific challenges that we face here in Northern Ireland. With that in mind, I am pleased to report that he has accepted my invitation to advise us further on how best to address the impact of the housing benefit changes. He is the architect of the proposals, and it will be valuable to have him here to discuss the local impacts as we chart the way forward on this aspect of welfare reform. He is keen to come over. He is aware of some of the particular issues here that we need to address, and he is interested in how the Housing Executive, housing associations, the advice sector and the Department can work together to find a solution.

Clearly, the local debate on welfare reform has concentrated, to date, on many of the downsides of welfare reform and the need to seek flexibilities. I have established a universal credit programme board, comprising senior stakeholders in my Department and from the

Department for Employment and Learning, the Department of Finance and Personnel, the Northern Ireland Housing Executive and Her Majesty's Revenue and Customs. The board is overseeing a large multidisciplinary team that is working on the many facets involved in introducing this once-in-a-generation change to the welfare system.

I visited the IT design work for the universal credit system in Birchwood, outside Manchester. It is a huge undertaking, said to be the biggest IT design, build and test exercise in the world at present. The Northern Ireland universal credit programme has several staff embedded in that team. As I have stated previously, making the changes that we have requested is no quick fix. While universal credit will simplify the benefit system for claimants, with it being easier to understand and the online service making it easier to claim, the IT supporting that straightforward customer-facing experience is complex and state-of-the-art. For that reason, I have previously cautioned Members against thinking that the design changes that we need for Northern Ireland can be simply and easily embedded into the new computer system.

Some have said that, when it comes to universal credit, although the underlying policy of claimants being better off in work is laudable, there are not the jobs available to enable the new approach to succeed. Yes, we face extremely difficult times, with 63,000 people without employment and in receipt of jobseeker's allowance, coupled with recent announcements such as those relating to the FG Wilson job losses. Many people in Northern Ireland who have been made redundant over the past few years would love nothing better than to secure a job and come off benefits. However, while not underplaying the significant challenge, I take heart from the fact that the latest Northern Ireland Statistics and Research Agency (NISRA) report on the Northern Ireland labour market and economy showed that, in the quarter ending in June 2012, we had the first increase in the number of employee jobs available. It was up by 1,940 since the start of the downturn in early 2008. Hence, even in these very tough times, there are job opportunities available, and, of course, universal credit is a generational change. By taking action now to implement these reforms, we will have the architecture in place when the economy recovers. In particular, we will have a system in place that will help us to break the scourge of workless households, for it is those households who are some of the most socially excluded in our community, who face persistent poverty and for whom we have failed to provide

a practical route towards employment, opportunity and financial independence.

Mr Deputy Speaker, as you will know from my contribution to the debate at Second Reading stage, I am fully committed to the concept of universal credit and to the principle that people should always be better off in work. Helping people to beat the benefit trap is a key reform that we must pursue. It will help to lower the high level of economic inactivity across Northern Ireland that holds back many of our people. Linked to that, I welcome the proposals that universal credit will, where possible, mirror being in employment, with payments similar to a monthly salary. That will help benefit claimants smooth their transition into work. However, although I am fully committed to social security parity between Great Britain and Northern Ireland, I recognise that we have unique circumstances in Northern Ireland that the Assembly must take into account, not least while we scrutinise the legislation designed to reform our welfare system. Hence, for many months, the issue of applying different payment arrangements to universal credit has been on my radar, and I brought that issue to the Executive subcommittee on welfare reform in the early spring to ensure that my proposals were fully understood by all parties.

Traditionally, between 80% and 90% of our housing benefit payments have been made directly to landlords for both social housing and the private rented sector. I have listened to those who have expressed concern that, as we introduce many other aspects of welfare reform, now is not the time to make a wholesale change to those arrangements. It is important because it ensures that individuals should remain safe in their tenancy and that social housing provision has a firm financial basis. Thus, I have adopted the stance that we should have payments to landlords for the housing element of universal credit as the default position while allowing customers the freedom to opt out of that arrangement if they wish.

Also within the area of payments are the single household payment and the monthly payment. For the majority of Northern Ireland claimants, as for those in Great Britain, the arrangements will work well. For example, many of those currently on tax credits receive household payments that are paid every four weeks, and they are fully accustomed to those arrangements. However, I recognise that there are others, not least the most vulnerable, who, for a variety of reasons, could struggle with either a single household payment or the monthly payment. Hence, in my discussions with Lord Freud, I have sought a commitment

that he will agree to make changes to the IT system that will accommodate those payment flexibilities.

From the outset, my party's strategy has been to use our voice at Westminster when it counted and to secure what we could at the national level. We represented our constituents at Westminster and gave a voice there to the poor and vulnerable. As the process moved to Northern Ireland, we entered into discussions and negotiations with the Westminster Government at both ministerial and official level to try to secure the operational flexibilities where we felt they could be achieved within the bounds of financial parity.

12.15 pm

I acknowledge clearly that there were parts of the Bill we did not like, but we had to face the reality of the consequences of not moving it forward through the normal scrutiny process in the limited time frame that we have, otherwise we would have inflicted even more hardship on those whom many in the House aspire to protect. Indeed, we acted in the only responsible way and continued our negotiations to press the Government for the operational flexibilities that we believe to be essential. I referred to the limited time frame, and the fact is that we are just within the time frame for getting the legislation through the Assembly in order to meet the deadline. There is no spare room; there is no more road; there is no more time left. The time frame is absolutely tight, and that is why we need to press on, without hindrance and delay, to get the Bill through the House in the time available.

Two weeks ago, I asked the House to vote for the Bill at its Second Reading, not because I agreed with all of its content but because it was the right and responsible action to take. I pledged to the House that I would continue my negotiations with the Government to secure changes, and I am pleased to report that, after a series of detailed negotiations — work that in essence started the day after I was given the responsibility for this portfolio — with Government Ministers, officials and the IT experts, Lord Freud gave me a number of commitments in writing after our meeting last Tuesday. The housing cost element of universal credit will therefore be paid automatically to the landlord rather than to the claimant, with an opt-out arrangement for those who choose to receive the full universal credit payment and, in turn, pay their landlord. In addition, the IT system functionality will be developed to enable the computer system, where necessary, to split the payment between

the two parties in the household and, again where necessary, to make two smaller payments a month rather than the single full monthly payment. In the majority of cases, there will be a single monthly payment to each household in receipt of universal credit, but these payment flexibilities will allow for different payment arrangements where necessary, not least where vulnerable customers will find budgeting difficult. With that in mind, I have tasked my officials to develop and consult public representatives and voluntary sector representatives on a set of guidelines for determining the circumstances when the universal credit payment should be split or made on a twice-monthly basis. This way, we can protect the vulnerable while maintaining the monthly household payment for those who do not need these bespoke measures.

Some in the House wanted to kill the Bill under various cloaks of convenience and to foolishly ignore the consequences, which included depriving many thousands of our people of the social fund that they rely on when at their most vulnerable. Those consequences would also have deprived critical government services of £200 million to meet the shortfall in the Budget and put over 1,000 existing jobs across Northern Ireland at real risk. If the House had chosen that pathway two weeks ago, we would now have to deal with those real consequences, and my negotiations with the Government would have been effectively over. I am glad that the House did not in the end take that pathway. Today, I am pleased to be here announcing that we will be able to administer payments according to our own local arrangements, which is a major step forward in customising welfare reform for the special needs of Northern Ireland.

Although the deal has been done at ministerial level, there is much work to be completed to make this agreement a reality. My officials are working closely with their DWP counterparts to ensure that the universal credit computer system design is enhanced to deliver these specific requirements. This work should be completed in six months' time, by March 2013, when the system changes will then need to be built and tested. In light of securing these commitments from Lord Freud and the associated need to allow time to develop, build and test the additional system functionality for these payment arrangements, I have decided to launch universal credit in Northern Ireland in April 2014. I have the agreement of Lord Freud that, as this will still be part of the continuous United Kingdom-wide roll-out that will commence from October 2013, there will be no breach of parity. This timing has the added

advantage that any lessons learned in the early stages of the UK roll-out can be reflected in local implementation planning and delivery.

The securing of additional payment modalities to meet the needs of our unique circumstance in Northern Ireland is one element of a package of measures that I am developing to help claimants and households manage under the new arrangements. These measures include developing detailed proposals for how we can support claimants with appropriate budgeting advice and guidance, alongside the availability, when necessary, of short-term advances. In addition, I am taking steps to ensure that Northern Ireland claimants will also have access to special banking products that are currently being developed to meet the needs of universal credit claimants. Taken together, these measures will help many to budget effectively while taking advantage of the better credit ratings that can arise for those on a monthly income.

Discussions are continuing with regard to the impact of welfare reform on housing benefit, and I am pleased that Lord Freud has agreed to visit Northern Ireland in November to support us in those discussions as they progress.

In summary, the successful outcome of my negotiations and discussions with Lord Freud means that I am in a position to launch universal credit in April 2014 with the operational flexibilities that reflect the needs of the people of Northern Ireland and address concerns raised by Executive colleagues, Members of the Assembly and representatives of the wider voluntary sector. I am sure that all Members of the House, from whatever side and party, will welcome this announcement and appreciate the successful completion of this stage of our negotiations. Today's announcement fully vindicates the approach that I have adopted and the position that I set out in the debate in the Chamber some days ago. This is a good outcome for Northern Ireland. It meets the particular needs of Northern Ireland to a significant degree. I believe that it will be welcomed by everyone, and I think that it is a successful outcome to what has been a lengthy period of complex and protracted work that has, nevertheless, proved well worth it in the end.

Mr Principal Deputy Speaker: Before we move to questions on the statement, I advise the House that the Speaker has ruled that, in advance of the motion under Standing Order 34 being moved — the next item of business — there should be no mention of human rights issues related to the Welfare Reform Bill or the

merits or otherwise of the use of Standing Order 34 to seek advice from the Human Rights Commission. If that is clear, I will call the Chairperson of the Committee for Social Development, Mr Alex Maskey.

Mr Maskey (The Chairperson of the Committee for Social Development): Go raibh maith agat, a Príomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as a raitéas. First, I thank the Minister for his statement. From the outset, I want to say that I reject much of the political content of the Minister's statement. In fact, I would argue that it is interesting that we did not hear anything about the flexibilities being conceded by the British Government until after the recent very lengthy, protracted debate in the Assembly, which showed universal opposition to many aspects of the Bill.

Our party will be very much to the fore of welcoming any progress that the Minister is able to announce. I am particularly pleased to hear that the British Government have acknowledged that direct payment to landlords is a good thing. However, I note that the concession on flexibility concerns direct payments to landlords, and the cynics among us might think, "Well, that's the landlords taken care of, all right". As I said, I want to be very positive about this. The fact that serious discussions are now under way on split payments, multi-payments and the more regular payments of universal credit is important. Suffice it to say that, currently, the Bill has provisions for those measures to be enacted and facilitated in particular circumstances. There is nothing specifically new, although I look forward to the initiative being taken further.

I also welcome the fact that, for the first time, publicly, through the Minister, the British Government have again acknowledged that they can concede some flexibilities, even in the context of parity, and that the IT system can be modified to facilitate those flexibilities. All these things are important. Again, I continue to commend the Minister, where he is pursuing a number of the issues of concern that he outlined to the House in the previous debate. I commend all those who have continued to campaign on a wide range of issues that, people believe, will have a negative impact on the wider community. Will the Minister take the time to outline other issues that he wants to take forward with Lord Freud and his Westminster colleagues, not least the issues of conditionality for lone parents, the sanction regime that is in place and other aspects of the Welfare Reform Bill that Members of his party have expressed serious concerns about? It is a

bit of a start and it is to be welcomed, but we have a lot of work to do in the time ahead.

Mr McCausland: First, unlike the Member opposite, I do not condemn those who have been involved in lobbying; I commend them.

The Member opposite was not party to the discussions that have been taking place over a considerable period. Those discussions were between me, as Minister, my officials in the Department, Ministers at Westminster and officials at Westminster, and, as I said clearly in my statement, have been ongoing for quite a long time. They were detailed, complex and time-consuming, but, for some time, as I clearly said to Members, I was very optimistic that we would achieve the success that we were looking for. I believed that we had done the work and done it well and that we would get the outcome that we desired. I think that that has been fully vindicated today.

The Member raised two further points, one of which was on the issue of split payments to a household. He asked why it was not the default position was that there should be split payments. The fact is that the Department is not seeking to intervene and decide which partner should receive payment; rather, when it comes to universal credit, it will be for partners to look at it and come forward to present a case if there is a need to do so. I believe that this is the right approach, that we are doing the right thing and that this is the best outcome. If we can avoid split payments, so much the better. Already, there are many households in which people in receipt of benefits are in that situation. It is the best way forward, but we are concerned for those — time will tell the exact number, but it will be a smaller number — who are vulnerable, have particular needs and are in a particularly difficult relationship in the home. In those situations, the provision will be available. Over the next period, we will look at the guidance and at the arrangements that will be put in place. We hope that the number of cases will be smaller.

It would be good if there were an understanding among the partners that there would be a single payment. However, I believe that we have ensured all the protection that is needed while remaining within the confines of parity.

The other key issue is that it is crucial that the changes and flexibilities that we were looking for are introduced at the point when universal credit comes in. We could not move on universal credit without those, and the key thing was getting those two elements aligned. That has taken some time. There may well be a

view across the water that they might look at these things at some time in the future, but we needed it right at the beginning, which is what we have achieved.

12.30 pm

Ms P Bradley: I thank the Minister for his statement, and I welcome it very much. I recognise the hard work that the Minister has put in to put our case forward on the flexibilities. I know that he was working hard on that long before the debate took place in the Chamber. Will he confirm again that the delay in the introduction and roll-out of universal credit will not cause any breach in parity?

Mr McCausland: I welcome the Member's comments. She is absolutely right; we identified the flexibilities right at the start of the process.

I confirm absolutely that we have negotiated these arrangements and have produced a package in agreement with Lord Freud that ensures that there is no breach of parity.

Mr Copeland: I, too, thank the Minister for his efforts on the issue thus far. He is aware of the serious reservations that individual Members and some party groups in the House have about the effects of the proposed legislation. Does he now feel that the shopping basket is filled with as much as can be purchased, or is he actively exploring other areas so that our citizens can be protected from the worst effects of the proposed legislation?

Mr McCausland: The Member will be aware that I made it clear in my statement that Lord Freud would visit in November and that we would have further detailed information about the impact of the housing benefit changes in Northern Ireland. That information, together with his visit, will help us to move on in that area, which is, of course, an area of considerable concern. The Member referred to that, as have many others, and we recognise it.

I am sure that other issues in the detail of the legislation and the regulations will be looked at where it is not so much a matter of bringing something back from Westminster but of this House doing the hard work and seeing what amendments, flexibilities and changes can be made. The biggest and most challenging work, however, was to get that firm commitment in writing from Lord Freud, which we now have.

Mr Durkan: Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank the Minister for

his statement. Today, he is quite reminiscent of Neville Chamberlain. Although the flexibilities certainly please us, they will not, on their own, appease us.

The statement gives no indication of a recognition of the factors prevalent in Northern Ireland that will make the impact of welfare reform here even harsher. I appreciate that more work is being done on housing, but there is no mention of reduced employment opportunities, lack of childcare or, significantly, higher rates of disability and mental illness. How does the Minister intend to pursue those important issues?

Mr McCausland: I am taken aback by Mr Durkan's words of thanks. He expressed them on the stairs on the way down to the Chamber, and he has expressed them in the Chamber, so I am truly overwhelmed by his generosity of spirit. It is rather different from his press statement this morning, in which, I noticed, he was beating his chest once again. There was so much chest beating, I thought that he was about to audition for a Tarzan film.

To return to the issue that the Member raised, I should say that it is a major and very important element of the flexibility. It is the area on which there has been so much discussion and focus. Indeed, when the Executive subcommittee has asked parties to come forward with the flexibilities that they are looking for, those were the three things. We have had considerable success — in fact, I believe that we have had full success — in that regard.

There are other issues. We will work on some of those in the Executive subcommittee, which is due to meet again this afternoon. Work will be ongoing in the Committee for Social Development as it scrutinises the legislation. There is more work still to do, particularly on the area of housing that I referred to in answer to a previous question.

I cannot magic up a different employment situation. That is not an area that falls within my responsibility. There are things that we can do and things that we cannot do, and that is the key. Over the next while, we need to keep the focus on the areas in which we can make a difference rather than waste time looking at areas in which it is impossible to make a difference. We should accept that there are constraints. However, there are things that we can do. Over the next number of weeks, the focus for the Committee for Social Development, for me and for officials will be very much on the areas in which we can make a difference — albeit limited to some extent —

by tailoring the legislation for Northern Ireland. That has to be the priority.

Mrs Cochrane: I, too, thank the Minister for the statement. I welcome the announcements on the payment mechanisms and the timing of roll-out. He referred to the specific challenges that we face in Northern Ireland and how the housing benefit changes will further impact on those. Although it is important that we raise these matters with Lord Freud, given the problems that we have with segregated social housing, would the Minister be able to make a better case for flexibility if we were seen to promote mixed housing proactively?

Mr McCausland: As the Member rightly identifies, the issue of segregated housing is a significant one in Northern Ireland. It is not restricted to those who are in receipt of housing benefit, whether in the private rented sector or the social sector. It is also a reality among homeowners. Most people who own their own home live in areas that are as segregated as social housing areas are. We do ourselves a disservice if we go down the road of focusing simply on social housing. It is a wider societal issue. The challenge is to find out why it happens in the private rented sector, why it happens among homeowners and why it happens in the social sector. The detailed research has almost been completed, and we will have that for our meeting with Lord Freud.

There is work to be done, and there are real challenges. Look at the issue that I have brought up on a number of occasions; namely, the social housing development programme. When I was presented with the social housing development programme at the start of the year, I challenged the Housing Executive on whether, in producing the programme, it had taken into account the impact of welfare reform. The answer was no, which is truly alarming. The social housing development programme was sent back to the Housing Executive for further consideration because it had not taken account of welfare reform. A very large section of the people on the waiting list are singles, yet there was not the provision for singles in the building programme that the situation merited. There is a lot of work to be done on housing. That is one of the major challenges, and that is why I am so pleased that we will have that engagement with Lord Freud when he is here in November.

Mr F McCann: Go raibh míle maith agat, a Phríomh-LeasCheann Comhairle. I also welcome the Minister's statement and the fact that changes have been made to direct

payments. However, there are a lot more issues in the Bill that will have a major impact. Direct payments are crucial, but equally crucial is the whole question of underoccupancy, which could lead to up to 40,000 people being made homeless. Has the Minister discussed with Lord Freud the question of underoccupancy, the impact that the legacy of conflict has had and the difficulties that it poses, and the role of Atos in providing medical assessments here, given the serious difficulties and problems elsewhere?

Mr McCausland: First of all, I assure the Member that I appreciate his words of thanks. They have been duly noted.

I have been lobbying the Westminster Government for flexibility in introducing the housing size and underoccupancy measure as we seek to understand the impact on our social housing stock in Northern Ireland. So, the answer to the Member's question is, yes, we have been lobbying on that issue and putting the case very strongly. That will be a key topic for consideration at the housing benefit reform event that I plan to hold. In the meantime, I have asked for the social housing development programme to be adjusted to cater for smaller households. That is an obvious response to make sure that, if a particular situation is emerging, we have the right housing stock to meet the demands from that.

As regards the assessments for PIP in the future, it is a bit presumptuous to think that Atos —

Mr F McCann: It is happening at present.

Mr McCausland: We are dealing with this particular piece of legislation and that is another issue, but it is one that I am sure the Member will return to.

Mr Byrne: I welcome the statement from the Minister as far as it goes. How confident is he that the IT system can be refined and specialised to meet the needs of Northern Ireland? More importantly, in the meantime, will he give an assurance to those unfortunate but genuine claimants who have to appear before appeal or review boards that they will be treated with due regard and sensitivity by panel members? There has been a disturbing trend in recent times of claimants, especially those who suffer from mental health problems, not being treated with due regard. That causes major concern and problems.

Mr McCausland: One of the major pieces of work over the next while will be to develop the guidance, processes and so on for assessments. Experience will certainly feed into that discussion. The ongoing work by my officials will look at that, and I am sure that the Committee will want to look at it as well. The concern that the Member expressed has been noted and will be taken on board.

I apologise because, having answered the second question, I have forgotten what the first one was.

Mr Byrne: It was about the IT system.

Mr McCausland: Thank you. I am assured that the IT flexibilities we require can be delivered in the necessary time frame and that they will work effectively. The reason for bringing in universal credit within the time frame that I set out is to have assurance that the IT system will be able to accommodate our needs. It is a major challenge, and it has taken a lot of negotiation to get us to the point where DWP is willing to do this. We have got to that point, and I am satisfied that it will work in the way that DWP intends. We will monitor it carefully, as we move forward, to ensure that everything is in order.

One of the good things about this is that universal credit is being introduced on a rolling system in stages. By coming in at the end of the process, we will benefit from the lessons that have been learned from what went before. Any flaws in the system and procedural things that need to be amended will have shown up. We will benefit from that experience, so people in Northern Ireland will actually have a double advantage.

Mr Brady: Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I too thank the Minister for his statement, but I will leave the fulsome praise to Mr Durkan.

In your statement, Minister, you talked about the effectiveness of your MPs at Westminster. That is a matter of opinion, as there will still be a £400 million deficit in the welfare budget — but that is beside the point at the moment.

You used an interesting phrase in your statement when you talked about "customising welfare reform" to suit the needs here. That has been precisely the whole argument around welfare reform: we are asking for flexibilities to ensure that the particular circumstances and needs here in the North are catered for. In relation to the social fund, you mentioned

setting something up to cater for our local needs. How soon do you envisage that being put in place?

12.45 pm

Mr McCausland: The Member made a number of points there. I suppose that that is the nearest to happy that you are going to get out of Mr Brady.

Mr Brady: Happier.

Mr McCausland: Happier. That is good.

As regards MPs in Westminster, it is always more effective to be there than not be there. If you are not there at all, you cannot even have your say. It is always best to use the opportunity to influence to whatever degree you can.

As regards customising to meet the particular circumstances of Northern Ireland and the social fund, that work is ongoing. We know what the deadline is, and we know the challenge. We need to have that in place so that people in Northern Ireland do not lose out. We need to have a social fund, and the challenge is there to ensure that we get one that is best suited to the needs of Northern Ireland. That work will be ongoing, and I am sure that it will come up regularly between now and the end of the financial year, through both the work of the Executive subcommittee and that of the Social Development Committee.

Mr Campbell: I am sure that the Minister will have noted the question from the Chairman of the Committee for Social Development, who said that it was as a consequence of the long debate the other week that some of these flexibilities have come about. I am sure that the Minister will probably comment that, if we had talked on until 4.00 am, we might have got even more flexibility. That is how ludicrous that was.

On a more serious and substantial point, can the Minister outline what the consequences would have been for claimants and other high-risk and vulnerable sections of our society had we not proceeded at Second Stage when we did?

Mr McCausland: The Member has made an important point. I reiterate what I said at that debate, with an additional point: it was imperative that we moved forward, because the implications were, as I have said, no social fund to help the most vulnerable; the loss of £200 million from the budgets of other key

Departments, whether Health, Education or whatever; and, thirdly, the endangering of well over 1,000 or 1,500 jobs in Northern Ireland. Those dangers were avoided by ensuring that we moved forward. That said, there is a timetable between now and the end of the process that we need to meet. It is a very tight timetable, and it is imperative that there is no further delay, because we could get ourselves into difficulties if there were further delays. We need to move forward with urgency, acknowledge the success that we have achieved and show that that approach really works. I think that we can see resolutions to a number of the other issues over the next while.

Mr Rogers: I thank the Minister for his statement. I am sure that the Minister will acknowledge that the SDLP MPs challenged every aspect of the Welfare Reform Bill in Westminster. Following on from his last comment, in his discussions with Lord Freud, did he get a guarantee that the 1,500 jobs in the Social Security Agency and the Child Support Agency were now safe?

Mr McCausland: I would not want to intervene in what was clearly a domestic squabble on the other side of the House about attendance or non-attendance at the sovereign Parliament at Westminster. As regards the jobs, the position is simply that there has no announcement yet about where the future welfare payment jobs will go. We know that we are well placed in Northern Ireland because of the high performance level in the units in the Province. It is crucial that we highlight that, and, in fact, that point was made to Lord Freud when I met him last Tuesday. We are performing extremely well, and I give credit to the staff in the Social Security Agency and those in charge of the agency. They have done a good job in ensuring that we are well placed. On the other side of the picture, if we had not moved, we would have endangered the jobs. We must now continue to press home to Westminster the high level of performance here and the fact that it would make good sense for a whole lot of logistical reasons to retain the jobs in the Province. I am very hopeful in that regard.

Ms Brown: I welcome the statement by the Minister. This is good news, and I congratulate the Minister on delivering for the people of Northern Ireland on these important issues. Does the news that universal credit will not now be introduced until April 2014 have any bearing on the critical timeline for the Welfare Reform Bill and the associated regulations being passed through the House?

Mr McCausland: No, we still need to have the legislation through in the timescale that we indicated. There is no flexibility in that regard. The urgency is there for the reasons that I have set out in regard to the social fund and because other changes will come down the road in the early part of next year rather than in the following year. Because of that, there is no opportunity for further delay. We still have to stick to the timeline.

Assembly Business

Welfare Reform Bill: Standing Order 34

Mr Principal Deputy Speaker: The first item on the Order Paper is the motion under Standing Order 34. As this is the first time that the Assembly has considered such a motion, I will explain the procedure. Standing Order 34(5) restricts the debate to two speakers. Only the mover of the motion and the Member who opposes it may make brief statements. The Speaker has ruled that the time limit for the statements will be five minutes each. The Minister for Social Development has indicated that he will speak to oppose the motion. Standing Order 34 also states that, after both statements have been made, the Question must be put without further debate. Given the restrictions, Members should not try to make any interventions or any points of order until the item has been concluded. The motion does not require cross-community support. Let us proceed.

Mr F McCann: I beg to move

That the Northern Ireland Human Rights Commission be asked to advise whether the Welfare Reform Bill is compatible with human rights.

Go raibh míle maith agat, a Phríomh-LeasCheann Comhairle. I propose the motion today not to grandstand or to take the easy way out by opposing the Bill, as some would have you believe, but with genuine concern that the Bill will destroy families, lead people into destitution and lead to thousands of people being made homeless.

A number of people have tried to mislead people on the Sinn Féin position on welfare reform or cuts. I will make it clear again: we are opposed to the passage of the Bill, and we were opposed to the passage of the Bill in June 2007 when we brought amendments to the Chamber. We in Sinn Féin have said that we will consider all options in the passage of the Bill through Committee. In fact, we have promised many groups and individuals whom we have had meetings with that we will have full scrutiny of the Bill during Committee Stage, and that is what we intend to do.

That is why we bring the motion to the Chamber today. We believe that passing the Bill will impact on the human rights of our constituents. We have argued, as have many in this Chamber, that different circumstances exist in

the North. Let us now put that to the test. When the Equality Commission was in front of our Committee, we asked a number of questions that left concerns, especially concerns that the legislation will have a more detrimental impact on the North. Sinn Féin also met the commission, and the commission voiced serious concerns that the Department for Social Development had failed to consider the cumulative impact of welfare reform. The commission was also critical of the failure to provide consultation on the whole policy framework as it specifically applies to the Six Counties.

Article 14 of the European Convention on Human Rights, which is concerned with discrimination, says that, to comply with article 14, the Government must consider the potential adverse impact on any group that may amount to any form of discrimination. Section 75 sets a higher standard because it obligates legislators to avoid adopting policy that adversely impacts on named groups such as women, children and those in particular religious groups. Where there is an adverse impact, there is a need to take mitigating measures to remove that negative impact. The argument that every claimant is dealt with on an equal basis does not absolve the Department for Social Development of the responsibility to scrutinise the impact of policy on disadvantaged groups.

We also met the Human Rights Commission to ask if it is happy that the passage of the Bill is compatible with people's human rights. It was quite obvious that the answer was no. It was interesting to note that the Human Rights Commission expressed concern that, despite its expectation of a clear statutory duty to scrutinise the legislation and an official offer to provide expertise, both the Minister and his Department had failed to engage with the commission. That is a deplorable situation.

We believe that the Bill should be set aside. The Commission was concerned that a full memorandum of human rights and equality implications, which they considered appropriate for this Bill, had not been tested and may not have been prepared by the Department for Social Development. Instead, the Minister may simply state that the Bill is compliant. It also stated that, if the Executive did not trigger Standing Orders 34 and 35, the matter of human rights compliance would fall to the Secretary of State to determine as he sees fit. It also said that the NI Act had a constitutional status that Westminster could not ignore. The Act allowed for much greater flexibility in relation to the operation of parity, in

administration, funding and recognition of different circumstances in the North of Ireland.

The Commission was very concerned that the Bill was constructed in such a way that it was difficult, if not impossible, to determine human rights and equality compliance because so much relied on secondary legislation and guidelines. It urged us to call for the legislation to be considered together with secondary regulations and guidelines because meaningful scrutiny was impossible otherwise.

We believe that the Assembly should invite the Human Rights Commission in to see whether the Bill is compatible with people's human rights in the North. Not to go down that road would leave us open to criticism that we have not done all in our power to make the changes to the Bill that we believe are required to protect people.

Mr McCausland (The Minister for Social Development): I welcome the opportunity to respond to the motion.

I am somewhat surprised by the motion. As part of the process for bringing a Bill to the Executive, my Department has already conducted a full analysis of the proposals contained in it for their compatibility with their obligations under the European Convention on Human Rights. The articles of the convention that we consider to be relevant are article 3, prohibition of inhuman or degrading treatment; article 4, prohibition of forced labour; article 6, right to a fair trial; article 7, no punishment without law; article 8, the right to respect for private and family life; article 10, freedom of expression; article 14, prohibition of discrimination; and article 1, protocol 1, protection of property. The Department's view and mine is that the Bill is compatible with the convention rights, as defined in section 1 of the Human Rights Act 1998. That view has been confirmed by the Departmental Solicitor's Office.

The principal reform measures being introduced through the Welfare Reform Bill are universal credit, which will replace the main income-related working-age benefits, and the personal independence payment, which will replace disability living allowance. The Bill also contains measures to reform the existing benefits regime in advance of the introduction of universal credit. Matters relating to social security entitlement are within the ambit of article 1, protocol 1 of the convention for the purposes of article 14. The Department considers that groups of people who are treated differently by the conditions of entitlement often

will not be in analogous situations. In any event, the Department considers that the basic conditions of entitlement are designed to achieve a legitimate aim and are proportionate. It is plainly in the public interest to limit financial support from the state to those who need it most by imposing earnings and capital limits and to have regard to the different issues that generally apply to younger and older people. It is also entirely reasonable to require claimants to accept a claimant commitment to show that they are prepared to engage with the system and understand what is required of them.

Equally, the Department considers that it is compatible with article 14 to restrict income-related state support, such as universal credit, to persons who are in Northern Ireland. It is reasonable for the state to pay income-related benefit only to those who are habitually resident in Northern Ireland and have a legal right to reside.

Although it is acknowledged that a social security benefit is capable of being considered a possession under article 1, protocol 1, it is the fact of entitlement that is protected, not a particular amount of benefit. PIP will assess more accurately, objectively and transparently those who would benefit most from additional support, and replacing DLA with a new benefit focuses support on the disabled people who face the greatest barriers to leading a full, active and independent life, and decisions will be based on an individual's circumstances and the impact of an individual's health condition or impairment, rather than labelling them by their disability.

1.00 pm

The changes are, in any event, justifiable. A redesign of the benefits and tax credits systems, which aims to create greater incentives to work and to earn money and allows income to be subject to a more generous taper, which will mean that a claimant will keep more of their benefit, despite working and earning money, is, clearly, a legitimate aim. Any significant interference with an existing claimant's amount of benefit will be proportionate. The amount of universal credit has been designed to provide a different structure of support for people with no or low incomes, both in and out of work.

As you are aware, the Bill corresponds to the Westminster Welfare Reform Act 2012. You may be interested to learn that lawyers for the Department for Work and Pensions have also considered convention rights and advised that the provisions of the Welfare Reform Act 2012

are, indeed, compatible. The Parliamentary Under-Secretary of State and Minister for Welfare Reform, Lord Freud, has made a statement under section 19(1)(a) of the Human Rights Act 1998 that, in his view, the provisions of the Westminster Bill are compatible with convention rights. In view of the actions already taken in relation to human rights, which I have just outlined, I oppose the motion raised under Standing Order 34, and I urge other Members to similarly oppose it.

Question put.

The Assembly divided:

Ayes 40; Noes 44.

AYES

Mr Agnew, Mr Boylan, Ms Boyle, Mr D Bradley, Mr Brady, Mr Byrne, Mr Dallat, Mr Durkan, Mr Eastwood, Ms Fearon, Mr Flanagan, Mr Hazzard, Mrs D Kelly, Mr G Kelly, Mr Lynch, Mr McAleer, Mr F McCann, Ms J McCann, Mr McCartney, Ms McCorley, Mr McDevitt, Dr McDonnell, Ms McGahan, Mr M McGuinness, Mr McKay, Mrs McKeivitt, Ms Maeve McLaughlin, Mr Mitchel McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, 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 F McCann and Ms Ruane

NOES

Mr Allister, Mr Anderson, Mr Bell, Ms P Bradley, Ms Brown, Mr Buchanan, Mr Campbell, Mr Clarke, Mrs Cochrane, Mr Craig, Mr Dickson, Mr Douglas, Mr Dunne, Mr Easton, Dr Farry, Mr Ford, Mrs Foster, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hilditch, Mr Humphrey, Mr Irwin, Mr Lunn, Mr Lyttle, Mr McCarthy, Mr McCausland, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McNarry, Mr McQuillan, Lord Morrow, Mr Moutray, Mr Newton, Mr G Robinson, Mr P Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir, Mr Wilson.

Tellers for the Noes: Ms P Bradley and Ms Brown.

The following Members voted in both Lobbies and are therefore not counted in the result: Mr Beggs, Mr Copeland, Mr Cree, Mrs Dobson, Mr Elliott, Mr Gardiner, Mr Hussey, Mr Kinahan, Mr B McCrea, Mr Nesbitt, Mrs Overend, Mr Swann

Question accordingly negatived.

1.15 pm

Mr Maskey: On a point of order, a Phríomh-LeasCheann Comhairle. I understand that, in an earlier debate, the Minister mentioned that I used the word "condemn" about people and organisations who campaign to change the Welfare Reform Bill. I want to put on record that, if I did use the word "condemn", I, obviously meant to use the word "commend".

Mr Principal Deputy Speaker: Members may take their ease for a few minutes.

Executive Committee Business

Air Passenger Duty (Setting of Rate) Bill: Consideration Stage

Mr Principal Deputy Speaker: I call the Minister of Finance and Personnel, Mr Sammy Wilson, to move the Consideration Stage of the Air Passenger Duty (Setting of Rate) Bill.

Moved. — [Mr Wilson (The Minister of Finance and Personnel).]

Mr Principal Deputy Speaker: No amendments have been tabled to the Bill. I propose, therefore, by leave of the Assembly, to group the 4 clauses of the Bill for the Question on stand part, followed by the long title.

Clauses 1 to 4 ordered to stand part of the Bill.

Long title agreed to.

Mr Principal Deputy Speaker: That concludes the Consideration Stage of the Air Passenger Duty (Setting of Rate) Bill. The Bill stands referred to the Speaker.

Superannuation Bill: Consideration Stage

Mr Principal Deputy Speaker: I call the Minister of Finance and Personnel, Mr Sammy Wilson, to move the Consideration Stage of the Superannuation Bill.

Moved. — [Mr Wilson (The Minister of Finance and Personnel).]

Mr Principal Deputy Speaker: One amendment has been tabled. Members will have received a copy of the Marshalled List, which provides details of the amendment, and the grouping list. The amendment requires any changes to the compensation scheme that would reduce the amount of a benefit to be subject to the negative resolution procedure. I remind Members who intend to speak that they should address their comments only to the amendment. The Questions on stand part will be taken at the appropriate points in the Bill.

If that is clear, we shall proceed. No amendments have been tabled to clause 1.

Clause 1 ordered to stand part of the Bill.

Clause 2 (Consultation in relation to civil service compensation scheme modifications)

Mr McKay (The Chairperson of the Committee for Finance and Personnel): Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I beg to move the following amendment: In Page 2, line 32, leave out "Before" and insert

"The scheme shall be subject to negative resolution and before".

In moving the Committee's amendment, I would, first, like to take a little latitude as Chairperson to refer briefly to the Committee's scrutiny of the Bill at Committee Stage.

The Committee held a number of evidence sessions with departmental officials, both before the Bill was introduced to the Assembly and during Committee Stage. It also engaged in written correspondence on detailed issues arising from the evidence. Members also heard from a panel of Civil Service trade union representatives and other stakeholders, including the Chartered Institute of Personnel and Development, the Human Rights Commission and the Equality Commission.

In its report, the Committee agreed key conclusions and policy recommendations in addition to the proposed amendment, all of which will help to address issues raised during the taking of evidence. I welcome the positive response that the Committee recently received from the Minister on each of these. First, the Committee welcomes the Department's clarification that engagement between NICS management and the trade unions offers the opportunity for compromise and agreement on potential nuances in the timing and substance of compensation scheme changes in the North, while maintaining overall parity. The Committee believes that the reconstituted pensions forum has the potential to provide an appropriate mechanism for meaningful engagement and calls on management and trade union sides to engage constructively through the forum with the aim of reaching agreement on any scheme changes to be made through subordinate legislation after the Bill is enacted.

Arising from its examination of the requirements for proper consultation and of the current process for following parity in policy with Britain, the Committee recommends that, in future, the Department undertake local consultation with the trade unions at the formative stage of policy development in tandem with rather than subsequent to the timetable followed by the respective Whitehall Department. Members believe that that would help to maximise the opportunity for DFP and the Executive to influence Whitehall policy in that area and to ensure that any considerations that are specific to the North are taken into account before reform proposals are finalised. The Minister believes that the recommendation can be achieved through the pensions forum, and I expect that the Committee will wish to monitor future initiatives in that regard.

I will now turn to the specifics of the amendment. During the Committee's deliberations, it became clear that, although removing the trade union veto, the Bill as drafted would fail to address an anomaly whereby the Department can make changes to the Civil Service compensation scheme through subordinate legislation — in this instance, to decrease redundancy payments to civil servants — without the Assembly being able to debate and agree the proposals when it was deemed necessary. Given that lack of accountability to the Assembly, the Committee agreed to table an amendment at Consideration Stage to provide for a measure of Assembly control. The Committee welcomes the recent notification that the amendment will be accepted by the Minister.

In its deliberations on the amendment, the Committee examined the respective merits of the affirmative and negative resolution procedures. It was noted that a case could be made for affirmative resolution on the basis of the number of people affected by changes to the scheme and the relevance to public spending. Also, the affirmative approach would address the theoretical risk that scheme changes could be brought into operation by the Department before the Committee had had an opportunity to table a motion for a prayer of annulment against such changes. Although cognisant of those points, the Committee considered that the negative resolution procedure would better align with the provision in the 1972 order for changes to the compensation schemes of other public servants. In view of its decision to opt for negative rather than affirmative resolution in its amendment, the Committee called on the Department to provide an assurance that, in the event of the amendment being agreed by the Assembly, it would observe the practice of the 21-day rule, whereby any future superannuation scheme changes will not commence until at least 21 days after being laid in the Assembly. That assurance was received from the Minister on 10 October.

Lastly, I inform Members that the Committee also considered the merits of amending the Bill to strengthen the reporting duty in clause 2 to include information on the consideration given to all issues raised during the consultation, the detail of any changes made to the provisions of the scheme as a result of the consultation and, finally, the time frame for the consultation. However, given assurances from the Department that those requirements are already inherently a requirement under clause 2, the Committee decided not to propose such an amendment. Instead, the Committee will scrutinise carefully the reports that DFP lays before the Assembly to ensure that they include the detail necessary to inform the Assembly's view on the robustness of the consultation undertaken by the Department. That, too, has been acknowledged by the Minister. I ask the House to support the amendment.

Mr Girvan: I thank the Minister for bringing the Bill to the House. I will speak in favour of the Bill as presented with the one amendment, which is basically the negative resolution in relation to bringing it back before the House, should that be required. I understand that we have already dealt with a number of the areas where we have removed the veto for the unions within the Bill to come into line with the 2010 order from Westminster and have agreed to additional consultation with the unions prior to

any changes being made. On that basis, I am in favour of the amendment and the Bill as presented.

Mr D Bradley: Go raibh míle maith agat, a Príomh-LeasCheann Comhairle. Éirím sa chás seo chun tacaíocht a thabhairt don leasú. I support the amendment. The original intention of the Minister in clause 2, page 2, line 32 was simply to lay a report before the Assembly, thus quite simply presenting the Assembly with a fait accompli and, you could say, denying it power of scrutiny of whatever proposals the Minister would bring forward in respect of Civil Service redundancy arrangements. Such an arrangement would have been weak in terms of the devolved institutions and would have rendered them powerless in this respect. The amendment not only strengthens the Assembly's role but reassures the trade unions, in so far as the opportunity is there for Assembly Members, the Committee or political parties to hold the Department to account. Without the amendment, we would simply have taken the veto away from the trade unions and handed it directly to the Department. There would have been an element of pure farce in such a situation, with the Department saying that the trade unions should not have a veto but the Department should have a veto itself, without the necessity for any proposals to pass through the Assembly, subject to either positive or negative resolution.

The amendment gives, in the first place, the power of scrutiny to the Assembly if it chooses to use it, should it be necessary and should it be thought that any change being brought forward was unreasonable or unfair. That is a good and healthy situation in so far as it helps to ensure that the Department, in the knowledge that any change will be subject to negative resolution, will be minded to ensure that meaningful consultation is conducted and agreement to the largest extent possible reached with the trade unions.

Although the Bill does not require negotiation, only consultation with the trade unions, the amendment will make it much more likely that meaningful consultation/negotiation — the difference can be slim at times — will take place. It will strengthen the trade unions' hand without the veto, which was never used here. There was a long discussion at Committee Stage about the difference between consultation and negotiation. No doubt, negotiation provides the best protection for the rights and interests of workers. Some Committee members were minded to amend the Bill to require negotiation rather than consultation but, under the weight of legal

advice and the dearth of case law around negotiation, it was decided to abandon that route.

Whereas the Bill will not legally require negotiation, the practical effect of the amendment will be that negotiation with a view to agreement will take place to help to ensure, from the Department's point of view, that any changes will not be challenged by the Assembly. I am not saying that that would not have happened without the amendment, but it is more likely to happen in light of the requirement for any order to be subject to negative resolution.

The amendment is a good compromise for the trade union side, affording, as it does, extra protections to its position in lieu of the removal of the veto. The Department initially rejected the amendment but later changed its mind and accepted it. I very much welcome that change. A Phríomh-LeasCheann Comhairle, ar son mo pháirtí féin, molaim an leasú seo don Tionól. On behalf of my party — the SDLP — I commend the amendment to the House.

1.30 pm

Mrs Cochrane: I, too, welcome the opportunity to speak on the amendment to the Superannuation Bill. As Members will know and have already said, the Bill proposes to remove the requirement for trade union consent before any adverse changes to the existing compensation scheme can be made. As the Chair of the Finance and Personnel Committee indicated, in the time since the Bill passed its Second Stage, the Committee has scrutinised the proposals and concluded that the amendment detailed should be proposed to allow for negative resolution on potential detrimental changes. Hopefully, the amendment will address any concerns raised by trade unions around fairness and scrutiny. In addition to ensuring that Northern Ireland remains on a fair and equal footing with GB, the amendment adds a further dimension of control on governmental accountability. Trade unions still have a vital role to play in the representation of public sector workers. The Bill seeks to redress the balance and ensure that due process and credence is given to the trade union voice. Constructive engagement with trade unions should be pursued and encouraged, and the Bill gives unions their rightful place in requiring the Department to report on its consultations with trade unions and their outcome, with a view to reaching agreement that is suitable to all sides.

Although the Alliance Party supports the proposed changes, which serve to maintain parity and ensure that our public sector adequately reflects its GB equivalent, we appreciate the need to exercise caution when making any decision so substantial. For those reasons, we support the amendment today.

Mr Wilson: I thank the Committee for its work on the Bill and for the conclusions and recommendations in the report. I note that the Committee considered that there was a strong case for greater Assembly scrutiny of changes, and it proposed the amendment that we have discussed today.

I am not going to go into some of the other outlying issues that Members have raised about negotiations and consultations and the difference between them. It was always our intention to have the 21-day rule apply; there is not an issue there. However, the Committee wished to see some measure of Assembly control. It proposed the amendment, which would mean that any scheme that had the effect of reducing the amount of compensation should be presented to the Assembly and be voted on by negative resolution. I can confirm that we have accepted that amendment. We have consulted the Office of the Legislative Counsel and have agreed revised wording for the amendment. Therefore, I am happy for the amendment to be accepted by the Assembly today, and I trust that it will be.

Mr McKay: Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank Members for keeping their contributions short. I will try to do the same. I thank the Members and the Minister for their contributions to the debate. I will go over some of them briefly.

Paul Girvan, on behalf of the DUP, agreed to the amendment and the Bill as presented. The Deputy Chair referred to the original proposal to simply lay a report before the Assembly. He said that he believed that that would have undermined the Assembly's role and that the changes that have come forward will be positive not only for these institutions but for the trade unions. They will strengthen the trade unions' hand, and the amendment is a compromise. Judith Cochrane echoed that and said that it is important that there is a maintenance of control and government accountability. A number of Committee members were concerned that we should strike the correct balance as regards accountability and the role of the Assembly.

I should also acknowledge that Committee members were mindful of the fact that stakeholder opinion was sharply divided on

some of the provisions in the Bill. The removal of the requirement for the Department to obtain the consent of the trade unions for reductions in benefits was always going to be a contentious issue. That was a factor in the Committee's deliberations on the need for the amendment. The Committee's decision to support the removal of the trade union veto was influenced by a number of considerations, including the fact that no trade union veto exists in respect of the superannuation arrangements for the other categories of public servants; the clarification and assurances received on the consultation arrangements to be followed; and the safeguard provided in the proposed amendment to establish a measure of Assembly control over future scheme changes. Of course, as one Member said, the veto has never been used.

It should be acknowledged that the reporting requirements in clause 2 provide an extra element of assurance. However, without the level of Assembly control that the Committee proposes in the form of the negative resolution procedure, there is no safeguard if concerns are raised — for example, by employee representatives — about the fairness of the consultation or about issues not being addressed during the consultation process. The amendment will, therefore, give this democratically elected institution its rightful place in having a level of control in that respect. Some might question the value of having that safeguard, given the policy of parity with Whitehall. However, two important points arose from the Committee's scrutiny. First, as I mentioned, DFP explained that engagement between Civil Service management and trade unions offered the opportunity for compromise and agreement on potential nuances to the timing and substance of compensation scheme changes in the North while maintaining overall parity. Secondly, the legal advice to the Committee highlighted the Gunning principles, which set out the case law requirements on fair and proper consultation. In light of that, it will be vital that proper consultation takes place, and the amendment will help to ensure that that is the case moving forward.

Finally, I should point out that, in agreeing the proposed amendment, the Committee was mindful that the extent of Assembly control provided for would align with the narrow scope of the Bill and would apply only to proposed reductions in the amount of a compensation benefit. Personally, I believe that the rationale behind the amendment could equally apply to the case for establishing a similar level of Assembly control over all changes to Civil Service superannuation arrangements, including any proposed reductions or increases

in pension benefits in the years ahead. However, that is perhaps a debate for another occasion.

I welcome Members' contributions to the debate, and I again thank the Minister and the Department for their positive responses to the Committee's report recommendations. I, therefore, ask the House to support the Committee's amendment.

Amendment agreed to.

Clause 2, as amended, ordered to stand part of the Bill.

Mr Principal Deputy Speaker: No amendments have been tabled to clauses 3 and 4. I propose, by leave of the Assembly, to group those clauses for the Question on stand part.

Clauses 3 and 4 ordered to stand part of the Bill.

Long title agreed to.

Mr Principal Deputy Speaker: That concludes the Consideration Stage of the Superannuation Bill. The Bill stands referred to the Speaker.

Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2012

Mrs Foster (The Minister of Enterprise, Trade and Investment): I beg to move

That the draft Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2012 be approved.

This statutory rule is being made under the Energy Act 2011, which prescribes that these regulations must be laid in draft for approval by affirmative resolution of the Assembly. The draft regulations that I bring forward today relate to the introduction of the Northern Ireland renewable heat incentive (RHI) and were subject to a statutory consultation that closed in October 2011. Following the consultation, further work was carried out to finalise both the policy position and these regulations.

The legislation will provide the necessary powers for my Department to introduce the RHI scheme, which will support generators of renewable heat through long-term incentive payments designed to cover the additional costs involved in renewable technologies, as well as providing a favourable rate of return for investors. Ensuring a more secure, competitive and diverse heating market is a key priority for my Department. Our current reliance on fossil fuels is unsustainable; therefore, heat from indigenous and renewable sources must be promoted. The RHI will provide businesses, community groups, schools, churches and other organisations with ongoing financial support when switching to renewable heating. In addition, the development of the sector will provide opportunities for local firms involved in the area.

The RHI will be open to non-domestic customers in the first instance, with a view to extending it to the domestic market in due course. In the meantime, householders can avail themselves of grant support from my Department through the renewable heat premium payments scheme that I launched in May. My Department has already received over 300 applications and has offered over £450,000 in support. That represents a total investment in the sector of £1.7 million.

Financial incentives have already been successful in the local renewable electricity market. Since the introduction of the Northern Ireland renewables obligation (NIRO) in 2005, the level of electricity generated from renewable resources has increased from 3% to 14%. It is now vital that a similar commitment is made for

the renewable heat market. It is expected that the RHI will support the installation of over 20,000 technologies by 2020, as well as securing our target to have a level of 10% renewable heat. The launch of the RHI, in conjunction with the grant support already in place for domestic customers, represents funding of £25 million up to 2015. This demonstrates my commitment to the sector and my desire to see levels of renewable heating increase.

I ask Members to support the regulations that will outline the arrangements for the Northern Ireland RHI. These in turn will allow for the launch of the scheme and for installers of renewable heat to be supported by the Department of Enterprise, Trade and Investment (DETI). On that basis, I ask the House to support the motion.

Mr McGlone (The Chairperson of the Committee for Enterprise, Trade and Investment): Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank the Minister for her introductory remarks.

The Committee for Enterprise, Trade and Investment welcomes the introduction of the Renewable Heat Incentive Scheme Regulations 2012. The Committee recognises that, although Northern Ireland has no binding targets under the EU renewable energy directive, we are expected to contribute to the Westminster share of that target. As part of that share, the strategic energy framework commits the Department to achieving 40% of its electricity and 10% of heat being generated from renewable source by 2020. Those targets are very challenging.

The Department has informed the Committee that the current level of renewable heat generated is 1.7%. To assist us in increasing this level to 10% by 2020, the Westminster Government have made £25 million of funding available to the Executive up to 2015 to support the introduction of a renewable heat incentive. The Department has assured the Committee that this is additional funding that will have no impact on energy bills for consumers.

The seemingly unrestrained rise in fuel prices over recent years has been of great concern to the Committee. Increasing burdens are being placed on struggling businesses and hard-hit families. Our high reliance on oil as a means of heating homes and businesses has meant that many are placed at a disadvantage when compared with regions where gas is the dominant heating fuel. All the long-term

indications are that the cost of oil and gas will only increase further in coming years.

1.45 pm

The introduction of the renewable heat incentive will provide a structured means to provide long-term guaranteed financial assistance for renewable heat installations. The incentive focuses on customers who currently depend on heating oil, and it is designed to provide a cost-effective option for those consumers to switch to. It also provides an option for any consumer to avail themselves of a source of heating that can lead to lower CO2 emissions, increased fuel security and an increase in local employment opportunities in the green energy sector.

Some concerns have been expressed that the tariffs for the renewable heat incentive are lower than those in Britain because the tariff is generated against a counterfactual position of heating oil. The Department has assured the Committee that all consumers will be eligible to apply but it will be more economically viable for those currently using oil than those on gas, gas being considerably cheaper, cleaner and greener than oil. Unlike in Britain, the vast majority of consumers here use oil to heat their home.

The £25 million provided for the renewable heat incentive is a limited and time-bound funding stream. It therefore seems appropriate that the Department targets that funding at the most costly, most polluting fuel sources. If the funding can be used to move the maximum number of people from oil to renewable energy without providing an overincentivisation, it will have succeeded in maximising the contribution to the 10% target for renewable heat.

This statutory rule represents the first phase in a two-phase approach to incentivising renewable heat generation. The Department has informed the Committee that phase 2 should be introduced in summer 2013. Phase 1 concentrates on non-domestic installations. That approach will allow the Department to gauge reaction to the RHI and will introduce a long-term incentive for non-domestic renewable energy. The Committee is aware that, in the intervening period, the Department has introduced the renewable heat premium payment scheme for domestic installations. The Committee considers the Department's approach to be fair and equitable, in that it provides for an immediate incentive for those who wish to install eligible technologies that, in the long term, equates to the incentive to be provided under phase 2.

The Committee scrutiny of the development of the renewable heat incentive has been considerable and reflects the importance and long-term nature of the proposals. Before supporting the RHI, the Committee sought and received assurances on incentive and tariff levels, banding levels, incentives for domestic consumers, payments to participants and support levels for the renewable heat premium payment scheme. The Committee also wanted to be satisfied that EU state aid approval had been secured before agreeing the proposals.

The Committee wrote to Action Renewables to obtain the renewable sector's views on the proposals. Action Renewables informed the Committee that it supported the proposals; however, it brought a number of concerns to the Committee's attention. Action Renewables stated that there should be support for the use of air source heat pumps, particularly as a Northern Ireland company produces them on an international scale. The renewable heat premium payment scheme provides a one-off payment of £1,700 to domestic consumers. The Department also assured the Committee that it intends to introduce support for air source heat pump technology in phase 2.

Action Renewables suggested that additional banding be introduced to support heat from biogas. The rate for biomethane applies only to small-scale plants that generate 200 kilowatts or less and excludes support for heat from anaerobic digesters, which generally generate more than 500 kilowatts. The Committee is aware that anaerobic digesters are incentivised for electricity generation through the ROC system and would not therefore be eligible for an incentive for heat, as that would constitute double incentivisation. However, the Department may wish to consult on this in phase 2 to determine whether there may be opportunities to incentivise heat generation from biogas at levels greater than 200 kilowatts.

Action Renewables also raised concerns that the proposed rates and bands for biomass could create a distortion in the market and lead to applicants installing boilers with a smaller than required capacity, leaving them to have to supplement their heat from oil generation. That is another matter on which the Department may wish to consult in phase 2.

The Department has informed the Committee that the renewable heat incentive will have scheduled reviews built in to ensure that it remains fit for purpose and provides value for money. Those will include consideration of the appropriateness of technologies and the effectiveness and success of the scheme.

Clearly, the Committee will pay particular attention to the reviews, and it will scrutinise the implementation of the scheme and the proposals for phase 2 as closely as it scrutinised the proposals for phase 1. The Committee for Enterprise, Trade and Investment, therefore, supports the renewable heat incentive and recommends that the regulations be affirmed by the Assembly.

Mr Newton: I rise as a member of the Enterprise, Trade and Investment Committee to welcome what I regard as a good news story announced by the Minister today. It is a good news story in many respects, as the Chairman of the Committee outlined in a very detailed manner.

I have just a few remarks. This is another step forward in the green economy, which is to be welcomed. It is an area where, I believe, we are often maligned, and I do not believe that that maligning is justified. The renewable technologies are a cost-effective option that, as the Minister has outlined, will see many beneficiaries being brought to the table. They offer a degree of competition in our economy, which, again, is a good thing. It is to be welcomed that, in the first stage, 300 applications from householders have been made for householders' grants. That is an encouraging move.

This project is leading us down a road, and I believe that, when we reach the final stage, the economy of Northern Ireland will have benefited significantly from the steps that the Minister has taken. The Committee as a whole welcomes it, as has been said. It is a welcome stage down the road. The Minister has recognised the need for competition in our energy sources, and this is a very positive step.

Mrs Overend: I apologise for not being here for the Minister's speech earlier. Unfortunately, the TVs were not up to date out there, and I thought that it had not started yet. My apologies.

Having had the opportunity to scrutinise the regulations in Committee, I am happy to support the Minister in bringing them forward. The statutory rule will establish a renewable heat incentive scheme that will give subsidy payments to generators of renewable heat and producers of biomethane.

Given that there are differences between renewable heat markets in Great Britain and Northern Ireland, it was important that the Department of Enterprise, Trade and Investment undertook its own research and economic appraisal of the situation here. That

research, followed by a public consultation, has undoubtedly been invaluable in informing decision-makers on the best way forward for a renewable heat incentive scheme for Northern Ireland. The benefits of renewable heat as an alternative to expensive and finite fossil fuels, which often have a negative effect on the environment, should be well known to the House. Examples include wood pellet boilers, solar thermal water-heating units and heat pumps. Further to that, biomethane is a naturally occurring gas and is defined as a green source of energy, which means that it also has many advantages over fossil fuels. It is right that we have a scheme in place that supports and incentivises those alternatives.

The statutory rule has its basis on equivalent regulations in Great Britain that have been passed at Westminster and Holyrood. It is important that we do not find ourselves lagging behind, given that the scheme is already off the ground to some extent in other regions of the UK. It is also important that we do all in our power to meet the target of delivering 10% renewable heat by 2020 as included in the strategic energy framework and endorsed by the Executive. This scheme can be a significant contributor to that aim.

I want to briefly mention the employment opportunities that could stem from the heating industry. The Department of Energy and Climate Change estimated that there were 150,000 jobs in the heating industry in Great Britain, which equates to around 3,750 jobs in that sector in Northern Ireland. The Renewable Energy Installer Academy lists 92 individuals or firms in Northern Ireland that are qualified to install renewable heat. With the right action, that can grow.

We are aware of the disappointing labour force statistics of last week, showing that our unemployment rate remains above the UK average. The statistics show that, more than anything, we must maximise the potential of every opportunity to create jobs. I, therefore, call on the Minister to use the regulations as a means of helping to tackle our high unemployment rate.

Mr Lyttle: I support the regulations. The Alliance Party has a long-standing commitment to encouraging the development of renewable energy sources. Our 2011 Assembly manifesto called for the introduction of a renewable energy Bill. A renewable heat incentive scheme will assist us in working towards reducing our dependence on fossil fuels and focus our work on harnessing the potential of

renewable sources for our environment and economy.

Mr Agnew: I welcome the regulations. They have been long awaited by the renewables industry in Northern Ireland. Although the delays between the consultation and the arrival of this proposal were necessary to ensure that we did not breach EU state aid rules, the timeline caused some uncertainty in the industry.

I received representations from people asking me whether the regulations would be introduced, and I assured them at all times that the Minister's intention, as best I knew it, was to bring forward the regulations. Today's announcement is a welcome step that will provide assurance for the industry and give people who want to install renewable heat systems the confidence to do so.

There are many advantages to renewable heat. In many cases, the fuel sources will be cheaper than oil or gas, although there can be higher upfront costs. That is a problem for the industry, and I hope that the Department of Enterprise, Trade and Investment will work with the industry to see how we can get round the financing of renewable heat systems.

In the past, I have expressed my concern about the Department's overall priorities. At times, I am concerned that it seems as though the Department is trying to ride two horses in promoting gas and renewables. I have said that the statutory duty to promote the gas industry means that there is a hierarchy whereby gas is favoured over renewables. That needs to be addressed in the forthcoming energy Bill.

I take the opportunity to make the point that, although I welcome our 10% target for renewable heat, it should be seen as a minimum and not a maximum. The funding for the renewable heat incentive has come from Westminster, and should the scheme be successful — I believe that it will be — I hope that the £25 million will be seen as a minimum investment and the Department will consider supplementing it.

I said that the Department seemed to be riding two horses, and it has certainly been speculated that it proposes to spend £50 million to extend the gas network. That would send another signal that the Department's commitment was to gas and not renewables. I hope that I am wrong about that. I hope that there is a genuine commitment to renewable heat and that, as well as this incentive,

Governments will go further, and Departments will increasingly look towards renewables to source heat rather than using polluting fossil fuels.

Mrs Foster: I thank the Members who contributed to the debate. Having said that, I note that a motion on the green new deal is also down for debate in the House, and it is disappointing to see how few Members have made themselves available to debate a very real scheme with real job opportunities. However, I am pleased that those who spoke in the debate were positive and welcomed the renewable heat incentive.

I will take up some of the points made by the Chair of the Committee, but I want to say to Mr Agnew that part of the reason for the delay in introducing the regulations was the fact that the SL1 was with the Committee for a considerable time.

The air source heat pumps are incentivised under the premium payment scheme for domestic installations, and non-domestic installations will be supported under phase 2. Those are not supported in Great Britain at present, and, therefore, we have moved beyond what is happening on the mainland in that regard.

The Chairperson of the Committee also mentioned biogas. The incentive levels for biogas are very appropriate, and we took a lot of time to look at those in the context of the existing market conditions.

Indeed, some would argue that the AD support for biogas is too generous where electricity is concerned, but I think that it is at the right level. Of course, as he suggested, we will look at large biogas users in the second phase of the consultation.

I do not want to leave the House with the impression that Action Renewables does not support the RHI. Action Renewables is very supportive of the RHI coming before the House and being agreed today.

2.00 pm

Mr Flanagan: I thank the Minister for giving way. I have not spoken in the debate, but I fully support the proposals and look forward to the stage 2 roll-out to domestic consumers.

I will take the Minister back to her comments about the delay with the SL1. Does she agree with me that it would have been remiss of any

Committee to approve the SL1 without having full information on the levels of the incentive?

Mrs Foster: The delay was caused by the fact that you were waiting for state aid clearance. I would have thought that one would have been able to pass the SL1 without state aid clearance. Then, when that state aid clearance came, the SL1 could have gone through. In any event, we are here and we have the RHI regulations before us.

The only other issue that I want to answer Mr Agnew about concerns promoting gas contrary to renewables. There is no difficulty in supporting gas and supporting renewables. In many cases, businesses in the west of the Province — he may not be that interested in businesses in the west of the Province, but I want to tell the House that I am very interested in them — will not be able to produce enough renewable heat for their needs, particularly in the agrifood sector, where a great deal of an energy source is needed so that people can do their jobs.

So, I am pleased that Members are broadly supportive of the incentive mechanism. We are pleased that we have been able to bring it forward today. In times of higher energy prices, which the Chair referenced, my Department is committed to exploring opportunities to provide greater choice for consumers, promoting more sustainable technologies and supporting those who wish to change from conventional fossil fuel heating. The development of the sector is important in the realisation of a more diverse, secure and competitive heating market in Northern Ireland.

The regulations will support the introduction of the RHI and are set in a very clear framework for the scheme, including how payments will be calculated and made, as well as its conditions and eligibility standards. The scheme will be administered by the GB energy regulator, Ofgem, which has wide experience of managing similar large renewable energy schemes.

So, the RHI is a groundbreaking scheme for Northern Ireland. It will support the realisation of increasing levels of renewables heating to 10% by 2020 and — I hope that Mr Agnew is right — beyond. The development of this market will have real benefits for Northern Ireland's energy security by reducing our dependence on fossil fuels and by providing the potential for new jobs and industries. I commend the motion to the House.

Question put and agreed to.

Resolved:

That the draft Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2012 be approved.

Private Members' Business

Unemployment

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 to propose and 10 minutes to wind. One amendment has been selected and published on the Marshalled List. The proposer of the amendment will have 10 minutes to propose and five minutes to wind. All other Members who wish to speak will have five minutes.

Mr McGlone: I beg to move

That this Assembly notes with grave concern that the unemployment rate has risen by 19,000 in the three years between the quarters ended July 2009 and July 2012 and that 23.5% of 18- to 24-year-olds, some 24,000 young people, are unemployed with little prospect of work; acknowledges that the role of Invest NI is to grow the local economy; expresses dismay that Invest NI appears to display an attitude of resigned acceptance to the trend of jobs moving overseas; further notes that the Executive have not adequately funded the job creation proposals of the Northern Ireland Green New Deal Group or developed the proposals of the jobs plan published by a business alliance including the Confederation of British Industry and the Institute of Directors; and calls on the Minister of Enterprise, Trade and Investment, supported by the Executive and Invest NI, to tackle rising unemployment by launching a robust job creation and business support strategy based on these proposals.

Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Thanks very much indeed, Mr Principal Deputy Speaker.

The latest unemployment figures show that the situation has continued to deteriorate beyond the dates given in our motion. The number of people who are officially unemployed in Northern Ireland has now risen to 70,000; another 200 people joined the dole queue last month. Between June and August, 8.1% of the population here were unemployed. The number of people claiming unemployment benefit or unemployment-type benefit has increased by 4.8% to 63,400 over the past year. That is compared with a 1.4% fall in the overall UK figure. The number of people aged between 18 and 24 who are unemployed is up three percentage points from the level this time last year. That does not reflect the number of

people who have had to disappear from our shores in seek of work elsewhere, principally in places such as Canada, Scotland and Australia.

I am chair of the all-party working group on construction, and the construction sector continues to bear the brunt of the impact of an economic slowdown and a lack of capital investment. The total volume of construction output has decreased by 8.2% over the past quarter, which is 2.3% lower than it was at the same time in 2011.

That is the background, or at least some of it, to our motion and is evidence of the need for a robust job creation and business support strategy. To be frank, ad hoc announcements about employing trained teachers as classroom assistants are not sufficient to deal with the growing unemployment crisis.

The people whom we represent in the Assembly need jobs, and they need them now. They cannot wait for long-term diplomacy to grind slowly through a decision-making process in China. OFMDFM has already had to rejig one visit to China to suit the political timetable of the Chinese Communist Party. That raises the question of how many more bumps we will have on that road.

(Mr Speaker in the Chair)

The attempt to attract inward investment from countries with established and emerging markets is welcome, but it needs to go hand in glove with greater support for our local companies, be that support in marketing or in the ways recently highlighted in the report of the Committee for Enterprise, Trade and Investment on research, innovation and development. There needs to be much more done.

As well as the need for a properly funded green new deal, which I will come to later, the Minister will be aware of the CBI Northern Ireland proposals to get the economy moving while we wait for the final decision on what corporation tax powers would cost. Many businesses look to that as being part of the context for our economic salvation.

A key issue that the CBI identifies is the need for greatly improved access to appropriate volumes and types of finance for local businesses to support our economic recovery. It recognises the need for a more proactive approach by Invest NI to client companies and potential client companies, with an effective communications strategy and benchmarking of support available compared with other EU

countries to improve support for our small and medium-sized enterprises. It is also urging a reduction in red tape and a reform of the public sector, public procurement and the planning system, all of which are issues that came up last week at the meeting of the all-party working group. I appreciate that the Minister had other commitments that day, and we are all aware of them. We may disagree on some of the detail, but the point is that there is much more that the Executive could and should do to boost our economy.

The deputy First Minister's party announced its own jobs plan earlier this month. Launched by the former Member of Parliament for West Belfast, the ex-Baron of Northstead, a title that the deputy First Minister may one day inherit, its focus is opposition to the Government in Dublin. The actual jobs plan ends at the border. Interestingly, the document has this to say about jobs north of the border:

"Over the last number of years, Sinn Féin made job creation a key priority in government in the Six Counties."

Apparently, we are doing fine. The document goes on to claim:

"This good work is being continued with the new Programme for Government, which all parties (except the SDLP) support in the Six Counties."

Essentially, we did not support that Programme for Government because, just as the other Sinn Féin does not support the Irish Government's policy when it comes to job creation, we believe that it is fundamentally flawed.

Mr Flanagan: Will the Member give way?

Mr McGlone: Sorry, I do not get extra time for this, Phil, much as I would love to.

Published a year later than the start for the time frame that it is supposed to be a programme for, we do not need a crystal ball to know that many of the targets that it set will not be met, any more than the targets in the previous Programme for Government were met. The Northern Irish people need a jobs plan, too.

One strategy that has real potential for job creation and has been ignored, if not neglected, by the Sinn Féin/DUP Programme for Government is the green new deal. That holds promise of significant job creation; sustainable economic recovery; reduced dependency on imported fossil fuels; fewer people in fuel

poverty; cuts in our carbon emissions; and the foundations of a new, competitive, low-carbon economy of the future. There is one other element to that. Attempting to address some of the worst excesses of fuel poverty helps to keep people out of hospital, so there is a cost element to it. That green new deal envisaged the refurbishment of tens of thousands of existing homes with full insulation and renewable energy, including the 137,000 homes that failed to meet the decent homes standard, thus making a significant inroad into fuel poverty. It involved the transformation of the energy performance of public and commercial buildings through energy-efficient measures and making every building virtually a power station in its own right. Those are savings to the public purse. It also envisaged decarbonisation and the regionalisation and localisation of the supplies of electricity and heat through large-scale renewables, microgeneration and the more efficient use of fossil fuels.

I return to my original point. We are losing the skills of the young people who are heading abroad. Those are the skills of the tradespeople of the future, and we are losing them to other countries. The green new deal envisaged employing a carbon army of higher- and lower-skilled workers to implement this vast, systematic reconstruction programme, with the potential to create around 24,000 jobs. It had the potential to transform our transport system and make it fit for purpose in the coming era of high oil and carbon prices by providing a real public transport choice for everyone. It also had the potential for the creation of green-collar jobs and access to the £3 billion world market for low-carbon environmental goods and services. Recently, we received from the Department enabling legislation for the green investment bank to be operational in the North. That holds great potential, and I hope that there is some dovetailing of efforts between this Department and other Departments that are empowered with this to say that, although the green investment bank is not yet fully operational, we should look at the potentials and opportunities and at what we can do to create more jobs and keep our young people at home. As we know, the green new deal was starved of the initial funding required to attract the necessary investment to enable those proposals to succeed. Far from providing the strong leadership required, the Executive prevaricated and delayed in bringing forward that green new deal.

There are opportunities now. Let us look at those opportunities and deliver on them. Let us look to the future. We have all of those issues

that probably have not been dealt with well in the past. Let us look at how we can make a better future for this place. We do not quite yet have the fiscal levers necessary to set out our own economic policies, but we do have the key powers to introduce such creative, innovative new programmes as the green new deal in industrial and energy policy, education and training and environmental and social policy. These powers are all in the hands of the devolved Administration. We need the political will to make these things happen, and, in proposing the motion, the SDLP is allowing that focus to be brought to bear, allowing the Assembly to look at these issues and allowing us to creatively and constructively look at the potential to deliver hope for our young people in particular. A Cheann Comhairle, molaim an rún.

Mrs Overend: I beg to move the following amendment: Leave out all after "economy;" and insert

"expresses dismay that Invest NI appeared to display an attitude of resigned acceptance to the job losses at FG Wilson; notes with concern that there was no dedicated Invest NI business start-up scheme in place for over a year; further notes that the Executive have not adequately funded the job creation proposals of the Northern Ireland green new deal or developed the proposals of the jobs plan published by a business alliance including the Confederation of British Industry and the Institute of Directors; and calls on the Minister of Enterprise, Trade and Investment, supported by the Executive and Invest NI, to tackle rising unemployment by launching a robust job creation and business support strategy based on these proposals and to give a commitment to work with the Minister for Employment and Learning in making bids for the significant Barnett consequential arising from the Youth Contract initiative, as announced by the coalition Government at Westminster, to tackle youth unemployment specifically."

I commend the SDLP for bringing the motion to the Floor of the House. The worryingly high and ongoing rise in unemployment is causing increasing anxiety across Northern Ireland, so it is more important than ever that the Northern Ireland Assembly is seen to be addressing the issue in a timely and efficient manner. Too often in the Assembly, we have debated fairly trivial issues when it is the economy that should be our number one priority. Therefore, I welcome the opportunity that the debate provides to discuss one of the major issues affecting the people of Northern Ireland: increasing unemployment.

The labour force statistics that were published on 12 September were shocking to individuals and families and to businesses, and they should have been shocking to us all in the House as well. Our unemployment rate was up from 7.1% to 8.2%, and we are now above the UK average. Youth unemployment, which refers to our 18- to 24-year-olds, was up to 23.5%. Again, that was well above the UK average. The proposer of the motion also referred to those statistics, and they show no improvement, with unemployment claimant counts also rising further. To put that into some sort of context, the dole queues in Northern Ireland have 2,900 more people this year than last year. That is in contrast to the rest of the United Kingdom, where the number has decreased by 1.4%. Those are the facts, and they cannot be argued with. That is why no one can disagree with the beginning of the motion, which sets out the scale of the challenge.

2.15 pm

I will move on to the Ulster Unionist Party amendment and set out the reasoning behind it. It can be broken into three parts, and I will deal with each individually. First, it expresses dismay that Invest Northern Ireland appeared to display an attitude of resigned acceptance to the job losses at FG Wilson. My colleague Roy Beggs will go into that later in his speech. I sympathise with the SDLP broad-brush approach that Invest NI displays that attitude towards all jobs going overseas, but I do not fully agree with it. Invest NI has been moving away from a focus on external as opposed to local business. As regards offers, assistance and investment, more resource is going into locally owned business now than ever before from Invest Northern Ireland. The figures that compare 2011-12 to previous years bear that out. However, that said, the way Invest Northern Ireland responded to the FG Wilson situation was wrong, and the House needs to deal with that issue in more detail. We have that opportunity now, as that is what our amendment is about. After the revelation that 760 jobs were being lost at FG Wilson, the chief executive of Invest NI stated that, if he had been in charge of the company, he would have made the same decision. He also said that he was not surprised by the move. That is not the way to build confidence in our economy. It is no way to support the workers of FG Wilson, and it is totally improper from someone in his position. The House should express dismay over those comments and the resigned acceptance of the job losses that was apparent in his remarks. We should seek to highlight the advantages of doing business in Northern

Ireland, not agree with decisions to move business overseas.

Secondly, the Ulster Unionist amendment differs in that it also notes with concern that there was no dedicated Invest Northern Ireland business start-up scheme in place for over a year. That is, of course, due to the legal challenge that was taken by Enterprise Northern Ireland. I am delighted by and have welcomed the news last week that the situation has now been resolved following the announcement of the Regional Start initiative, which the Minister will no doubt give us more information on later. However, given that we are in the midst of a recession with unemployment increasing on an ongoing basis and at a time when FSB research shows that nine out of 10 unemployed people who find a job do so through starting up their own business or going to work in one, it is not good enough for Invest NI not to provide a bespoke business start-up programme. I know that the Minister will point to the fact that the Go For It scheme was a wider initiative, and that is correct. However, the most important aspect of that scheme — the business start-up programme — was absent for over a year. In announcing the Regional Start initiative, the chief executive of Invest NI said that it was now time to put all this behind us and focus on delivery. We should have been focusing on delivery over the past year, yet we did not even have a dedicated programme in place to help people who wanted to start their own business. Instead, budding entrepreneurs were being signposted all over the place in an effort to get the help and support that they needed. Everyone in the House should agree that it was far from an ideal situation.

Thirdly, our amendment calls on the Minister of Enterprise, Trade and Investment to work with the Minister for Employment and Learning to make bids for the significant Barnett consequential arising from the Youth Contract. That £1 billion contract was an announcement made by the coalition Government in Westminster to create new opportunities for young people, including apprenticeships and work experience placements. A Barnett consequential on both the allocation and savings of the initiative is resulting in a net addition of £26.5 million over the three-year period from 2012 to 2013. That money will, of course, go centrally to the Finance Minister, and we call for a commitment from the Enterprise Minister to work with Minister Farry to prepare bids for that money so that it is used to specifically tackle rising youth unemployment.

I move on to consider the jobs plan, as published by the Business Alliance, which includes the Confederation of British Industry and the Institute of Directors. Given that this is the first joint policy document produced by eight of our leading business organisations, it is vital that it is studied and developed. Some examples of potential job opportunities by 2020 in this document include creating 10,000 jobs in the ICT sector; growing our food and drink industry by 40%; and creating over 11,700 jobs in the creative industries and 21,000 jobs in tradable services. Will the Minister outline how that document is being taken forward, given the unique nature of its endorsement by so many in the business community? The economic strategy is a living document that must evolve and adapt to our changing economy. The jobs plan can therefore act as an important reference as we seek to make improvements and address current failings that are leading to increases in unemployment across the board.

The jobs plan also mentions another important area that the motion deals with: the green new deal. That would involve substantial investment in retrofitting a number of houses, and the jobs plan states that that could have led to between 2,300 and 3,500 jobs by 2014-15. I ask the Minister this: why was that not taken forward, and what is the future of the green new deal? Despite it being a manifesto commitment of all the parties in the House at the last Assembly election, the green new deal does not appear once in the current Programme for Government.

I ask all sides of the House to give consideration to our amendment during the debate. It is practical and pragmatic and seeks to add to the motion tabled by the SDLP. The amendment should not be dismissed simply because of party political posturing but should be considered as a positive contribution to the debate.

Mr Newton: I oppose the motion and the amendment. I find it difficult to understand what has motivated some of the comments that we have heard in the Chamber today.

I think that everyone in the Chamber recognises the difficulties that there are for those who are unemployed, and I believe that all are sympathetic to their situation. An unemployment figure of 8.2% is unacceptable. The fact is that we live in a global economy, so it should not surprise us that, when other areas are doing badly, there is a knock-on effect on Northern Ireland. However, we could, in fact, be doing worse. I looked up some of the figures, including the figures for Birmingham. It

is a part of the UK economy that is not distinctly different from Northern Ireland in that it was dependent on heavy industry. The unemployment figure in the Ladywood area is 12.1%. In the Hodge Hill area of Birmingham, it is 10.3%. Again, in Middlesbrough, an area of England that has a similar economic history, the figure is approaching 10%. Of course, the Republic of Ireland has an unemployment figure of 14.7%, which is its highest unemployment figure in 17 years. That is not to do down the situation.

I take exception — that is probably too strong a term — I am surprised by the comment on Invest NI made by Mr McGlone, who holds the position of Chair of the Committee:

"Invest NI appears to display an attitude of resigned acceptance to the trend of jobs moving overseas".

It is not my job to defend Invest NI; Invest NI is big enough to do that itself. However, as Chair, Mr McGlone ought to recognise that Invest NI lives in a difficult economic situation, a global situation. Those words say an awful lot more about Mr McGlone than they say about the author or speaker of those words, Alastair Hamilton. They do not recognise that we are in a global environment and that capital will invest where it gets its best return. The very same comments were made by Mrs Overend.

Remarks were made about the green new deal. On this particular day, when the Minister for Enterprise, Trade and Investment has announced an initiative on the renewable heat incentive, to criticise the green new deal at this stage is very poor timing, and you know that timing is everything in politics. Those Members, particularly those who are members of the Committee for Enterprise, Trade and Investment, knew that, when the green new deal proposals were put forward, the economic case for those proposals did not stack up.

Mr Agnew: I thank the Member for giving way. My understanding is that the green new deal had support from economic groups such as the CBI, the Institute of Directors and business organisations, as well as trade unions and environmental groups. From what he has told us through the media, the Minister talked of one economist in his Department who believed that the proposals were risky. Surely, at a time when we are asking businesses to take risks, sometimes it is worth the Government taking risks.

Mr Speaker: Order. Interventions should be short, and they should not end up as statements. I have warned Members on a number of occasions in the House that they should not abuse interventions, especially when the Member who has the Floor is good enough to take an intervention. I warn the whole House. The Member has an extra minute.

Mr Newton: Thank you, Mr Speaker. As a member of the Enterprise, Trade and Investment Committee, the Member well knows the situation that arose and the risks that were being taken. The economic case did not stack up.

With regard to where the Northern Ireland economy is, we live in a global economic situation, and world conditions are challenging. The economic recovery that was predicted — not by economists in Northern Ireland or in GB but by economists who operate in a global environment — has not come to pass as expected, and the UK entered again into a recessionary position earlier this year. The Republic of Ireland is benefiting from an export-led recovery, but that is the only area of that economy expecting real growth. Northern Ireland will continue to feel the impact of the challenging economic conditions in its key sales markets, especially those markets and companies that rely on exporting to the Republic of Ireland. It is a difficult time for Northern Ireland companies, but, rather than challenging the companies at this stage and the incentives that have been agreed by every party around the Executive table, we should get behind the incentives, the initiatives and the strategies and drive those strategies forward.

Mr Speaker: I ask the House to take its ease as we move to Question Time at 2.30 pm. The next Member to speak on the motion after Question Time will be Phil Flanagan.

The debate stood suspended.

2.30 pm

Oral Answers to Questions

Employment and Learning

Mr Speaker: Questions 6 and 8 have been withdrawn

FG Wilson: Job Losses

1. **Mr Hilditch** asked the Minister for Employment and Learning what guidance and advice has been provided to the employees of FG Wilson. (AQO 2702/11-15)

Dr Farry (The Minister for Employment and Learning): My officials have worked with FG Wilson since the earlier announcement was made in June this year to determine how the Department could assist these highly skilled employees who face redundancy. My redundancy advice service has already started delivering a tailored package of support to staff across all three FG Wilson sites. In addition, officials are working with the company's appointed outplacement provider, Lee Hecht Harrison, which is represented locally by Gilpin Executive Search and Development, to organise a job and training and recruitment fair at each of the three sites. Both of those will commence this week. On Friday evening, there were 14 companies listed to participate in the job fairs, with a further 28 posts identified in the food processing sector, mainly with Moy Park. I am delighted at that response, which has been facilitated in part by the advanced manufacturing working group.

Should individuals need training to facilitate their move into those new roles, my Department will arrange and fund that training. In addition, the organised training and recruitment fairs, which also take place this week, will provide an opportunity for affected workers to find out more about relevant opportunities and pathways into a different career. Northern Regional College, South Eastern Regional College and Belfast Metropolitan College have been invited to participate in the fairs along with the relevant sector skills councils. A number of private recruitment agencies will also be present.

Mr Hilditch: I thank the Minister for his response. I welcome the good news element to the response that he has brought to the House. There was a very high level of skill among agency workers employed at the various sites. Can the Minister assure the House that there

will be equality across the workforce for such opportunities?

Dr Farry: I thank Mr Hilditch for that supplementary. He says that this is good news. It is some good news in that we are beginning to make progress in reassigning workers to other forms of work, but, of course, we must appreciate that we still have a long way to go in that respect. I am happy to give him the assurance regarding equality in how we treat all those who are affected by the FG Wilson redundancies. We have a clear self-interest in doing this, beyond our overriding requirements, in that the workers are skilled. They have a lot to offer to the future of the economy, and it is important that we fully capture the opportunity to redeploy those workers in a productive way, rather than to have them fall into unemployment. For all those reasons, I give the Member the commitment he is looking for.

Mr McMullan: Go raibh maith agat, a Cheann Comhairle. Can I get an assurance from the Minister that he will keep foremost in his thoughts the difference between urban and rural? A lot of the rural workers who are being paid off from FG Wilson are from my area, and they will face difficulties in getting re-employment because of their rural isolation. Can the Minister assure me that that will be taken into account?

Dr Farry: We are certainly very conscious that there will be a number of types of workers facing different issues, and, obviously, transport is one of those. Equally, it is important that people are realistic in that there is often a requirement on people to travel to work. Although it is important that we try to find alternative work as close to home as is possible, there may be circumstances in which people will have to relocate.

There are potential job opportunities opening up in the food and drink sector, for example. Moy Park, in particular, has been very much at the forefront in identifying those. Those opportunities will be in a location that is different from Larne. It is important that people seize those opportunities.

When I am mentioning the likes of Moy Park, it is worth stressing that food and drink manufacturing is an industry that has a lot of opportunities for highly skilled operatives in management and leadership. It is not all about dirty jobs. It is an industry about which there is often the wrong perception. It is good to see that progress is being made in that sector, but I

stress again the importance of people being available to travel to different opportunities.

Mr Beggs: Has the Minister been able to advise or guide employees on any new skills or training programmes related to new manufacturing that may be associated with bringing back from Caterpillar other work, which may have been carried out in other regions, and to fill the capacity that exists locally?

Dr Farry: There are a number of things that are worth saying about the issue of retraining. First of all, we are trying to conduct a skills audit of the staff who are being affected in FG Wilson. That will become clearer over time, as those who are affected by redundancies are made known. There is a commitment from me and my Department to facilitate any retraining that is involved with that.

Beyond the immediate issue of FG Wilson, we have an advanced manufacturing and engineering working group, and we are looking at the wider needs of the sector. That will capture different types of growth in respect of manufacturing, whether it is in Caterpillar or in any other companies that intend to expand or invest in Northern Ireland. Therefore, it is important that we address the skills needs right across the sector and address any skill shortages or mismatches.

Mr Dickson: Can you tell us whether the skills of workers to be made redundant from FG Wilson will be matched directly to other employers, and, where there are skills gaps, will those people be trained or retrained?

Dr Farry: That is true. There are two different aspects to the processes that we have. Hopefully, the job fairs will bring that into clear focus over the coming days. We will want to look at the existing skills of workers and see whether there are opportunities in other companies that will allow them to move across very readily without much more investment in skills. By contrast, there are those who might need a little bit more work to update their skills or who are skilled but do not have accreditation in the form of qualifications. Through the colleges, we can move swiftly to address that shortcoming and to ensure that everyone has an opportunity to move on to new productive employment.

Mr A Maginness: I accept that the Minister is doing some good work in helping those who have been declared redundant. Will the Minister consider setting up a permanent team in DEL to assist and advise workers in the

future who may become redundant, rather than simply putting something in place in the aftermath of such events?

Dr Farry: I thank Mr Maginness for his question. In many respects, we have that already through the redundancy advice service. That is a standing element in the employment service. However, when we are faced with major redundancies, which are very regrettable situations, we will put dedicated teams on site to work hands-on with those who are affected. There may come a time when we have to look at the resourcing of the redundancy advice service, because it is under pressure at the moment. With the wider policies being pursued by the Executive, we will, hopefully, turn a corner in respect of jobs very soon, and that pressure will be alleviated. However, it is something that I am keeping under review in the short term.

Education Maintenance Allowance

2. **Mr Gardiner** asked the Minister for Employment and Learning, following the conclusion of the public consultation on 2 November 2012, when he intends to announce the future provision for education maintenance allowance. (AQO 2703/11-15)

5. **Mr McAleer** asked the Minister for Employment and Learning if he is trying to secure a larger budget for education maintenance allowance. (AQO 2706/11-15)

Dr Farry: With your permission, Mr Speaker, I will answer questions 2 and 5 together.

With regard to the announcement on the future provision for education maintenance allowance, I can advise that, following completion of the public consultation on 2 November, my Department and the Department of Education will carefully consider all responses received, prior to making a joint recommendation on the future structure of the education maintenance allowance scheme. Final decisions on the way forward will rest with the Executive.

If changes to the scheme are to be implemented from the 2013-14 academic year, an announcement will need to be made as soon as practically possible in order to ensure that current and prospective students are provided with sufficient notice of how any proposed changes to the scheme may affect them. We also need to ensure that there is sufficient time for the Student Loans Company, which administers the scheme on behalf of both Departments, to make the required changes to

the ICT infrastructure, application forms and guidance documentation.

With regard to the budget for the education maintenance allowance, my Department has always made available sufficient resources to meet the costs of the scheme, even when that has meant providing additional resources to meet a forecast increase in demand. The budget to meet the forecast demand for the current financial year is £26.7 million. That is a significant increase from the baseline budget of £23.7 million two years ago. Indeed, annual expenditure on EMA has increased by 36% — some £7.5 million per annum — over the past five years. At present, there is no forecast pressure on the budget for the current financial year.

I should add that, as part of the Pathways to Success strategy for young people not in education, employment or training — the so-called NEETs — one of the new initiatives that I have introduced is a training allowance for young people participating in projects funded by the European social fund. That allowance has been designed to ensure that there are effective incentives in place for young people to progress from the provision that re-engages them with learning and develops skills linked to education and training to programmes that provide skills and qualifications to support progression and success in work.

Mr Gardiner: I thank the Minister for his comprehensive reply. How soon does he expect to come forward with proposals? Does he plan to include all educational providers, not just schools and colleges?

Dr Farry: I thank the Member for his supplementary. The consultation closes on 2 November. As the Member will appreciate, it is a joint consultation by my Department and the Department of Education. I hope that, after our officials have had the chance to analyse the responses, my colleague John O'Dowd and I will be in a position to make a recommendation to the Executive before the Christmas recess.

The current review is of the core EMA scheme, which covers those currently in secondary or further education, subject, of course, to their being eligible. There is a separate EMA-type scheme for young people currently on the Training for Success programme, which is not covered by this review. As I have just outlined, we recently set in place a new training allowance for young people who are on European social fund schemes in the community and voluntary sector. That was in response to representations made by young

people themselves. It was also the subject of consideration by the Committee for Employment and Learning and a debate in the Assembly. Hopefully, the House will welcome the fact that we have been able to follow through on a motion on the Floor of the Assembly in such a short time.

Mr McAleer: Go raibh maith agat, a Cheann Comhairle. In light of the EMA review, has the Minister considered any additional means by which the allowance could be targeted more at those in the greatest objective need?

Dr Farry: I thank the Member for his question. First, it is worth stressing — I certainly speak for myself and John O'Dowd in this regard — that we are not seeking to abolish EMA in Northern Ireland, unlike what is happening in other jurisdictions, most notably England. We are seeking to better target existing resources around the main scheme. We still have the EMA for Training for Success. As I outlined, I have decided to introduce a new training allowance for young people who, in the past, did not benefit from EMA because they were outside the formal statutory sector but have been engaged in very worthwhile training in the community and voluntary sector. That allowance is now in place, with thresholds of £10 and £25 respectively, subject to the number of hours attended. Hopefully, that will make a big difference and spread to support more young people as they go through education and training.

Mr Ross: I am sure that the Minister will agree with me that all the research available to him indicates that huge sums of money are being paid out in EMA that are considered deadweight. Will he assure the House that any reforms will better target EMA at those who actually need the funding to stay in education and thus result in a saving to the public purse?

Dr Farry: I am happy to give Mr Ross that assurance. We want to ensure that the resources available to my Department from the block grant are used properly and targeted at where they make a difference. Frankly, had we not gone down the route of having the current consultation on EMA and, I hope, reforms to it in due course, the danger was that, through the inefficient use of public resources, we would have left ourselves exposed to negative comment from the Public Accounts Committee and the Audit Office.

We will seek to capture savings, but it is important that I caution that we will not be able to capture fully the proportionate level of

deadweight. For example, if 60% of recipients say that it makes a difference and the remainder says that it does not, we are not going to see the equivalent percentage in savings, because resources obviously need to be targeted most effectively, and those for whom EMA is making a difference have the strongest claim on the budget. Without doubt, there are still savings to be made from better targeting in due course, and I am committed to finding them.

2.45 pm

Mr Agnew: I am concerned that the Minister is looking for savings in this area. As he pointed out, expenditure in this area has increased, which shows an increase in need. Does the Minister not agree that, at a time when few jobs are available, there is even more reason to ensure that we keep our young people in education?

Dr Farry: The purpose of the reform is not to abolish EMA; it is to retain it and to ensure that we spend our resources on those to whom EMA actually makes a difference in staying on at school or in further education. However, where the evidence shows that EMA is not making that difference, there is no case for our spending that money, and those resources should be used elsewhere.

It is important that we are realistic about this. We have a finite budget in Northern Ireland. I know that Members have all sorts of hare-brained schemes about how we will expand that pot, but let us be realistic about where we stand. Over the past number of months, we have created a very good deal for young people in Northern Ireland. I appreciate that there are real tensions in making sure that we maximise skills, get people through education and training and tackle unemployment. However, over the past year, we have managed to freeze tuition fees, widen access to higher education, invest in NEETs budgets that did not previously exist and fund a new youth employment scheme. Those are all moneys that did not exist previously, so we have done a lot for young people over the past 12 months. In doing that, it is important to spend the money wisely and where it will make the biggest difference.

NEETs: Support Programmes

3. Mr Copeland asked the Minister for Employment and Learning to outline the engagement he had with the First Minister and deputy First Minister prior to the recent announcement of a pilot intervention to support

young people not in education, employment or training (NEETs), which will be rolled out to 500 families as part of the six signature projects. (AQO 2704/11-15)

11. Mr Craig asked the Minister for Employment and Learning to outline the pilot intervention to support young people who are not in education, employment or training (NEETs). (AQO 2712/11-15)

Dr Farry: With your permission, Mr Speaker, I will answer questions 3 and 11 together.

My Department, on behalf of the Executive, developed Pathways to Success, the NEETs strategy for Northern Ireland. It was the product of significant engagement between Departments, including the Office of the First Minister and deputy First Minister, and it was launched in June 2012.

My Department is now implementing several initiatives under that strategy. One is the community family support programme, which was discussed in detail with the First Minister, the deputy First Minister and other Executive colleagues when the Executive considered the strategy. The community family support programme pilot was initially intended to target 20 disadvantaged families. However, detailed planning has enabled us to focus on the needs of 44 families in targeted areas. The initial project will be delivered by the local employment intermediary service, in partnership with other mainstream provision. The pilot will concentrate on the needs of disadvantaged families to support parents, help prevent younger family members from falling into the NEET category and help other young family members who are already in that situation to re-engage with education, training or employment. Following a trawl of examples of good practice interventions across Departments, OFMDFM recognised the considerable benefits that would accrue from a significant extension of the original programme. The additional £2 million will mean that the service can be extended over the next two years to some 500 families.

I am also piloting a community-based access programme through the learner access and engagement programme. That programme will enable non-statutory organisations to provide learner support to young people aged 16 to 18 through a contractual arrangement with a further education college.

Mr Copeland: I thank the Minister for his full answer. Will he confirm that he is satisfied that

the number of people who are classified as NEET is accurate? I have recently seen research from Europe that indicates that that number could be out by as much as 50%. Can he confirm whether young people, perhaps with mental health issues, who are in the support group of those who receive ESA and are allowed by law to carry out permitted work are included in those figures?

Dr Farry: I thank the Member for his question. The identification of the baseline for the number of NEETs is a key element behind the strategy. It was also raised by the previous Committee for Employment and Learning in its own recommendations, so it is something that we are very conscious of.

NEETs, by the very definition, are those who are not in education, employment or training, so it is possible to break it down and work out what we are talking about. We are talking about a figure in the high forty thousands in Northern Ireland. Those falling into youth unemployment would be a subset of that. However, they would be defined by those who receive jobseeker's allowance, but there are people beyond that, particularly in the 16- to 18-year-old category, who are not in receipt of any form of support. We are conscious of the need to establish reliable baselines, but we are confident that the figures are in the general territory.

On the subject of youth unemployment, there is often a misapprehension about the precise figures in Northern Ireland. We have a figure of 23.5%, which is over 20,000 young people. However, that does not equate to one in four or one in five young people being unemployed. That figure refers to those actively seeking work, and that is the percentage of those actively seeking work. It does not take into account those in full-time education. Therefore, although the problem of youth unemployment is very severe and we should not be complacent about it in any shape or form — indeed, there is a lot that we are doing to try to combat it — the realistic figure that we are talking about in Northern Ireland is one in seven young people actively seeking work who cannot find it at present.

Mr Craig: I thank the Minister for his comprehensive answer. Will he outline how families are targeted around the issue of NEETs? I have a concern that we will again fall into the trap of tracking only areas of high deprivation. There is an underlying issue of many areas where there is underachievement not necessarily falling into the deprivation figures.

Mr Speaker: I ask the Member to finish his point.

Mr Craig: I would like to see families in those areas targeted as well.

Dr Farry: I thank Mr Craig for his supplementary question. I understand the drift of the issue that he outlines. The specific programme that we are talking about is, of course, a pilot, and we have to choose areas in which we start pilots. However, we are looking to deliver the pilot mainly through the LEMIS scheme, which is a very community-based intervention for dealing with people who are unemployed.

There are other ways in which we hope to capture young people who fall into the NEET category. What we are discussing now is only one element of a range of new initiatives, whether from my Department or other Departments — the Department of Education and the Department of Health, Social Services and Public Safety being others that are critical. It is also worth highlighting that the Careers Service will have an important role to play. We are talking about trying to have one-to-one mentoring of young people who fall into the NEET category. It is also important that we work in close co-operation with the Department of Education to identify at a very early stage young people at risk and make sure that we can track them through the education system. Obviously, social services will have an important role to play there.

Mr F McCann: As the Minister is aware, I have continually raised in Committee how NEETs are dealt with. One concern that I have had is for the 36,000-plus young people who left school without any GCSEs. Has anything been specifically tailored to meet the needs of young people who are freshly out of school without any qualifications?

Dr Farry: I thank the Member for his question. Given his constituency interest, I can tell him that we are starting the roll-out of the scheme in West Belfast, so no doubt he will take some comfort from that. We are conscious that a lot of young people leave school without sufficient qualifications or with no qualifications. In the labour market, the opportunities for people in that situation are set to decline quite dramatically over the next 10 years. By 2020, fewer than 10% of job opportunities will consider people with that level of education; so there is a real challenge to turn that situation around.

There is a range of existing programmes to help young people who do not have those skills. We have the Training for Success programme, which offers a guaranteed training place to any 16- to 18-year-old. It is outside the confines of formal apprenticeships. We want people to consider how they can progress through the system. We also offer essential skills training, which offers people a level 2 qualification in literacy and numeracy. That is of particular relevance to those who leave school without a GCSE in English or maths.

Mr P Ramsey: I will ask the Minister about his Department's financial commitment to the pilot projects. Apart from the youth employment scheme and NEETs, how much money is his Department putting on the table?

Dr Farry: The important point to bear in mind is that those moneys are my Department's budgets. We bid successfully for them from the Executive and secured the resources.

On a related subject, I am bewildered by the fact that we are discussing an amendment in the House today that calls on me to make a bid to the Executive for the Barnett consequentials arising from the Youth Contract. We have done that: a strategy was agreed by the Executive in March 2012. We received the Barnett consequentials in the form of a monitoring round bid in June 2012. That covered the youth employment scheme and the funding of interventions around NEETs. All of that is in place. Although Barnett consequentials do not come across on a hypothecated basis and are open for discussion by the Executive, it is worth reminding the House that we have secured resources in excess of the scale of the Barnett consequentials. In Northern Ireland, we are doing more in youth unemployment and NEETs pro rata than anywhere else in the UK. That is an indication of the scale of commitment that we have across the spectrum to investing in our young people.

Advanced Manufacturing and Engineering Services Working Group

4. **Mr Hussey** asked the Minister for Employment and Learning when he expects an action plan to be brought forward by the advanced manufacturing and engineering services working group. (AQO 2705/11-15)

Dr Farry: The first meeting of the advanced manufacturing and engineering services working group took place on 19 September. My

officials have already commenced drafting an action plan that will be the basis of discussion at the next working group meeting on 14 November. The action plan will set out the short-, medium- and long-term actions to address the current and future skill needs of the engineering sector. It will be developed and refined over the course of a number of meetings of the working group, and I envisage that it will be published in the early spring of 2013.

The action plan will be a tripartite plan agreed and supported by government, employers and education and training providers. To ensure the full and adequate implementation of the action plan, there will need to be a commitment from all parties involved to address the skills issues in the sector. I have recently identified a number of sectors on which my Department will focus its provision to bring about the economic strategy's aims of rebuilding and rebalancing the local economy. I have identified advanced manufacturing as one of the sectors that will be the focus of my Department's work as it will help to rebalance the local economy. I am committed to ensuring the full implementation of the action plan in support of the sector.

Mr Hussey: I thank the Minister for his response. He made reference to some of the labour and skill shortages that he is aware of in the sector. Is he aware of any others? When was he first made aware of those specific problems?

Dr Farry: I thank the Member for his supplementary question and for his interest in the subject. We are aware of potential skill shortages and mismatches in a range of sectors across Northern Ireland. The Member should be aware that, this year, we have already had an action plan for the information and communication technology (ICT) sector and the food and drink manufacturing sector, both of which were launched in June. As for engineering specifically, I have been made aware over the past number of months by a number of companies and elected representatives of potential skills issues in that sector. I asked the Northern Ireland skills adviser, Bill McGinnis, to conduct a survey and engage with a range of employers to gauge the level of issues in that sector. He reported to me in the spring, and we had a stocktake meeting in June, at which time we decided to establish the working group.

Further to that, I am conscious that particular issues have been identified in the west Tyrone/mid-Ulster area. A number of

companies from that part of the world are represented on the group.

3.00 pm

Enterprise, Trade and Investment

Mr Speaker: Question 7 has been withdrawn.

Broadband Delivery UK

1. **Mr Lynch** asked the Minister of Enterprise, Trade and Investment to outline how her Department intends to prioritise areas of need when allocating funding through the Broadband Delivery UK scheme. (AQO 2716/11-15)

Mrs Foster (The Minister of Enterprise, Trade and Investment): In 2005, Northern Ireland was the first region in the United Kingdom and Europe to be able to offer access to a basic broadband service to anyone, should they require it, for a reasonable cost. We have continued to invest in our infrastructure, and, since 2008, the Department of Enterprise, Trade and Investment has spent approximately £45 million on telecoms projects in Northern Ireland. Of that, £21 million has been targeted at rural areas, through schemes like the Northern Ireland broadband fund and our support to provide satellite broadband services for very remote users. Those have been very successful, and Ofcom, the independent communications regulator, now estimates that 94% of households in Northern Ireland are able to access superfast broadband services. However, we must continue to make plans to invest in telecoms to bridge the remaining gap and to ensure that everyone can access higher speed broadband services. The funding from Broadband Delivery UK will help us achieve that objective.

We will consider matters such as the quality of solution designs, value and pricing. However, we have to be mindful that we do that in the most efficient and economically advantageous manner, which will achieve the best value for money and is sustainable in the long term. I intend to ensure that that happens. I expect that telecoms suppliers will contribute significantly to the project, and it is likely that a range of technologies will be used to ensure that the services are delivered.

Mr Lynch: Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for her comprehensive answer. Can the Minister provide us with an update on how her

Department is working with the Department of Agriculture and Rural Development to ensure that any funding that is awarded goes into areas of the highest need?

Mrs Foster: Over the past number of years, we have worked closely with DARD. DARD's total contribution to telecoms to date has been £2.5 million, made up of £1.5 million under the European Union programmes and £1 million from other sources, for the next generation broadband project. The fact that DARD has become involved with DETI in rolling out rural broadband sends out a very positive message of Departments working together to bring solutions to rural dwellers. DETI has contributed £17.3 million to the next generation broadband project and, as the Member will know, we have received consultation responses on the BDUK money, the £4.4 million. Those responses are being gone through at present, and it will come as no surprise that many of them are from rural dwellers.

Mr Moutray: Can the Minister indicate when it is likely that the funding from BDUK will be rolled out across Northern Ireland?

Mrs Foster: As I indicated, BDUK has indicated that £4.4 million has been allocated to Northern Ireland. I indicated before that we were disappointed with that amount of money and felt that we should have received more from the central pot. However, we will certainly use that money, along with our own finances, to really make a difference to those who cannot access superfast broadband at present.

As I said in my original answer, 94% of our residents have access to superfast broadband, but I know very well that the 6% who cannot access superfast broadband are very frustrated by the fact that they cannot. We hope that we can take into account the views of all those who responded to our consultation.

The exact timing of when the money will be allocated to DETI is not yet known, and the timings depend on the project plans of the bidders who will make bids during the mini procurement competition that we have to carry out. We hope that expenditure will take place next year and into 2014.

Mr B McCrea: The Minister has said that she is aware that it is pretty upsetting for the 6% who do not get it. It goes much further than that. People are absolutely distressed. It affects their work and their children's homework and all of that. Does she not think it is time that we made 100% broadband — not superfast

broadband, just broadband — a universal provision?

Mr Speaker: I ask the Member to finish his question.

Mrs Foster: People have access to broadband. They may not have it through fibre to the cabinet technology, but they can certainly access it through satellite or wireless technology. I acknowledge that, unfortunately, they have to pay extra for that, but we as a Government have put some subvention into those technologies, and we are looking at new technologies all the time to assist people who cannot access it. I hope that the Member will contribute to the ongoing consultation on BDUK; I do not think that he has done so to date.

Mr D Bradley: Go raibh maith agat, a Cheann Comhairle Gabhaim buíochas leis an Aire as ucht a freagra. Why are there so many areas of broadband deficit considering the multitude of initiatives that the Minister has outlined?

Mrs Foster: It is because of the rural aspect. A lot of rural dwellers cannot access the sort of service that they need. At the moment, we have 3,000 broadband access points across Northern Ireland, approximately 2,500 green boxes, 191 exchanges, 400 mobile masts, a Virgin Media node and, of course, the Kelvin nodes. So, there is plenty of infrastructure around, but, when our constituents come to us about broadband, we need to tell them that they may have to look at technologies other than the traditional ones. A lot of people get it into their head that, unless broadband is delivered through fibre to the cabinet and by BT, they do not want to know about it. Frankly, they will have to look at other ways of accessing broadband because, in some cases, those ways will be the only way that they will be able to access it.

Tourism: Visitor Numbers

2. **Mr Lyttle** asked the Minister of Enterprise, Trade and Investment to outline the steps she is taking to continue to improve on this year's tourist numbers over the rest of this decade. (AQO 2717/11-15)

Mrs Foster: Challenging tourism targets have been set in the Programme for Government. In the longer term, the target for tourism is to increase visitor numbers to 4.5 million and to double the current contribution tourism makes to the Northern Ireland economy to £1 billion by

2020. There are many positive indicators of the success of ni2012 to date in boosting visitor numbers. Titanic Belfast has attracted more than 555,000 visitors since it opened, the Giant's Causeway visitor centre has welcomed over 270,000 visitors from 130 countries since July, and a record-breaking 130,000 spectators attended the Irish Open at Royal Portrush. In addition, average room occupancy in hotels in August 2012 was 81%, an increase of eight percentage points on August 2011. 2013 will provide a further platform to promote Northern Ireland, with Belfast hosting the World Police and Fire Games and Londonderry as United Kingdom City of Culture. We will continue to invest in key events and capital infrastructure, including new conference and exhibition facilities, to drive tourism spend.

Mr Lyttle: I give the Minister and the Northern Ireland Tourist Board credit for the ni2012: Our Time, Our Place marketing campaign, particularly for the flexibility that has been shown around modified use of the branding and strapline. However, how damaging are the scenes of street violence that we saw in Northern Ireland this summer to our tourism product? What key actions need to be taken to secure tourism growth here on a long-term basis?

Mrs Foster: I thank the Member for his positive comments on the branding. The whole idea behind the ni2012 branding was that it would be taken up by not just the Tourist Board but the industry in general. I am pleased to say that they stepped forward and owned the brand. Indeed, when I spoke with some retailers in Dungannon recently, they indicated that they felt that the campaign had helped in Dungannon town centre as well. That is very positive, because, as well as the tourist nature of ni2012, we very much saw it as a way of building civic pride in Northern Ireland. Therefore, it is disappointing when images of street violence are relayed across the world, and, this being Northern Ireland, they tend to be relayed across the world. If there were violence in Birmingham or Manchester over a weekend, it would, perhaps, not get beyond the front page of the local papers, but because it happens in Northern Ireland, it tends to go across the world. It is damaging to the tourism product, but we will keep moving on. As I said, we have the World Police and Fire Games next year, which we are very much looking forward to, and everybody is looking forward to Londonderry being the first UK City of Culture.

Mr McKay: Go raibh maith agat, a Cheann Comhairle. Does the Minister agree that the

current rate of air passenger duty discourages tourists from coming here and airlines from setting up new routes? Does she also agree that its total abolition would be a massive boost for tourism here? What is she doing in that regard?

Mrs Foster: The Member knows that we had a very successful campaign to have the power to set the rate of air passenger duty in respect of international flights devolved, and that legislation is going through the House. We did well to achieve that, because it gives me — along with the International Airport, the City Airport and Londonderry airport for that matter — the opportunity to look for new flights to come in. I accept that air passenger duty for domestic flights remains a huge issue, and I very much support the call for the Westminster Government to look at air passenger duty in respect of the whole of the UK. We hope that they will take on board that call from the industry and, more widely, from politicians.

Mr Newton: I declare an interest as a member of Belfast City Council. Does the Minister recognise the tourism potential that would be created by Belfast City Council's proposal to extend the Waterfront Hall to provide an exhibition space?

Mrs Foster: I thank the Member for his question, and I take this opportunity to commend the work of the Belfast Visitor and Convention Bureau (BVCB). Not only did it present us with this new convention centre proposal, but, having worked with its staff on requests for conferences to come to Belfast and to Northern Ireland in general, I know that they do a professional job and I look forward to working with them in the future. As we know, the city council proposes to extend the current facilities at the Waterfront Hall, and that will add to our capacity to have larger conferences in Belfast. The economic appraisal that was commissioned by the city council is being reviewed by my economists, and the tourism development scheme application is being assessed as well. The grant request is in the region of £10.5 million of European Union funds and £2 million from the tourism development scheme, against a project cost of £21 million. We will work with the city council, BVCB and all stakeholders to make this a reality because it will add to what Belfast has to offer as a convention centre.

Mrs Overend: Looking to 2013, can the Minister indicate the demand anticipated for overnight accommodation during the World Police and Fire Games and how that relates to

available spare capacity? Will the Minister outline how she is working to ensure that Northern Ireland performs as well as the event's other host countries have?

Mrs Foster: Rather than having spare capacity for the World Police and Fire Games, the difficulty will probably be that we do not have enough capacity. We are working with the games' organisers to make sure that we have alternative ways to accommodate all those who come to Belfast and Northern Ireland, so that they can have a quality experience while here.

Mr Speaker: Question 3 has also been withdrawn.

Natural Gas: West Tyrone

4. **Mr Buchanan** asked the Minister of Enterprise, Trade and Investment for an update on the proposed extension of the natural gas network to west Tyrone. (AQO 2719/11-15)

Mrs Foster: My Department recently completed a detailed economic appraisal on gas network extension to additional towns in the west and north-west, including Strabane and Omagh, and to towns in east Down. We are discussing financing issues with DFP and liaising with the Utility Regulator regarding a competition for gas licences. Subject to the outcome of this competition and the completion of the detailed network design and planning approvals process, pipeline construction works could begin in 2015.

Mr Buchanan: I thank the Minister for her response, and I look forward to the gas network coming into the west. Will the Minister indicate the benefit that that will be to businesses in west Tyrone?

Mrs Foster: I think that businesses in west Tyrone will be very pleased to have the network extended to them as a source and another choice of energy. In particular, I know that some firms around Strabane and Artigarvan in his constituency will welcome this pipeline becoming available to them. The towns under consideration in the west include Dungannon, Cookstown, Magherafelt, Coalisland, Omagh, Enniskillen, including Derrylin, and Strabane. The new gas pipeline from Londonderry to Strabane will also, as I said, serve customers in the Artigarvan area.

3.15 pm

Mr Flanagan: Go raibh maith agat, a Cheann Comhairle. I notice that the Minister forgot Brookeborough this time. What figure has been discussed that the Executive might have to put in to fund that potential capital investment?

Mrs Foster: As I said, the economic appraisal is with the Department of Finance and Personnel, so it is too soon to talk about figures at present, but it is safe to say that I think it will be an investment that will benefit the west of the Province in a way that no other investment has for quite some time.

Mr Byrne: I thank the Minister for her answers so far and welcome her statement. Can she say anything about the recent announcement about the DOE planning permission for a possible gas storage facility at Larne? Does the Minister agree that addressing fuel poverty is a benefit that may accrue from getting the gas extension to Strabane, Omagh and other towns?

Mrs Foster: The gas extension will help with fuel poverty. It will also, as I said, bring much needed investment to that area of the country. As well as that, it will bring jobs in the immediate construction of the pipeline, so we are pushing ahead with that project.

I put out a statement saying that I welcomed the underground storage facility at Larne lough. It is part of the strategic energy plan that I published. We need storage, and, as I understand it, that is the only storage facility for which there is a live application now. We look forward to working with the company to make it a reality.

Renewable Energy

5. **Mr Weir** asked the Minister of Enterprise, Trade and Investment what is the extent of the involvement of Northern Ireland-based companies in offshore renewable energy projects. (AQO 2720/11-15)

Mrs Foster: Some 250 Northern Ireland companies are already actively selling into the offshore renewable markets. It is estimated that Northern Ireland-based companies secured sales of £52 million in offshore contracts in 2011-2012. Those include companies such as Harland & Wolff, B9 Energy, McLaughlin & Harvey, Barton Industrial Services, Doran Consulting, RPS and Farrans. The recent announcement of offshore wind and tidal development rights in Northern Ireland waters to three consortia has been made, which included the local company B9 Energy Offshore

Developments. That really does present further opportunities for Northern Ireland firms.

Mr Weir: I thank the Minister for her answer. What impact has the announcement that was made within the past fortnight had on the job situation and the supply chain for Northern Ireland?

Mrs Foster: It is a very positive story. Indeed, just last week, I was at an offshore wind and ocean energy international conference in Dublin, where we had the opportunity to present the case for Northern Ireland alongside a Canadian Minister and, of course, Pat Rabbitte from the Republic of Ireland. All those offshore announcements are about multimillion-pound private sector investments. No government funds are going into any of them. It is around £1.8 billion for the 600 megawatts offshore wind project alone. Invest NI has been working closely with companies that may be in the supply chain for all the offshore installations. It has engaged with 800 businesses and responded to 1,400 inquiries in just the past year alone, so there are huge opportunities around offshore renewables.

Mrs McKeivitt: Does the Minister intend to ensure that the benefits of those projects will be for the North, particularly the jobs, and does she agree that early consultation with stakeholders in the communities where the projects are proposed is essential in order for the locals to have their say?

Mrs Foster: I thank the Member for that question. As she is probably aware, meetings have already been held with the developers to discuss the statutory requirements for the consenting and licensing regime. Part of that will be about how they communicate and interact with the communities in their particular areas. I am very aware of the fact that it is critical for local communities and other marine users, such as the fishing sector, to be a part of that engagement right from the beginning so that there are no misunderstandings. Indeed, people in those sectors may see opportunities to become involved in that work — to diversify, as it were. We will continue to work with developers and the stakeholders so that timely and meaningful engagement takes place with both of them.

Mr McMullan: Go raibh maith agat, a Cheann Comhairle. Does the Minister agree that there is a significant opportunity for those who have recently lost their job in FG Wilson to adapt their skills to the growing engineering sectors such as renewable energy? What advice has

she provided to former FG Wilson employees in that regard?

Mrs Foster: I thank the Member for his question. He is right: some of the skills that have been employed in FG Wilson for many years could be transferable in the same way that people in Harland and Wolff have been able to transfer their skills into building offshore renewable substations. The transformation in the work that is going on in the shipyard now is quite incredible. DONG Energy, which has set up its hub in the harbour, will be looking for workers, and there are many other companies in the supply chain that will be able to make use of the skills that are available to them. Invest Northern Ireland will continue to work with the Department for Employment and Learning so that we can make sure that those skills are matched up with particular companies.

Mr Swann: Will the Minister give us an assessment of how the new offshore renewal projects will affect our renewable energy targets?

Mrs Foster: I thank the Member for his question. The announcement has been made in relation to the leasing. However, given that we have to go through strategic environmental assessments and planning permissions and so on, the installation will probably not be in place until towards the end of this decade. That said, 600 megawatts of offshore wind and 200 megawatts of tidal energy will significantly enhance what we have been doing thus far. At the moment, our onshore wind provides 400 megawatts of renewable generation, which equates to 14%, if you take into account everything involved in the electricity target. That is estimated to rise to 700 megawatts or 800 megawatts by 2020, which equates to that magic 20% target. Onshore wind will provide us with that, but I say to the Member that, as well as the onshore and offshore wind and tidal energy sources, we need to invest heavily in our grid infrastructure if we are to tie everything together.

Employment: Demographic Changes

6. **Mr Hussey** asked the Minister of Enterprise, Trade and Investment for her assessment of the number of jobs needed per annum to keep the employment rate at its current level, taking into account demographic changes. (AQO 2721/11-15)

Mrs Foster: The working-age population is projected to increase by around 3,000 to 4,000 people for each of the next four years.

However, we should be careful to avoid drawing fixed relationships between any one variable and the employment rate. For example, productivity will also affect the number of jobs required. The critical issue is whether growth is strong enough to generate enough jobs. For Northern Ireland, economic commentators suggest that growth of around 2% is required to prevent unemployment rising. Clearly, in common with other advanced economies, the marginal growth rates seen in recent years are well below that level. Although we cannot predict whether jobs will be lost in the future, we have committed in the Programme for Government to increase employment by promoting 25,000 jobs. Later this week, the Executive will meet to examine what additional measures we can take to support the local economy in these difficult times.

Mr Hussey: I thank the Minister for her response thus far. What is the net number of jobs created since the beginning of this Assembly mandate?

Mrs Foster: I cannot answer that because I do not have the figures in front of me. I will be happy to write to the Member on that issue. I can tell him that, in the past 18 months, 8,000 jobs have been promoted, and Invest Northern Ireland currently has a healthy pipeline of work-in-progress projects. I will write to the Member with those figures.

Mr Dallat: Does the Minister agree that our aim really should be full employment, as far as it goes, and that for every individual who has no job there is a sense of uselessness and of being undervalued? That has to be our top priority.

Mrs Foster: I am not sure that there is a question there. Certainly, we would seek to put as many people into work as we can, and that is why we have set our targets in the way that we have.

Mr Dunne: What other initiatives have the wider Northern Ireland Executive put in place to support job creation in Northern Ireland?

Mrs Foster: That is a fair question. This afternoon, I will respond to a motion relating to unemployment and other things that have been thought up to put into the wording of one of the longest motions that I have seen for a considerable time. It is important to recognise that this is the job not just of the Enterprise Minister but of Ministers right across the Executive. That is the way in which the economic strategy, the Programme for

Government and the investment strategy have been put in place.

As the Member may be aware, the Executive have committed £330 million of investment to the A5 dual carriageway. It is a matter of regret that workers are being prevented from starting that project. Indeed, I have concerns that the firms involved may be in difficulty because of that. In a housing market weakened by recession, the Executive will deliver 8,000 social and affordable homes. We have backed the One Plan for Londonderry's UK City of Culture year. We have committed to providing a new training college for the police, prison and fire services, and we will invest heavily in our sports stadiums. At the Executive meeting on Thursday, we will look at our economic strategy and the Programme for Government to see whether anything occurring now can be accelerated.

Ms Fearon: Go raibh maith agat, a Cheann Comhairle. Will the Minister outline the predicted level of youth unemployment, if current trends continue?

Mrs Foster: As the Member knows, youth unemployment is a matter for the Minister for Employment and Learning. He said at Question Time this afternoon that, at present, the real-time figure for youth unemployment is one in seven. We continue to work with the Minister for Employment and Learning to try to deal with youth unemployment, which is a serious issue for Northern Ireland. We need to find ways in which we can bring young people, particularly those not in education, employment or training, back into the workplace.

Mr Allister: The Minister talks about jobs promoted. Will she update the House on the progress being made towards the far more definitive issue of jobs created? When will the statistics show the actual number of jobs created and sustained rather than the aspirational figure of the number promoted?

Mrs Foster: As the Member knows, because I answered his question for written answer on this subject just last week, I hope that those figures will be available next year.

Mr Speaker: Question 7 has been withdrawn.

Tourism: Strabane

8. **Ms Boyle** asked the Minister of Enterprise, Trade and Investment what efforts has she made to increase the tourism product in the

Strabane District Council area (AQO 2723/11-15)

Mrs Foster: The Northern Ireland Tourist Board offers financial assistance for capital-based tourism projects through the tourism development scheme, which is open to all areas of Northern Ireland. In response to the 2011-13 call, three applications were received from the Strabane District Council area: one has been shortlisted to proceed to the second stage of assessment; one was placed on the reserve list; and the third was unsuccessful. NITB has been working with key stakeholders in the Tyrone and Sperrins tourism area to progress a destination management plan. An aligned action plan will identify the key capital projects to be developed.

Ms Boyle: Go raibh maith agat. I thank the Minister for her response. Given that Strabane is one of the gateways to Donegal, has she had any discussions with her counterpart in the South, with a view to developing a tourism product on a cross-border basis?

Mrs Foster: I thank the Member for her question. I recognise that Strabane is one of the gateways to Donegal. Indeed, when I visited a tourism project in Strabane recently, I was nearly run down by a car going to Donegal. She knows precisely the tourism project that I refer to. I know that Members are disappointed that I am still standing. I had discussions with the Republic of Ireland's Tourism Minister, Leo Varadkar, just last week. We have not spoken about a tourism product on a cross-border basis. We talked about the number of tourists that we needed to attract from our biggest market, which is, of course, Great Britain.

Mr McGlone: We have touched on the benefits for both sides of the border and, indeed, the entire island. In light of the Dublin Government's recent announcement and their strategy for "The Gathering" and given that 50% of tourists who come to the island come north, does the Minister see added benefit in associating and collaborating with that project?

Mrs Foster: Anything that brings more visitors to Northern Ireland is to be welcomed, and I have said that on the record many times. Frankly, I do not know how many more times I am going to have to say it for Members on the opposite Benches to get the message: "The Gathering" is a Republic of Ireland initiative. It is not just about tourism; it is about investment in the Republic of Ireland. Of course, we compete with the Republic of Ireland for international investment. Anybody who wants

to take advantage of "The Gathering" in Northern Ireland is free to do so, and, indeed, I know of many people who will.

3.30 pm

Private Members' Business

Unemployment

Debate resumed on amendment to motion:

That this Assembly notes with grave concern that the unemployment rate has risen by 19,000 in the three years between the quarters ended July 2009 and July 2012 and that 23.5% of 18- to 24-year-olds, some 24,000 young people, are unemployed with little prospect of work; acknowledges that the role of Invest NI is to grow the local economy; expresses dismay that Invest NI appears to display an attitude of resigned acceptance to the trend of jobs moving overseas; further notes that the Executive have not adequately funded the job creation proposals of the Northern Ireland Green New Deal Group or developed the proposals of the jobs plan published by a business alliance including the Confederation of British Industry and the Institute of Directors; and calls on the Minister of Enterprise, Trade and Investment, supported by the Executive and Invest NI, to tackle rising unemployment by launching a robust job creation and business support strategy based on these proposals. — [Mr McGlone.]

Which amendment was:

Leave out all after "economy;" and insert

"expresses dismay that Invest NI appeared to display an attitude of resigned acceptance to the job losses at FG Wilson; notes with concern that there was no dedicated Invest NI business start-up scheme in place for over a year; further notes that the Executive have not adequately funded the job creation proposals of the Northern Ireland green new deal or developed the proposals of the jobs plan published by a business alliance including the Confederation of British Industry and the Institute of Directors; and calls on the Minister of Enterprise, Trade and Investment, supported by the Executive and Invest NI, to tackle rising unemployment by launching a robust job creation and business support strategy based on these proposals and to give a commitment to work with the Minister for Employment and Learning in making bids for the significant Barnett consequential arising from the Youth Contract initiative, as announced by the coalition Government at Westminster, to tackle youth unemployment specifically." — [Mrs Overend.]

Mr Flanagan: Go raibh maith agat, a Cheann Comhairle. Tá mé sásta páirt a ghlacadh sa díospóireacht thábhachtach seo. Tá an difhostaíocht ar cheann de na fadhbanna is mó atá os comhair an Tí seo faoi láthair. I am glad to take part in this important debate. Tackling unemployment is one of the biggest challenges facing this House, and it is good to see that we are debating the issue once again. However, it is important that we do not fall into the trap of turning the economy into a party political issue and simply criticise Ministers and other parties just for the sake of it. That, unfortunately, occurred following the announcement of significant job losses at FG Wilson, and it appears to have crept into this debate.

We are all united as an Assembly in that we want to see our economy grow and more jobs being created not only in the short term but in the long term. However, there are differences in the approaches that the different parties outlined in how they see the economy growing and jobs being created. That is important, and it is what we should be debating.

I welcome the motion and the amendment. Neither is perfect, but I listened carefully to the contributions so far, and I will continue to listen to those that are made over the next hour or so before I decide which way I will vote. The SDLP, in its motion, selected two specific proposals that it wants to focus on, but, importantly, neither of them are SDLP proposals. When Mr McGlone was moving the motion, he paid significant attention to Sinn Féin's Jobs Plan, which was launched in the South last week. I ask Patsy where the SDLP's plan is, because it has very clearly stated that it is unhappy with what the Executive are doing. So, where is its alternative approach?

Two strategies are mentioned in the motion. The first is the green new deal. As has been stated, all the Executive parties supported the green new deal, and it was in every party's manifesto. For that reason, it is very difficult to accept that it was not supported. It is very clear why it was not taken forward: it was deemed to be too risky both by economists in a Department and by the Social Development Minister. In a recent Department of Enterprise, Trade and Investment public consultation on the Energy Bill, it was outlined that the green new deal was not taken forward because too many people were in fuel poverty and we could not really expect them to understand the benefits of insulating their homes. That is a very disappointing approach, especially if it is compared with the boiler replacement scheme, where people have to pay out £1,000 to replace

their boilers. I know which scheme would be an easier sell to make.

The motion focuses on two specific elements. I suppose that the most important aspect of the motion is the call for a robust job creation strategy and business strategy. That is useful. Focusing solely on that will be much more productive than going into the ins and outs of why certain things have not been done in the past. We need to look at where we are and at how we can move things forward as best possible.

I read recently that the Minister is taking forward an enterprise strategy to complement the economic strategy. I look forward to seeing more on that. I encourage the Minister to keep that strategy as broad as possible so that it includes a number of the aspects that I will touch on in the remaining time that I have to speak.

The green new deal obviously has massive benefits for job creation and tackling fuel poverty. Co-operatives can play a role both by creating jobs and providing employees who may be facing redundancy with the opportunity to take over a business. I think that that is a very good way of trying to retain jobs. There are a number of issues with public procurement, and they have been highlighted both by Mr McGlone and in some of the documents that have been referred to. So, there needs to be an approach on public procurement.

We need to look at how entrepreneurs are dealt with. Mrs Overend spoke about the start-up business programme and about how such a programme has been absent for over a year. Thankfully, that has been resolved. I know that not everybody agrees with the decision, but we are moving forward, and we all need to row in behind that. An unwillingness to take a calculated risk is also a problem in government. When we get all these economic appraisals done and things looked at, we need to ensure that we are making a decision based on its merits, not on potential risk or because civil servants are considering the potential of their having to appear before the Public Accounts Committee.

The progress that we have seen today on the renewable heat incentive scheme is welcome. There are tremendous opportunities in the renewables and green sector, and I look forward to hearing more from the Minister on how she intends to improve the current situation.

Mr Lyttle: On behalf of the Alliance Party, I respond to this debate, which is on one of the most important issues affecting people across Northern Ireland and, indeed, internationally. Rising unemployment throughout Northern Ireland, particularly youth unemployment, is one of the most important issues facing the Assembly. There has been a missed opportunity on the implementation of the green new deal. However, the SDLP motion and the proposed UUP amendment are not only ill-judged but mislead the Northern Ireland public about the serious action that the Assembly is taking in response to many of the issues.

The SDLP motion and the UUP amendment calling for action on youth unemployment are both flawed and out of date. Then again, they have been proposed by the SDLP and the UUP, so I am not sure what else we expected. The policy for a new Northern Ireland youth employment scheme has been proposed by my Alliance Party colleague the Minister for Employment and Learning and approved by the Executive, with funding having been secured in June of this year. The funding for both the youth employment scheme and the NEET strategy is on a higher scale than the Barnett consequential that the Executive accrued. Therefore, not only is the UUP amendment out of date but the resourcing request has been met and exceeded already. The criticism of Invest NI for displaying what was described as an attitude of "resigned acceptance" to the trend of jobs moving overseas is also ill-judged.

We cannot ignore the fact that, for Northern Ireland to move forward, we must recognise that, although we might be unable to compete with certain areas on labour costs, we can adapt and grow a more knowledge-based economy in Northern Ireland. A good example of that can be found in the Northern Ireland Advanced Composites and Engineering Centre, which is based in my constituency of East Belfast and funded by an array of partnerships. It was financed by the Department for Business, Innovation and Skills, Invest NI, the strategic investment fund and Bombardier Aerospace. Invest NI's support was part-funded by the European regional development fund. Queen's University and the University of Ulster are also involved, as they co-own and operate the facility. The centre works closely with the universities, and alongside many businesses based in Northern Ireland and across the UK, to develop and commercialise new innovation technologies and to create jobs in Northern Ireland.

I welcome many of the ideas in the jobs plan that the Business Alliance has published. The

Alliance Party has long called for many of the targets set in it, which include job creation in key growth areas such as the tourism and agrifood sectors and the facilitating of investment in our ports and airports to improve international connectivity. We heard much about developing that ground in the announcements on air passenger duty. The targets also include building an infrastructure that can deliver more sustainable, competitive and secure energy supplies and securing the availability of high-speed broadband, which has also been mentioned today.

Although the Executive have not fully implemented the plan, they have acted on and taken forward definite proposals. The Minister for Employment and Learning has also overseen a significant increase in places in STEM subjects in our universities, which the document strongly endorsed. By doing that, the Minister is showing his commitment to delivering and improving skills in Northern Ireland. The jobs plan also called for improvement in careers advice and guidance to help align the choices that our young people make with the economic opportunities available to them. In my role as a member of the Employment and Learning Committee, I proposed that an inquiry be conducted into careers provision in Northern Ireland. Indeed, the Minister has promised to work in collaboration with the Chairperson and the Committee once the findings have been produced and has brought forward a report that he had scheduled for 2014.

The Alliance Party agrees that the green new deal has been an opportunity missed by the Assembly. Along with many other parties, we mentioned it in our 2011 manifesto, and we are disappointed that it has not been developed in the way that was suggested by the proposals. Therefore, there is a need for the Executive to review those proposals and the potential that they have for creating employment, developing critical skills and improving energy efficiency in Northern Ireland.

My colleague Judith Cochrane MLA has proposed that the Social Development Committee examines the economic appraisals that form the basis of the decision taken on that issue.

In conclusion, the Alliance Party welcomes the debate on the serious issue of unemployment. We advocate that the green new deal be reconsidered and that the sound proposals in the jobs plan be taken forward as much as possible.

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

Mr Lyttle: However, the motion misleads and misinforms the public on an issue that demands clear and positive leadership from the Assembly. That is what we want to see going forward.

Mr Moutray: Increasing unemployment has an adverse impact not only on the economy but on the whole fabric of our society. It must be tackled, and it is right that we should debate it. However, at the outset, I have to say that I am disappointed by the overall tone of the SDLP motion and UUP amendment. Instead of tackling the real issues affecting businesses, such as rising energy costs, the motion seeks to be more about political point-scoring. We only have to think back to a recent meeting of the Committee for Enterprise, Trade and Investment when Mr Tony O'Neill of Moy Park raised the issue of energy prices. Unfortunately, the Chairperson, Mr McGlone, in a response to the Competition Commission, was even opposed to the extension of the gas network.

The SDLP and UUP are members of the Executive, and the Programme for Government, which has the economy at its very core, has clear targets for economic growth and was agreed —

Mr McGlone: Will the Member give way?

Mr Moutray: No, not at the moment. The Programme for Government was agreed by all parties in the Executive. However, to look at the motion and amendment, both of which are critical of the Executive, you would think that the SDLP and the UUP were in opposition.

We are all concerned about the growth in unemployment and, in particular, the job losses recently announced at FG Wilson, which are referred to in the amendment. I will return to that later. Rising unemployment is not unique to Northern Ireland; far from it. Virtually all nations in the developed world are experiencing job losses as part and parcel of the prolonged downturn in the global economy. The manufacturing industry is under severe pressure, and we need to be creative in our thinking on how we develop Northern Ireland's economy. However, it is not all gloom. The number of employee jobs has increased over the quarter from May to July 2012 for the first time since 2008, and job numbers have risen in the manufacturing and service sectors.

Despite job losses and other economic pressures, the Minister, her officials and Invest NI are proactive. Faced with unprecedented levels of competition, they are redoubling their efforts to build the economy and to attract high-quality, high-value-added jobs. We must also continue to encourage local business to focus on exports, and that is the aim of Invest NI's successful trade missions. Last year's export total was £45 million, and we ought to try to go beyond that this year. Some of our companies are proving to be very successful in overseas markets, and we must take every opportunity presented in places such as China, Hong Kong, India and the Middle East.

Northern Ireland has much to offer, and the Minister told business leaders during her recent visit to California that we host a vibrant and high-growth technology sector. As we seek to attract inward investment, one of our key weapons is our well-educated, young and dynamic workforce. We have young people who want to work. The amendment calls for the Minister to work with the Minister for Employment and Learning. That is happening, and I support that.

I will turn briefly to the amendment's reference to last month's job losses at FG Wilson. All of us were deeply shocked by the scale of the redundancies, but it is unfair to accuse Invest NI of an "attitude of resigned acceptance". We are dealing with business decisions taken by businesses for strategic reasons. We have little control over such decisions.

Finally, I commend the Executive for actively pursuing the corporation tax issue. I know that it is not a magic bullet in itself and that it is complex, but it will provide us with an additional and very significant lever in our efforts to revive the economy. I hope that there will be good news on that front soon. I oppose the motion and the amendment.

3.45 pm

Ms Fearon: Go raibh maith agat, a Cheann Comhairle. I welcome the opportunity to speak on what is probably the biggest problem that we could be faced with at the present time; addressing the challenge of unemployment, particularly youth unemployment, against the backdrop of a global economic crisis. As stated in the motion, more than 20,000 young people are unemployed and with little hope of finding work. This has led to mass emigration not seen since the 1980s and not seen in my lifetime or in that of my peers.

This is a really difficult time to be a young person in Ireland. As we have just heard, one in seven young people is unemployed. Young people are being forced to leave their homes and families because of a persistent lack of opportunities and jobs. As a result, we are losing many of our most talented and educated young people, the very people who have the most potential to help us build a better future.

Unemployment is the highest it has been since 1997. Just last week, we heard that the unemployment figures have fallen in Britain but risen here in the North. That proves, once again, that the economic agenda being driven by Westminster is not suitable for us and does not take into account our interests.

The British Government appear to be out of touch with what is happening here on the ground, and the lack of fiscal autonomy in the North means that we do not have the necessary tools — or all the necessary information — through which to grow the economy and develop a detailed economic strategy. Economic and financial decisions in the North are taken in the absence of any proper statement of revenue generated here. Instead, we are told to rely on estimates and on a departmental expenditure limit, the level of which is based on a population-based calculation which has its roots in the delivery of public services in England.

Rising unemployment, and very real economic challenges, indicate that this is a time for a different approach. We need investment on an all-Ireland basis to promote job creation and to further cross-border co-operation, if we are to harness the potential of this tiny island. The need for, and potential of, all-Ireland economic growth is now widely accepted by economists and the private sector. Even within the Assembly, we have been developing all-Ireland solutions in health, and we need to take a similar approach to the economy. At present, the resources of Invest NI and IDA are spread too thinly. To encourage foreign direct investment in local business start-ups, those organisations should operate with a greater degree of collaboration. Furthermore, Invest NI should encourage investment right across the North. Rural areas, like my own in south Armagh, have seen little to no investment over the years, which has had detrimental effects on our community. It has seen thousands of people emigrate from a relatively small population. Our proximity to the border means that we are subject to economic instability due to the existence of two distinct economies within such a small country.

There are just over six million people on our island. Existing economic strategies, North and South, are targeted at high-value jobs in innovation, research and development, yet we continue to have skill shortages in the very sectors that are promoted. That is partly due to the disconnected and unco-ordinated third-level sectors North and South.

A further point is that government policy identifies exports as the key to delivering growth and, although that is an important step, it must be realised that, for many, the first step into a new market is actually just across the border. Greater fiscal autonomy and access to more tools to aid economic recovery would leave us in a stronger position to address current economic challenges. The British Government have accepted that there are flaws in their current approach to the funding of devolved administrations. That is in our Program for Government for everyone to see. We need to encourage the British Government to give us more tools for economic growth. Most importantly, we need the ability to generate revenue that will not be removed from the block grant and which we can use to grow the economy and stimulate job creation.

The situation at present is extremely restrictive for effecting change and it prevents us from having an effective economic policy which benefits the people we serve. It is a complex issue, and I know that it will not be solved overnight, but it is essential that we start to see results on the ground in job creation to ensure that we do not continue to lose our young talented people to places like Australia and Canada.

The Executive have made significant commitments to building the economy and tackling unemployment, and there have been key successes in that. Just imagine what we could do for the 64,000 unemployed people in the North if we had the necessary economic tools.

Mr Frew: This is a very solemn debate and one that we have to take very seriously. Everything to do with the economy, job losses and unemployment must be taken very seriously by every MLA, the House and the Executive. I have been here for the whole of the debate, unlike the UUP's new economic policy unit.

Mrs Overend: Will the Member give way?

Mr Frew: Yes, I will.

Mrs Overend: I really do not think that I should have to give excuses to the Member as to why I had to step out of the debate. My 11 year-old daughter missed her school bus and, I am sorry, but that takes precedence over anything in the House.

Mr Frew: I thank the Member for that intervention. *[Interruption.]*

Mr Speaker: Order.

Mr Frew: I am glad that the Member was able to say something from head and heart. Most of her colleagues usually read things out of a pre-scripted speech. *[Interruption.]*

Mr Speaker: Order.

Mr Frew: That is good to see, Mr Speaker. I did not realise that Mrs Overend was the only member of the economic policy unit in the party, but I am glad to see that they are all here now and all lined up to hear my participation in the debate.

This is a very serious issue. We have a motion and an amendment from the two smaller parties that smack of political point-scoring, as Sinn Féin and the Alliance Party have already stated. I will deal with the UUP's amendment first. Here we have something that is completely outdated already. The Minister for Employment and Learning mentioned the Executive's commitment to youth employment schemes and tackling youth unemployment specifically during Question Time today. We have invested above and beyond the Barnett consequentials — more money, more commitment and more investment. That is what we have delivered, and that is what we have put in. What does the amendment smack of? It smacks of an outdated policy from a newly set up economic development unit within the party. That is not a very good start for the UUP with regard to economic strategies.

With regard to what the SDLP said — I know that the Chairman of the ETI Committee is a sincere politician who wants to do what is best for his constituents — should we really be looking to the Republic for job creation, when we consider the Republic's unemployment levels and what it is going through at the present time? I think not. He also talked about the jobs plan, which is a couple of years out of date and which was considered at the time of our Programme for Government and investment strategy. That brings me to my point, Mr Speaker.

Mr Speaker: The Member has a minute added to his time. I apologise for not indicating that earlier.

Mr Frew: Thank you, Mr Speaker. We have a plan already in place. We have the Programme for Government, the investment strategy and the economic strategy. That is very important. Those are in place for a reason. *[Interruption.]*

Mr Speaker: Order.

Mr Frew: They are in place to lift this country out of recession. This is not the time to panic; this is not the time for plan B, plan C and plan D. This is the time to look at what we have and the progression that we have made. I ask the parties — the smaller parties: the SDLP and the UUP — to consider engaging in the Executive and to test the Executive and ask them what they have delivered and how they have progressed with the plans that we have in place. There is absolutely no point in producing another strategy or another report that could sit on another shelf when we have plans in place. We must hold our nerve. The businesses out there — those in Ballymena, Ballymoney and Ballycastle — are telling me to make sure that the Executive and the Assembly hold their nerve. The last thing that they want us to do is panic. Businesses are not panicking. It is very true that, when you look at some of our figures, you can see that they are depressing, disappointing and concerning, but someone who is on the unemployment list or who has to go home and face a family without a job does not really care about statistics or figures. Life is hard enough for them without having to read about whether things are getting better or worse. For them, it is bad. The last thing that we need to do is panic.

Mr Beggs: Will the Member give way?

Mr Frew: I will.

Mr Beggs: Does the Member accept that the more he says, "Don't panic", the more he sounds like Mr Mainwaring? *[Laughter.]*

Mr Speaker: Order.

Mr Frew: Is this the economic policy and strategy that the Ulster Unionist Party is adopting? Very, very good. *[Interruption.]*

Mr Speaker: Order.

Mr Frew: Mr Speaker, there is good news. *[Interruption.]*

Mr Speaker: Order.

Mr Frew: There is good news to come out of this country. After London, Belfast is the most attractive UK city for foreign direct investment, particularly in technology and financial services. In the past three years, Northern Ireland has won 7% of the FDI attracted to the UK, with a population of 2.8 million. Those are good news stories.

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

Mr Frew: Those are good news stories, and I ask the smaller parties to engage in the Executive and to put their full weight behind the plans that are already in place to bring this country out of recession —

Mr Speaker: The Member's time is gone.

Mr Frew: Thank you.

Mr Beggs: I support the amendment standing in the names of my colleagues. The original motion rightly highlights the growing concern at the increasing unemployment levels and states that the number has risen by 19,000 over the past three years. More particularly, it states that 23.5% of our young people aged 18 to 24 are unemployed. Worryingly, that rate has shown a very significant increase of 5.2% over the period. So action is clearly needed in that area.

Yes, a contract for youth has commenced elsewhere in the United Kingdom.

Mr Anderson: Will the Member give way?

Mr Beggs: Not at this moment. Let me get into my speech, please. In our amendment, it is clear that we want a more effective system to be developed here. We want close working between DETI and DEL to maximise the opportunities for our young people. I think that there is nothing wrong in asking for that.

Mr Lyttle: Will the Member give way?

Mr Beggs: OK. *[Interruption.]*

Mr Speaker: Order.

Mr Lyttle: The Member is calling for a targeted youth employment intervention. What is the Member's assessment of the targeted youth employment intervention that has been put forward?

Mr Beggs: It is obvious that whatever has happened to date is not sufficient, because the figures show that it is not sufficient. I am not satisfied that one quarter of our young people are unemployed, and neither should you be.

The motion is sweeping in its criticism of Invest NI.

Mr Speaker: The Member has an extra minute.

Mr Beggs: We have to have regard for the positive work that Invest NI does on occasions. However, I think it is appropriate that we criticise some of the comments that were made regarding jobs at FG Wilson. The BBC reported that, when the chief executive of Invest NI was asked if he would have made the same decision and moved some of the manufacturing jobs to China, he said:

"If I was in that job, in all possibility, yes."

I do not think it is appropriate for the chief executive of Invest NI to be saying that. I hope that, with hindsight, he will have accepted that that was a mistake.

Mr Frew: Will the Member give way?

Mr Beggs: I have already given way; I wish to proceed with my speech. *[Interruption.]*

Mr Speaker: Order.

Mr Beggs: It is important that we learn lessons from that and continue to show determination to create and sustain jobs locally. I hope that lessons will be learned.

I have asked Assembly questions on the issue. Members are saying that this is a lot of hot air. Can I go into some detail and highlight issues from my constituency? Do you know how many potential investor visits to Carrickfergus there have been over the past three years? None. There were none to the borough of Larne last year. That is despite the fact that there were 350 such visits throughout Northern Ireland during the period. I hope that there is increased recognition of the need to create such opportunities in the east Antrim area going forward.

I have been suggesting other ideas, but I have not heard Members across the Chamber suggest positive ideas. I have identified that only 4.7 acres of Invest NI's land bank is in my constituency, and those are in Larne. It is time that that was increased to create potential opportunities for other investors. When I

pressed that issue, it was disappointing that the Minister referred to the fact that there was other land available. Yes. If you look at the nibusinessinfo website, you will see that there are a further 17 acres in the business park at Larne harbour. However, that is a very central area, and with that comes a much increased price for purchase and rental, which, in itself, could rule out some potential investors to the Larne area. I would like to see other infrastructure developed in the Larne area, as has occurred in many other areas, because the number of job losses scheduled to happen is a cause for concern. We hope that they will not happen, but they are likely to happen. I wish to create as many opportunities for future investment as possible.

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

The legal wrangling over the initial contract for the business start-up scheme was disappointing, but we have to welcome the fact that that has come to a close and that it is operating once again. I hope that Invest NI, DETI and the procurement operation in DFP have learned lessons and that we will not face another situation when such schemes, which are particularly needed in times of economic difficulty to allow young people to start up businesses and to allow those who may be laid off to take up new opportunities, will be delayed.

I hope that lessons have been learned and that the good work that has been delivered by our local enterprise agencies in the past will be allowed to flourish again once more.

Last Friday, I was at the Willowbank site in the Larne Enterprise Development Company, and we heard from Charlie Cole from Broughgammon farm. He is a young man who had difficulty getting employment, so he took the initiative to set up a seaweed farming operation, and he has started raising kid goats, all with very little funding. He has shown a get-up-and-go attitude, and I have no doubt that the more we support such small business start-ups and developments, the better the opportunities will be for individuals —

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

Mr Beggs: — to come up with ideas for export and to enable new jobs to be created in Northern Ireland for everyone's benefit.

4.00 pm

Ms Maeve McLaughlin: I welcome the opportunity to take part in this very critical debate. I listened to Members who spoke previously, and, whilst I believe that there is consensus in this Assembly that we must do much more for the economy, I would like to have heard, and I think it would have been useful if we had heard, much more from Members about the demand for increased fiscal powers. It remains the case that we have 375,000 people who are unemployed across Ireland, and those numbers are growing. We need, therefore, significant investment and stimulus to create jobs, and we need that investment on an all-Ireland basis. That means the creation of an all-Ireland job creation strategy and greater co-operation, North and South, to release and realise the potential for the whole island.

Greater fiscal autonomy is required in the North. That would allow the North to generate revenue and to develop policies of benefit to the people of the North without the current restrictions.

Mr Humphrey: I am grateful to the Member for giving way. Will she not accept that the Republic of Ireland Government and its national Exchequer's greater fiscal policy had to be ceded to Europe and to Germany? Indeed, she has not mentioned the £7 billion from Her Majesty's Exchequer. How on earth does that simply add up?

Ms Maeve McLaughlin: I thank the Member for his intervention. If he will allow me to continue, I will get into some of the detail around where the North needs to be on fiscal autonomy. The increase in cross-border trade, banking and insurance regulation, to name but three, and the potential of an all-Ireland energy market, have demonstrated the interlinked and interdependent nature of the economies North and South. Sinn Féin is therefore asking for the North to be given the opportunity to engage in proper economic development. The provision of a full and detailed revenue statement will allow the development of an approach to economic development on the basis of detailed knowledge regarding the amount of money that is required to deliver public services and the amount of finance that is generated in the North. That does not happen at present.

We continue to have skills shortages in the very sectors that are being promoted, and, as colleagues who spoke previously mentioned, for an island the size of Ireland, there must also be a cohesive approach to attracting foreign direct investment. At present, the limited resources —

Mr Newton: Will the Member give way?

Ms Maeve McLaughlin: No, I will not, sorry. The limited resources of INI and IDA are spread too thinly in the global marketplace and compete for investment in similar sectors. We need greater co-ordination, which some Members referred to, of third-level provision to ensure value for money and the creation of national centres of research, development and innovation.

Today, we heard some of the commitments under the Programme for Government, and I do not need to rehearse them here. However, it would be remiss of us not to pay particular attention to the construction sector. The decrease in the construction output that was detailed in reports issued last week is not confined just to infrastructure. There was a 10.3 quarter-on-quarter volume decrease in housing output, which is down by more than 20% over the past five years. Key to that is that if we had access to greater fiscal autonomy and to more tools to aid economic recovery, we would be in a stronger position to address current economic challenges.

A Member: Will the Member give way?

Ms Maeve McLaughlin: No. Most importantly, we need the ability to generate revenue that will not be removed from the block grant, so that we can grow the economy and stimulate job creation. Go raibh maith agat.

Mrs Foster (The Minister of Enterprise, Trade and Investment): Well, Mr Deputy Speaker, it is difficult to know where to start this afternoon. Some Members are, obviously, addressing a different motion to the one that is before the House. Other Members would like to address a different motion because the motion that they have actually amended is so out of date, it is just incredible. However, I will attempt to answer some of the points that have been made. I think that we all have at least one thing in common: we are hugely concerned with the performance of the local labour market and the impact that it is having on individuals, households and, indeed, businesses right across Northern Ireland.

Although some Members would like to, there is no shying away from the fact that global economic conditions remain challenging. Growth in the euro zone and, indeed, the United Kingdom has been weaker than expected. That is why we have had global estimates downgraded over the past while. As a small open economy, the sluggish recovery in

our key trading partners continues to impact on many local businesses and act as a major drag on growth in our local economy. That, in turn, has limited the rate of local job creation.

Although Northern Ireland has lost some 40,000 jobs during the downturn, and recent unemployment figures are hugely disappointing, it should be recognised that there are some positive signs. Output in the manufacturing and construction sectors is showing some improvement. Indeed, the quarterly employment survey for June 2012 shows the first increase in four years, as was mentioned by my colleague Mr Moutray.

I want to pick up on the construction issue because it was mentioned by the previous Member who spoke and, indeed, Mr McGlone in his opening address. Construction has had the biggest downturn and most job losses. That is why it, now, relies on Government intervention for over 50% of its jobs. That is not a particularly healthy place for the construction sector to be. Members need to reflect on that. We in Government have recognised the impact that the downturn has had on the construction sector. That is why we have been looking at accelerating capital projects and why, now, over 50% of construction jobs are reliant on public-sector funds. As I said, it is not a particularly good place to be. However, that is where we are and that is what we are trying to do to help.

We have made the economy the top priority for the Programme for Government. The Northern Ireland economic strategy was published alongside it in March and was unanimously endorsed by the Assembly. I come to the House and listen to people saying that we need an economic strategy and a job-creation strategy. It already exists in the Programme for Government and the economic strategy. If people have ideas that they want to add to the economic strategy, we will, of course, look at them. The subcommittee of Ministers that looks at the economy meets regularly. Right from the beginning, it said that the economic strategy is a living document and it is happy to look at it. When I get motions that come to the House asking me to implement the job strategy from the Business Alliance, which was launched in February 2011, I really do have to ask where those people have been. The jobs plan from the Business Alliance was actually one of the foundations for the economic strategy. It informed the economic strategy. It talked about looking more at export markets and all the things that we have in our economic strategy. We have a very close relationship with the Business Alliance in moving forward, particularly on issues such as corporation tax.

The amendment and, indeed, the motion talk about implementing the jobs plan from the Business Alliance. The Business Alliance was in closest co-operation with the Executive in forming the economic strategy. Therefore, I do not know quite where that piece comes from in the amendment and the motion. We clearly put export-led economic growth at the centre of our ambitions. We have quite stretching targets for exports and exports into new and emerging markets. Therefore, we wanted to use that export-led growth to rebalance the local economy.

Obviously, we also need to rebuild the local labour market. That is the other piece of the economic strategy, and it is hugely challenging. I work continually with colleagues in the Executive to look at new ways in which we can intervene in the labour market. We have made considerable progress, and I pay tribute to my colleague the Minister for Employment and Learning for his work in bringing forward the youth contract. Mr Lyttle is absolutely right: the Minister for Employment and Learning, in conjunction with his colleagues, saw a need to use the Barnett consequential, which totalled £26 million over three years. It is not just the Barnett consequential — in fact, he has been allocated some £42 million to support his work and that of the wider Executive in tackling some of the worst impacts of youth unemployment.

The amendment references working together. We are already working together; we do so very closely in the ministerial economic subgroup and in the Executive. We are looking not just for Barnett consequential, but more besides. So I am not sure where that part of the amendment comes from. One must ask whether the Ulster Unionist Party knew that that had been achieved.

By making it easier for businesses to talk to Invest Northern Ireland through our business support schemes and the Boosting Business programme, we are trying very hard to expand the number of local jobs. We are using the jobs fund to deliver those on the ground and, over the past 18 months, more than 1,600 people have entered work as a result. We expect that figure to rise to 2,400 by the end of the financial year.

We have heard much about the third element of the Ulster Unionist Party amendment, which looks back at why we did not have a regional start-up initiative. I would have loved to have had a regional start-up initiative, and I am pleased to say that, after the legal wrangling that we experienced, a programme will be put in place to deliver support and guidance to those

who may dream of running their own business. That includes those who may have found themselves out of work as a result of redundancies such as those at FG Wilson. Specifically, we will try to encourage individuals in neighbourhood renewal areas and young people not in employment, education or training to think about starting a business. They will be further incentivised with grants of £1,000 and £1,500 respectively.

I wish to recognise the unique contribution of social enterprises in providing pathways to employment, which are often but not exclusively for disadvantaged people and in disadvantaged communities. Members will be interested to know that we are involved in work on social entrepreneurship at the moment. I look forward to saying more about that in the near future.

The local economic development measure, part-funded by the European regional development fund, is available to councils, some of which have been quite proactive in putting together pieces of work to help local markets. I warmly welcome that work.

I welcome the recognition in the motion of the central role that Invest NI plays in growing the economy. Of course, I refute the allegation that we — I use the word "we" because I work very much as part of a team with Alastair Hamilton — display a "resigned acceptance" to the trend of jobs moving overseas. What utter nonsense. I assume — indeed, it was confirmed by Mr Beggs — that those comments were driven by Caterpillar's recent decision to move some of its production from Larne to China. The global trend for relatively low-cost general engineering moving from advanced, modern Western economies to countries that offer a much lower cost base, such as China, is something that no one involved in economic development can have failed to see over recent years. It is obvious to all of us that we cannot just ignore global trends and hope that they will go away, although some in the House clearly would like to. We need to be open, honest and transparent, as I believe that Invest NI was in its response. I note that Mrs Overend was asked the same question on the same programme and she refused to answer it. Which is better: to try to be honest and answer the question or to just ignore the question and not answer it at all?

4.15 pm

The reality of FG Wilson and that situation is that it is a major multinational corporation that undertook a global strategic review that led to the decision that impacted on Northern Ireland.

Of course, it is an extremely painful decision, particularly for those individuals who are directly affected. However, we need to be realistic and recognise that, as a small regional economy, we will neither be immune from the impact of global market dynamics nor able to prevent them.

As I said recently in the House during the debate on FG Wilson, we have more often been a beneficiary of companies realigning their global footprint than we have lost out. Seeing and capitalising on changing global trends is a core element to rebuilding and rebalancing our economy, and those elements have been behind our very recent successful track record in winning new inward investment. Over the past four years, inward investors have committed to around 170 projects promoting 9,600 new jobs and protecting 1,300 jobs. Those are not just jobs; the vast majority are quality jobs, with the average salary from the new inward investments up around 40%.

So, we need to embrace new processes and technology, build our workforce's skills and broaden our horizons by embracing global opportunities. I believe that we have been doing that through the Programme for Government and the economic strategy. It is what Invest NI is delivering on daily. Where once our economy was heavily reliant on two or three key sectors, we now have a more diversified base, going from advanced manufacturing to ICT, financial services, life sciences and moving into emerging sectors such as e-health and renewables.

Two very recent but very different openings give a clear signal about what I am talking about. On the same day that CME Group, which is one of our new inward investors, opened its new office in Belfast, two new sound stages at Titanic Studios in Belfast were opened. I think that that just shows the broad range of what we are attracting into Belfast.

I am hugely disappointed that two parties in the House seek to personally attack a member of Invest Northern Ireland's staff. The fact that one of those staff members is the chief executive of Invest Northern Ireland makes it even more disappointing. It is shameful. I find it quite shocking. If the chief executive of Invest Northern Ireland did not have an appreciation of global trends, I would be more concerned about that than about his avoiding questions just so that Members could say, "He avoided that question well." He was open and honest, and that is an approach that the former Chair of the ETI Committee acknowledged and welcomed in the past. It would be very disappointing if the

chief executive of Invest Northern Ireland found that he cannot be as open and honest as he has been in the past because some in the House seek to attack him for petty political reasons. It is hugely disappointing that that is the case here today.

So, we have the economic strategy, which the entire Executive endorsed. We pride ourselves on high levels of academic achievement among our brightest children, but we need to continue to invest in the education and development of all our young people to ensure that they emerge not just well qualified but well qualified to work. That shows that we need to work right across the Executive so that we can do that.

Where the proposals on the green new deal are concerned, the Executive may not have funded their specific proposals, but the Northern Ireland economic strategy contains a number of commitments that will clearly have an impact that is consistent with the green new deal's objectives. That is true whether it is DSD with its boiler replacement scheme or my Department's dealing with renewable heat incentives or being associated with the recent announcement on offshore renewables.

Although some people try to misrepresent it in the House, I will continue with my commitment to believe that working in the whole area of renewables provides us with investment and the economy with jobs. More than that, it helps us to deal with all our energy policy issues, including security of supply and dealing with matters that are connected to fossil fuels. The motion is timely, because we are speaking about issues that are very important for the population of Northern Ireland. However, the debate has been very disappointing, because issues that happened in the past were talked about and a very valued member of my team when we go out across the world —

Mr Deputy Speaker: Will the Minister bring her remarks to a close?

Mrs Foster: — looking for new investment was criticised. I ask the House to oppose the amendment and the motion.

Mr B McCrea: I support the amendment standing in my name and that of my colleague. I have just listened to the Minister. She seems to be rather tetchy; she is disappointed at this and that. The tone of her voice was almost one of dealing with some children that she can hardly be bothered to reprimand but is going through the motions nevertheless. I find that approach deeply disappointing and unhelpful,

but there you go. We are both deeply disappointed and trying to make things better. She finished on the comments that were attributed to the chief executive of Invest Northern Ireland. My colleagues were only wishing to point out that they disagreed with the statement.

Mrs Foster: That is not correct.

Mr B McCrea: I am more than happy to give way. Instead of the Minister speaking from a sedentary position, it would be better if she stood up and spoke for herself.

Mrs Foster: I will. That is not what the amendment says. The amendment refers to "an attitude of resigned acceptance". If the Member does not know what his own amendment states, that is even more depressing. *[Laughter.]*

Mr B McCrea: There you have it: quick-fire wit returned by the Minister. Oh boy, am I cut. That was tremendous. Listen: what we were actually doing was talking about what was said in the debate. I do not know whether you were listening to the debate. This party is not resigned to the fact that those jobs are definitely gone. Whenever we were talking to Mary Walshok —

Mr Deputy Speaker: Order, please. I remind the Member that, in all cases, remarks have to be made through the Chair.

Some Members: Hear, hear.

Mr B McCrea: Absolutely, Mr Deputy Speaker. Through you, I make the point that the party was merely saying that we should fight for every single job. Not every single job will be high-tech or in an area in which we have an unassailable competitive advantage. Many jobs out there are, by their very nature, fairly normal and ordinary, but they put bread on the table, they keep people employed and they give us something to look forward to. We should fight for every single one. That is merely the point that we wanted to make.

We put the words of our amendment in the way in which we did because we did not wish to attack Invest Northern Ireland on a global basis. There were certain issues that we had a problem with, and it is entirely appropriate for us to bring them up. An issue in our amendment, which we ask Members to consider, is that there should be better collaboration between DETI and DEL. If the people who hector us from the sides think that

things are going really well, they might ask themselves what the unemployment rate was when the DUP first formed a Government. It was 3.7%. What is it now? From listening to people on my left, you would think that everything is great; that the whole of our economy is fantastic. "Don't panic", says Mr Pike. There are people unemployed, people looking for work and people looking to us to provide solutions. What are we getting? We are being told that we do not need to worry because it is all in the Programme for Government and economic strategy. We are told, "Say nothing. Move along. Nothing will happen. It will be OK." It may have escaped the Minister's notice, but, in the rest of the United Kingdom, they are creating jobs. There are more jobs. However, for 29 or 30 months, we have had either the highest or second-highest claimant count in the United Kingdom. That is not something to be proud of; rather, it is something on which we want to work together —

Mr Flanagan: I thank the Member for giving way. He has mentioned "solutions", but —

Mrs Foster: Has he?

Mr Flanagan: No, he mentioned the word "solutions", but he did not actually mention any solutions. He is the third Member from the Ulster Unionist Party to speak. To date, the only solution that we have had is for Invest NI to buy more land in Larne. Does the UUP have anything better to offer than that?

Mr B McCrea: I was moving on to that bit in my speech — it is a bit off attacking someone about something before they get to say it.

I will say a couple of things. First, during Question Time today, the Minister for Employment and Learning mentioned that only 10% of jobs in the next 10 years will require no skills. We need to upskill. Secondly, the Isle of Man is now reckoned to be the fourth most likely nation to get involved in a space programme. Anyone who has been to Farnborough will have looked at all those issues, and I know that Members from the party beside me were there. Where is our ambition in advanced manufacturing and skills?

Mrs Foster: Will the Member give way?

Mr B McCrea: You have had your say. I only have time to get through what I have to say.

The Minister wanted solutions. I went to Citibank and was told that it could double its

workforce if people would only listen to what it has to say. There is no listening there, Minister. There has been a complete and utter failure of strategy.

People talk about an all-Ireland vision — I hear all of this — but there already is an all-Ireland economy; people already trade throughout Europe. That is not the issue. The issue is about what is going to happen in Northern Ireland. That is what we are fighting for.

When it comes to the issues, people stand up and try to denigrate us by talking about little, small parties or little this, that and the other. I look at this place and ask whether it is really working. I have to say, particularly to those who have this brief, that it is not working. You are at least one year and probably two years behind the recovery in the rest of the United Kingdom, and you do not have a single idea about what you are going to do to reverse the rise in unemployment. That is a tragedy for many of our people in many of our constituencies who will not be won over by bland platitudes and your saying, "Trust us, it will be OK". This is an issue that requires the House to work together. That is what our amendment calls for —

Mr Allister: Will the Member give way?

Mr B McCrea: I am sorry, I do not have the time.

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

Mr B McCrea: That is what the amendment calls for, and that is why I urge everybody to vote for a sensible amendment —

Mr Deputy Speaker: Your time is up.

Mr B McCrea: — that asks for better collaboration for the betterment of everybody.

Mr Deputy Speaker: Order. Your time is up. Before I call Mr Alban Maginness, I remind Members that we have provided a microphone system, and that it is not necessary to shout. Again, remarks have to be made through the Chair. I call Mr Alban Maginness to conclude and wind up the debate.

Mr A Maginness: Thank you, Mr Deputy Speaker. I hope that I do not wind up anybody across the aisle.

I have to disagree with some in the House who believe that the motion and the Ulster Unionist amendment, which we accept, are inappropriate. This is a timely motion and debate. The reason I say that is because the figures that have been pointed out repeatedly in the House show that the economic situation here is getting worse while it is getting better in Britain.

For some time, perhaps the past two years or more, I think we deluded ourselves that, while things were worse in Britain and other parts of these islands, we were all right and would see it out. That is not happening. The unemployment rate here is now higher than in Britain and the rate in Britain is going down. That is the central, material part of the motion, and it is right for the House to address it. The Minister and her colleagues might not like it, but we have to face up to realities.

Mrs Foster: Will the Member give way?

Mr A Maginness: Yes, Minister; I will certainly.

Mrs Foster: The Minister is quite happy to come to the House and discuss unemployment statistics any day of the week. What the Minister objects to is your use of a sentence that the chief executive of Invest NI said on the radio to attack an institution that is doing all it can to bring jobs and investment to Northern Ireland. That is my fundamental issue. The amendment is simply out of date.

Mr A Maginness: If that is really what the Minister's criticism is of the motion and the amendment, it is a very small part of this matter.

Mr Lyttle: Will the Member give way?

Mr A Maginness: I will not, because you have explained your position very clearly and in a very partisan fashion. All the Member from east Belfast did was to come here in support of his Minister: that is all that he was concerned about. His attitude is that he will support the DEL Minister until death. *[Laughter.]*

4.30 pm

Mr Lyttle: Will the Member give way?

Mr A Maginness: That was your sole purpose in coming to the Chamber.

Mr Lyttle: Will the Member give way?

Mr A Maginness: I do not see why I should allow that to be repeated here: does anyone else?

It is not just the fact that unemployment figures are bad and getting worse; it is the fact that the youth unemployment figures are appalling.

Mr Lyttle: Will the Member give way?

Mr A Maginness: You have made your point a number of times; let me speak for a change.

Mr Lyttle: I have a question.

Mr A Maginness: The youth unemployment figure has increased by 5% —

Mr Deputy Speaker: The Member will be seated. I have two points: a Member should not persist in asking for an intervention when it is clear that the person speaking will not give it; and I repeat that shouting from a sedentary position is not acceptable.

Mr A Maginness: Nor will it improve the youth unemployment figures, which have increased by 5%.

We now have 23.5% youth unemployment. How are we going to tackle that? What are our young people going to do? Do we just let them despair? Do we allow them to emigrate? As many Members know, young people are going to Australia, Canada or elsewhere to get employment. Those are well-qualified people. Some are unqualified and unskilled.

We have to ask questions in this House. Where else do we ask them? Ministers are accountable to the Assembly; we are not accountable to Ministers. We are not accountable to the Executive, and Executive Ministers have to learn that. It is all very well for the Minister to get upset about this debate, but she has to listen to constructive criticisms. These are not negative criticisms; these are constructive criticisms.

The green new deal is a very positive thing indeed, but it has been dismissed by the Executive. One has rightly to ask why the Executive are effectively rejecting the green new deal. The concept comes from President Roosevelt's New Deal in the United States during the Depression. The reason that people have adopted that title is because the New Deal got the United States out of recession; that is why we use the term "new deal". The green new deal can do the same for us in Northern Ireland. I believe that Britain is more advanced

in developing the green economy to try to stimulate the economy generally. Recently, £125 million was given to the green deal cash-back offer. That is a sensible approach. The same thing is happening in Scotland where they are building more homes because newbuilds stimulate the economy and get people back to work. It would give those in the construction sector who have been unemployed for lengthy periods the opportunity to work. What are the Executive doing? Are we speeding up the programme of newbuilds or are we not? I believe that the latter is true. We have to do that because the multiplier effect is so helpful in stimulating our economy.

What about European funding? I do not believe that we have exercised more of our skills and efforts to access European funding. Why not? What is our connectivity with the European Union as a devolved regional Executive? I do not believe that it is good. I believe that more work can be done on that, as I said about the green new deal. What about the jobs programme that the business people in Northern Ireland have produced? Do we dismiss the Confederation of British Industry (CBI), the Institute of Directors and all the other business groups that have come together? I do not believe that it is sufficient for us to ignore that, and I believe that we should, in fact, re-examine —

Mr Ross: Will the Member give way?

Mr A Maginness: No; I am running out of time.

It is important that we go back and re-examine that. There is no harm in revisiting things. Why should we not revisit things? Why should we not give our young people greater hope? Why can we not give those who have been unemployed and who believe themselves to be unemployable greater hope and opportunity? I do not accept that it is right for Ministers — whoever they are — to come to the Chamber and simply dismiss criticism. It is up to the Minister to accept criticism and to say, "Yes; perhaps we should do things differently, and maybe we can do things better". That opportunity is there for us, and I believe that we should pursue it vigorously.

It is important to take into account what people have said in the House today. I have heard, in terms of defending the situation, that the global downturn is so heavy, constrictive and deadening that we will not be able to get out of this situation. If that is true, why do we not close up shop? Why does the Executive not simply go away? We have got to give people hope. The attitude that has been expressed by

the Minister certainly does not inspire me in giving hope to those who are unfortunately unemployed. All that we are asking the Minister to do is to re-examine things to try to get a new approach to the situation here.

Incidentally, Mr Frew; it was not Captain Mainwaring who said "Don't panic; don't panic". It was Corporal Jones. *[Laughter.]*

Mr McGlone: I thank the Member for giving way. Just when we talk about people saying things —

Mr Deputy Speaker: Time is up, sorry.

Mr McGlone: Sorry; right.

Mr Lyttle: On a point of order, Mr Deputy Speaker. In the absence of any actual solutions from the SDLP or UUP, I have a copy of the youth employment scheme that Mr Maginness may want to have a read at before he finishes.

Mr Deputy Speaker: That is not a point of order, and it would be helpful if Members asked for points of order.

Mr McGlone: On a point of order, Mr Deputy Speaker. In his intervention, Mr Moutray factually misrepresented my position in regard to gas to the west. I have never said any such thing, or maybe I did not say it on those numerous occasions when he is not at the Committee, but —

Mr Deputy Speaker: If that is the case, Mr McGlone now has it on the record.

Question put, That the amendment be made.

The Assembly divided:

Ayes 48; Noes 41.

AYES

Mr Agnew, Mr Allister, Mr Beggs, Mr Boylan, Ms Boyle, Mr D Bradley, Mr Brady, Mr Byrne, Mr Copeland, Mr Cree, Mrs Dobson, Mr Durkan, Mr Eastwood, Mr Elliott, Ms Fearon, Mr Flanagan, Mr Gardiner, Mr Hazzard, Mrs D Kelly, Mr G Kelly, Mr Kennedy, Mr Kinahan, Mr Lynch, Mr McAleer, Mr F McCann, Mr McCartney, Ms McCorley, Mr B McCrea, Mr McDevitt, Dr McDonnell, Ms McGahan, Mr McGlone, Mr McKay, Mrs McKeivitt, Ms Maeve McLaughlin, Mr Mitchel McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, Mr

Nesbitt, Mr Ó hOisín, Mrs Overend, Mr P Ramsey, Ms S Ramsey, Mr Rogers, Ms Ruane, Mr Sheehan, Mr Swann.

Tellers for the Ayes: Mr Beggs and Mrs Overend

NOES

Mr Anderson, Mr Bell, Ms P Bradley, Ms Brown, Mr Buchanan, Mr Campbell, Mr Clarke, Mrs Cochrane, Mr Craig, Mr Dickson, Mr Douglas, Mr Dunne, Mr Easton, Dr Farry, Mr Ford, Mrs Foster, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hilditch, Mr Humphrey, Mr Lunn, Mr Lyttle, Mr McCarthy, Mr McCausland, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McQuillan, Lord Morrow, Mr Moutray, Mr Newton, Mr G Robinson, Mr P Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir, Mr Wilson.

Tellers for the Noes: Mr Dunne and Mr Frew

Question accordingly agreed to.

Main Question, as amended, put.

The Assembly divided:

Ayes 48; Noes 41.

AYES

Mr Agnew, Mr Allister, Mr Beggs, Mr Boylan, Ms Boyle, Mr D Bradley, Mr Brady, Mr Byrne, Mr Copeland, Mr Cree, Mrs Dobson, Mr Durkan, Mr Eastwood, Mr Elliott, Ms Fearon, Mr Flanagan, Mr Gardiner, Mr Hazzard, Mrs D Kelly, Mr G Kelly, Mr Kennedy, Mr Kinahan, Mr Lynch, Mr McAleer, Mr F McCann, Mr McCartney, Ms McCorley, Mr B McCrea, Mr McDevitt, Dr McDonnell, Ms McGahan, Mr McGlone, Mr McKay, Mrs McKeivitt, Ms Maeve McLaughlin, Mr Mitchel McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, Mr Nesbitt, Mr Ó hOisín, Mrs Overend, Mr P Ramsey, Ms S Ramsey, Mr Rogers, Ms Ruane, Mr Sheehan, Mr Swann.

Tellers for the Ayes: Mrs Overend and Mr Rogers

NOES

Mr Anderson, Mr Bell, Ms P Bradley, Ms Brown, Mr Buchanan, Mr Campbell, Mr Clarke, Mrs Cochrane, Mr Craig, Mr Dickson, Mr Douglas, Mr Dunne, Mr Easton, Dr Farry, Mr Ford, Mrs Foster, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hilditch, Mr Humphrey, Mr Lunn, Mr Lyttle, Mr McCarthy, Mr

McCausland, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McQuillan, Lord Morrow, Mr Moutray, Mr Newton, Mr G Robinson, Mr P Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir, Mr Wilson.

Tellers for the Noes: Mr Dunne and Mr Frew

Main Question, as amended, accordingly agreed to.

Resolved:

That this Assembly notes with grave concern that the unemployment rate has risen by 19,000 in the three years between the quarters ended July 2009 and July 2012 and that 23.5% of 18- to 24-year-olds, some 24,000 young people, are unemployed with little prospect of work; acknowledges that the role of Invest NI is to grow the local economy; expresses dismay that Invest NI appeared to display an attitude of resigned acceptance to the job losses at FG Wilson; notes with concern that there was no dedicated Invest NI business start-up scheme in place for over a year; further notes that the Executive have not adequately funded the job creation proposals of the Northern Ireland green new deal or developed the proposals of the jobs plan published by a business alliance including the Confederation of British Industry and the Institute of Directors; and calls on the Minister of Enterprise, Trade and Investment, supported by the Executive and Invest NI, to tackle rising unemployment by launching a robust job creation and business support strategy based on these proposals and to give a commitment to work with the Minister for Employment and Learning in making bids for the significant Barnett consequential arising from the Youth Contract initiative, as announced by the coalition Government at Westminster, to tackle youth unemployment specifically.

Adjourned at 5.00 pm

WRITTEN MINISTERIAL STATEMENT

The content of this ministerial statement is as received at the time from the Ministers. It has not been subject to the official reporting (Hansard) process.

Office of the First Minister and deputy First Minister

Amendments to the Terms of Reference of the Historical Institutional Abuse Inquiry

Published at 10.00 am on Thursday 18 October 2012

Mr P Robinson (The First Minister) and Mr M McGuinness (The deputy First Minister): Our 31 May 2012 Statement to the Assembly set out the Terms of Reference for the Executive's Inquiry and Investigation into Historical Institutional Abuse, in which the "relevant period" meant the period between 1945 and 1995 (both years inclusive).

We have considered very seriously representations from stakeholders and from the OFMDFM Committee that the Terms of Reference should be amended.

Having consulted the Chair we have concluded that it is appropriate to amend the relevant period of the inquiry from 1945-1995 to 1922-1995 and to add the words "Bearing in mind the need to guard against future abuse". Otherwise, everything is as announced on the 31st of May 2012.

These Terms of Reference will be referred to in Clause 1 of the Inquiry into Historical Institutional Abuse Bill, which will state that "The terms of reference of the inquiry are as set out in a statement to the Assembly made by the First Minister and deputy First Minister acting jointly on 18th October 2012.

Terms of Reference

The NI Executive's Inquiry and Investigation into historical institutional abuse will examine if there were systemic failings by institutions or the state in their duties towards those children in their care between the years of 1922-1995.

For the purposes of this Inquiry "child" means any person under 18 years of age; "institution" means any body, society or organisation with responsibility for the care, health or welfare of children in Northern Ireland, other than a school (but including a training school or borstal) which, during the relevant period, provided residential accommodation and took decisions about and made provision for the day to day care of children; "relevant period" means the period between 1922 and 1995 (both years inclusive).

The Inquiry and Investigation will conclude within a 2 year 6 month period following the commencement of the legislation establishing its statutory powers.

The Inquiry and Investigation under the guidance of the Panel will make as many preparations as practicable prior to the passing of the relevant legislation, this will include the commencement of the research element. Commencement of the work of the Acknowledgement Forum is not dependent upon the commencement of legislation and will begin its work as soon as practicable.

The Chair of Investigation and Inquiry Panel will provide a report to the Executive within 6 months of the Inquiry conclusion. If additional time is required the Chairman will, with the agreement of the Panel, request an extension from the First Minister and deputy First Minister which will be granted provided it is not unreasonable.

The Inquiry and Investigation will take the form of
an Acknowledgement Forum,
a Research and Investigative team and

an Inquiry and Investigation Panel with a statutory power which will submit a report to the First Minister and deputy First Minister.

The functions of each are as follows:

An Acknowledgment Forum

An Acknowledgment Forum will provide a place where victims and survivors can recount their experiences within institutions. A 4 person panel will be appointed by the First Minister and deputy First Minister to lead this forum. This Forum will provide an opportunity for victims and survivors to recount their experience on a confidential basis. A report will be brought forward by the panel outlining the experiences of the victims and survivors. All records will be destroyed after the Inquiry is concluded. The records will not be used for any other purpose than that for which they were intended. If necessary, the Forum will have the authority to hear accounts from individuals whose experiences fall outside the period 1922 – 1995. The Acknowledgment Forum will operate as a separate body within the Inquiry and Investigation accountable to and under the chairmanship of the Inquiry and Investigation Panel Chair.

A Research and Investigative team

A Research and Investigative team will report to and work under the direction of the Chair of the Inquiry and Investigation. The team will:

- Assemble and provide a report on all information and witness statements provided to the Acknowledgement Forum;
- Provide an analysis of the historical context that pertained at the time the abuse occurred; and
- Provide a report of their findings to the Acknowledgement Forum and to the Chair of the Inquiry and Investigation.

An Investigation and Inquiry Panel

An Inquiry and Investigation Panel will produce a final report taking into consideration the report from the Acknowledgement Forum, the report of the Research and Investigative team and any other evidence it considers necessary. The Panel will be led by a Chairperson supported by two other members, who will be appointed by the First Minister and deputy First Minister. The Chairperson of the Inquiry and Investigation will also be responsible for the work of the Acknowledgement Forum and for the Research and Investigative Team.

On consideration of all of the relevant evidence, the Chairperson of the Inquiry and Investigation will provide a report to the NI Executive within 6 months of the conclusion of their Inquiry and Investigation. Bearing in mind the need to guard against future abuse, the report will make recommendations and findings on the following matters:

- An apology - by whom and the nature of the apology;
- Findings of institutional or state failings in their duties towards the children in their care and if these failings were systemic;
- Recommendations as to an appropriate memorial or tribute to those who suffered abuse;
- The requirement or desirability for redress to be provided by the institution and/or the Executive to meet the particular needs of victims.

However, the nature or level of any potential redress (financial or the provision of services) is a matter that the Executive will discuss and agree following receipt of the Inquiry and Investigation report.

The Northern Ireland Executive will bring forward legislation at the beginning of this process to give a statutory power to the Inquiry and Investigation to compel the release of documents and require witnesses to give evidence to the Inquiry and Investigation. It is hoped that the legislative power will not be needed, however; the power will be available if required. As far as possible the Inquiry should be inquisitorial in nature rather than adversarial.

A Witness Support Service will be established by to support Victims and Survivors throughout their contact with the Inquiry process. The Office of the First Minister and deputy First Minister will establish a wider Victims Support Service to provide support and advice to victims before, during and after the inquiry.



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