

# Official Report (Hansard)

Tuesday 25 February 2014  
Volume 92, No 4



# Contents

## **Executive Committee Business**

|  |   |
|--|---|
| Carrier Bags Bill: Further Consideration Stage ..... | 1 |
|--|---|

## **Oral Answers to Questions**

|   |    |
|---|----|
| Agriculture and Rural Development ..... | 20 |
|---|----|

|                                 |    |
|---------------------------------|----|
| Culture, Arts and Leisure ..... | 30 |
|---------------------------------|----|

## **Executive Committee Business**

|   |    |
|---|----|
| Carrier Bags Bill: Further Consideration Stage ( <i>Continued</i> ) ..... | 40 |
|---|----|

## **Private Members' Business**

|  |    |
|--|----|
| Guide Dogs: Working Dogs Classification..... | 53 |
|--|----|

|                                |    |
|--------------------------------|----|
| <b>Assembly Business</b> ..... | 62 |
|--------------------------------|----|

## **Committee Business**

|                                       |    |
|---------------------------------------|----|
| Credit Unions: Financial Support..... | 62 |
|---------------------------------------|----|

## **Adjournment**

|                              |    |
|------------------------------|----|
| Creavery Primary School..... | 77 |
|------------------------------|----|

Suggested amendments or corrections will be considered by the Editor.

They should be sent to:

The Editor of Debates, Room 248, Parliament Buildings, Belfast BT4 3XX.

Tel: 028 9052 1135 · e-mail: [simon.burrowes@niassembly.gov.uk](mailto:simon.burrowes@niassembly.gov.uk)

to arrive not later than two weeks after publication of this report.

# Assembly Members

Agnew, Steven (North Down)  
Allister, Jim (North Antrim)  
Anderson, Sydney (Upper Bann)  
Attwood, Alex (West Belfast)  
Beggs, Roy (East Antrim)  
Bell, Jonathan (Strangford)  
Boylan, Cathal (Newry and Armagh)  
Boyle, Ms Michaela (West Tyrone)  
Bradley, Dominic (Newry and Armagh)  
Bradley, Ms Paula (North Belfast)  
Brady, Mickey (Newry and Armagh)  
Buchanan, Thomas (West Tyrone)  
Byrne, Joe (West Tyrone)  
Cameron, Mrs Pam (South Antrim)  
Campbell, Gregory (East Londonderry)  
Clarke, Trevor (South Antrim)  
Cochrane, Mrs Judith (East Belfast)  
Copeland, Michael (East Belfast)  
Craig, Jonathan (Lagan Valley)  
Cree, Leslie (North Down)  
Dallat, John (East Londonderry)  
Dickson, Stewart (East Antrim)  
Dobson, Mrs Jo-Anne (Upper Bann)  
Douglas, Sammy (East Belfast)  
Dunne, Gordon (North Down)  
Durkan, Mark (Foyle)  
Easton, Alex (North Down)  
Eastwood, Colum (Foyle)  
Elliott, Tom (Fermanagh and South Tyrone)  
Farry, Stephen (North Down)  
Fearon, Ms Megan (Newry and Armagh)  
Flanagan, Phil (Fermanagh and South Tyrone)  
Ford, David (South Antrim)  
Foster, Mrs Arlene (Fermanagh and South Tyrone)  
Frew, Paul (North Antrim)  
Gardiner, Samuel (Upper Bann)  
Girvan, Paul (South Antrim)  
Givan, Paul (Lagan Valley)  
Hale, Mrs Brenda (Lagan Valley)  
Hamilton, Simon (Strangford)  
Hay, William (Speaker)  
Hazzard, Chris (South Down)  
Hilditch, David (East Antrim)  
Humphrey, William (North Belfast)  
Hussey, Ross (West Tyrone)  
Irwin, William (Newry and Armagh)  
Kelly, Mrs Dolores (Upper Bann)  
Kelly, Gerry (North Belfast)  
Kennedy, Danny (Newry and Armagh)  
Kinahan, Danny (South Antrim)  
Lo, Ms Anna (South Belfast)  
Lunn, Trevor (Lagan Valley)  
Lynch, Seán (Fermanagh and South Tyrone)  
Lyttle, Chris (East Belfast)  
McAleer, Declan (West Tyrone)  
McCallister, John (South Down)  
McCann, Fra (West Belfast)  
McCann, Ms Jennifer (West Belfast)  
McCarthy, Kieran (Strangford)  
McCartney, Raymond (Foyle)  
McCausland, Nelson (North Belfast)  
McClarty, David (East Londonderry)  
McCorley, Ms Rosaleen (West Belfast)  
McCrea, Basil (Lagan Valley)  
McCrea, Ian (Mid Ulster)  
McDonnell, Alasdair (South Belfast)  
McElduff, Barry (West Tyrone)  
McGahan, Ms Bronwyn (Fermanagh and South Tyrone)  
McGimpsey, Michael (South Belfast)  
McGlone, Patsy (Mid Ulster)  
McGuinness, Martin (Mid Ulster)  
McIlveen, David (North Antrim)  
McIlveen, Miss Michelle (Strangford)  
McKay, Daithí (North Antrim)  
McKevitt, Mrs Karen (South Down)  
McKinney, Fearghal (South Belfast)  
McLaughlin, Ms Maeve (Foyle)  
McLaughlin, Mitchel (South Antrim)  
McMullan, Oliver (East Antrim)  
McNarry, David (Strangford)  
McQuillan, Adrian (East Londonderry)  
Maginness, Alban (North Belfast)  
Maskey, Alex (South Belfast)  
Milne, Ian (Mid Ulster)  
Morrow, The Lord (Fermanagh and South Tyrone)  
Moutray, Stephen (Upper Bann)  
Nesbitt, Mike (Strangford)  
Newton, Robin (East Belfast)  
Ní Chuilín, Ms Carál (North Belfast)  
Ó hOisín, Cathal (East Londonderry)  
O'Dowd, John (Upper Bann)  
O'Neill, Mrs Michelle (Mid Ulster)  
Overend, Mrs Sandra (Mid Ulster)  
Poots, Edwin (Lagan Valley)  
Ramsey, Pat (Foyle)  
Ramsey, Ms Sue (West Belfast)  
Robinson, George (East Londonderry)  
Robinson, Peter (East Belfast)  
Rogers, Seán (South Down)  
Ross, Alastair (East Antrim)  
Ruane, Ms Caitriona (South Down)  
Sheehan, Pat (West Belfast)  
Spratt, Jimmy (South Belfast)  
Storey, Mervyn (North Antrim)  
Swann, Robin (North Antrim)  
Weir, Peter (North Down)  
Wells, Jim (South Down)  
Wilson, Sammy (East Antrim)

# Northern Ireland Assembly

Tuesday 25 February 2014

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

*Members observed two minutes' silence.*

## Executive Committee Business

### Carrier Bags Bill: Further Consideration Stage

**Mr Speaker:** I call the Minister of the Environment, Mr Durkan, to move the Further Consideration Stage of the Carrier Bags Bill.

*Moved. — [Mr Durkan (The Minister of the Environment).]*

**Mr Speaker:** Members will have a copy of the Marshalled List of amendments detailing the order for consideration. The amendments have been grouped for debate in the provisional grouping of amendments selected list. There is a single group of five amendments. The amendments deal with the meaning of carrier bag and exemptions for carrier bags of certain materials, as well as requiring the Department to report on biodegradable carrier bags. Once the debate is completed, any further amendments in the group will be moved formally as we go through the Bill, and the Question on each will be put without further debate. If that is clear, we shall proceed.

#### **Clause 9 (Amendments of the 2013 Regulations)**

**Mr Speaker:** We now come to the single group of amendments for debate. With amendment No 1, it will be convenient to debate amendment Nos 2 to 5. Members should note that amendment Nos 1 and 2 are mutually exclusive and that I will not call amendment No 2 if amendment No 1 is made. Amendment Nos 3 and 4 are consequential to amendment Nos 1 and 2. I will not call amendment Nos 3 and 4 unless either amendment No 1 or amendment No 2 is made.

I call Mr Allister to move amendment No 1 and to address the other amendments in the group.

**Mr Allister:** I beg to move amendment No 1: In page 3, line 25, after "any material" insert

*", except bags made wholly or mainly of paper,".*

*The following amendments stood on the Marshalled List:*

No 2: In page 3, line 25, after "any material" insert

*", except a bag made wholly or mainly of paper, hessian material, cotton, cloth or jute,".— [Mr Weir.]*

No 3: In page 3, line 35, at end insert -

*"( ) omit head (g);"— [Mr Allister.]*

No 4: In page 3, line 35, at end insert -

*"( ) omit head (i);"— [Mr Allister.]*

#### **New Clause**

No 5: After clause 9 insert -

#### **"Report on biodegradable carrier bags"**

**9A.—***(1) The Department must, within 18 months of Royal Assent, prepare a report on biodegradable carrier bags.*

*(2) A report under this section must consider—*

*(a) the desirability of any exemptions on the grounds of biodegradability from the requirement to charge for carrier bags;*

*(b) the criteria under which any such exemptions should apply; and*

*(c) how any exemptions on the grounds of biodegradability proposed in the report would be implemented.*

*(3) The Department must—*

*(a) lay a report under this section before the Assembly; and*

*(b) publish a report under this section in such a manner as it thinks appropriate."— [Mr Weir.]*

**Mr Allister:** Yesterday, the Finance Minister reminded us that it is always a prudent approach in legislation to not legislate unnecessarily and to do only that which is appropriate. I think that, today, we have an illustration of that aspect of legislating, because, in the Carrier Bags Bill, it seems to me that, thus far, the Assembly has gone further than it needed to go in addressing the mischief that the legislation was intended to address. A starting point, therefore, is to ask what mischief the Carrier Bags Bill seeks to address.

I do not think that you will find anyone in this House, at this stage, who would argue with the fact that plastic carrier bags have been a blight on our environment and community by virtue of their proliferation, their unsightliness, their persistence and the fact that they cling to hedges, wires and all sorts of things for months and years on end. In consequence, they make a pretty tawdry contribution to the environment. The reason they make that tawdry contribution to our environment is that they are, by and large, non-biodegradable. I suppose that, ultimately, everything is degradable, but the time frame involved in plastic bags degrading is such that they can effectively be regarded as non-biodegradable. Therefore, there is a certain logic or sense in saying that, if we want to tackle that mischief, we should tackle it by virtue of legislation that imposes a levy — a disinclination on people to use carrier bags — and, through that mechanism, we will bring down their use in society. And so it has proved to be.

However, when that legislation also, in my contention, unnecessarily overreaches itself to include other things that are eminently biodegradable, I suggest that it has gone too far. In going too far, I do not think that we do ourselves or our constituents any credit or advantage.

**Mr Wilson:** I thank the Member for giving way. He has outlined the case very well as to why single-use plastic carrier bags were legislated against in the first place. Will he take the point that perhaps the real reason behind the change now is that, because of the success of the legislation, the revenue obtained is substantially lower than the revenue that was expected and

that this is simply an imposition or a tax to raise revenue? It is nothing to do with the environment, and it is nothing to do with cleaning up the countryside; it is all about raising the revenue that the Minister had expected to get from the carrier bags legislation that has not materialised.

**Mr Allister:** The Member may well be right. I think that there is certainly stealth at play. I think that the legislation overreaches in its inclusion of all types of bags, and now the proposition is that a bag of any material can be defined and caught by this legislation. That, in itself, is legislating by stealth, as it were, in order to encompass and embrace things that were not in the original anticipated ambit. I think that it is probably true that, since the tax yield has been so disappointing, perhaps an opportunity is being taken to tax by stealth as well and to bring in more aspects.

When I talk to ordinary folk in the street, they tell me that they find it amazing and are resentful of the fact that it is proposed that we should pay a tax on all paper bags. Leave a paper bag outside on a day like today, and how long will it be there? It will, very quickly, by virtue of soaking up moisture, disintegrate and disappear; it is not akin to, parallel with or like a plastic bag, which will withstand the elements for years on end. It will degrade and, therefore, will not have the impact on the environment that other types of bags have. I feel that, by stealth, there has been an overreaching, an extension beyond a litter-control and pollution-control measure, to encompass all those bags.

The Assembly should revisit and rethink its stance on the matter. I am glad that there are signs that my amendment has already done that and caused some who were content, until now, with issues in the Carrier Bags Bill to revisit and rethink them. That is healthy and good, and I am glad that it has happened.

It is also relevant to consider the position elsewhere in these British Isles, because, of course, the first part of the British Isles to take any sort of step in respect of carrier bags was the Republic of Ireland. Its 2001 regulations, which have not been altered, and for which there is no proposal to alter, deal exclusively with plastic bags. Those regulations put a levy only on plastic bags that are not designed for reuse and which were sold for less than the stipulated amount. There, it was introduced primarily as a litter-control measure, and there is no proposal in the Irish Republic to extend the levy to paper bags. Of course, some, maybe the Minister included — I am not sure whether he is an economic unionist, as some in

his party seem to be — but, by ideology I think that the Minister and certainly the originators of the plastic bag tax proposal, Sinn Féin, like to dream of aligning us more and more with the Republic of Ireland. Yet, here today, they wish to diverge; they wish to take us in a totally different direction. For once, I can say to the House that I think the Republic of Ireland has got it right. The Minister would do well to follow the example on the plastic bag tax that has been set in the Republic of Ireland and not overstretch, overreach, over-legislate and do unnecessary things, such as those that he wishes to do and, indeed has done, and which the House has done to date.

**Mr Agnew:** I thank the Member for giving way. Although it is sometimes amusing to have such conversations as "You're a nationalist; you support the Republic. You're a unionist; you support the British", good governance should be at the heart of what we do. The rest of the UK has looked at the Irish example and said, "It was a good start, but we could and should go further". Indeed, it is moving in that direction. Should we not learn from the trailblazers, which, in this case, was the Republic, which did it first, but learn lessons from where it got it wrong?

**Mr Allister:** The Member says that the rest of the UK is going further. That is a fallacy. Yes, Wales and Scotland have legislation akin to what is in this Bill, but England, the greater part of the United Kingdom, under the Department for Environment, Food and Rural Affairs (DEFRA), has issued a consultation.

**Mr A Maginness:** Might it not be the only part?

**Mr Allister:** It is certainly not the only part. I have every confidence that the United Kingdom will remain the United Kingdom of England, Scotland, Wales and Northern Ireland; I have every confidence of that.

Mr Agnew says that the rest of the United Kingdom is moving in a different direction. No, DEFRA issued a consultation — a call for evidence — in November 2013. That call for evidence is a proposal for a 5p levy on single-use plastic bags only, with an exemption even for biodegradable plastic bags. Far from the rest of the United Kingdom moving, as this legislation does, to encompass all bag materials that can be defined as a plastic bag, the largest part of the United Kingdom is, in fact, moving in a far more restrained manner with the DEFRA consultation being only for single-use plastic bags and with an exemption for biodegradable plastic bags. In that call for evidence, it is

seeking to set a specification for a standard of biodegradability that would be set to meet the exemption. It is certainly not moving towards the direction in which this House has taken itself; it is quite the contrary.

#### 10.45 am

Yesterday, the Minister issued to us all, in a rather extravagant use of paper, I thought, six pages, three of which are essentially blank. In that document, he suggested that the GB proposition is quite different, but, strangely, he did not mention the DEFRA proposition. It escaped his attention in setting out what he called a fact-sheet. I would have thought that a fact-sheet should start with the fundamental facts. If you are going to talk about the fundamental facts that pertain to the rest of the United Kingdom, how do you escape and avoid including DEFRA's proposals for England? The Minister treated us, however, to an exposition of what the UK Environment Agency thinks of the Government's proposals. This, of course, is the same agency that, in the past few weeks, has covered itself in discredit and to which we can give some of the thanks for the flooding on the Somerset levels because it would not allow them to be dredged and drained. It is, nevertheless, the Environment Minister's mentor.

The Minister tells us that the Environment Agency wants all carrier bags, such as he wishes, included in the English legislation. It may so wish, but that is most certainly not the proposal from Her Majesty's Government in respect of England. I was surprised that the Minister sought to avoid that and cover it up in that way. If the Minister was setting out a fact-sheet, he should have been more factual about the situation in the rest of the United Kingdom.

In that paper, he laboured much on the fact that huge amounts of energy, water, bleaches and other chemicals go into the manufacture of paper bags, exacting a heavy environmental impact. Is this, then, a tax on manufacturing? Is that what the Minister is pushing and promoting — a tax on manufacturing? Either this is a tax on bags, or it is a tax on manufacturing. Is the Minister suggesting that we head down the road of putting a tax on manufacturing in this country? Is he going to say to my constituents in Ballymena, who work in industries such as Michelin, the tobacco factory or Wrightbus, that, if those manufacturers are doing anything that is not environmentally perfect, they will be taxed? Is that the road that the Minister wants to take us down?

I thought that the Executive were supposed to have due regard for economic needs, interests and advancement.

Putting a tax on manufacturing is nothing to do with economic advancement.

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

**Mr Allister:** Yes, I will give way.

**Mr Wilson:** Will the Member accept that, if that is the principle behind the legislation, there is not an economic activity in Northern Ireland that will be exempt from the predatory actions of the Environment Minister? That includes activities such as primary production in agriculture, the extraction of stone and the growing, processing and even the sale of food because, of course, the transport of those goods will have the same impact on the environment. All of those activities are now in the sights of the Environment Minister, who wants to take us back to I do not know what kind of society.

**Mr Allister:** I must say that it sounds very like it. If the Minister's first argument in his paper is for what amounts to a tax on manufacturing, that sets a very dangerous precedent for our economy. I really am surprised. I am even more surprised when you consider that, in fact, no paper bags are manufactured in Northern Ireland. We import the paper bags that we use. The nearest plant is in Scotland. So he wants to put a tax on the manufacture of paper bags that are not even manufactured in Northern Ireland. I think that the Minister has lost the run of himself.

It is time to rein in and think again about what the mischief is that we are trying to address and, therefore, what it is that we need to do to address it. His facts paper tells us that, based on the Environment Agency's life cycle assessment, paper bags need to be reused at least three times to have less of a carbon impact than a single-use plastic bag that is used once and thrown away. I have to say to the Minister that that almost sounds like an argument in favour of plastic bags. It really is going out of one's way to find arguments, when there are no justifiable arguments, to try to dress up a proposal that is an overstretch in legislation.

What of the economic impacts of this tax? The Minister knows, because I brought one of the companies involved to see him. He knows that, in Northern Ireland, we have a small service industry involved in the distribution of packaging. One of those firms is based in

Ballymena, and the Minister had the advantage of hearing from Maxwell Packaging of the impact, maybe unforeseen or maybe not, of the carrier bag tax on its business. He heard how, already, it has had to lay off two people, including a man who had worked there for 25 years, because of the reduction in demand for paper bags. He heard how another company in Bangor, Kingsbury Packaging, had to close its doors with the loss of four jobs. He heard how William Montgomery in Belfast has also had to lay off two men.

**Mr Weir:** I thank the Member for giving way. Yesterday, we had a question for urgent oral answer on the redundancies in east Londonderry. Collectively and rightly, the Assembly said that it was terrible that people were being made redundant and that it would do all that it could to try to help that situation. Yet, if we do not adopt a sensible attitude today, the Assembly, through its own legislation, will potentially make people redundant. Does the Member agree that there is a tremendous irony in that, given the events of yesterday?

**Mr Allister:** Yes, I do. Sadly, the Assembly, by its stance to date on carrier bags, has made people redundant. The eight people whose redundancies I recited in the three locations in Northern Ireland have been —

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

**Mr Allister:** When I finish this point. They have been made redundant by virtue of the stance already taken on carrier bag legislation. I say to the House that it is time to pause, reflect on what we have done and take the opportunity offered by this Bill to row back by excluding at least paper bags from the definition of a carrier bag caught by the legislation.

**Mr Agnew:** I thank the Member for giving way. I certainly would not defend the Executive's record on the economy and employment, but is he suggesting that we should never legislate where it could mean a loss of jobs to any number of people, even if it is for the wider common good?

**Mr Allister:** I am sure that one can think of circumstances in which legislation may well be justified, but what I am talking about is cavalier legislating with no regard or thought and that needlessly puts people out of jobs. Is it really worth putting people out of their jobs to tick some box and say, "Aren't we the people to fight to stem the tide of destruction of the environment, because, my, oh my, we are



going to stop the use of paper bags in Northern Ireland".

Has it really come to that? Are we going to fight our way out of a paper bag —

**Mr Wilson:** A wet paper bag.

**Mr Allister:** — a wet paper bag — in order to say that we have proven our green credentials? That seems to me to be what it is coming to. These are real jobs for people.

There is also a very important commercial aspect involved, because the average high street shop, which is suffering so much at this time, depends on branding, advertising and commercially promoting itself. The shop on the high street wants to give a paper bag to the customer, not just to accommodate the customer, but because on the outside of the bag is the company branding, so, when customers carry it down the street, they are advertising the shop from where they have just made a purchase. To commercial operations in shops, that is an important part of their own promotion. However, today, by virtue of a tax, people avoid taking the paper bag because they would have to pay for it. You have people literally carrying school uniforms and shoes out of shops. That in itself, I am told, is contributing significantly to a rise in pilfering in shops, mostly of smaller items.

We need to think beyond the simple proposition. If a shop is being deprived of the right to offer a paper bag free of charge, knowing that the return that it is getting is advertising, and instead has to ask customers, who already possibly think that they have paid too much, for another so many pence for the bag, a lot of them will not take the bag. The consequence is both a drastic decline in advertising on the high street for those companies and a drastic decline in revenue for the packaging distributors. That is what the Minister heard from Mr Maxwell. The run of a salesman centred on, say, mid-Ulster used to take a week because of the number of outlets that were buying bags, but it now takes two days, such is the negative impact on commerce and industry.

I say to the House that it is time to take stock and realise that, although the original motivation and ambition may have been sound, we have overstretched in the legislation. It is time to focus it on the mischief that we are addressing and to permit the sale, without tax, of paper bags.

I had a letter last week from a sweet manufacturing company here in east Belfast, pointing out how it relies for the sale of hard-boiled sweets, particularly in some types of shops, on their having a paper bag. Now, that is to be subject to a tax. For a kid who buys a 10p mix in a shop, if that is put in a certain size of bag, it will include an extra 5p tax. Is that really what we want the Assembly to be doing?

**11.00 am**

Already, the folly of including paper bags has had to be offset, to some extent, by a series of exemptions. If we have to exempt bags that carry unpackaged food and other things, would it not be simpler and common sense to exempt paper bags from the tax altogether? In the end, this is an appeal for common sense to prevail. We are not advancing any cause by including paper bags in the taxation under the Carrier Bags Bill. It is towards that end and for that purpose, Mr Speaker, that I move the amendment.

**Ms Lo (The Chairperson of the Committee for the Environment):** On behalf of the Environment Committee, I welcome the Further Consideration Stage of the Carrier Bags Bill.

The Committee began its scrutiny of the Bill on 11 June 2013 and published its report on 26 November 2013. At the outset, I would like to say that there is no specific Committee view on the amendments in front of us today as they were not brought to members' attention during Committee Stage.

On amendment Nos 1 to 4, the Committee did not discuss at great length the use of materials, other than plastic, that would be used to manufacture carrier bags. Members heard that the European Union recently adopted proposals requiring member states to reduce their use of lightweight plastic carrier bags. Those proposals go so far as to recognise the introduction of an outright ban under certain conditions.

On amendment No 5 — can I talk about amendment No 5 now?

**Mr Speaker:** Yes.

**Ms Lo:** The Committee's scrutiny included consideration of the introduction of biodegradable plastic bags, although the Department indicated that the definition of "biodegradable" may prove problematic. The Committee considered the use of a grading system for plastic bags, similar to that currently

in use to specify the energy-efficiency rating of domestic appliances. That would indicate the environmental impact of plastic carrier bags available from retail outlets. Accordingly, in its report, the Committee recommended that the Department consider the wider measures available to it to reduce the quantity of plastic bags in circulation and the inclusion of those measures in its overall waste management strategy.

Now, with your indulgence, Mr Speaker, I shall add a few words on behalf of the Alliance Party. First, it is important to remind Members that the Bill is about all carrier bags, not just plastic bags. The levy for single-use bags and low-cost reusable bags aims to discourage people from throwing away their bags after a single use, whether they are made of plastic, paper or any other material. Most bags that are made of hessian material, cloth, cotton or jute, as referred to in amendment No 2, are unlikely to be sold for less than 20p and would not be subject to the levy.

**Mr Weir:** I thank the Member for giving way. I am perfectly happy to acknowledge this and will deal with it in my remarks. The Member said that most of those bags would not be under 20p. Consequently, by definition, does the Member therefore accept that some bags of that nature could be under 20p? Is there not an anomaly with regard to "bags for life", which, I am sure, all of us want to see pushed? We would have an odd situation in which at least some of those bags would be subject to the levy while others that are more environmentally damaging would not. That is certainly part of the specifics of the amendments that I will put forward.

**Ms Lo:** I take the Member's point. I would certainly argue that the majority of those bags would be more than 20p.

We must recognise that every bag has a value and a carbon impact. We should all try to reduce waste — to cut greenhouse gas emissions — if we are to meet our Programme for Government targets. Paper bags, although recyclable and biodegradable, have a much higher carbon footprint than plastic bags in their production, transport, storage and disposal. The House of Commons Environmental Audit Committee's plastic bags report states that a month's worth of paper bags results in carbon emissions of 5.52 kg, compared with 2.08 kg for a month's worth of single-use plastic bags. We can see the difference there.

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

**Ms Lo:** Yes, of course.

**Mr Wilson:** Will the Member then accept that the logic of her argument is that, for example, Delta Print and Packaging, which operates in west Belfast —

**Mr Speaker:** I ask the Member to bring the microphone closer to him. On many occasions, we can normally hear the Member in the House. *[Laughter.]* However, this morning there is a failure to hear the Member.

**Mr Wilson:** OK. Delta Print and Packaging, which operates in west Belfast, an area of very high unemployment, has turned itself into one of the most efficient packaging companies in the United Kingdom. Under her criteria, we should tax it out of existence in order to cut down greenhouse gas and reduce the pollution that results from the paper packaging of the boxes that they use for a variety of purposes. Is she really saying that that is the price that the Alliance Party is asking industry and employers in Northern Ireland to face?

**Ms Lo:** I am absolutely not saying that. Delta Print and Packaging is a wonderful company. I have worked with it —

**Mr McKay:** I thank the Member for giving way. The Member for East Antrim should point to his own Benches, because, when this legislation originally came through in 2011, I think, it was the DUP's idea to include paper bags. It was not my idea at that time. It was the DUP's idea.

**Ms Lo:** There you are. What I was going to say is that — *[Interruption.]*

**Mr Speaker:** Order. Let us not have a debate across the Chamber. The Member has the Floor.

**Ms Lo:** Thank you, Mr Speaker. I will take your guidance.

What I am saying is that, if we have such a massive amount — do not forget that, before the 5p levy on single-use bags, we saw millions of single-use plastic bags each year. My worry is that, if we replace single-use plastic bags with paper bags, we will see millions of them floating around and people throwing them away after use onto the street and into the environment, damaging our wildlife. We are not comparing like with like: if you are talking about going to give plastic bags to supermarkets, you are talking of giving each customer five, six or

10 plastic bags per purchase. We are not saying the same thing.

If paper bags are to be exempt from the levy, as I said, I worry that paper bags will be substituted for single-use plastic bags and we will see millions of paper bags each year being thrown away, many littering the streets and countryside. The exemption for paper bags defeats the purpose of the charging arrangements established in phase 1 last April and phase 2, which is intended under the Bill.

Amendment No 5 calls on the Department to prepare a report on biodegradable carrier bags within 18 months of Royal Assent. DUP members on the Committee were very much in favour of delaying the implementation of the levy in the Carrier Bags Bill from April this year to January 2015, making the argument that we needed a longer period for phase 1 to embed and for accurate data collection. The Committee certainly agreed with that and pushed departmental officials to make a departmental amendment. For the Department to produce, within 18 months, a report on biodegradable bags could equally be criticised as being too hasty.

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

**Ms Lo:** Yes, of course.

**Mr Weir:** I have to say — I will address this a little later — that there is a degree of confusion about a couple of the issues with amendment No 5. The Member is right in what she said about the DUP members on the Committee. Our argument was, I think, accepted by the Committee, and the Minister then took a reasonable approach to the time phases.

Following representations from retailers, we raised a specific issue about the burden that implementation would place on shops, particularly at the point at which any change takes place. At the end of the day, the mechanics of implementation are nothing particularly to do with the merits of whether the levy should be on one particular bag or another.

There is a provision in the legislation for a general review. However, this is quite specifically about biodegradability. There are issues around what counts as biodegradable and whether exemptions should be made specifically for biodegradable bags. As the Member is well aware, there is a range of exemptions in connection with that at present. This would focus in on a single issue; it would not prejudice the result of any report. It is

simply about obtaining a report on the issue of biodegradability and the suitability. It is not tied in with the phasing in of implementation from January onwards. It is simply about producing a report. That seems to me to be a fairly common-sense approach. Even if the Member does not accept the exemptions put forward by Mr Allister and me today, surely she agrees that there is sense in having a focused report on the issue of biodegradability and its implications.

**Ms Lo:** I thank the Member for his intervention. I am sure that he is aware that the Bill already makes provision for a review of the charging policy and exemptions within three years. It should remain as it is.

**Mr Weir:** Will the Member give way again?

**Ms Lo:** Yes.

**Mr Weir:** The problem with this is that the two issues are being confused. The overall review covers a wide range of topics, including whether 19p is the right level at which to set the levy; what the implications of administration are for retailers; and the mechanics of how it is done, such as whether the money is being collected and spent correctly. Those are qualitatively very different issues from the issue of biodegradability and whether and in what circumstances biodegradability should take place. This would be quite a focused report, unlike the wider review. It is like comparing apples with oranges or perhaps paper bags with plastic bags.

**Ms Lo:** From the Minister's correspondence to Committee members, I know that the matter of biodegradable bags will be looked at within the review. I am sure that, if the Member asked the Minister to include that in the review in three years' time, he would do so. I am just concerned about the rush to have 18 months, when there is already provision in the Bill for a review within a three-year period.

**Mr Weir:** I have been on my feet already, so I will try to cover the points that I have not covered in response to the Member opposite.

At the outset, I will say that I welcomed the proposals and the thinking behind them when they were initially introduced. To that extent, the amendments before us are not an attack on the Bill itself. I suspect that, when the legislation was brought forward in early 2011 and in respect of this Bill, I have spoken in favour of its principles at every stage, because I think that the House should unite around the

arguments about trying to reduce the pollution caused by used bags in our society.

**11.15 am**

I am also willing to acknowledge that there have been beneficial effects as a result of the Bill and the regulations. It has led to a reduction in the use of single-use carrier bags, and the pollution of the environment as a result of the disposal of those bags has been reduced. Therefore, I accept the broad thrust. However, as Mr Allister indicated, we need, at this critical time, to take a step back, to pause and to be, if you like, critical friends of this Bill. We must ask ourselves whether the focus is really on what was intended and, however much we like or dislike the Bill, whether it can be improved. I believe that it can be improved, and, to that end, I will propose and support amendment Nos 2 and 5 in my and my colleagues' names.

**Mr A Maginness:** Will the Member give way?

**Mr Weir:** I will give way in a moment.

I am also happy to support Mr Allister's amendment No 1. Amendment Nos 3 and 4 are essentially consequential amendments that, largely speaking, will depend on either amendment Nos 1 or 2 being made. If it ended up that amendment No 1 was not made but amendment No 2 was made, they would be equally relevant to our amendments. I give way to the Member.

**Mr A Maginness:** I am very interested in what the Member says on behalf of the DUP, which is that you are in favour of the broad thrust of the Bill. However, I am also very interested in what Mr McKay asserted in an intervention not so long ago, which was that the DUP was insistent that paper bags be included in the legislation. I do not note any denial from the DUP Benches in relation to that proposition. I would be interested in Mr Weir clarifying whether the DUP was instrumental in supporting paper bags and whether there is now a U-turn by the DUP on that proposition.

**Mr Weir:** I can speak only for my own position, and I am not aware of the DUP having insisted on paper bags. I appreciate that some Members who may have greater cognisance of the full range of events may be able to produce something; I am sure that Mr McKay might. So, I cannot deny it.

The point is that this is an opportunity for us to pause and see whether there are changes that could be made to make this better. I appreciate

that Mr Allister was not here in 2011 when the legislation was passed. However, all the main parties here passed that legislation, and, if we got things wrong in 2011, we should be big enough to admit that we got things wrong. If there are changes to be made that can improve this and if that means a U-turn or changes in some of the detail, I am perfectly happy to say that we should do a U-turn. We should provide the best possible legislation. I mentioned yesterday that legislation is not the panacea for all ills, and there may be times when we overlegislate. However, if changes need to be made to the legislation, irrespective of any previous position, we should be mature enough to say that we should make that change.

It is undoubtedly the case that we did not, as an Assembly, get everything right in 2011, and it would have been very difficult for us to do so. The fact that we are faced with a second set of legislation shows that some of the assumptions that we made and the actions that we took in 2011 were not right. I will give one example, which the Minister, during a previous stage, and his officials have acknowledged. When the initial legislation was brought through, it was on the assumption that, while it would reduce the number of single-use carrier bags, there would be a very limited increase in low-cost reusable bags. The Minister can correct me if I am wrong, but I think that the projected figures were that it would lead to an increase of about 80%. It has turned out to be 700%.

**Mr Durkan:** Even worse: it was 70% and 800%.

**Mr Weir:** The Minister makes the point about the impact even better than I could. There was an assumption that we had got things right in 2011 and that the impact would have been a 70% increase in cheap reusable bags. It actually led to an 800% increase. Therefore, if we make assumptions about what the impact of particular changes will be, one of the issues is that we do not have an enormous amount of watertight evidence on which to suppose that.

**Mr Givan:** I appreciate the Member giving way. He makes a valid point around the increase in reusable bags. I am sure that other Members have witnessed this in their constituency: when you go to shop — I was with my wife in Lisburn on Saturday — I notice the number of people who shop with their reusable bag. On this occasion it was Tesco, which is the predominant supermarket in Lisburn. When we met them a couple of weeks ago, small retailers made the point to us that people go in and out of their shops with the single reusable bag, removing the limited ability that they have to

advertise their own shop through the use of a paper bag. That impacts on their business. It would seem to indicate to the public, when you walk round Lisburn, that people only ever shop in Tesco, because that is the bag that they use. So there is a twofold issue that certainly impacts on small retailers.

**Mr Weir:** I acknowledge that there is. I was making the point that the increase in bags was, to some extent, one of the reasons why we have the current legislation before us. The concern is that there has been a massive increase in what might be described as cheap reusables — bags pitched above the level of a single-use bag. The scale of that was clearly not envisaged or predicted in 2011. In the same way, to be honest, with a lot of this legislation, we need to have a degree of intuition about what is likely to happen.

As was mentioned, the purpose behind this — this is where we are in danger of losing focus — was to reduce the end-use pollution of discarded bags. Therefore, as has been mentioned, the Republic of Ireland's approach was to purely focus on plastic bags. At Westminster, although there has been criticism from the Committee, albeit not necessarily simply on the points raised today, the UK Government's legislation, proposed through DEFRA, will exempt biodegradable bags. So there has been a difference in approach on this.

I suppose that our amendments focus on biodegradability. I am sure that the Minister and others will make the point, which, to some extent, is addressed in amendment No 5, that, when we talk about biodegradability, it is not a simple matter of whether something is or is not biodegradable. It is an issue of degree in that regard. Although that is true and a lot of focus has been on paper, it is undoubtedly the case that there is a divergence in the levels of biodegradability. Comparing paper bags with plastic bags is like comparing night with day. The average paper bag biodegrades in one to two months. It may not be the few days that Mr Allister talked about, but it will biodegrade fairly quickly. The average plastic bag may take 10 to 20 years to biodegrade. If the purpose of this is to protect natural habitats and the environment from discarded bags and their disposal as a result of biodegradability, the Bill has a flaw that we are trying to tackle. It states that, if we are to have exemptions, a range of which are already built into this, surely one of the most sensible issues to look at is biodegradability. We should draw a distinction between a bag that perhaps takes 10 years to biodegrade and one that takes one to two

months. That has a major impact on the environment.

Indeed, while some work has been done on plastic bags that could biodegrade more swiftly, at this stage even the best plastic bags — the ones that are oxo-biodegradable — will take on average at least six months. There is a qualitative difference between paper and plastic bags. I want to touch on two other issues regarding paper.

It has been indicated that the manufacture of paper bags has a greater impact as a carbon footprint. I fully accept that. However, it has been pointed out that it shows the extent of that argument that we have diverged from the original intention of the Bill. The Bill and its predecessor were never meant to be a tax on manufacturing, and, if we are to single out paper bags as worthy of a levy purely on the grounds of their impact on manufacturing, where does it stop? I am sure that some in the House will be very keen to have levies on manufacturing on the basis of its carbon footprint. I can almost see the Member in the corner licking his lips with delight and rubbing his hands at the prospect. One wonders how long the dole queues would be if that Member were to have his way and have those levies.

**Mr Agnew:** I thank the Member for giving way. We had a debate on climate change yesterday, and the Member bravely said to his colleague that he recognises that climate change is a problem, that it is caused by human activity and that we should take action. I think that those were his words.

**Mr McNarry:** Did he say that?

**Mr Agnew:** He said that. He said, "Here is an action that we can take". It is not simply a tax. There are alternatives to plastic bags. It is not a tax on manufacturing. It is a tax on waste given that we have alternatives that we can reuse. It is not simply a case of saying, "Here is a product; do not use it because it is manufactured". We are saying, "Use a product and reuse a product". What action is the Member prepared to take on climate change?

**Mr Weir:** With respect, I will be guided by the Chair in that the wider issue of climate change may lie outside the purview of the Bill. At times, the Member uses the logic, "Dogs have four legs. My cat has four legs. Therefore, my cat is a dog". Indeed, because of his zealotry on climate change, he takes the approach that we should take whatever action is needed. However, I will agree with him on one point.

The legislation is not about manufacturing. I am sure that the Member and others may, at some stage, want to put forward a proposition that creates levies on the grounds of manufacturing on the basis of carbon impact. I would resist that, but it is a debate for another day. Given that it is not about manufacturing, it is, therefore, a spurious point, and it is wrong to try to hang any taxation or levy on paper bags on the grounds of manufacturing. We should focus in on the end result and the original intention of both pieces of legislation, which is the impact of bags being scattered into the environment.

The Chair of the Committee, Anna Lo, said — she may have been speaking as an Alliance Party member at that point — that her concern is about the substitution effect. That has been raised in a different context in Committee. We do not have any evidence on how the Bill will work in practice, and I simply want to highlight that there is also a danger in the substitution effect that, if you knock out what might be described as mid-range bags, which is largely what this is targeted at, and the lower-level reusable bags, instead of people simply taking a position of moving towards a bag for life, there may be a substitution effect the other way in that people may go for cheaper bags at the low end of the market.

Substitution, as with all the aspects, is an issue of intuition more than anything else. The bulk of plastic bags will come from major retailers and supermarkets. It is highly unlikely that there will be much shift in any of the major supermarkets to a large number of paper bags. The consumer would not tolerate that, and I suspect that major retailers such as Tesco, Asda or Lidl will not be looking to provide a large number of paper bags. To me, that does not seem to hold water.

I will turn to the other aspects of the amendments. I completely agree with the Chair's analysis and with what the Minister said. They qualified that the materials mentioned in amendment No 2 are ones that, in the vast majority of cases, will be implicitly exempt because they will be above the threshold of 19p. I am more than happy to accept that, but there are at least two or three pieces of logic for an extension.

If we are to look at exemptions on the grounds of the material used, it seems a nonsense to say that we will not explicitly cover and exempt the very materials that everyone will agree, in the form of bags for life, are the most advantageous and the most reusable. The Member has quite rightly indicated that the

majority of those are exempt, but what about the minority that are not? That could lead to a ridiculous situation, if, for example, a retailer that, for the purposes of PR or a desire to be environmentally friendly, wants to actively encourage its shoppers to use a bag for life, subsidises its bags for life for a period and sells them for, say, 10p or 15p. Those who proactively encourage the use of bags for life will be caught by the levy. However, if a retailer that simply wants to get rid of as many bags as possible ups the cost of a bag for life to £2 or £3, it will not be subject to a levy.

The reality is that, if we have a —

**11.30 am**

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

**Mr Weir:** I will give way in a moment.

If we effectively preclude those who want to sell bags for life at a cheap rate to encourage their use and therefore levy them, we could create a situation that, again, stands the purpose of the legislation on its head. If we reach a point in the future where, through the mass manufacture of some bags, it is possible to bring the unit price down below 19p, we will again punish those who use the likes of a bag for life. However, those who perhaps use bags made from materials that will not be as effective will not be penalised. I will give way to the Member.

**Mr Agnew:** I thank the Member for giving way. In my view, he is seeking to resolve a problem that does not exist. However, even if we accept the possibility as he outlined it, why did he include bags made wholly of paper when those are included in Mr Allister's amendment? If he genuinely wants his amendment to pass, why did he not exclude the controversial paper bag and instead table an amendment that, I expect, would have received unanimous support from the Assembly?

**Mr Weir:** I am always glad to get some level of support from the Member. We believe that paper bags should be exempt and that there should be some level of differentiation based on biodegradability.

An issue that I forgot to mention is that, at the moment, there is rightly a range of exclusions, a lot of which are focused on paper bags. However, we do have an anomaly, which, I think, the Chair of the Committee raised at Second Reading. She said that if, for example, she were to buy a hot toastie in a bakery, she

would get it in a paper bag and would not be charged for the bag, but if it were not heated, she would be charged. That can cause confusion in the system. There is a need to deal with that anomaly, and the best way in which to do that is to exclude paper as a whole.

Amendment No 5 in many ways stands on its own, separate from the other four amendments. As was outlined — it is a position that I readily accept — biodegradability is an issue of degree rather than the black and white issue of whether something is biodegradable. There are very big differences in biodegradability. It is also the case that, although there is what is called the European norm, which sets a particular standard for biodegradability, there is no direct legislative definition of what counts as being biodegradable. Indeed, one of the main criticisms of the Department for Environment, Food and Rural Affairs proposals is that they simply refer to "biodegradability".

I accept that we are not there yet with a pure definition of "biodegradability". That is why we have made the not unreasonable request of the Department to bring back a report on biodegradability as it applies to bags. The report will be focused. It will be of a different nature and will, from a qualitative point of view, be a different level of report from the wider review.

The wider review will consider in particular the impact of the levy on shops, for example. As mentioned, there have been different reports on the impact and how, for example, supermarkets have been impacted on compared with some small corner shops. That will be an important aspect of the review. It will also look at the mechanisms by which money is collected, whether we have set the targets correctly in terms of price and, presumably, how the money will be used.

However, this is a specific report looking at biodegradability. If we look at this on the basis of being focused on end-use impact, then biodegradability is a vital issue that lies at the heart of this.

I cannot prejudge any report that comes before the House, but it may well be that after 18 months the Department concludes that it is not in the wider interest or practicable to have exemptions on the basis of biodegradability. If that is the case, then those will be the findings of the report. However, it may point to a better way to look in detail at how we deal with biodegradability, which seems to me to be a particularly sensible route.

I say to Members to support all the amendments, but if, as it appears, there is a degree of blockage on the other amendments, at least consider amendment No 5, because it will shine a light on the issue of biodegradability.

If we simply go unchallenged as we move through this process and do not take this opportunity to pause, examine and listen closely to what is said today, and see whether we are in danger of moving away from the focus that we have placed on this issue in this Bill and in the 2010 Bill and say that the broad thrust is a sensible one, but we need to make adjustments and ensure that from the point of view of paper, and other materials as well, and if we do not pause for reconsideration and take account of what I think is a sensible approach, then we are in danger of simply throwing the baby out with the bathwater. Therefore, I commend the amendments to the House.

**Mr Boylan:** Go raibh maith agat, a Cheann Comhairle. I rise to speak against the amendments. I have been through the Committee Stage on all this, and it always surprises me that we sit down and we take party positions. To be fair, I will speak in relation to the Member who moved the first amendment, but in relation to parties who have been on Committees and brought party positions and gone through all this, we now find ourselves back in the Chamber and those people are contradicting some of the things that were said. Maybe we should give consideration to Committee Stages of Bill in the future and try to tie those things up.

To be fair to the Member who brought the first amendment, he was not part of the Committee Stage. At first, I thought there was a genuine case in what he brought forward in terms of the businesses that he visited and the problems that they may have been facing. I thought, to be honest, that his angle of attack in relation to that amendment would be in terms of jobs. I certainly would have listened to that argument to see whether there was a major impact, but clearly that argument was not made.

There was an opportunity for the Member to have an input through the consultation process in relation to this piece of the Bill, but obviously he came late at it. I thought he was going to make an argument in relation to jobs and the possibility of losing jobs. Once he got into it, he said that the bags were not manufactured here and went on to the issue of taxing other businesses and everything else. I would have liked to hear the Member give more information in relation to that, because from the very start of

all this I would have had concerns had it impacted on business. However, the impression and information I am getting so far, as well as through the whole phase of the consultation, is that that has not been the case.

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

**Mr Boylan:** Yes, certainly.

**Mr Allister:** I am not sure whether the Member was here during my speech, but I devoted a considerable proportion of it to talking about the loss of jobs there has already been in the packaging industry. I cited three firms, one of which is closed, and the other two which have had significant job losses. I talked about the impact on the high street and the branding loss to shopkeepers — a point that Mr Givan reiterated — so I think I laid out clearly the negative economic impact of this. Certainly, a key component of why we should be reconsidering this is because we are not exploiting the economic advantage to business but rather seeking to dampen that, and are losing jobs because of that. That is important.

**Mr Boylan:** I thank the Member for the intervention. I take on board what he said, and I will get to the branding issue in a minute. You said that jobs had previously been lost, but that was in the packaging industry. I got the impression that these jobs had been lost even before we brought in this legislation. That is what I am talking about. The jobs were gone before we introduced this legislation.

I will speak on some of the points raised by Members, but I want to go back to the essence of the Bill. It started out about plastic bags, and the big element of all that was the environmental impact. That is part of it, and I want to tie that into the debate. We thought that paper was the better way to go forward regarding paper versus plastic. I should not make it a paper-versus-plastic issue, to be honest with you. It should be neither; it should be about reusable bags and reusing what you have got.

When you look at the carbon footprint of the production of the paper bag, you have to ask yourself about the mitigation element and its biodegradability. You maybe use it once or twice. You have to weigh up how that balances and whether it meets the need. That is a question that has to be asked. I see Mr Wilson nodding his head. When he was Minister a number of years ago, Mr Wilson used what are a few very good terms regardless of whether you believe in the climate change stuff or what

you want to do to try to reduce our carbon footprint. He used the terminology of good housekeeping, good practices and doing things the right way. Reusing bags is the very nature of what this is about.

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

**Mr Boylan:** OK, yes.

**Mr Weir:** He mentioned reusing bags, and I will leave aside some of the arguments that he made. This legislation expands the scope beyond single-use bags to cover cheaper reusable bags. So, it slightly muddies the waters from that point of view. There is some merit in that. If he is making the argument to draw a distinction between single-use and reusable bags, surely he would be opposed to the legislation as a whole because it starts to cover some forms of reusable bags.

**Mr Boylan:** No, I am not saying that. What I am saying is that we are trying to get the public to buy reusable bags. I will come to the issue of cloth and hessian that your amendment refers to, but that is the whole idea of it. That is where we are trying to get people to.

To be fair, I have listened. Other Members will speak after me, and I want to hear them talk about engaging with the public and the message that is going out. People have embraced the legislation. People are buying bags for life. As regards the DUP amendment, if we look at the carbon footprint for paper bags and then for cloth bags, it is certainly concerning and worrying. I encourage people to go down the route of proper bags for life. The whole idea and the whole mission is to try to achieve that.

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

**Mr Boylan:** I will let you in in a minute.

You cannot say that, just because the original legislation is not a certain way, there cannot be a next phase. To me, this is the next phase of the legislation. I will let the Member in.

**Mr Wilson:** I listened to the Member say that the public have embraced this. One of the reasons the Department gives in the explanatory document for extending the legislation is that, where bags for life were marginally dearer than disposable bags, people were purchasing them and then throwing them away. Rather than the public embracing the legislation, one will find that, in many ways, the public are still resistant to it and certainly more



resistant to an extension that is done for the most cynical of reasons, ie, to raise revenue for the Department.

**Mr Boylan:** The Member was on the Executive when this legislation was agreed, so I do not know. There are certainly issues with the whole idea of it. What I am saying is that the original idea of the plastic bag levy has worked with the public. I will say this: it is the next phase, and that is what we are supporting.

**11.45 am**

I want to pick up some of the points that have been made. When the Member first introduced his amendment, he talked about bespoke paper bags. That is grand if they are brand bags; but surely, if it were the case that the branding is an issue — I take on board the current economic climate — in most cases, it should be up to the companies concerned to absorb that. If companies want to advertise and brand in that way, it is up to them to put that on offer. That is something that Mr Weir said earlier. That is the issue, if companies want to go down that route.

It is unusual for the Member to mention the Republic of Ireland, but maybe we, as a party, could absorb a paper bag levy, for the want of a united Ireland. However, that is something that we would have to discuss.

Let me move on to amendment No 5. We have built in a mechanism for review. This is somewhat disappointing. We have been through all this. This is now the second or third day, over a number of weeks, on which we have been through this legislation. Mr Weir was making the point that it was specifically about biodegradable bags. Maybe the Minister would consider, as part of the review, bringing that forward. The Minister can answer that point.

In finishing, let me say that this is not only about paper bags but about the environmental impact of bags in general. That is the way that this legislation should go forward. I do not propose to support the amendments.

**Mr A Maginness:** Let me say from the outset that this Bill is a Programme for Government target, agreed by the Executive, scrutinised and agreed by the Environment Committee and also by the Assembly. Now, we are faced, at one minute to midnight, with these amendments.

The amendments are curious; in particular, those of the DUP are curious. To my knowledge, this issue was not raised as a live

issue in the Environment Committee. I have only been on that Committee since October of last year, but, to my knowledge, the issues raised in these amendments were not in any way part of the discourse of the Environment Committee. And so the Environment Committee has not had an opportunity to discuss these matters in detail.

If I am wrong about that, let somebody tell me. I am quite happy to accept a correction on that. However, it seems to me — this is the essence of my criticism — that these amendments are politically opportunistic.

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

**Mr Wilson:** Will the Member give way?  
*[Interruption.]*

**Mr A Maginness:** Mr Speaker, I have an embarrassment of riches here, because I have two Members intervening. I will take Mr Weir's intervention first.

**Mr Weir:** I freely acknowledge that we did not raise these particular issues at Committee Stage. We raised others, which led to some degree of change, and we raised some concerns. However, Members have to get over the fact that there is the opportunity — either at Consideration Stage or Further Consideration Stage — for any Member to bring amendments. The notion that "How dare anybody bring an amendment to Further Consideration Stage?" is unjustified. That is what the stage is for.

I have to say that it ill behoves the party opposite to talk about being opportunistic and going against proper consultation, because, two or three weeks ago, the Minister, who was due to debate it on the Floor of the Chamber, withdrew the Bill in order to get an Executive opinion on it.

However, before there was an opportunity for it to be brought in front of the Executive and for the Executive to debate it themselves, he put it back on the agenda and debated it. The Minister may well have sent an email to other Executive colleagues, but that is not the same as debating it in the Executive. If we are going to make criticism about jumping the gun and including stuff that has not had the proper opportunity for debate, I think that that should apply equally to the Minister.

**Mr A Maginness:** I am grateful for the Member's intervention. However, let me say, and the Minister will be able to address this himself, that the Minister quite rightly decided to

consider the matters raised by Mr Allister, and he conferred with his Executive colleagues. That is how a good Minister — and he is a very good Minister — should deal with legislation.

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

**Mr A Maginness:** No, you made your points clearly and effectively.

The Minister took the right approach, which was to consult his Executive colleagues more widely. That is, incidentally, something that some of his Executive colleagues are quite insistent upon for other political reasons.

It seems to me that there is an element of political opportunism here. Members are quite entitled to table amendments at any stage, and I do not challenge that in any way, but it seems to me that the DUP amendments have been brought forward because Mr Allister brought forward an amendment on paper bags. Mr Allister is an assiduous constituency representative and, quite properly, when an issue of importance to a constituent and to a firm in his constituency was raised, he brought it to the attention of the Assembly. It is right and proper that he does that and that he tries to influence the Assembly by tabling an amendment. However, I do not understand why the DUP has attempted to imitate Mr Allister and his amendment.

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

**Mr A Maginness:** No, I do not think that I should. You made your points very well.

Amendment No 5 has been tacked on to the other amendments by way of window dressing because I do not think that it is anything of great merit. The Bill requires a report to be made to the Assembly within three years, and, although the amendment seeks to narrow that timescale to 18 months, I do not think that it is necessary. I think that it is, as I said, a form of political window-dressing.

Mr Allister is quite entitled to raise issues as a constituency MLA. I do not believe that the DUP pursued this issue in the Committee at all, and it is regrettable that it is now being used simply to try to match Mr Allister. The DUP is entitled to do that, but I emphasise that the Bill is a Programme for Government target agreed by the Executive and scrutinised and agreed by the Environment Committee and the Assembly. The objective of the Bill, and this is very important, is to change people's behaviour

positively and to get them to reuse and recycle bags.

I noted carefully what Mr Allister said in his address to the Assembly on the amendments. He said that the mischief that the Bill was attempting to address was the tawdry contribution to the environment by plastic bags. He further said that the Bill was a litter control measure. That is not an adequate description of the legislation, which goes far beyond that. I prefer Mr Boylan's description that the essence of the Bill is the environmental impact that these bags have on our natural environment. It is not simply confined to plastic bags or their unsightliness. The Bill is much wider than that.

It is important that we consider all adverse impacts on the environment, including the carbon footprint. In discussing the carbon footprint, some Members said that that is not part of the essence of the Bill. I believe that it is. Given the impact that the carbon footprint of paper bags has on the environment, it is clear that they cannot be considered to be a harmless alternative to plastic carrier bags.

**Mr Wilson:** I thank the Member for giving way. If he takes his argument to its logical conclusion, I assume that, come the local government and European elections, the SDLP will not be putting up any posters or sending round any election leaflets, given the carbon footprint in producing paper, printing paper, and so on. Or is this another case of, "Shopkeepers, you do this, but, as political parties, we'll do something different"? That is the kind of hypocrisy that brings this place into disrepute.

**Mr A Maginness:** I look forward to Mr Wilson supporting legislation —

**Mr D Bradley:** Will the Member give way?

**Mr A Maginness:** I want to take Mr Wilson's intervention. I look forward to Mr Wilson supporting any legislation that comes before the House on the prohibition of election posters and perhaps even the prohibition of his own election literature. In any event —

**Mr Wilson:** The difference is that I do not peddle that propaganda.

**Mr Durkan (The Minister of the Environment):** Your election literature? You do.

**Mr Speaker:** Order. Let us not have a debate across the Chamber.

**Mr A Maginness:** I would not describe your election literature as anything other than information for the public; it is certainly not propaganda.

**Mr D Bradley:** Mr Wilson accuses us of hypocrisy, but is he not a hypocrite in so far as he now describes the legislation as a cynical effort on behalf of the Department to raise revenue, yet when he was Minister of Finance, he boasted that this measure was part of an important revenue-raising effort by the Executive?

**Mr A Maginness:** I thank the Member for his timely intervention, and I agree entirely with him. Mr Wilson, do you want to come in?

**Mr Wilson:** My record on this legislation is very clear. When I was Environment Minister, I resisted it; when I was Finance Minister, it became a deal breaker at the end, which Sinn Féin pursued to get the Budget through. Of course, at the time, I warned that the revenue that we were hoping to get from the levy would not materialise if it was successful. Now, of course, we are reaping the benefits of that, and we are going to impose a further burden on shopkeepers and shoppers to raise the revenue that I knew would never be raised in the first place.

**Mr A Maginness:** Well —

**Ms Lo:** I thank the Member for giving way. I wonder whether the Member recalls that the Department of Finance and Personnel very swiftly took £4 million from the Department of the Environment in anticipation of getting this levy.

**12.00 noon**

**Mr A Maginness:** Again, that is a very interesting and timely intervention. I am sure that Mr Wilson will consider that in due course.

I look forward to Mr Wilson's contribution to the debate. He has made a considerable number of interventions, but I would like to hear what he has to say of substance on the Bill.

As far as the Department is concerned, the levy is not and should not be regarded as a revenue-raising measure. No matter how successful it has been, it is not envisaged as being for that purpose. The moneys raised as a result of the levy are used for environmental purposes and make a very important contribution to the natural environment in Northern Ireland.

I will further address what Mr Allister said. When I heard him refer to the Republic, the phrase about the devil quoting scripture came to mind. He emphasised that the Republic's measure was much more limited than Northern Ireland's. That may be the case, but it seems to me that, given what has happened in the Republic, one can anticipate changes to its legislation in the near future. It would not surprise me were those changes to be similar to the legislation that we have here. The legislation in Scotland and Wales is, in the main, similar to our own. There may be some difference in England, but, nonetheless, we have the right approach, and it is important that we remember that. There is a commonality of approach throughout these islands, and the common objective is to protect, improve and conserve our environment, which is a very important objective.

It has been said that paper bags are effectively harmless. However, it should be emphasised that they are not harmless. It is important to remember that huge amounts of energy, water, bleaches and other chemicals go into the manufacture of paper bags, exacting a heavy environmental impact. It is also important to remember that paper bags are heavier and bulkier than plastic bags and therefore impose a greater transport burden, resulting in greater carbon emissions.

The Chairperson of the Committee has already referred to the fact that paper bags produce greater carbon emissions. The House of Commons Environmental Audit Committee's report of January 2014 stated that a month's worth of paper bags results in carbon emissions of 5.52 kg of CO<sub>2</sub> compared with 2.08 kg of CO<sub>2</sub> for a month's worth of single-use plastic bags. Those are important facts. Members of the public may not realise that. They may simply think that paper bags are OK and have no impact on the environment. There is an impact on the environment, however, and they damage the environment. It is right and proper to try to control and minimise that damage. It is therefore very important that the substance of the amendments tabled by Mr Allister and the DUP be rejected by the House.

The Minister is correct in sticking to the original position. If he were not to do so, he would be going against the objective of the Bill, and it is important that we retain the original objective.

I have already referred to the review aspect of the DUP's amendment. I reiterate that I do not believe that it is necessary, and I believe that, to some extent, it is actually a distraction and a piece of political window dressing. I have

sympathy with anyone who will be adversely affected by these measures.

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

**Mr A Maginness:** Yes, indeed.

**Mr Dallat:** Surely the Member must be very disappointed that, while he is making a strenuous argument against paper bags, Mr Wilson on the Bench opposite is engaged in private conversation and is not listening to a single word that he is saying.

**Mr A Maginness:** I think that, perhaps, that is not an uncommon occurrence in the House. I will forgive him for that, and I look forward to hearing what Mr Wilson has to say.

I think that there is an irresistible argument in favour of maintaining the integrity of this Bill and opposing the amendments that have been tabled by the DUP. I hope that the House will support the Bill.

**Mr Elliott:** I welcome the opportunity to speak on this part of the legislation. It is quite interesting that, having got to Further Consideration Stage, most of the debate prior to today has been around the introduction of the levy itself and the amount of the levy, and very little has been about paper bags. I am quite happy to take that issue on. I fully appreciate that Mr Allister was not here in 2011 when the legislation was going through. It is quite interesting that, at that time, paper bags were not included in the legislation at the initial stage. They then became part of it. It seemed to get support from all sides of the House, or at least that was my interpretation. Maybe the amendment was tabled by Mr McKay; I may be wrong, and I am quite happy for him to clarify that. In response, Mr Alastair Ross said:

*"In fairness to the sponsor, his amendments have addressed the other issue that was raised, which was that, to avoid the tax, retailers would simply swap plastic bags for paper bags. That way, they would get around paying the tax, and, in fact, the processing of paper bags could mean that they would have a worse impact on the environment than plastic bags. By changing the wording in the Bill, the sponsor has, at least, addressed that issue." — [Official Report, Bound Volume 63, p209, col 1].*

I felt that that was broadly the consensus from most parties at that time around that value. I fully appreciate that things do move on, and it is obvious today that things have moved on. Mr

Allister is praising the Republic of Ireland situation, and we hear the SDLP and others praising Wales from the United Kingdom. So, do not let anyone tell you that things do not move on in this place. They do, and this is a perfect example of it today. So, we do need to look at the concept as it emerges.

The reality is that, at this stage, I do not know whether the Republic of Ireland is right or Wales is right. That is the difficulty. I understand the issue of bringing forward a report, but, at this stage, I would have thought that the initial reasoning was still in place. In that 2011 debate, most of the arguments and discussions around paper bags were from an Assembly research paper of 23 February 2011. I am not aware of any further research or evidence since that on the paper bags issue. If there is more evidence and more detailed information, that needs to come forward. Maybe Mr Weir's proposal of a report is the way of doing that. I am not entirely sure that there may be other ways, but that may be a way of doing it. At this particular stage, I do not see the reasoning for changing the original position. However, I am happy to be convinced. At that particular stage, there was clear evidence and information that paper bags — I do accept that some people say that it is from the manufacturing and the transport — were environmentally damaging. That is coming from me — the key to the environmentalist lobby in Northern Ireland.

Obviously, what I want to see is a proper, sensible outcome. I take Mr Allister's point on job losses and how it impacts on individuals and businesses, but any legislation that goes through the House has an impact to some degree on individuals, businesses, communities or families. Welfare reform will have a huge impact on the wider community. Every time an area of special scientific interest (ASSI) or another environmental designation is put on land here in Northern Ireland, it has a huge impact on the people who own that land. Those are only some of the aspects. The rating of a vacant property has a huge impact on the people who own that property. I am only using those as examples.

I listened to Mr Givan say that people were carrying Tesco bags around Lisburn. I have a number of reusable bags, bags for life or whatever you call them. They are only mine because my wife bought them, but what is hers is mine, and you know the rest. They advertise the local stores in our village because they decided to go and get their own bags that were appropriate, and they are selling them at

whatever price they are. I will ask the wife how much they are.

Clearly, we want to ensure that we get the proper outcome. I am happy to see whether we got it right in 2011 or whether we got it wrong. Maybe we did. I know that Mr Weir and the DUP supported the proposals at that time. They have a right to change their mind — we all have that right — but, without the evidence base, I do not see why we should change our mind. That is the position that I think we should look at here today.

I want to ensure that the consumer gets the best deal. That is irrespective of whether they are purchasing the goods or, indeed, whether it is about protecting the environment. I believe that the initial reason for it was the protection of the environment and to make it more environmentally friendly. I have to say, before I give way to Mr Wilson, that I was always opposed to the suggestion that £4 million income would come to the Executive. I never thought it would happen. I always felt that we were arguing that case on the wrong basis. I will give way to Mr Wilson.

**Mr Wilson:** I thank the Member for giving way. I listened very closely to the arguments that he has been making, but the debate has moved on. The Environment Minister has moved the debate on. Does the Member agree that it is very alarming that the Environment Minister's defence of the legislation is now that the manufacture would be harmful, that cutting down the forests for making paper bags is detrimental to the environment and that the transport of the bags is detrimental to the environment as well? If those are the arguments that are now emanating from the Department of the Environment, that puts in the sight of the Department of the Environment almost every economic activity on which Northern Ireland depends. Indeed, I suspect that he has not even consulted the Agriculture Minister, who, of course, through the Forest Service, is cutting forests down all round the place for fence posts etc. Has he now got her in his sight as well?

**Mr Elliott:** I thank Mr Wilson for that intervention. Of course, coming from a farming community, I would oppose anything that would stop fence posts being made. I do not know what else you would make them out of except timber. There is obviously a point, and Mr Wilson makes the point well. I have not heard the Minister of the Environment suggest that that will relate to other aspects of business or the wider economy, but it is obviously an argument that Mr Wilson makes.

Anyway, to conclude —

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

**Mr Elliott:** OK, I am happy to give way.

**12.15 pm**

**Mr Allister:** The Member seems to be saying to the House that he is not persuaded that anything has really changed since 2011, but I draw the Member's attention to the detail of clause 9. It seeks to introduce a new regulation 3 to the 2013 regulations. The existing regulation 3 applies only to single-use carrier bags. This legislation, through clause 9, seeks to substitute existing regulation 3 with a new meaning of "carrier bag", which says that:

*"In these Regulations "carrier bag" means a bag of any material".*

It is no longer a definition of a single-use carrier bag; it is a definition of any carrier bag, of any material, which includes recycled paper. A carrier bag made of recycled paper is now to be included in the definition of "carrier bag".

The Member should reflect upon whether or not nothing has changed. I respectfully suggest that a lot has changed and that the noose has been tightened by this legislation.

**Mr Elliott:** I thank Mr Allister for that. Of course matters have changed in that respect. That is why the legislation is coming forward. If matters had not changed, and we were not talking about other bags rather than just single-use carrier bags, we would not need the legislation at this time. It has changed in that respect.

The point I was making is that nothing has changed that I know of. I have no more information or evidence beyond the Assembly research paper. In fairness to Mr Wilson's point, that Assembly research paper did make the case around transport and trees and all those issues. That is what the debate and agreement was around at that time.

To go back to Mr Allister's point, of course the definition of the type of bag that will have a payment on it is changing now. However, I say respectfully that the 20p limit was reduced from the original 40p limit, and any paper bags manufactured are going to be much more expensive than the cheap plastic bags. I assume that the paper bags are more expensive. We currently have a number of exemptions for paper bags, especially for

chemists and hot food. As I said, I am open to listening to the debate. If people can demonstrate the evidence for why it has changed since 2011, I am perfectly happy to listen to that.

**Mrs Cameron:** As a member of the Committee, I particularly support amendment Nos 2 and 5. Yesterday, in the Chamber, we debated the environment and climate change. Today gives us another opportunity to reaffirm our intention to embrace environmentally friendly policies. I am mindful that we do not pick and choose when and where to be environmentally friendly, although we do need to maintain a common sense, practical approach to the outworkings of the issues.

I question the original intention of the Bill and whether it was intended to curtail manufacturing processes. It should be noted that other Members, not just Mr Allister, raised concerns with the Minister around employment and the Bill.

In the same way that I require further knowledge on and evidence of the causes of climate change, I am equally keen to ensure that we fully research the manufacturing practices involved in producing biodegradable bags to see just how environmentally friendly, or not, those processes are. I believe that amendment No 5 would allow the Assembly to fully consider the impact of allowing exemptions for bags made of biodegradable material. Those materials, although not harmful to the environment as the traditional plastic single-use bags are, still have a high cost to the environment due to how they are manufactured and transported. It is right, in my opinion, for that environmental impact to be fully investigated and debated in the Chamber, once we are in full possession of the facts. Again, I ask was that the original intention of the Carrier Bags Bill?

The intention of the original legislation was simple; to reduce reliance on single-use bags in a way that was straightforward, simple and concise. If we accept the amendments that single out bags that are made wholly from paper, but not other biodegradable material, that will cause confusion and potentially undermine the legislation. For ease of purpose and clarity for the general public, for the time being, all material that is considered biodegradable to a sensible degree should be exempt, as proposed in amendment No 2, until such time as a comprehensive report can be established to look at the impact that that has on the original intention behind the legislation.

I am sure that we all agree that, for the benefit of the environment, we must move away from being a throwaway nation with regard to carrier bags. I believe that we are doing just that. If biodegradable material is not reused, we are simply exchanging one social nuisance for another. It is only by trialing this and producing a report that we will be in possession of the facts.

Most points have already been covered. I am happy to leave my comments at that this time.

**Mr McKay:** Go raibh maith agat, a Cheann Comhairle. Unsurprisingly, I rise to speak against the amendments that are before us today. As Members have already mentioned, it is four years since I introduced the Single Use Plastic Bags Bill, as it was originally. Of course, during the legislative process, that became the Single Use Carrier Bags Act 2011. My fellow Member for North Antrim Mr Allister referred to the fact that originally it was meant to align with the South. That is actually true because the measure had been introduced in the South and was a great success. It was a simple idea. That is why we brought it forward here.

To be fair, the former Finance Minister, when he was Environment Minister, consistently opposed the concept. I remember that Mr Boylan and I brought forward a motion on the issue. He kept that position consistently throughout. However, that cannot be said for other DUP members. It was the DUP that pushed for paper bags to be included in the legislation. I believe that it was a good idea. I believe that that party was successful. Indeed, Mr Elliott quoted Alastair Ross's response to my speech, in which he said that he was concerned:

*"retailers would simply swap plastic bags for paper bags",*

and:

*"the processing of paper bags could mean that they would have a worse impact on the environment than plastic bags." — [Official Report, Bound Volume 63, p209, col 1].*

Therefore the arguments that were put forward by the DUP at that time actually swayed the House to include paper bags in the legislation. I find it highly rich that the DUP is trying to attack the Alliance Party and others on the reference to paper bags in the legislation.

**Mr Weir:** I thank the Member for giving way. I am still at a bit of a loss. Neither Alastair Ross

nor anybody else in the DUP put down any amendment of that nature. If my memory serves me right, with regard to swaying the House, as he puts it, the House agreed those particular things unanimously. I appreciate that Mr Allister was not here. He can somewhat keep his hands clean on this particular point. It is not as though there was a closely fought position on any of those issues: I am not aware of any amendment that we put down in connection with that.

**Mr McKay:** The former Finance Minister referred to the fact that an agreement was made. At the time, Sinn Féin made quite sure that it was a priority. Between us and the DUP, we came to an agreement. That was one of the issues that the DUP came to us about. Very publicly in the Chamber as well, it referred to the fact that paper bags should be included. There were radical changes to the Bill that I introduced at that time because we successfully agreed that that should go forward through regulations and there was support across the House for that.

At the same time, I had the option to put forward the Bill in such a way that it would be for single-use plastic bags and that the money that was raised from a levy on plastic bags would go to the Department of the Environment. That was changed to carrier bags as a result of some of the arguments that the DUP put forward at that time. We and the rest of the House were more than happy to go with those arguments. I remember Danny Kinahan, for example, raising the issue at the time. To be fair, he was very consistent in saying that paper bags are four times worse for the environment and should be included in the legislation.

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

**Mr McKay:** Yes.

**Mr Weir:** I know that the DUP is sometimes accused of being a Broad Church by some of its critics, but I was not aware that it had encompassed Danny Kinahan as one of its members.

**Mr McKay:** I thought that I said that he is an Ulster Unionist Member. Perhaps you picked me up incorrectly.

The levy has been a great success. The sky has not fallen in, as many predicted. The number of bags in circulation has reduced radically. I know of many retailers in my constituency, in places such as Ballymena and Ballycastle, who say that the levy has been a

success for them and agree with its implementation. Some of them may have had concerns before the legislation was introduced, but now they find that they have less to spend in bringing in carrier bags and that the administration system is quite easy to deal with.

Generally, the public have been supportive. Their shopping behaviour has changed radically. If the DUP and TUV amendments were to be adopted, that would create confusion among the public about which bags they will and will not be charged for. I do not agree that we should row back and undo one of the most progressive pieces of legislation that has come through the Assembly to date.

The legislation obviously has big benefits for the environment. There are fewer bags in circulation, and people are less likely to throw bags away. We see fewer bags and less litter in hedgerows, on beaches and on the streets in places such as Ballycastle, Portrush and Newcastle. Of course, the measure has been widely welcomed in those places, because people working in the tourism industry do not want tourists to see litter on the streets. The removal of so many plastic bags — the Minister referred to the statistics that have been released — will obviously impact on our image as a clean, green place for tourists.

The 2011 Bill changed the law to allow for the payment of a charge to the DOE. Many communities have benefited to the tune of hundreds of thousands of pounds in total. The less money that is raised through the levy, the better it is for the environment. However, in moving forward, it is important that any moneys raised go to environmental purposes and the community rather than being swallowed up by the centre. We want to get to a point at which people are not continually buying reusable bags.

The Member for North Belfast is right: I believe that the DUP is being opportunistic in bringing forward its amendments. At least the Member for North Antrim has been consistent in his position for quite some time. We have heard little or no reference to paper bags from the DUP previously. Indeed, the former Finance Minister took £4 million from the DOE budget at the time and said that the levy would raise that money to make up the shortfall. In his contribution today, he has also been found wanting.

I brought forward a private Member's Bill that required the Finance Minister's consent at that time. So the DUP, at all levels, was involved in the legislation. I accept Mr Weir's point about

having the opportunity to change your position, but he cannot deny that his party was very influential in changing the Bill, which the House agreed with.

The public believe that the levy is one of the success stories of the Assembly. It has been referenced in the media as such. In 2011, the DUP successfully argued that paper bags be included in the legislation. That is why they are there. They should continue to be in the legislation, and, judging from contributions in the House, they will remain there. Therefore, I oppose all the amendments and urge other Members to do so.

**Mr Speaker:** The Business Committee has arranged to meet immediately after the lunchtime suspension. I propose therefore, by leave of the Assembly, to suspend the sitting until 2.00 pm. When the House returns, the first business will be Question Time.

*The debate stood suspended.*

*The sitting was suspended at 12.30 pm.*

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

**2.00 pm**

## Oral Answers to Questions

### Agriculture and Rural Development

#### Cattle Markets

1. **Mr Clarke** asked the Minister of Agriculture and Rural Development for her assessment of cattle markets charging £150 for cattle that have moved more than four times. (AQO 5627/11-15)

**Mrs O'Neill (The Minister of Agriculture and Rural Development):** Go raibh maith agat, a LeasCheann Comhairle. I am aware of the markets proposing to make the charge from early April, and I am gravely concerned about how the new policy could impact on farmers. I am particularly concerned about the impact of changes to pricing structures on beef finishers who have bought store cattle earlier in the year under the conditions prevailing at that time. Many farmers have houses full of finishing cattle brought through in good faith and were unaware that these charges were to be imposed. It is not fair that they should be penalised by changes in the pricing structure being introduced before the animals are out of the system.

Yesterday, I sought a meeting with the Meat Exporters Association (NIMEA) to ask it to rethink its proposed changes because I, like other Members of the House, want to see a strong, profitable red meat sector here in the North. That can only be achieved if farmers see a fair return for their high-quality traceable produce. I understand that the NIMEA board met this morning, and a new proposal on the issue is now on the table. It is currently discussing it with the farming unions and the marts, but I am hopeful that a practical solution to the issue can be found.

**Mr Clarke:** I thank the Minister for her answer. I appreciate that the Minister has updated the House on the meeting that took place this morning. However, the sceptic in me wonders how this came about in the first place. How confident are you, Minister, or what interventions can you make to prevent such a charge being put in place, given that you said in your fulsome answer that you perceive that



there will be an effect on farmers when finishing beef? What do you believe can be done to prevent any unnecessary charges being passed on?

**Mrs O'Neill:** It is fair to say that farmers have made decisions based on current practice and pricing. So, when they bought cattle for finishing, they made those decisions not knowing that there might be changes to the pricing structure further down the road. That is the case that I made strongly to NIMEA yesterday. I made the association very aware of the fact that this is not something that it can just bring in at short notice without informing farmers, who could then make business decisions based on their own needs and what they want to do. That is the case that I put forward to them. As I said, they have indicated that there is a new proposal now on the table. We look forward to seeing that new proposal. I very much want to be in a position where I can, hopefully, come out and say that we welcome the decision that they have taken. However, until they make that public, I will not be able to do that. We all share the aspiration for a very profitable red meat sector, and, if we are going to continue to help that sector to grow, things like this cannot come at the last minute and impose changes on farmers. So, we look forward to the outcome of the NIMEA decision, and, hopefully, it is a positive one.

**Mr Milne:** Go raibh maith agat, a LeasCheann Comhairle. Does this have anything to do with DARD applying new rules?

**Mrs O'Neill:** No, this is absolutely a commercial matter between the cattle keepers, the abattoirs and the major meat retailers. As I said, I have challenged NIMEA on its decision to bring forward the new pricing structure at this time, particularly given that farmers have made conscious business decisions not knowing that this would be in place. So, let us wait for the outcome of the NIMEA decision, but it is absolutely nothing to do with DARD in this instance. It is a commercial decision by the meat exporters.

**Mr Byrne:** What is the Minister's view of the possibility of having the live export trade of cattle from Northern Ireland to parts of the world such as the Middle East, given that farmers are curtailed to seven meat plants, which is regarded as a monopoly position in respect of beef processing?

**Mrs O'Neill:** I can give the Member an assurance that I am absolutely committed to ensuring that we exploit all trade opportunities

for the local industry. It is very much at the core of the Going for Growth strategy, which we have published alongside the industry. At the core of that is growing export sales by 60% and exploring all markets that are there.

The Member will be aware that I have been to China, and we are actively exploring other markets. It is key that we work in partnership with the industry to exploit the markets that are there and work to secure export certificates from those governments and take away any barriers that there may be to trade. That may be around disease status and other issues that we need to look at. So, I think that there is a combined effort, and I will work with the Minister of Enterprise, Trade and Investment in that regard to make sure that we can access all markets that we wish to get into.

**Mr Kinahan:** I am told that the Minister recently viewed the process of logging movements online on the animal and public health information system (APHIS) at Dungannon farmers' market. Does she recognise that moving cattle to market and then back to the farm counts as two moves, and is she minded to look again at the implications and financial penalties that will be faced by farmers for such moves?

**Mrs O'Neill:** As I said in the earlier answer, I am not in favour of the decision that NIMEA has taken. I think that business decisions have been taken by farmers as a result of not knowing that the changes would come into play. However, it is important that we establish what a farm residence is, because that is the issue in what counts as a movement. So, the move into and out of a mart will not count as a movement, nor, for example, will a movement to a show. That having been said, however, farmers make the best business decisions. They also care about the welfare of the animals, so they are conscious of not having too many movements. As I said, I have made the case strongly to NIMEA, and I hope that it makes a positive decision based on the best interests of those in the farming community who have taken business decisions based on current structures and not on something proposed for the future.

## **Badgers: TVR Study**

**2. Mr Spratt** asked the Minister of Agriculture and Rural Development for an update on the test and vaccinate or remove study of badgers. (AQO 5628/11-15)

**Mrs O'Neill:** Substantial work has been completed to progress the TVR project. As you

know, that will involve the testing for TB of live badgers, vaccinating and releasing the test-negative ones and removing the test-positive ones. This approach has the support of the vast majority of stakeholders, as it avoids killing TB test-healthy badgers. The design of such a study was complex, and there were several key steps to be carried out before any work could commence with badgers on the ground. The first step was to instigate statistical modelling to identify the optimum location for and size of the study and how long it would need to run. The information obtained from the modelling was positive. It suggested that, in the longer term and assuming no perturbation occurs, TVR would help to reduce the level of TB in badgers and cattle.

Members will also be aware that badger sett survey work was under way in two 100 square kilometre areas in County Down that have high levels of TB outbreaks in cattle, coupled with a high density of badgers. I am pleased to advise that the Agri-Food and Biosciences Institute (AFBI) has now completed that survey work. The agreement of farmers to their land being surveyed has been excellent, with over 80% of each area being surveyed. This is a very good outcome and exceeds our original target of 70%. Findings from the badger sett survey work and the modelling were used to perform the project design. Officials are finalising the project design and, in the coming weeks, they will provide the ARD Committee with a presentation of the detail of the project.

I remain committed to taking forward the TVR project, and officials are working to have this in place so that intervention can commence on the ground shortly after the end of the badger closed season in mid-May of this year.

**Mr Spratt:** I thank the Minister for her answer so far. It appears that the badger population is high at the moment, given the roadkill that you see. Tests in some areas have taken place. When does the Minister consider that testing will be rolled out across the Province? Will she make the results of the pilot schemes public in the not-too-distant future?

**Mrs O'Neill:** As I say, we are working our way through all the stages of the process, of which there are a number to complete to get us to the point of being on the ground with TVR. It is complicated and is not being done anywhere else, including England, Scotland, Wales and the South of Ireland, and it is even almost unique in Europe. We want to make sure that we get it right. The modelling work has taken some time to get right, but we are keen to get on the ground sooner rather than later. We

have completed excellent badger sett work, which lets us establish the badger population in the areas that we are surveying. We will continue with that work, but I am absolutely committed to making sure that we keep the ARD Committee up to date with progress on our journey to getting TVR rolled out.

**Mr Flanagan:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a freagraí. Will the Minister give us an update on the establishment of a strategic partnership to deal with this important issue?

**Mrs O'Neill:** Yes. I hope to advertise in the near future for a chair and members of the new strategic partnership group. The group will be tasked with developing the longer-term strategy to eradicate TB in cattle across the North. It is intended that, within 12 months of being established, the strategic partnership will produce this strategy, which will embrace and address all the issues, including TB compensation. The group will also future proposals developed by my officials, which will further strengthen our TB programme. It will ultimately report to me, and I will keep in touch with the ARD Committee.

**Mr D Bradley:** Go raibh míle maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a freagraí. An bhféadfainn fiafraí den Aire cad is féidir linn a fhoghlaim ó na críocha sin atá saor cheana féin ó ghalar na heitinne sna ba? What can we learn from countries and jurisdictions that are already disease-free that will help us?

**Mrs O'Neill:** The Member will be aware that TB is a seriously complex disease and that multiple factors contribute to it, and no one has established the reason why they do or do not have it. You can look towards Scotland, which does not have the disease, towards what we are trying to do in the South and towards what is being done in England and Wales. Everybody is taking a different approach because nobody has the simple solution or the quick fix to deal with a disease that is very complicated. That is why the work that we are doing will be key in adding to the pool of research and investigatory work that is going on in other areas. I am always keen to learn best practice from other areas that do it well. Unfortunately, nobody can say why they have it or do not have it. That is what we are trying to deal with. This work will be key in adding to the research pool, and AFBI is working diligently on research. Through combined efforts, we want to get to a position, at some time in the future,

where we eradicate the disease, because that will open up so many more trade opportunities for us.

**Mr Deputy Speaker:** I should have advised Members at the outset that questions 4, 11 and 15 have been withdrawn.

## Single Farm Payments: Update

3. **Mr Swann** asked the Minister of Agriculture and Rural Development for an update on the number of single farm payments issued to farmers. (AQO 5629/11-15)

**Mrs O'Neill:** To date, 96.16% of single farm payment claims have been finalised since the opening of the payment window on 1 December 2013. The Department set its highest payment target ever for December 2013 at 85% and significantly exceeded it by finalising 90% of claims. More farmers received their single farm payment in December than ever before. In November 2013, I announced that 95% of claims, including the majority of businesses subject to inspection, would be finalised by the end of February 2014, and that target has also been exceeded. I can confirm that 400 farm businesses that were subject to an inspection carried out using control with remote sensing were paid in February. The value of single farm payments made so far is £255.92 million, and it is a vital element of farm income. The significantly improved payment performance this year is a welcome boost to the farming industry and the wider rural economy. My officials are working to finalise the remaining claims as quickly as possible.

**Mr Swann:** I thank the Minister for her answer and update. The Minister knows — it has been well rehearsed — about the frustration because of delays in payments, especially among farmers who were subject to remote sensing. Can the Minister provide any update to those farmers on the trading of entitlements and when they will be able to do that? A date of 2 April has been set, but will she extend that deadline today to ease the frustration and confusion?

**Mrs O'Neill:** I am grateful that, today, the ARD Committee will, as the Member is aware, consider a statutory rule. We will need to legislate to give us a longer period to allow people to make decisions on whether they want to trade their entitlements. If the Committee agrees that, I will be in a position to announce that in the next number of days. It is key that we allow farmers the opportunity, post 2 April, a little longer to make those business decisions because they will be key for them in the future.

Given that there are so many changes with CAP reform, there is angst out there about what is the best thing for individual farmers. So, I will give the ARD Committee its due process, and, if the Committee is content, I will be happy to announce that in the next number of days.

**Mr Lynch:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire. Can the Minister tell us more about the future development of the land parcel identification system (LPIS)?

**Mrs O'Neill:** DARD and Land and Property Services (LPS) are continuing to work together during 2013-14 to further enhance the LPIS mapping system by adding additional features and reviewing maps using the new aerial photography. The LPIS mapping system is also being enhanced to include data from on-the-spot inspections and other remote mapping information such as control with remote sensing data. The refinement of the LPIS mapping system is essential to enable DARD, as a paying agency, to comply with the EC regulations. The system will require ongoing maintenance to help DARD to mitigate the risk of future EU disallowance.

**Mr McCarthy:** While the Department has made significant improvements in the distribution of single farm payment, can the Minister understand the disappointment, particularly among our senior citizens, when they have not received their payment?

Will the Minister consider an extra effort so that those senior citizens who live alone can get their entitlements?

2.15 pm

**Mrs O'Neill:** I can absolutely give the Member that assurance. I have made considerable efforts. The figures speak for themselves, in that, over the past two years, we have been four months faster in making payments than ever before. Over 96% of people now have their claim.

As I always say in the House, I recognise that those who have not yet been paid want their payments as quickly as possible so that they can pay their bills and be content. That is totally acceptable. I assure the Member that I intend to have all those people paid, as I have said, as quickly as possible. Officials are working on that as we speak and will continue to do so. We have put significant resources into making sure that we finish off the tail of

inspections and deal with all the other issues that are still to be dealt with.

Some people are still in the system as a result of probate and, perhaps, as a result of a death in the family. About 300 of those cases are being dealt with, and they are obviously very complicated. However, I can definitely assure you that my aim is to continue to improve things and that we will be in an even better position next year and will make the majority of payments in December.

**Lord Morrow:** In her answer to Mr Swann, the Minister referred to the percentage of single farm payments that have not been paid. I think that she said that it was about 4% or 5%. Will she tell us what that represents in real cash terms, bearing in mind that those cases are mainly concentrated in the two areas of south Tyrone and north Antrim?

**Mrs O'Neill:** I do not have an exact figure, but we are talking about £9 million. About 3% of single farm payments have not been made, and some £255 million has been paid out. As I said, I am not dismissive. I understand the feelings of those who are waiting to be paid.

We are working around the clock to get those payments out as quickly as possible, and I give that assurance to anyone who is waiting for their payments. We are four months faster than ever before, and we will be even faster next year.

## **Flood Defences: Beragh**

5. **Mr McElduff** asked the Minister of Agriculture and Rural Development to outline the progress made on the flood defences at Beragh, County Tyrone. (AQO 5631/11-15)

**Mrs O'Neill:** I am pleased to advise that the design of the scheme to protect the dwellings and the grounds around the GAA clubhouse in Beragh is complete.

The flood alleviation scheme is out to tender, and Rivers Agency expects to award the construction contract in March. Completion of the scheme is anticipated by spring 2015, which I know will be welcomed by those who have been directly impacted by flooding in this area over the past number of years.

**Mr McElduff:** Go raibh maith agat. I thank the Minister for her reply. I also thank officials from the Rivers Agency who have been very helpful with the matter. Will the Minister confirm what

the next steps are and restate when the project will be completed?

**Mrs O'Neill:** The design of the civil engineering works to adequately protect an area is very complex, and it takes a bit of time to work up a design from when flooding first occurs. That being said, extensive work has been done with residents and all the local groups to make sure that what is put in place is fit for purpose.

With the Member, I visited a number of residents in the area who have been flooded time and again over the past number of years, and he will know the distress that that has caused. I am delighted and content that local people have been kept informed about the development of the scheme and that the Rivers Agency has worked very closely with them to make sure that they are up to date with everything that is going on.

We are about to go out to tender, and the works will be completed by spring 2015. I know that the residents will be waiting for that. While we are designing a scheme we do not just leave an area vulnerable; we have taken forward work in other areas, particularly the removal of the railway bridge and river maintenance work. That work has been ongoing to try to protect people until the scheme comes into play in spring 2015.

**Mr Deputy Speaker:** Before I call a Member to ask a supplementary question, I want to ensure that the question is about a relevant constituency issue.

**Mr McKinney:** I will try my best, Mr Deputy Speaker. Given the advancement of a scheme such as the one in Beragh and the expectation that it creates in people's minds about dealing with flood defences, will the Minister assure us that DARD and the Rivers Agency will put adequate resources into flooding schemes in general?

**Mrs O'Neill:** Yes, absolutely. All schemes are dealt with on the basis of a cost-benefit analysis. There are competing priorities — there always will be. Do I have enough money in the Rivers Agency budget? Do I want more? Absolutely, and I will continue to bid for more. At present, a number of schemes have been designed, and we have the funding to take them forward, which we will do. Should more funding become available, the Rivers Agency can always take it and move schemes forward.

We must remember that flood alleviation schemes are not designed overnight. Even

with Beragh, it takes time to be able to put together a scheme that is fit for purpose. However, I will fight my corner strongly for the agency to have enough resources to take forward any necessary schemes.

**Mr McNarry:** Will the Minister draw comparisons between Beragh and other areas, such as those I have written to her about?

**Mrs O'Neill:** I cannot do that during Question Time today, but I am always very happy to respond to the Member when he writes to me about any area. As for comparing Beragh with other areas, every flood alleviation scheme and everybody's needs will be different, and each scheme will be assessed based on those issues. They will also be based on a cost-benefit analysis and whether we can do it. If the Rivers Agency identifies an area as a priority, I am happy to fight my corner for such a flood alleviation scheme to go ahead.

## Phytophthora Ramorum

6. **Mr Hilditch** asked the Minister of Agriculture and Rural Development for an update on the current outbreak of Japanese larch disease in Woodburn forest, Carrickfergus. (AQO 5632/11-15)

12. **Mr Brady** asked the Minister of Agriculture and Rural Development for her assessment of the tree disease *Phytophthora ramorum*. (AQO 5638/11-15)

**Mrs O'Neill:** With your permission, Mr Deputy Speaker, I will answer questions 6 and 12 together.

This plant disease is caused by a fungus-like pathogen whose scientific name is *Phytophthora ramorum*. It is more commonly known as sudden oak death after its effect on North American oaks. I hasten to add that its effect on our oaks is much less severe, but it remains a serious threat to Japanese larch and some common species including ash, beech, rhododendron and bilberry.

The significance of Japanese larch is that it produces large quantities of infective spores that have a capacity to spread the disease widely. The main element of our control strategy has been to fell symptomatic trees and other epidemiologically associated trees because of the risk of latent infection.

Since the first confirmed finding in larch in 2010, we have felled over 700 hectares. We know that we have approximately another 360

hectares to fell as a result of survey work in 2013. Those surveys confirmed that the disease is continuing to spread and that, in addition to the core areas of infection in Counties Down, Armagh and Antrim, new scattered infections have been found throughout the North.

The prognosis for Japanese larch is poor, and it is likely that this important tree will disappear from our landscape and have a detrimental impact on the conservation of species such as red squirrel. However, it is important that felling of larch continues in order to reduce the risk of infection spreading to other common tree and shrub species.

Given that the disease has spread so quickly in larch, I have asked officials to re-evaluate our policy options for its control. It is important to note that the disease is not harmful to people or animals, and visitors remain welcome in all our forests.

**Mr Hilditch:** Woodburn forest and its hinterland have been decimated by the disease. Is the Minister telling us that the disease is not under control, and when does she envisage such times arriving?

**Mrs O'Neill:** The policy has always been to work towards research to eradicate and contain the disease, particularly forests that are trying to contain it by felling. Over the past number of years, wet weather and wind in particular have led to an increase in the spread of the disease, and there is also a wide range of spores. Rhododendron is common, and it will carry the disease, so a combination of reasons has led to a significant spread.

Our current policy is around research. The Agri-Food and Biosciences Institute (AFBI) is doing work on containment and eradication. As I said in my original answer, I have asked officials to re-examine the policy to see whether it is still fit for purpose, given that the disease has spread so significantly.

**Mr Brady:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her answers so far. Does she feel that she has enough resources to deal with and address the plant health threat?

**Mrs O'Neill:** In tackling the tree disease incidences, DARD has benefited from additional resources for the Forest Service because it has specialist skills and machinery. Based on that experience, the permanent secretary and I decided to allocate responsibility for all plant

health matters to the chief executive of the Forest Service. That will ensure that policy and implementation are led by a senior civil servant with an appropriate professional qualification.

In recognising that the threat of plant disease and pests appears to be increasing, the Department intends to increase the scale of resources devoted to plant health. A project is under way to transfer existing plant health functions to Forest Service, agree an organisational structure for the new unit, prepare operational plans and develop a business case for additional resources by April 2014.

**Mrs Dobson:** Given the history of that tree disease at Woodburn forest, including instances in 2009 and 2010, is the Minister content that the current signage providing information on biosecurity measures to visitors is enough action to prevent the spread of the disease, or can she do more?

**Mrs O'Neill:** It is important that we, particularly councils, Forest Service and us, work together on messaging, because biosecurity is key when it comes to all plant health issues.

We have some excellent signage. We have even been working with mountain-biking groups, which are made up of people who use our forests regularly. The key messages are simple things such as washing the wheels of your bike, washing pram wheels and washing your boots. We continue to work with stakeholders collectively to make sure that we get very clear and recognisable messages out.

The messaging that we have done has been very effective. However, we always keep it under review. Another stakeholder meeting is coming up over the next number of months, and one of the items for discussion will be whether there is anything else that we could be doing to promote the message. I am very grateful for the work that councils have done on access to council land. They have also been very good at getting a very strong public message out there.

**Mr Deputy Speaker:** Gregory Campbell is not in his place for question 7. I call Basil McCrea.

## **Rural Roads: Winter Access**

8. **Mr B McCrea** asked the Minister of Agriculture and Rural Development what discussions she has had with the Minister for Regional Development regarding keeping rural roads accessible for farmers and rural dwellers

following the recent wet weather. (AQO 5634/11-15)

**Mrs O'Neill:** I have had no discussions with the Minister for Regional Development on keeping rural roads accessible to farmers and rural dwellers following the recent wet weather. Maintenance of the roads infrastructure lies completely within his remit. I welcomed his action to supplement the existing snow-clearing arrangements by encouraging farmers, agriculture contractors and other owners of suitable equipment to apply for a contract that would put in place additional assistance for the winter.

I can advise that, if the situation escalates similarly to the previous severe winter weather, when many rural roads were completely blocked by snow and ice, DARD has a major emergency response plan that provides the overarching framework for the central management and coordination of the Department's involvement in such an emergency. DARD also has a range of plans in place to deal with specific emergency and business continuity situations. Those have been developed over a number of years and are regularly and rigorously tested to ensure that they remain fit for purpose.

If an emergency situation is likely to affect the North of Ireland's infrastructure, including the delivery of public services, OFMDFM will convene a meeting of the Civil Contingencies Group. During emergencies, the membership of the group will be tailored to the particular needs of the situation, and additional support organisations will be invited on to it, as appropriate.

**Mr B McCrea:** The Minister will be aware that winter comes around with remarkable regularity. Does she engage in pre-planning discussions before the winter months and say, "This is what we are going to do", rather than make just the emergency provisions that she outlined?

**Mrs O'Neill:** I will go even further and say that, funnily enough, winter comes around every year. As I said, I engage with the Minister for Regional Development when required. I have done that in the past. I welcome the fact that he has engaged farmers and local contractors to clear roads, particularly in rural areas. The gritting services that go around the main roads perhaps do not get into rural areas. I am particularly keen that those services always be expanded.

My own Department has held a whole range of meetings, particularly to prepare for winter, given the winter that we have just come out of. We have engaged in winter preparedness at College of Agriculture, Food and Rural Enterprise (CAFRE) level. We have the Fodder Task Force. We have a whole range of things. I can assure the Member that I know when winter is and that I do my job carefully.

**Mr Frew:** If we have the same extreme weather that we had last March and April, will the Minister, as part of her contingency and emergency plans, contemplate asking the RAF for the Chinook helicopters to give support for a longer period this time? Will she also contemplate calling in the Territorial Army (TA) to try to save some of the stock, given how much perished in the snow last year?

**Mrs O'Neill:** The Member is trying to make a cheap political point. As I said at the time, I am very happy to invite our neighbours in for help whenever we need it. I do not have a problem with that. I will invite in whomever we need at the time.

Last year we had support from both the Irish Government — which provided helicopters — and the British. I am very grateful for that support.

**2.30 pm**

**Mr Frew:** Who was the cheapest?

**Mrs O'Neill:** We can get into the issue of cost, but there you go. For me, it is about dealing with an emerging situation. I was not shy about asking for help and I will not be shy in the future, if help is needed.

**Mr Deputy Speaker:** That is the end of listed questions, and we move to topical questions.

## **Horse Cruelty: Clogher Valley**

**2. Ms McGahan** asked the Minister of Agriculture and Rural Development for an update on cruelty to horses in Clogher valley in my constituency. (AQT 782/11-15)

**Mrs O'Neill:** I am aware of the concerns regarding the welfare of horses near Clogher in County Tyrone. An investigation is being carried out by council animal welfare officers. Councils have responsibility for the enforcement of the powers under the Welfare of Animals Act 2011 in respect of non-farmed animals, which obviously includes horses.

The councils' animal welfare officers have been very active in dealing with this issue and have taken a range of actions to address it, including the seizure of over 20 live horses. The Welfare of Animals Act provides strong powers to deal with a person responsible for an animal who fails to meet the needs of the animal to the extent required by good practice, or who causes that animal to suffer unnecessarily. The maximum penalty for any person who is convicted of causing unnecessary suffering is two years' imprisonment and/or an unlimited fine.

Veterinary Service is investigating the presence of horse carcasses, as DARD is the competent authority for the disposal of animal carcasses under the Animal By-Products (Enforcement) Regulations 2011. The responsibility for the disposal of fallen animals lies with the occupier of the premises or the person considered by DARD to be in charge of them.

I can confirm that DARD has served a notice on the owner of the premises requiring that the horse carcasses be removed from the premises, and the date of expiry of that notice was Monday 10 February. The carcasses are in an area which makes their disposal difficult, due to the inaccessibility of it to vehicles and the wet condition of the ground. Given that the owner failed to comply with the notice by the expiry date, DARD is now taking steps to remove the carcasses, but that may take a bit of time, given the location, the weather and the shape of the grounds. As an investigation is ongoing, that is as much information as I can give the Member by way of an update.

**Ms McGahan:** I thank the Minister for her response. Is she content to meet me and the Ballysaggart Environmental Group to discuss the issue locally?

**Mrs O'Neill:** Yes, absolutely. As I have said, it is the responsibility of the local welfare officers but, as there is now a DARD investigation, if the Member thinks it helpful, I am happy to meet her in her constituency.

## **Fishermen: Hardship**

**3. Mr McKinney** asked the Minister of Agriculture and Rural Development, in the light of our colleagues in south Down relaying to us the very difficult situations being experienced by fishermen in Ardglass, Portavogie and Kilkeel, whether she recognises the hardship being experienced by our fishermen due to the bad weather, and to update us on any discussions

she has had or will have with representatives of fishermen. (AQT 783/11-15)

**Mrs O'Neill:** I am acutely aware of the financial difficulties faced by many fishermen, skippers and crew members. It has been a particularly trying time. This time of year is not the traditional fishing season, but the weather has prevented any activity at all from taking place. I am meeting a delegation of fishermen this afternoon, and we will discuss their plight. I commend the local charity for the work that it has done to support fishermen through this time of need. In the meeting this afternoon, we will discuss thoroughly the issues that they are experiencing and what can be done in the time ahead.

**Mr McKinney:** The Minister's last remark underscores the plight of these fishermen. They are having to turn to charity to aid their lives. What measures can the Minister put in place, given that there is a change in the season experienced by these fishermen? Can she entertain any permanent or more consistent support schemes, given the situations that they face?

**Mrs O'Neill:** The Member will be aware that, last year, the Executive made a hardship payment to fishermen of about £400,000, which was obviously welcomed at that time. As I said at that time, it is important that we look at the long-term challenges for the industry. Year on year, the weather is getting worse and it is going to be difficult, not just for fishermen, but for quite a number of sectors. So there are challenges, and there are longer-term challenges.

Today, I am happy to meet the fishermen to discuss the challenges that they face at the moment. We will do that in a thorough manner. There are quite a number of issues which the fishermen want to talk about today, and I am keen to do that, explore the issues and see what can be done.

## **DARD: Central Investigation Service**

4. **Mr Swann** asked the Minister of Agriculture and Rural Development to join him in welcoming the Justice Minister's announcement that he will take forward his private Member's Bill, through an order to the House, to see her Department's central investigation service inspected and audited by Criminal Justice Inspection. (AQT 784/11-15)

**Mrs O'Neill:** I do not have a problem with any legislation coming forward to this House and it

being fully discussed and debated by all parties. That is just democracy.

**Mr Swann:** Does the Minister find her central investigation service fit for purpose? Does she have any intention of reviewing its memorandum of understanding or service level agreements with other Departments or arm's-length bodies to enable it to have a remit outside Northern Ireland into the Republic of Ireland and Scotland?

**Mrs O'Neill:** I know that the Member has a keen interest in the issue. He raises it with me time and time again and asks plenty of questions about it. I am not aware from other Departments of any issues. The unit's practices are thoroughly examined and it is audited. I am content with the work that it is doing. When legislation comes forward, and if it proposes changes, I will be happy to consider them in the round. If it is in the public interest, I do not have a problem with considering that.

## **Clipper Round the World Yacht Race**

5. **Mr McCartney** asked the Minister of Agriculture and Rural Development, in the light of the fact that the Clipper Round the World Yacht Race will be coming to Derry in June, to outline what steps Loughs Agency has taken to improve tourism along the River Foyle. (AQT 785/11-15)

**Mrs O'Neill:** I am delighted that the race and the competitors will return. It was there last year, and it was a fantastic event. The award-winning Foyle marina, which was recently installed, will be a focal point for the race activities. I am aware, from a recent North/South Ministerial Council (NSMC) meeting, that the plans for the event are well under way, with the agency concentrating its resources on initiatives that will highlight the marine potential for the Foyle across the world, because we believe that we have got something to shout about.

The Loughs Agency and Inland Fisheries Ireland recently went to France with key partners to actively promote the island of Ireland as an angling destination in order to attract greater numbers of French anglers. A number of other shows are planned for this year to further develop the international markets.

Other events that the Member may be interested in that the Loughs Agency has been involved in from a tourism point of view include the Sail West project in association with Donegal County Council, which was an



ambitious marine tourism project that brought many benefits to the region, from the development of capital works to the sharing of ideas and experiences with Scottish partners and the creation of the marketing brand MalinWaters. Significant improvements of facilities at Malin Head and Benone beach are also expected to increase visitor numbers.

The Loughs Agency is also continuing to work with its partners under the Cruise North West banner by developing unique visitor experiences to the Foyle area. Finally, the Loughs Agency is always keen to promote the Foyle area through radio, film and TV coverage. The agency recently worked with UTV, BBC and RTÉ on a number of projects that highlight Lough Foyle as a major potential tourism asset, which is ideal for water-based leisure activities. So, there is lots going on in terms of tourism potential on the Foyle.

**Mr McCartney:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for her comprehensive answer, which recognises that the Clipper has helped highlight the city and the wider region.

**Mr Deputy Speaker:** Can we have a question, please?

**Mr McCartney:** We can indeed. Given the fact that the next NSMC meeting coincides with the visit of the Clipper to Derry, will the Minister consider having that meeting in Derry city?

**Mrs O'Neill:** Yes, absolutely. Last year, as I said, we had the privilege of holding an NSMC meeting in the Derry City Council offices, which overlook the yacht race, and we could see the boats coming in. We are very keen to go back again if the opportunity arises to have our meeting there and see at first hand how effective the Loughs Agency is in promoting what we have as a major tourism asset.

## Cattle Prices

6. **Mr G Robinson** asked the Minister of Agriculture and Rural Development for her view on the decision of local meat plants to cut the price of cattle that have four or more movements in their lifetime by £150 a head. (AQT 786/11-15)

**Mrs O'Neill:** The Member may not have been in earlier during Question Time when I dealt with this issue, but I am happy to go over it again. I met NIMEA yesterday to discuss the

issue. I made a very firm case that this was not appropriate and that it was a decision that had been taken forward without informing farmers of the changes to the system. Farmers had made business decisions, bought in cattle and taken their decisions based on the current pricing structure.

It is very unfair of NIMEA to bring forward proposals at this point in the year, when people are getting ready to bring them for finishing. I have made that case very strongly to NIMEA. I am aware that it has a new proposal on the table today and is discussing that with the farming unions. I look forward to that being a positive decision, hopefully, and something that is welcomed by the industry.

**Mr G Robinson:** Is there anything else that the Minister can do to help and alleviate the situation for the beleaguered farming community on this matter?

**Mrs O'Neill:** It is a particularly bad time for NIMEA to bring forward these proposals, given the fall in beef prices. We all want to have a sustainable red meat sector in the future. Part of that sustainability, and what the Executive can do, is wrapped up in the Going for Growth strategy. I am keen that that is discussed at the Executive, sooner rather than later, and that we can get agreed the proposals that have been put forward by myself and Arlene Foster, the Minister of Enterprise, Trade and Investment. That will be the key tool that will allow the Executive to support the red meat industry going into the future.

There are obviously challenges with the fall in meat prices. Those are market conditions and outside everybody's control. Hopefully, consumer habits will change, demand will increase and, in turn, prices will increase. That will be a better day for the beef sector.

## Fishermen: Hardship

7. **Mr McMullan** asked the Minister of Agriculture and Rural Development whether she plans to meet the fishing industry to discuss the hardship that is being experienced, particularly in Ardglass. (AQT 787/11-15)

**Mrs O'Neill:** Yes. This afternoon, I intend to meet a group of fishermen who are coming up to impress upon me the conditions that they have been working under in the past number of months. It has been a particularly difficult time for the fishing community, particularly given the bad weather that there has been over the past number of years. It makes it very difficult for

them to make a good start, and it takes them until the end of the year to catch up. Yes, I will meet them this afternoon to discuss that.

**Mr McMullan:** Go raibh maith agat, a LeasCheann Comhairle. Thank you for that answer. Do you think that the catches will improve as the season progresses?

**Mrs O'Neill:** I certainly hope so. Over the past number of years, we have seen that catches will improve in the summer months, particularly if we get decent weather in July, August and, sometimes, into September. We are very hopeful for that. That is shown to have been the case in the years gone by. The particularly difficult weather that we have had over the past number of years has, no doubt, made it difficult for the fishing community to be able to catch their full catch year-on-year. It is something that we need to address in a longer-term way, because short-term assistance can do one thing — assist you in the short term. There are longer-term challenges here. I hope to get to the bottom of them with the fishing industry and to work with it on how we can work together to sort those things out.

**Mr Deputy Speaker:** Mervyn Storey is not in his place; Lord Morrow is not in his place.

## Young Farmers: New Entrants Scheme

10. **Mrs D Kelly** asked the Minister of Agriculture and Rural Development what representations she is making in Europe for greater flexibility in the new entrants scheme for young farmers. (AQT 790/11-15)

**Mrs O'Neill:** I can confirm to the Member that that is something that is ongoing as part of CAP negotiations and discussions. We have just been out to consultation on the new system that we will have in place. I think that it is vital that we have systems in place that support young farmers to help them to stay in the industry and to come into the industry.

The average age profile of the farming community is something that is of concern. I am very much committed to making sure that we have succession planning in place, so working with farm families on who is going to be the future of the farm and on how we can do that is important. Financial supports are, obviously, the way to do that. Under the new CAP, and the new system that will come into place post 2015, there will be opportunities for young farmers to have additional support.

**Mrs D Kelly:** Is the Minister aware that if a young farmer previously took advantage of a grant to help build an agriculture shed, he is excluded from future applications? Does the Minister think that that is fair and the way to go?

**Mrs O'Neill:** The Member will be aware that we have just finished the consultation and that we are working our way through all of the process. These things are not fair. Europe has set down rules, particularly for young farmers. If somebody is under 40 and has been named on a farm business for, maybe, the past three years, they are only entitled to support for the next two years. That is also an issue of concern for me. It is something that we have raised at European level. As I said, I can only say this, and I say it the one way: I am fully committed to supporting young people in the farming industry, because they are the future, and succession planning is key.

2.45 pm

**Mr McCarthy:** On a point of order, Mr Deputy Speaker.

**Mr Deputy Speaker:** Points of order are not taken during Question Time.

## Culture, Arts and Leisure

### Cycling

1. **Mr Ross** asked the Minister of Culture, Arts and Leisure what steps she is taking to develop the sport of cycling. (AQO 5642/11-15)

**Ms Ní Chuilín (The Minister of Culture, Arts and Leisure):** I thank the Member for his question. Responsibility for developing the sport of cycling across the North rests with the governing body of the sport, which is Cycling Ireland. Up to 31 March 2013, Sport NI provided funding totalling well over £660,000 to support cycling. Furthermore, the Sports Institute provides specialist support to talented local cyclists in the form of sports medicine, physiology and performance skills, including lifestyle management, performance analysis and strength and conditioning.

Through its Active Schools programmes, Sport NI encourages schools to develop linkages with local cycling clubs. Sport NI is represented on the DRD Travelwise active travel forum, which also includes a range of cycling bodies. The forum's work streams include the development and implementation of action plans to take cycling forward in schools and communities.

**Mr Ross:** This morning, I was at a very windy Giant's Causeway, where Stephen Roche was inducted into the Giro d'Italia hall of fame. We are only a matter of months away from one of the biggest events ever to come to Northern Ireland hitting the streets. That will have a massive impact on the interest in cycling and, hopefully, on the number of people who will take up the sport. Have there been any further developments in getting a velodrome in Northern Ireland? I know that the Minister previously said that the business case had been unsuccessful in the past. Has any further work been done on that, and is there any prospect of getting a velodrome in the future?

**Ms Ní Chuilín:** The Member will know that, previously, the business case for the velodrome did not stack up on the numbers. There is a feasibility study under way now that we are considering. It is up to the governing body, which is Cycling Ireland, to press forward with the Department and Sport NI for a business case, and I look forward to seeing that in the future. I know anecdotally and through evidence and through the legacy of the World Police and Fire Games and, previous to that, the Olympics and the Paralympics that the sport of cycling is increasing in popularity, and I have no doubt that it will continue to flourish after the Giro d'Italia. I look forward to seeing the plans for the future.

**Mrs McKevitt:** Staying on the subject of the velodrome, has the Minister had any meetings with Cycling Ireland to discuss bringing the proposals forward?

**Ms Ní Chuilín:** The Member will have heard my answer to Alastair Ross's question. Cycling Ireland has presented a feasibility study, which I am looking at. On that basis, I intend to meet Cycling Ireland along with Sport NI. I anticipate that Cycling Ireland will ask for a business case to be brought forward for a velodrome. I will outline what I expect to see in that business case, and when that process is completed I have no doubt that we will go through a series of meetings to see what assistance, if any, we can provide in future to support a velodrome.

**Mrs Overend:** The Member for East Antrim mentioned the Giro d'Italia, and this is our opportunity to give cycling an additional boost in Northern Ireland. Has the Minister had any discussions with cycling clubs? We need to bring on a new generation of cyclists in Northern Ireland, and this is our opportunity to boost cycling as much as possible.

**Ms Ní Chuilín:** I have not had any meetings. Individual cycling clubs have been connected to the World Police and Fire Games legacy and to some of the work around the City of Culture last year but not through their governing bodies. I have no doubt that the desire to get more people active through cycling is there, and the clubs and the governing bodies do a good job. That work, along with the needs to be met through the feasibility study and the work to ensure that, if and when the business plan comes forward, it includes not only the work of the governing bodies but of grass-roots cycling clubs right through to the elite performers, is really important. As if we needed to be reminded, that is one of the legacies that should come out of the Giro as well as previous sporting events that we have held on these shores.

**Mr Ó hOisín:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. The Minister may be aware of a report yesterday that indicated that 800 million people around the world will view the Giro d'Italia. Given that that is the case, the impetus to consider commissioning a business case should stack up. Will the Minister consider that?

**Ms Ní Chuilín:** I thank the Member for his question. I am delighted that there is so much interest in cycling and, indeed, in a velodrome. The Member is right: we need a business case, and we need to see it stack up. It is really important that, once a feasibility study has been completed and I have discussed and considered it, I meet the governing bodies and Sport NI to talk through the next steps in preparing a business case. That business case will be crucial, and it will have the necessary detail. If it is proven — I have no doubt that it will be — that there is a business case and a need for a velodrome, we will need to work out our next steps, but we have a long way to go before we get to that stage.

## Bilingual Signage

2. **Mr McMullan** asked the Minister of Culture, Arts and Leisure to outline any plans her Department has for bilingual signage either through Foras na Gaeilge, the Ulster-Scots Agency or her Department's arm's-length bodies. (AQO 5643/11-15)

**Ms Ní Chuilín:** I thank the Member for his question. Of the Department's arm's-length bodies, the Libraries NI board has decided that any additional signage in library buildings should be in English, Irish and Ulster Scots. Sport NI has also advised that, although

signage provided by it is in English, it can provide alternatives in Irish and Ulster Scots as appropriate. Foras na Gaeilge offers funding for bilingual signage to businesses under the Gnó Means Business campaign. This funding will be awarded on a 50:50 match-funding basis between the applicant and Foras na Gaeilge. The applicant must have match funding available. The maximum available under the scheme is up to £2,250 or €3,000, depending on the proposal or the proposed project. At this stage, the Ulster-Scots Agency has no such programme available.

**Mr McMullan:** Go raibh maith agat. I thank the Minister for her answer. Will she tell us what else is available from Foras na Gaeilge through its scheme?

**Ms Ní Chuilín:** As I said in my main answer, additional support for signage funding will be awarded on a 50:50 match-funding basis. As well as signage and marketing, Foras na Gaeilge looks at new or replacement signage, again up to a maximum value of £2,200 and €3,000. For bilingual packaging, there is also match funding up to a maximum value of £1,250 or €2,000. A maximum award of up to £400 or €500 will be applicable to those looking at baggage or shopping bags. Websites will be awarded funding on the basis of practicality and match funding up to a maximum value of £750 or €1,000. For other bilingual signage and Irish language materials, match funding up to £750 or €1,000 will be awarded, but that has to be relevant to the business or deemed appropriate.

**Mr D Bradley:** Go raibh míle maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a freagraí. An bhféadfainn ceist a chur ar an Aire: cad is féidir lena Roinn a dhéanamh leis an scéim Gnó Means Business a fhorleathnú ar fud an limistéir seo? What can the Department do to increase awareness of the Gnó Means Business scheme throughout this region?

**Ms Ní Chuilín:** The Member will be aware that the scheme is administered by Foras na Gaeilge, and, apart from promoting it through DCAL's website, I have promoted it when I have met groups individually, particularly the opportunities for businesses around marketing materials, signage and any displays of Irish language. I have made them aware of it, and I will continue to do so. For some people, particularly those starting off, the 50:50 match funding has proven to be the catch. Promoting the scheme is valuable, and I will continue to do so. The RPA is an opportunity to promote the scheme, and I encourage Members to do that,

as Mr Bradley has done. Some council areas are better than others at supporting local and smaller businesses through the scheme.

**Miss M McIlveen:** The plans that the Minister outlines are probably much broader than her remit. If she were to stray much further, they would be considered novel, contentious and cross-cutting and may need Executive approval.

Given the costs associated with some of the schemes and the fact that many of the arm's-length bodies that have approached our Committee have issues around their budget, are there not more important things that they could do with her allotted budget other than indulging the Minister's hobby?

**Ms Ní Chuilín:** I am not really sure what the Member is trying to prove with the three points that she made other than to threaten me that, if she believes that something is novel and contentious, it will, through her Executive colleagues, be brought back. The Member should know, because she is Chair of the CAL Committee, that Foras na Gaeilge has a particular remit for the scheme. The question that people ask is what else we can do. As Ministers, we are always looking for additionality. The day that we stop looking for additionality is the day that we should hang up our boots. I have nothing else to say in response to the Member's points, because I do not know the point to them other than a political one.

## Girdwood

3. **Mr G Kelly** asked the Minister of Culture, Arts and Leisure to outline any potential investment from her Department, or its arm's-length bodies, for the redevelopment of the Girdwood site. (AQO 5644/11-15)

**Ms Ní Chuilín:** There is potential for investment in the redevelopment of the Girdwood site under the Together: Building a United Community (T:BUC) strategy, and that is reflected in the outline proposals for a cross-community youth sports programme. The proposals outline the delivery of a community sports hub in conjunction with other providers to create both sports opportunities and facilities for the community, as well as employability enhancements and improved coaching qualifications for the young people of the surrounding areas. That approach can serve and can be tested as a model of development elsewhere to deliver sustainable T:BUC impact. My Department is currently engaging with DSD

and others to ascertain what sporting facilities may be required at Girdwood and how those can be a catalyst for promoting social inclusion and tackling poverty in the surrounding areas.

**Mr G Kelly:** Gabhaim buíochas leis an Aire le haghaidh an fhreagra sin. Will the Minister elaborate a wee bit on the potential programmes, their relationship to the outlying communities and the other Ministries involved?

**Ms Ní Chuilín:** As I said in my answer, I have met the Minister for Social Development and Belfast City Council, albeit on the general development of Girdwood. I am looking at the University of Ulster and the Sports Institute, along with Belfast Met, having some reflection, buy-in and connection. When we look at coaching and at opportunities, particularly for children and young people, we should look at how we can support the career and personal development of young men and women who did not succeed in formal education but are interested in sport and have been good role models and mentors. To that end, I am looking at furthering discussions with colleagues from DEL, DE and other Departments. It is important, as I said in my main answer, that the communities around Girdwood, some of which are the most deprived, have an opportunity not just to see what is happening but to be part of it.

**Mr Humphrey:** I thank the Minister for her answer. As someone who is involved in youth work and, like the Minister and the Member who asked the question, represents North Belfast, I welcome investment in sports facilities and community facilities for young people. That is something to be welcomed right across the House.

I appreciate that the Minister has not got much meat on the bones at this stage, but will there be consultation on the proposals with communities in the New Lodge, the Antrim Road, Cliftonville, the lower Shankill and the lower Oldpark to ensure that the facilities that those communities and, indeed, the local schools need will be part of this, as well as facilities for those who are elite or potential elite athletes?

**Ms Ní Chuilín:** Absolutely. My role and, indeed, Sport NI's role are not just around elite athletes, although that is in the Sport Matters strategy. In our role as elected representatives, regardless of whether we are Ministers or MLAs, we need to make sure that we are not pulling the ladder up on people coming behind us. A lot of children and young people who are vulnerable with regard to the criminal justice

system and poor mental and physical health will have an opportunity and not just an opportunity to be consulted. They should have that opportunity, and there should be a gateway for those kids to make sure that they are not continually left behind. It is sectors like those that, unfortunately, constantly keep our constituency in the top 10% of the most deprived.

**3.00 pm**

**Mr A Maginness:** I welcome the Minister's outline of the potential for the Girdwood site. In keeping with the Executive's shared future policy, will the Minister emphasise the importance of bringing children and young people together on that site and ensuring that any facilities that are available should be open to everybody?

**Ms Ní Chuilín:** I absolutely agree with the Member: it needs to be done on the basis that it is inclusive of everybody. It is about need; it is not about creed. Any facility that is developed, should it be sport, housing, education, employment or investment, needs to be done on the basis of objective need. If you look at objective need, a shared future will follow.

**Mr McGimpsey:** I welcome the Minister's response to the questions.

The ambitious plans that Crusaders Football Club has, which include education, sport and health, are equally deserving of support. Will she undertake to seriously consider that development as it comes forward, because it very much parallels what is being proposed and considered for Girdwood?

**Ms Ní Chuilín:** I thank the Member for his question and his continued interest. I have not met Crusaders about its proposals. I look forward to receiving an invitation to meet the club. I know about the work that it is trying to do, particularly around involvement through education, sport and physical activity and particularly for young men who have been excluded in their communities and feel that any opportunities that come their way really are not for them. I heard about the proposals on the news. They sound very exciting, and I wish Crusaders well. However, as yet, I have not had sight of the proposals or met Crusaders on this.

## Commonwealth Games 2014

4. **Mr Easton** asked the Minister of Culture, Arts and Leisure what funding opportunities are available for people taking part in the Commonwealth Games 2014. (AQO 5645/11-15)

**Ms Ní Chuilín:** I thank the Member for his question. The Commonwealth Games Council is responsible for all aspects of the North's local team that will compete this year in the Commonwealth Games. DCAL provides support to athletes through Sport NI, which is investing well over half a million pounds in Commonwealth Games sports in the current financial year through its athlete investment programme. The two strands of the programme contribute to the implementation of agreed training and competition programmes and to essential living and travel costs. The funding is not solely for preparation for the Commonwealth Games but is also for other competitions that take place during the investment period. The Sports Institute provides specialist support to local talented athletes in the form of sports medicine, physiology and performance skills, including lifestyle management, performance analysis and strength and conditioning. An ongoing investment programme in the development of high-quality facilities, such as the Aurora complex in the Member's constituency and the stadia projects, provides athletes with a professional training environment.

I want to take this opportunity — sure I will have it again well before — to wish all the competitors every success.

**Mr Easton:** I thank the Minister for her answer. Is there still time for people to make applications for funding for the Commonwealth Games, or is it closed?

**Ms Ní Chuilín:** My understanding is that it is still open, but I am not sure. I will find out and get word to the Member, hopefully within the week. I understand that it is still open for people to apply to that fund, if you are talking about the athletes. I know that some of the governing bodies had applications completed well in advance. When they had their athletes selected, they almost had the request for funding on board. However, as with everything, people fall out and others take their place. I will find out and get the Member a definitive answer.

**Mr McAleer:** Go raibh maith agat, a LeasCheann Comhairle. Will the Minister tell

us who has responsibility for nominating competitors from the North to the games?

**Ms Ní Chuilín:** In the first instance, it is the responsibility of the governing body to nominate players for international or multi-sport competitions. The governing body may choose players for competitions in accordance with arrangements that have been agreed with the council, athletes and perhaps some of the clubs. At the end of the day, it is up to governing bodies.

**Mr Rogers:** The 2012 Olympics and the World Police and Fire Games taught us that volunteering can be a life-changing experience for many people. What funds are available for those who would like to volunteer for the Commonwealth Games?

**Ms Ní Chuilín:** I am not aware of any funding streams; it is managed through the Commonwealth Games Council. I know that it has been working with Volunteer Now and, indeed, with other volunteers and governing bodies. In the past, governing bodies have included volunteer development or support costs in their awards. I am not sure whether any single organisation such as Volunteer Now helped out with the World Police and Fire Games or indeed the Olympics and Paralympics. If it is any help to the Member, I will find out and forward that information to him.

**Mr Copeland:** Is the Minister confident in the steps that she has taken to ensure that sportsmen and sportswomen who identify with Northern Ireland and wish to participate in the Commonwealth Games on that basis will be properly facilitated?

**Ms Ní Chuilín:** Let me assure the Member that, regardless of how people identify themselves or what nation they decide to compete for, I will give them my full support and backing. I have done that and will continue to do that. At the end of the day, it is down to the sporting bodies how they present their athletes for competitions. I just want to assure the Member and, indeed, everybody else in the House that I never have and never will get political when it comes to athletes. It is certainly below political standards to start getting involved in their choice to compete for a particular nation. What competitors need from all of us is our full support, regardless of their choice.

## Archaeological Finds

**5. Mr Gardiner** asked the Minister of Culture, Arts and Leisure to outline her Department's policy in relation to the housing and display of archaeological finds. (AQO 5646/11-15)

**Ms Ní Chuilín:** I thank the Member for his question. The 2011 museums policy sets out a vision for the museum sector, which is to create a coordinated and sustainable sector that develops, preserves and interprets its collections to the highest possible standards; delivers quality services that inspire, educate and engage local, national and international visitors and users; and harnesses its strengths and diversity to support economic, social and cultural development and a shared and better future.

Museums recognises that archaeological finds are the physical evidence of our shared past. The Historic Monuments and Archaeological Objects Order 1995 defines the Ulster Museum as one of three relevant authorities to which finds must be reported.

**Mr Gardiner:** I thank the Minister for her response. Will she give an undertaking that, as a general rule, any archaeological finds should be housed and displayed as close as possible to where they were found and that doing that will disperse tourist attractions and jobs throughout Northern Ireland and not just confine them to Belfast?

**Ms Ní Chuilín:** If you have spoken to anybody in Limavady recently, you will know that they want the Brichter hoard back. I fully support that. However, Limavady has the conditions and infrastructure to host such treasures. That is not the case for all venues and places across the North. In principle, I support what the Member says: I do not believe that everything should be centralised in Belfast. That includes resources. For a venue to host such a treasure or find, it needs substantial investment. That needs to come from the people who hope to host such a treasure or find.

**Mrs D Kelly:** The Minister will be aware of the recent debate about archaeological finds from planning-led developments. There were some gaps in the policy, legislation and framework. Has she had the opportunity to update and reflect on those gaps and bring forward some amendments?

**Ms Ní Chuilín:** I have not been presented with legislation that needs to be amended. I just assure the Member of that. I am aware that

discussions are ongoing between our colleague, the Minister of the Environment, and the Environment Agency on what advisory role Museums has. There is a good attitude and approach to that, not just to honour what is in PPS 6 but to look at what else we can all do, which includes the additionality that I spoke about. So it is about the advice from Museums. It is also about looking to see what gaps we can bridge, how we can put private collections, in particular, back into public use and how public money, which, at the end of day, has been spent on displaying some artefacts, can be used in a way that ensures that such artefacts endure and, rather than just being held in areas such as Belfast, are shared throughout. Work between the DOE, the Environment Agency, Museums and DCAL is crucial.

**Ms Lo:** As the Chair of the Environment Committee, I recently met a representative from the Institute of Archaeologists of Ireland, which represents North and South. They told me that it holds millions of artefacts from planning-led excavations and that there is nowhere to put those artefacts. They said that statutory provision was made down South to keep all the artefacts in a big premises there. Has the Minister any plans to take such action?

**Ms Ní Chuilín:** The short answer is no. They have a building in Swords where all the artefacts are looked after. Their legislation is different. If private companies come across or seek finds, the legislation is such that the Government must have a role in the display, recording and cataloguing of those finds. The building at Swords was developed in response to that legislation. It is different here. From a personal point of view, I believe that, when treasures and finds are discovered, they should be there not for private collectors but the public; I am sympathetic to that view. In this instance, getting the balance between public and private does always happen. There is a huge backlog of artefacts that need to be catalogued, and we need to decide what to do with them. I believe that the DOE, the Environment Agency and Museums are working their way through exactly how we go about doing that.

## Greystone Library

**6. Mr Girvan** asked the Minister of Culture, Arts and Leisure for an update on the current status of Greystone library, Antrim. (AQO 5647/11-15)

**Ms Ní Chuilín:** I thank the Member for his question. He will be aware that Libraries NI has been concerned for some time about the declining level of use of Greystone library and

that the library had previously been marked for closure.

In October 2013, the Libraries board reviewed the position regarding the viability of Greystone. The review found that levels of use had continued to decline, despite an increase in the range of core activities offered by staff. Quarterly meetings were held with the Greystone library action group, but attendance has declined substantially, with only one person coming to the meetings latterly. In view of that, the Libraries board decided that all stakeholders, including the local community, should be informed of its concerns regarding usage of the library and that the position would be reviewed again in October this year. Libraries subsequently wrote to all local representatives, churches, schools and community groups in the area last November advising them of the situation and seeking their views and ideas on improving usage.

Since then, Libraries has had a number of meetings with public representatives to discuss the issue. A follow-up meeting with the MP for the area, Rev William McCrea, and local MLAs is being arranged at their request in March 2014 to further explore how Libraries might increase awareness and, indeed, improve engagement with the library and its users.

**Mr Girvan:** I thank the Minister for her answer. I appreciate that I am involved in this. From a departmental point of view, has there been any engagement with other Departments — I think particularly of DEL and the Department of Education — about encouraging usage and delivering the programmes that some of those Departments currently run?

**Ms Ní Chuilín:** I thank the Member for his question and, indeed, his ongoing concern about Greystone library, which, I appreciate, is in his constituency.

I know that Libraries NI, the board, the chief executive and members of staff are very committed to ensuring that the library can host, facilitate and develop as many services as possible with other Departments. They have done that. They are working with the Department of Health on the better promotion of mental health; with DEL on employment opportunities; with members of DSD and local regeneration groups; and with local community groups, which may use the premises as a meeting place. That happens particularly in rural areas where there is not a wide range of places that people can use. They will work with anyone.

They do not want to see any library close; they want to make sure that the library's use and potential increases. Not only have they demonstrated that but they are sincere in seeking views about how that can continue.

**3.15 pm**

**Mr Deputy Speaker:** That is the end of questions for oral answer. We now move on to topical questions.

## **Girdwood**

**1. Mr G Kelly** asked the Minister of Culture, Arts and Leisure for a timescale for the announcement of proposals for sports facilities on the Girdwood site. (AQT 791/11-15)

Go raibh maith agat, a LeasCheann Comhairle. I hope that the Minister will not mind my persisting a little in addition to the question that I asked her earlier.

**Ms Ní Chuilín:** I thank the Member for his question; I was nearly going to thank him for his persistence. At the minute, we are going through the Together: Building a United Community process around the programme for sports facilities. Under the revenue and capital end, I have submitted outline intentions, albeit not proposals, to develop that further. It will take some time, but I am aware, not just as an MLA but as a Minister, that where there is an opportunity for development, we need to try to make sure that there are seamless links between one aspect of development on sites and another. With that in mind, I am keenly aware of where the Member is coming from. Along with Executive colleagues, I will try to ensure that there is a full complement of services and investment on that site as quickly as possible.

**Mr G Kelly:** Go raibh maith agat. Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for her answer, although I am not sure whether she gave me a time frame. I know that it steps slightly outside her remit, and she said that in her answer. It is not only sports facilities; it relates to housing, leisure and education, all of which involve other Departments. Is she satisfied that other Departments are moving at the right pace to give us a speedy announcement in those areas and that it is all done on a cross-community approach?

**Ms Ní Chuilín:** The answer is yes. I appreciate that I did not give the Member a timescale, but I



do not have a timescale to give him. When I do, I will share it with him. In working with the Department for Social Development in this instance, and with OFMDFM, I am happy that there is a commitment to ensure that where we have opportunities to develop a suite of investments on sites such as Girdwood that we move very quickly. Given the complexities of the site and its opportunities — the fact that it is on an interface — I believe that it is crucial, in fact incumbent on us all, to make sure that the children and young people who are vulnerable to the criminal justice system and to poor mental and physical health and well-being are involved in this and that there are opportunities for reconciliation.

### **Skiing: DCAL Funding**

2. **Mrs Dobson** asked the Minister of Culture, Arts and Leisure to detail the assistance her Department is giving to local skiers; those who chose skiing as an amateur sport and those who compete for us on the international stage. (AQT 792/11-15)

**Ms Ní Chuilín:** I thank the Member for her question. I think that she was here when we spoke about support for individual athletes, particularly at an elite level through Sport NI. Our own Kelly Gallagher, who has just finished competing in the winter Olympics in Russia, should be an inspiration. However, our Special Olympians were also an inspiration last year, and they received support through the Special Olympics. Where there is an interest in sport, it is crucial that we take note of that and make sure that support is available through their governing bodies. Indeed, we, as political representatives, should also give them support. That broad approach will encourage more people into sport.

**Mrs Dobson:** I am glad that the Minister mentioned the Special Olympics, because she will be aware of the successes of three local athletes at last year's Special Olympics World Winter Games, including Rosalind Connolly from Portadown. What assistance is the Minister providing to Special Olympics Ulster, especially to those who train weekly at the Craigavon ski centre?

**Ms Ní Chuilín:** I had the privilege of meeting the three Special Olympians at Craigavon council offices last Valentine's Day. DCAL and other Departments have made significant investment in the Special Olympics, and long may that continue. I will get the Member a complete breakdown for her information. It is important that that investment continue, not just

for the Special Olympians but for others through Disability NI, Sport NI and local government. In particular, we need to make sure that those who are vulnerable have opportunities to avail themselves of our local services and facilities. It is not just about elite athletes; all people, regardless of their ability, should have an opportunity to compete or simply to enjoy sport.

### **Windsor Park: State Aid**

4. **Mr Givan** asked the Minister of Culture, Arts and Leisure for an update on the discussions on state aid for Windsor Park and to state whether a resolution has been found. (AQT 794/11-15)

**Ms Ní Chuilín:** On 14 August 2013, Crusaders withdrew its judicial review. Irrespective of that, I went to Europe and, hopefully, those discussions will be concluded. I am confident that the three stadia are not a state aid issue. Regardless of the outcome of any decision, I want to make sure that, if people do not like a decision, they will not go to court and challenge us through a judicial review on the basis of state aid. That is where we are at the minute. We are still waiting for a final outcome, but I am happy with the way in which those discussions have progressed thus far.

**Mr Givan:** I thank the Minister for that response. I know that she will share the need for the issue to be resolved as quickly as possible to allow work to progress. As far as the Windsor Park update and the upgrade are concerned, her Department and Belfast City Council are discussing community facilities that could be incorporated into the stadium. Will the Minister elaborate on what commitment she can make to ensure that that is taken forward?

**Ms Ní Chuilín:** I am progressing with Windsor Park. Belfast City Council and the IFA's plans need to be completed by May. If Belfast City Council's plans are not concluded by then, I will move on with Windsor Park. It is unfortunate, but I am not prepared to have any delays with Windsor Park because Belfast City Council is not in a position to complete its plans for the redevelopment of any community facilities.

**Mr Deputy Speaker:** Pat Sheehan is not in his place. Alex Easton is not in his place. I call John Dallat.

## **Ulster Bank: Belfast Festival at Queen's**

8. **Mr Dallat** asked the Minister of Culture, Arts and Leisure how she feels about the way in which the Ulster Bank has acted by slashing two thirds of the budget from the Belfast Festival at Queen's — surely she is hopping mad — and whether she plans to make up the shortfall. (AQT 798/11-15)

**Ms Ní Chuilín:** In short, I have no plans to meet the shortfall. I have not been approached, but I can say that, following my recent discussions with many other festivals, there is a challenge for them to try to meet their budgets. I have been hopping mad with the Ulster Bank, particularly when, in the past, cards have been stuck in machines, and we have not been able to get money out. Festivals need to come together to look at this issue collectively because festivals are very important, and we need to make sure that there is a robust business plan for bringing their proposals forward. I regret that the Belfast Festival is left in this position, but I have no intention at this stage to meet any shortfalls.

**Mr Dallat:** I listened carefully to the Minister's response, and I have to say that I am disappointed. I would have thought that she might at least have consulted her colleagues and appreciated fully the importance of the festival in creating Belfast as a new city that welcomes everyone. Will the Minister approach her colleagues in the Executive to try to salvage this terrible situation created by the Ulster Bank?

**Ms Ní Chuilín:** To be clear: I have not been approached by the festival or the Arts Council to meet the shortfall. Indeed, I am not even sure whether the Arts Council has been approached by the festival to meet the shortfall. However, I suggest — I am sure that the Member will support this — that the first place that the festival needs to go to is the Arts Council. The Member asked me a question, and I am giving him an honest answer. I have not had any approaches. It is too premature for me to jump up and say, as Members tend to do, "Yeah, I will fund that". I am saying that I want to see the detail, but the first place that the festival should go to is the Arts Council.

## **Eels: ESB, Ballyshannon**

9. **Mr Lynch** asked the Minister of Culture, Arts and Leisure whether she remembers a meeting that we had with Lough Erne eel fishermen a

couple of years ago when we learned about the damage the ESB station at Ballyshannon was causing to the eel population and whether she has received any updates from the ESB on the issue. (AQT 799/11-15)

**Ms Ní Chuilín:** In short, I have not had any update from the ESB, although I have had updates from my fisheries branch in DCAL, as well as correspondence from some angling clubs. It seems that the situation is not improving at all, so I intend to raise the matter at the next meeting of the North/South Ministerial Council on waterways and rivers. I am doing so because it is unfair, particularly to local angling clubs, anglers and people who have invested their lifeblood in those rivers, that ESB appears not to have acted in a responsible way.

**Mr Lynch:** Gabhaim buíochas leis an Aire as an fhreagra sin. At the time, local anglers put conservation measures in place for the eel population. Can the Minister ensure that that matter will be raised and communicated to the anglers?

**Ms Ní Chuilín:** Yes, I am happy to raise the issue, but not so that I can say that I raised it and that that is me moving on. I will track the issue, first, because it is important that ESB honours some of the commitments that it made to local anglers. I am not too sure that that has happened entirely, and I have had different views on that. Secondly, it is important that we monitor the situation on an ongoing basis. The Member and other Members have raised it as an issue. I cannot have responsibility for an eel management plan or even instruct on an eel management plan with Europe based on where things are at currently. We need to make sure that improvements are made for proper conservation and that responsibilities for such conservation are in place.

## **Suicide Awareness Training**

10. **Mr Dunne** asked the Minister of Culture, Arts and Leisure to explain why the 2013 award, to the value of £60,000, of the suicide awareness training programme to the PIPS charity was not subject to Public Contracts Regulations 2006 for part B services. (AQT 800/11-15)

**Ms Ní Chuilín:** The Member has obviously had a question put in his hand. The £60,000 was not awarded entirely to the Public Initiative for the Prevention of Suicide and Self-Harm (PIPS). The award also looked after the Níamh Louise Foundation and was specifically based

on the meetings that we held with them, Sport NI and the governing bodies around work that the governing bodies are doing using suicide awareness charities to make links with sports groups. I think that that is worthwhile doing. Indeed, Sport NI, the IFA and others have worked with those two charities to help raise suicide awareness. I appreciate the Member's concern for there to be robustness and scrutiny, but I think that the way in which this question was brought up is questionable.

**Mr Dunne:** I thank the Minister for her answer, but, with all due respect, she has not answered my question. The reply to a question for written answer — AQW 27495/11-15 — did not clarify the procurement procedures that were used. It indicated that the award was made "via letter of offer" and not through the Public Contracts Regulations 2006. Will the Minister now give us an assurance that, in future, all providers of suicide awareness training will be given the opportunity to tender, subject to the Public Contracts Regulations 2006 for part B services?

**Ms Ní Chuilín:** I am happy to look at the question that the Member has raised today. I am also happy to look at his question for written answer and the answer that I gave. I will commit to him that I will reply in writing to him and answer his question as fully as possible. I also expect the Member, if he is working with charities and with families and parents who have been bereaved through suicide, and he is genuinely and truly interested in bringing that work forward, to make some representation through DCAL or Sport NI. I am happy to write to the Member and give him the detail that he asks for.

**Mr Dunne:** I had already asked for it.

**Ms Ní Chuilín:** I am happy to write to the Member and give him the detail that he asks for, and I hope that he fully supports all those who are trying to help really vulnerable people.

**Mr Deputy Speaker:** That concludes Question Time.

**Mr McCarthy:** On a point of order, Mr Deputy Speaker. Is it in order for the Agriculture Minister to refuse to come to my constituency to see people whose residences and businesses were flooded, yet, in the short time that she was in the Chamber, she accepted two invitations from two of her party's Members to go to other parts of the country?

**Mr Deputy Speaker:** That is clearly not a point of order but a question to the Minister, and you may pursue the issue with the Minister.

Members, we have finished topical questions a little ahead of schedule. I will suspend business for a few moments.

*The sitting was suspended at 3.29 pm and resumed at 3.30 pm.*

(Mr Speaker in the Chair)

3.30 pm

## Executive Committee Business

### Carrier Bags Bill: Further Consideration Stage

#### Clause 9 (Amendments of the 2013 Regulations)

*Debate resumed on amendment Nos 1, 2, 3, 4 and 5, which amendments were:*

No 1: In page 3, line 25, after "any material" insert

*", except bags made wholly or mainly of paper,".— [Mr Allister.]*

No 2: In page 3, line 25, after "any material" insert

*", except a bag made wholly or mainly of paper, hessian material, cotton, cloth or jute,".— [Mr Weir.]*

No 3: In page 3, line 35, at end insert -

*"( ) omit head (g);"— [Mr Allister.]*

No 4: In page 3, line 35, at end insert -

*"( ) omit head (i);"— [Mr Allister.]*

#### New Clause

No 5: After clause 9 insert -

#### **"Report on biodegradable carrier bags**

**9A.—**(1) *The Department must, within 18 months of Royal Assent, prepare a report on biodegradable carrier bags.*

(2) *A report under this section must consider—*

*(a) the desirability of any exemptions on the grounds of biodegradability from the requirement to charge for carrier bags;*

*(b) the criteria under which any such exemptions should apply; and*

*(c) how any exemptions on the grounds of biodegradability proposed in the report would be implemented.*

(3) *The Department must—*

*(a) lay a report under this section before the Assembly; and*

*(b) publish a report under this section in such a manner as it thinks appropriate.".— [Mr Weir.]*

**Mr I McCrea:** From a party perspective, most of what needs to be said has been said. Even at Committee, I did not think that the Bill was worth taking forward, and my views are not very different even though the majority of the House seems to think that, for the most part, it is a good idea. However, the amendments are before the House today, and it certainly makes sense, as Mr Allister said, to pause and look at the current legislation and, if things need to be amended, to be big enough to stand up and say that it should be amended. I believe that the Assembly should be willing to step up and say that there are good reasons why the amendments on the Marshallled List should be allowed to become part of the Bill.

Colleagues have discussed the reasons for introducing the previous Bill, and I believe that Sammy Wilson outlined clearly how it got to where it did. There were those of us who were unhappy, but that is by the by, and we had to, to some extent, suck it up and accept that the House was going to vote it through. And there it is. My experience of the Minister is that he has been willing to listen to any issues raised, and I welcome the fact that he was willing to listen to the issue around the implementation of this with the retail sector. However, I ask him to have a listening ear in respect of the amendments, certainly in respect of Mr Allister's amendments and, indeed, our amendment about paper, hessian material, cotton, cloth or jute. As I said, I hope that the Minister is willing to accept that. I also welcome the Minister's decision to keep the cost of the levy at 5p instead of the initial proposal to increase it to 10p.

All in all, common sense should be brought into the debate. I am unsure whether Mr Boylan was listening to Mr Allister when he referred to those who had lost their jobs and the one business that had to close. I am also not sure whether Sinn Féin writes its economic policies on the back of a postage stamp, but, in this case, its Members certainly were not listening, and I think that it is shame that they cannot be big enough to accept that, while the Bill is there,

common sense should prevail. As other Members said, we should listen to what the people are saying and, if necessary, make the Bill better. I think that the amendments certainly make the Bill better, and I hope that Members do not divide the House but move the Bill forward.

Mr colleague Peter Weir referred to the amendments in detail, so I will not bore the House. I know that we are past the time allocated for the debate, but I ask the Minister and Members to take some time as the debate continues to reconsider their positions and accept the amendments. I really believe that they will make the Bill better and help a community and a sector that is struggling. That is what we should take cognisance of.

**Mr Agnew:** I speak on behalf of Green Party in Northern Ireland to oppose all five amendments that have been tabled. It is perhaps timely to recap on a little of the debate so far, given that we had the break for ministerial questions.

I was struck, particularly at the beginning of the debate, at the level of hyperbole from some Members. Mr Allister suggested that there was “stealth at play”; Mr Wilson referred to the “predatory actions” of the Minister; Mr Wilson, again, called the situation “alarming”; and Mr Allister said that “the noose has been tightened”. If someone had just come in, having missed the context of the debate, they might have thought that it was some sort of security debate, perhaps on a national security agency. It seems quite heavy language for the 5p bag tax under discussion. Indeed, given some of the language that has been used, one might think that the Minister has DOE agents waiting at every street corner to catch someone with a paper bag, handcuff them and lock them up without trial. All that is proposed is a 5p tax on paper bags to coincide with the tax on single-use plastic bags to effect or give a nudge in the direction of behavioural change.

The name of the Bill is the Carrier Bags Bill, yet some Members' comments would suggest that it is a litter Bill. For me, it is not a litter Bill. Yes, one aspect of it is to try to discourage littering with plastic bags or paper bags, because of the visual impact, the damage that can be caused to wildlife, especially with plastic, and to improve the look of our town centres in particular, where many of those bags are often disposed, even sometimes in bins from which they can blow out. The purpose of the Bill is not simply to reduce litter but to reduce waste. Some figures are quoted around the amount of energy that goes into producing paper bags, the amount of water, bleaches and

chemicals, and the natural forests that may be destroyed for the production of paper: that is waste. That is for a bag to be used, more often than not, on one occasion, perhaps two. It seems excessive that we would expect, indeed demand, as a society that we should cut down trees and use energy, water, bleach and chemicals to manufacture a paper bag, then transport the paper bag to wherever it needs to go because that is more convenient than remembering to bring a reusable bag.

That, to me, seems a strange way to go about it. It seems very strange to me that people say, “Oh, you cannot look at the manufacturing”. We look at the life cycle. Surely that is what we have to do: to ask, “Is this life cycle justifiable?” Given the process beforehand, a 5p tax seems perfectly reasonable as a slight disincentive to using a disposable piece of material that has required so much energy to produce.

So it seems perfectly reasonable that we look at the life cycle of a paper bag, a plastic bag and reusable bags. If the research suggested that the energy used to produce a reusable bag was not justified for the number of times they are reused, then we would have an issue. That is where the review is important.

**Mr Weir:** I thank the Member for giving way. Just to clarify the Member's position, he is indicating that the environmental impact of manufacturing is central to this issue as part of the overall life cycle. Will the Member then agree that this should be extended to a wide range of other products, so that for pretty much anything that is being manufactured, from a plane at Shorts to perhaps a bus at Wrightbus, the impact of its life cycle in terms of its environmental footprint should be taken into consideration and taxed appropriately according to that level of impact?

**Mr Agnew:** I thank the Member for his question, because I heard Mr Wilson on the radio saying that if we take this to its logical conclusion, there will be thousands of jobs lost. Some of that was hyperbole. We moved from five jobs in a particular business in north Antrim to thousands of jobs across Northern Ireland.

We are looking at a disposable product that will be used once. If we use the example of a bus — and we have Wrightbus in Northern Ireland, whose work I very much commend — a bus would certainly be reused. If we look at its life cycle and environmental impact, particularly taking in indirect impacts of people maybe not travelling in cars but using a bus with, hopefully, a large number of passengers, then we can

take all those factors into account from cradle to grave to determine the impact of that bus.

We are looking at a particular instance, and we should judge this proposal on its merits and not say, "Well, if we accept this, surely it means we have to apply it across the range to every product and every manufacturer".

**Mr Weir:** I thank the Member for giving way. The Member keeps on saying that we are looking at products that will be used as a one-off, yet that was the legislation in 2011. This legislation deals with reusable products, because it is intended specifically to target the cheaper end of reusables. The distinction between those that are used as a one-off and those that are reusable is at least blurred within this legislation, so it is wrong to draw a distinction between the two.

**Mr Agnew:** If you look at the Environment Agency's report, some of the evidence is that the cheaper reusable bags are often not reused. I have seen a member of my family, who I will not single out, use them as bins simply to replace plastic bags. That is anecdotal evidence, but I know that the Minister and the Environment Agency in England have seen wider examples of that. Again, it is to ensure that reusable bags are just that, and there is evidence to suggest that the 5p cost of the cheaper-end reusable bags is so insignificant to people that they simply use them just as disposable bags. Given that they are heavier plastic and more environmentally damaging than the single-use bags, it is right that we add the tax accordingly.

**3.45 pm**

Essentially, what we are doing is seeking to achieve behaviour change. A 5p tax is a gentle nudge. We have seen from the initial legislation that it works. It makes people stop and think. I do not believe that people, en masse, are saying, "I cannot pay 5p". What they are saying is, "Now that I have had to think about whether I want to pay 5p, I am going to choose not to. I am going to choose reusable options". That is a wise choice. If we can help to instigate that choice through legislation, it is right that we do so.

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

**Mr Agnew:** Yes.

**Mr I McCrea:** The Member refers to people having a choice of whether to pay 5p or to take a plastic bag. Does the Member not accept that

the amendment in respect of paper, hessian, cotton, cloth or jute bags would deal with this? Take the paper bag as an example. When people go into a bakery, they may get hot food and not have to pay for a paper bag. However, if they get a chocolate éclair, they do have to pay for a paper bag. Does the Member not accept that our amendment would, in fact, deal with that anomaly and exempt paper bags from being charged for? Surely that amendment would deal with the query around whether paper bags should be charged for. If you put something hot into a paper bag along with something cold, is the bag charged for? That amendment would deal with that.

**Mr Agnew:** I thank the Member for his intervention. I agree that it would be simpler, but would it be better? In my opinion, it would not. I do not think that it would be better if we accepted the amendment. I agree with Mr Weir's previous point about why hessian, cotton, cloth and jute bags should be excluded. However, I think that tying paper bags in with that was a mistake. He would have had my support if paper bags had been excluded.

So, yes, I agree that it would be simpler. Maybe I am naive, but I think that people have the capacity to understand. As with the original tax, there will be a bit of confusion among shoppers during the transition period. However, I think that, six months after this legislation has passed, people will be saying, "What were we ever debating?"

I often compare this to the smoking ban in public places, where we achieved behaviour change through legislation. We banned people from smoking in pubs and restaurants. However, the vast majority of smokers I know do not smoke in their own houses now. We never banned smoking in the house, but people took the spirit of the legislation that we had put in place a step further than what we had probably expected or intended. Through legislation, we were able to kick-start a real and positive behaviour change. In that case, it was for health. In this case, it is for the health of our environment.

I want to speak briefly on a further point about paper bags. I go back to the litter issue, which is but one aspect of the Bill. There is the idea that they disintegrate very quickly. However, I am not sure that I want to go down the line of saying, "We have acceptable litter". A soggy, wet paper bag may well break up, scatter and be less harmful than a plastic bag stuck in the throat of an animal. However, I do not think that we want to say, "It is more acceptable litter. It will biodegrade eventually; that is fine". I want

to reduce litter and, as I said, I want to reduce the number of waste-creating disposable products.

On the amendment on biodegradable plastic bags, while I accept innovation to some extent and that we have to be open to it —

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

**Mr Agnew:** I will give way in a second.

Anybody who has looked at the evidence around biodegradable plastic bags will know that the simple fact is that they are rubbish; I apologise for the pun. I cannot understand the rationale behind them. There is somehow such resistance to moving away from our disposable culture that the response is, "We will create a disposable plastic bag that is not quite as bad". The fact is that, from my point of view, they do not solve the problem. They still have huge production costs in energy, water and all the rest of it. They are not completely biodegradable in the way that natural material is. And, as I said, it locks us into the disposable culture that, I think, part of this Bill should be moving us away from.

**Mr Weir:** I thank the Member for giving way. Far be it from me to accuse the Member of not having read the amendment, but he has made a couple of references to the amendment referring to "biodegradable plastic bags". The word "plastic" does not appear in the amendment. It simply refers to "biodegradable carrier bags". I appreciate some of his criticisms that are potentially quite valid, as regards the length of time of some of the biodegradable and oxo-biodegradable plastics and some of the issues relating to that. However, if the Member can point out to me anywhere in the amendment where the word "plastic" appears, I would be more than happy to concede the point.

**Mr Agnew:** I accept the Member's point. When you look at biodegradable options, you can include in that paper and biodegradable plastic bags. I do not see the point in either option.

However, on the amendment more generally, I return to yesterday's debate on the Financial Provisions Bill. The DUP argued very strongly that we should not over-legislate. The Minister has already included in the legislation a three-year review; this brings that forward by 18 months. The review is not specific to biodegradable carrier bags, but the Minister has given a commitment that that will be in the review.

Yesterday, I went through the Lobby with the DUP members. It was an uncomfortable position for me, but there you go. I was compelled by the rigour of their argument. I apply that again today to the DUP's amendment No 5, and I ask that they apply the same rigour. I think that the amendment is unnecessary. We have considerable research on the existing types of carrier bag — the benefits and the harm. We have enough information. This is the second time that we have had legislation about carrier bags. So, we have enough to make a decision today, and, for that reason, I cannot support the amendment.

I come to the issue of job losses. There is no doubt about it: it is a serious issue, and we are making decisions that impact on people's livelihoods. However, I do not think that we should look at just one side of the story. I heard some of the arguments about how particular commercial organisations may want to use their branding and whatever and about how we are taking that away with this measure. I have to say that I come at this from a different point of view.

As a consumer, if a store wants me to advertise for them, I am happy to be paid to do so. I am happy if the store wants me to wear a designer T-shirt and, indeed, if it wants me to appear in a catalogue; but please, offer me a fee. I do not want to be a walking advertisement. Advertising is something that these companies, particularly the larger ones, spend huge amounts of money on. Please do not expect me to do it for free.

However, the other end of it is the more creative and individualistic reusable bags that have sprung up. Jobs are being created. I think that we have democratised the design of reusable bags. Every craft shop has them. I can certainly think of a few in my constituency, and a few members of my party have designed their own bags and whatever else. We even have some handmade Green Party reusable bags. I can hear Members across the Chamber asking where they can get one.

There are two sides to this. Rather than having a small number of large companies producing branded bags, we now have a large number of small-scale and creative people producing all sorts of bags, and people can be much more individualistic about their bags. I have seen charities and all sorts of organisations use them. That is to be welcomed. So, there is always another side to those arguments.

Our job is to look at the net economic impact, and I am not sure that when we look at it in the

context of the wider Northern Ireland economy, there is a great fear that this legislation will do harm. There will be winners, but, unfortunately, there will also be losers, and that is regrettable. However, I am the one who gets accused by some of wanting to go backwards, but every step forwards will mean that we will have some losers. There is no doubt that, when the car was invented, people driving horses and carts were put out of jobs, so I do not think that we can stop progress. We have to look at the net impact on our economy. I do not think that we can hold progress back just because it may harm some industries, particularly when others benefit.

**Mr Givan:** I thank the Member for giving way. He made a number of comments about the smaller creative sector that has come forward to design these one-off reusable bags, but does he not agree that the biggest beneficiaries of this policy have been the big global supermarkets? Theirs is predominantly the reusable bag that has been consumers' product of choice, so does the Green Party not find it a bit strange to be on the side of the big business rather than on the side of the small independent retailer, which is saying clearly that paper bags should be exempt?

**Mr Agnew:** I thank the Member for his intervention. I can only speak from my own experience, which is that most people walking around town centres are still carrying the plastic bags of the big multinational retailers. It is a reality, and I think that it is a regrettable one, that they are the main presence on our high street and even more so in our out-of-town shopping centres.

It is not an issue of what type of bag we have; it is, unfortunately, the case that the vast majority of that particular type of grocery shopping is still done at multiple retailers. Unfortunately, many small businesses have lost out over the years, and I would lay the blame for that at those who for many years have resisted PPS 5, which would have restricted out-of-town building. We now have those restrictions in place, but I know that my town centre of Bangor has been decimated by out-of-town retail, and I think that, if some of the politicians here had been so concerned about the small retailer back then, we could have mitigated some of the power of the multiples.

**Mr Speaker:** Order. The Member will know that I give all Members some latitude when it comes to Bills travelling through this House, but I would not want to get into a discussion in and

around out-of-town shopping. I ask the Member to come back to the Bill.

**Mr Agnew:** I thank the Speaker for his guidance. I took an intervention and went off on a tangent after it, so I apologise for that, Mr Speaker.

The proposals that the Minister has brought forward are to be welcomed. This is the next step in the cultural shift in how we use bags. It is a step forward. The Republic of Ireland, as has been pointed out, was the first on these islands to bring forward a similar piece of legislation. We have seen what has worked and what has not worked.

We have brought forward our own legislation in stages so that we can assess it. It will be possible to review it after three years if we have made mistakes. I think that, again, this is a piece of legislation that people can see the benefit of. It affects their daily lives in a way that they understand. They understand why it is being brought in, and they have, by and large, responded with that behavioural change.

I thank Mr McKay for kicking this all off with his original private Member's Bill. As he said, it has evolved significantly since then, but I welcome the legislation. I cannot support any of the amendments because I think that they are an attempt to resist the inevitable change that is happening. I think that some of the arguments that we have heard have been from those who were never in favour of the legislation anyway, as Mr Wilson admitted. Some will always be resistant to change, but I welcome this change. I cannot support the amendments.

**4.00 pm**

**Mr Durkan (The Minister of the Environment):** I listened very carefully to all the points that were made during today's debate. At the outset, I should make it clear that I am opposing all the amendments.

I fully understand the difficulties that many companies are facing at this time, and I very much regret any job losses. However, I believe that the levy is justified on resource efficiency grounds. Let us be clear: current policy does not ban any type of bag, regardless of whether it is made from paper, plastic or other materials. No, the current policy tackles the unnecessary production and use of new carrier bags and instead encourages us to reuse the bags that we already have. That is why the levy applies to a broad range of carrier bags rather than just plastic bags.



In responding to the proposed amendments, I first want to deal with proposals to exclude paper bags from charging arrangements. I should make it clear that the Bill does not introduce charging for paper bags. That policy direction was endorsed by the Assembly almost three years ago. The Single Use Carrier Bags Act 2011, which was introduced to the Assembly by Mr McKay as a private Member's Bill, provided for charging for a broad range of single-use carrier bags, not just plastic bags. That approach was subsequently endorsed by the Environment Committee and approved by the Executive. Following an Assembly debate, the Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013 were made on 15 January last year, with charging commencing on 8 April, so retailers are already charging for paper bags.

In debating today's amendment, we are, therefore, discussing policy that has already received Assembly endorsement and that is enshrined in existing legislation. It is also an integral part of a key Programme for Government commitment.

The charging arrangements are working well and have achieved very significant reductions in carrier bag consumption. That said, I appreciate that some Members have become concerned very recently — some more recently than others — about the existing requirement to charge for paper bags. I am very happy to speak on that and on other issues that have been raised by Members during today's debate.

Mr Allister, who tabled the original amendment on paper bags, did so, in my opinion, representing the business interests of a constituent. I think that it was that rather than a great desire to mimic policy in the Republic of Ireland. I met that constituent and listened to his concerns. Today, Mr Allister said that the legislation is not necessary, but it certainly is beneficial. He outlined the mischief of plastic bags and mentioned their "tawdry" contribution to the environment. Do paper bags not lie on our streets or tangled in our hedgerows? Do they degrade overnight? Do they disappear once they are exposed to oxygen?

There was an intervention from another of the more vociferous bag protesters, Mr Wilson. He said that the change now is about raising revenue. He clearly misunderstands what we are debating today, as, it appears, does Mr Allister. We are already charging a levy on paper bags. I have maintained that levy at 5p, as acknowledged by Mr McCrea, which clearly indicates that this is not about raising revenue,

although maybe it was when Mr Wilson introduced it in his draft Budget in 2010.

As things stand, the continued charging for paper bags will not raise much money. As we noted, most single-use bags are plastic. However, there is a real danger that the availability of free paper bags could trigger a significant shift towards those bags, and, as I said, paper is not a harmless alternative. One estimate suggests that paper bag consumption in Ireland has increased by 80% in recent years, which has led to calls for the Irish levy to be extended to include paper bags.

If you wish to measure the success or otherwise of the legislation in income generated, it has exceeded expectations. Happily, I have so far been able to give in excess of £2 million to 251 environmental projects across the North that are being run by schools, community groups and businesses.

Mr Allister referred to the fact pack —

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

**Mr Durkan:** Yes.

**Mr Weir:** The Minister says that the financial aspect exceeded expectations. I am sure that we will all acknowledge that the £2 million has been spent on worthwhile environmental projects. However, given that the initial projections were for £4 million a year, how can he say that the levy has exceeded expectations from a financial point of view?

**Mr Durkan:** I thank Mr Weir for his intervention. To date, I have allocated just over £2 million of the income generated through the levy. There is money that has not been allocated yet, and I am currently looking at the best use of that. The full year has not elapsed yet either, but I am confident that the moneys will exceed the projections laid down.

Mr Allister referred to the fact pack that I distributed — the fact is that it is three pages long, not six — and he mentioned current proposals in England. I acknowledge that the English proposals currently focus on plastic bags, but that approach was criticised in a report produced by the House of Commons Environmental Audit Committee, not his beloved Environment Agency. The report calls on the Government to include paper bags in the charging arrangements. It confirms that paper bags have a greater carbon impact than plastic bags and states:

*"Exempting paper bags from the charge ... would weaken the message to reuse bags, diminish the impact of the charge and the likely reduction in the number of bags used and associated environmental benefits."*

The report also cites the view of the British Retail Consortium that the exclusion of paper bags:

*"would increase the environmental impact of single-use bags which runs contrary to the aim of the proposed charge."*

Of course we do not want a tax on manufacturing, as Mr Allister and others suggested the Bill was equivalent to or might lead to. As I have said previously, the levy is designed to address unnecessary consumption. It is about resource efficiency and waste prevention. It is strange that I am being asked that now. The Assembly has had every opportunity to consider the issues, and this policy, as I said, has been three years in the making and has been agreed by the Executive and already passed by the Assembly. We have collectively agreed already that a levy on paper bags is justified.

Mr Allister also referred to other businesses that currently operate in his constituency, one of which is a tobacco factory. To extend the logic that he applied to his argument, should we therefore not support any anti-smoking legislation that is brought before the House?

I am not sure whether it was Mr Allister or Mr Wilson who accused me, along with Mr Agnew, of trying to drag us back to somewhere. I can assure the House that I am not trying to drag us back anywhere. I am trying to lead us forward, and, fortunately, only a few need dragged.

Mr McKay kindly reminded us that it was the DUP that pushed for the inclusion of paper bags in the legislation. Mr Allister referred to bags being used as a method of advertising. Advertising is an outlay that businesses choose to make, and it is one that is tax deductible. He spoke of the hard-boiled sweet industry. Members will already be aware of Mr Allister's fixation with confectionery. There are those of us who might have thought that that was restricted to Softmints, however, as the smaller bags to which he referred are actually exempt, it appears that he is not adverse to talking brandy balls either. *[Laughter.]*

**Mr I McCrea:** Will the Minister give way?

**Mr Durkan:** Certainly.

**Mr I McCrea:** Having been known to enjoy some confectionery, I am certainly happy to declare an interest in that sense. Will the Minister give an assurance that he, or at least his Department, has no intention to introduce a levy to deal with the bags that he is referring to for confectionery?

**Mr Durkan:** I can confirm that that is the case. There are different scales and different sizes of bags, and the smaller bags are exempt. It is my intention that they remain so.

Mr Weir cited a bit of confusion over amendment No 5. It appears that there is quite a bit of confusion in the DUP over its policy on this issue.

Ms Lo, the Chairperson of the Environment Committee, spoke in opposition to the amendments and told us how the Committee had scrutinised the Bill. Indeed, she recognised the flexibility that I as Minister have shown in working with the Committee and retailers to postpone the extension of the levy to low-cost reusable bags.

Mr Weir said that the DUP's amendments were not an attack on this Bill. I do not see them as one either but more as an attempt at one-upmanship on Mr Allister. I welcome and, indeed, agree with Mr Weir's view that there is nothing wrong in admitting when we get it wrong and to change when things are wrong. That is why I chose not to increase the levy to 10p.

This, however, is not one of those occasions. I think that we have it right. The DUP had it right, but, today, it has it wrong. Mr Weir referred to the Department getting it wrong on projections on the use of low-cost reusable bags. The figures were wrong, very wrong, but the direction of travel was certainly right and should actually strengthen the presumption that consumers will take a free bag if one is available and if retailers provide it.

Mr Boylan opined that people have embraced this legislation. I certainly agree with that, despite Mr Wilson's protestations. We have seen real behavioural change and must do what we can to encourage more, not enforce more.

Mr Maginness described the amendments as opportunistic, which prompted a reply from Mr Weir with a question around my consultation with Executive colleagues. The issue and scope of this levy has been with the Executive on a number of occasions. My letter to my Executive colleagues asked them to reaffirm

their support for what they agreed to already. On reflection, I felt that that approach was appropriate. I should advise the Assembly that, to date, I have received only one response, which was from the Minister for Employment and Learning, and he indicated that he was content for me to proceed.

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

**Mr Durkan:** Certainly.

**Mr Weir:** A period of reflection can be beneficial, but why did the Minister not at least wait until it could be brought up at the Executive so that there could be a proper discussion on this and so that the Executive could have taken a full view on all the amendments? Why did he effectively jump the gun before there was an opportunity for that discussion around the Executive table?

**Mr Durkan:** Further amendments to Mr Allister's were tabled prior to my having an opportunity to raise this matter at an Executive meeting. I was not present at the most recent one.

I felt that, if any Minister had strong feelings on it, they would certainly have responded to my circular.

#### 4.15 pm

Mr Elliott quoted the previously expressed concern of the DUP's Mr Ross that exempting paper bags would lead to a massive increase in their usage and that they were, indeed, more harmful than plastic to the environment. He said that he wanted a proper outcome. It is safe to say that so do we. Everything that we do in here has an impact, he opined, and cited welfare reform as an example. I would like to think that the impact of this legislation will be a lot better than the impact of welfare reform.

Mr Wilson painted a picture of me as some type of Bond villain — that was picked up on by Mr Agnew — looking to exert control over and extract money from just about any activity. He cited the example of fence posts, but I can assure the House that I will neither tax a fence nor take offence. *[Laughter.]* Mr McKay gave credit to the DUP for swaying the Assembly to include paper bags in the first place. Mr Weir denied that the DUP swayed the House, but there is little doubt that the DUP is swaying today — like a bag in the wind, one might say.

Mr McCrea welcomed the retention of the levy at 5p and referred to job losses. I must point

out that correspondence received from the National Federation of Retail Newsagents states that it welcomes the levy and argues that it helps it to protect jobs.

Mr Agnew opposed the amendments, and I commend him for his thoughtful and thought-provoking contribution. Mr McCrea intervened with a bakery example, which was actually and factually incorrect. Any unwrapped food, hot or cold, is exempt from the levy. Obviously, he does not buy too many chocolate eclairs. *[Laughter.]* Mr Agnew gave a more accurate —

**Mr I McCrea:** Will the Minister give way?

**Mr Durkan:** Yes.

**Mr I McCrea:** I am sure that the Minister is seriously considering giving up his job and taking on the role of comedian. He referred to unwrapped food. If, for example, a sausage roll is wrapped prior to being given to a purchaser, does that mean that it is wrapped or unwrapped? Is there a charge for that or not? There is still a lack of information on whether something should be included or not. Recently, someone told me that they bought hot food but had a cold drink in the same bag, and they were charged 5p. There are so many ifs, buts and maybes. Will the Minister provide some clarity?

**Mr Durkan:** I think that it is clear enough. Unwrapped food is exempt, whether hot or cold, and there are food safety and hygiene reasons for that. If I was given hot food and a cold drink in the same bag, I would complain, whether I was charged or not. As for my potential career as a comedian, I think it safe to say that, as we saw today, Mr Wilson's position as in-house comedian is relatively secure. However, I do not know what type of bag he might use when clearing his desk in the near future.

Mr Agnew's overview of the potential impact of the legislation on the economy was, in my opinion, much more accurate and realistic than those offered by the proposers of the amendments. People can see the benefit of the legislation, and they can and do play their part in ensuring its success.

I believe that the existing policy remains entirely justified. There is no justification for doing a U-turn now. The policy objective has always been to reduce or eliminate the unnecessary use of bags, whatever their material. The exemptions from the charging requirement are, therefore, drafted to ensure that free bags, whether paper

or plastic, are provided only when really necessary.

Let me give you some figures. Before the levy was introduced, we used around 300 million single-use carrier bags each year in Northern Ireland; that is 300 million. Current estimates suggest that, with the introduction of the levy, annual usage will have fallen to between 80 million and 85 million. If those reductions are sustained in the longer term, that will equate to at least one billion fewer bags over a five-year period. That is a massive saving. However, a decision to exempt paper bags from the levy would almost certainly mean that we could not sustain very significant reductions in carrier bag consumption.

Plastic bags do, and have tended to, attract the most attention. However, it is wrong to view paper bags as a harmless alternative. Huge amounts of energy, water, bleaches and chemicals go into their manufacture, exacting a heavy environmental impact. Moreover, paper bags are heavier and bulkier than plastic bags, and therefore impose a greater transport burden.

The assertion has been made that paper bags degrade quickly. That may be true for some bags and in certain circumstances. However, even bags that are capable of degrading quickly have an environmental impact through their production, transport and disposal. I emphasise the word "capable". The speed at which a bag degrades will depend on its precise composition and the environmental conditions to which it is exposed. Laboratory conditions for degradation are not replicated in a hedgerow, on the street or even in a landfill site. In other words, any bag that is discarded irresponsibly will have a significant environmental impact. We need to control and minimise that impact on the environment.

It makes sense to seek to address the unnecessary use of bags, whatever they are made from. That is what current policy does. I mentioned earlier that, prior to the levy, consumption was around 300 million bags per annum, and that it has now fallen to around 80 million or 85 million. How would an exemption for paper bags impact on that trend? Retailers are likely to respond by offering their customers free paper bags as an alternative to a 5p bag. We already know that, when people are offered a free bag, they will often accept it, whether or not they even need it. The figure of 300 million bags clearly illustrates that.

The likely result of such an exemption would therefore be a significant shift towards paper

bags — most probably robust, resource-intensive paper bags. It is probable that consumption of bags would increase back towards the 300 million level. The great progress that has already been made in reducing bag consumption, and there has been great progress made, would ultimately be undone.

I want to comment on the proposal to exclude other bags, as well as paper bags. Amendment No 2, as well as excluding paper bags, proposes the exclusion of bags made from hessian material, cotton, cloth and jute. I have a short response to that aspect of the amendment: it is simply not necessary.

The Bill already provides that the levy will only apply to carrier bags priced at less than 20p. Given the costs of producing bags made from cloth, cotton, jute and hessian, they typically retail for more than 20p. I accept the point Mr Weir made earlier that, although they typically and, in my experience, universally retail at more than 20p, the potential might exist in the future for them to be less. However, a review would capture that. As such, carrier bags made from those materials would not attract the 5p levy. Such bags are clearly designed for reuse. In the very unlikely event that a retailer was in a position to supply them for less than 20p, those bags would attract the 5p levy. However, that would encourage shoppers to reuse them on a regular basis, as opposed to making repeat purchases. That is the very point of placing the levy on any cheap reusable bag: to actively encourage reuse.

Finally, I want to deal with amendment No 5. It would require the Department, within 18 months of Royal Assent, to prepare a report on biodegradable carrier bags and to lay that report before the Assembly. Of course, there is a clear need to keep charging arrangements under close review and to react to changing circumstances. I have consistently emphasised my commitment to doing that. However, the Bill already requires the Department to review charging arrangements after a three-year period and to lay a report before the Assembly. That allows sufficient time for charging arrangements to become embedded and for us to learn from the experience of the charging arrangements in other jurisdictions.

There is also a specific provision that allows the Department, at any time, to review whether any description of a carrier bag should attract the requirement to charge. These review provisions were discussed and agreed by the Environment Committee at Committee Stage. They were also endorsed by the Assembly at

Consideration Stage. In completing these reviews, the Department would obviously be required to assess the position with regard to biodegradable carrier bags. As such, I believe that the existing clauses, as previously agreed by Committee and endorsed by the Assembly, represent suitable and sufficient review provision.

Before I close my remarks, I want to draw Members' attention to the findings of a report that was produced by the House of Commons Environmental Audit Committee and published on 6 February 2014. I think that that was the day of, if not the day before, my meeting with Mr Allister and his constituent, the bag man. The report examines proposals to introduce a mandatory 5p charge in England confined to single-use plastic bags. Its key recommendations make for interesting reading. I will list some of them briefly.

First, the Government should implement a 5p charge for all single-use carrier bags. Secondly, paper bags need to be reused at least three times to have less of a carbon impact than a single-use bag. The Government should include paper bags in the charge. Thirdly, the Government should remove the proposed exemption for biodegradable bags. Fourthly, the Government should be ready to introduce legislation to ensure that retailers sell bags for life at an appropriate higher charge than the charge for single-use bags.

Both existing and proposed charging arrangements in Northern Ireland are consistent with those recommendations.

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

**Mr Durkan:** Certainly.

**Mr Weir:** He mentioned biodegradable bags. I would not necessarily take the House of Commons report as Holy Writ on the matter. There is legitimate criticism that there is no current legal definition of biodegradability. There is the European norm standard. The Westminster Government may go ahead and purely try to make simple reference to biodegradability before there is a clear-cut definition, which is why part of what is proposed in the amendments that I put forward is to examine the issue. The argument with regard to criticism of the House of Commons Committee is that, in many ways, it jumps the gun, or the Government are potentially jumping the gun, by simply introducing a reference to biodegradability before it has been properly defined.

**Mr Durkan:** I thank the Member for his intervention. I accept the point that he is making. They appear to be jumping the gun in pigeonholing biodegradability. More work needs to be done to establish what really is biodegradable and what biodegradable really is.

In summary, I firmly believe that paper bags should remain subject to the carrier bag levy. I also believe that it is correct to apply the levy to all low-cost reusable bags. Many jurisdictions apply a levy to both types of bags. Applying it to only one type of bag simply moves the problem around.

Finally, I believe that existing review provisions are sufficient. On those grounds, I oppose the amendments.

**4.30 pm**

**Mr Allister:** I have sensed in this debate a resentment from some that we are even taking time to review and consider these matters. There has been some element of, "Oh, we decided all this in 2011". However, in a sense that is exactly the point, because, since 2011, we have largely had the experience of including paper bags, apart from the exemptions, and other types of bags in the carrier bag definition. The proof of what has happened is that it has cost jobs.

Time and time again, I hear Members in the House lament the loss of jobs in their constituencies. I hear people decry the fact that not enough is being done about those things and that more needs to be done. Yet, at the same time, we are prepared to embark and have embarked upon a legislative process that is costing jobs. This has indisputably cost jobs in the service sector of packaging distributors.

Some people might say, "It is a very few number of jobs". However, if you were the man who is a constituent of mine and has, for 25 years, given his life as a salesman in a packaging company in Ballymena and you were told that, because of the carrier bag tax, sales have so diminished, particularly paper bag sales, which were your lifeline, and that your job is gone, it would be — it is and continues to be — a most significant event.

Rather than taking some sort of refuge in thinking, "Oh, we have looked at this before. We got it right in 2011. Let's push on. There is nothing to see here. Let's continue", I think that the House needs to take time to review and to consider whether in fact it got it right in that regard and whether in fact it is serving the purposes that are necessary. I think that the

House needs to do that in the context of the type of matrix of arrangements that we have made on packaging.

Here we have legislation that wants to push the boundaries further and include bags of any material as carrier bags — it wants to do all that. Yet, if I as a consumer go down Church Street in Ballymena and walk into a quite famous shoe shop and buy a pair of shoes, I can be handed the shoes in a cardboard box made of paper, but the shop dare not hand me a paper bag in which to carry them without charging me. Where is the sense, the logic and the high-mindedness in what we are doing to save the planet, apparently, if there is no issue about handing me a box in which the shoes come, but there is an issue about handing me a paper bag in which to carry them?

Take the issue of hot food: surely one of the greatest contributors to litter that is pretty much non-biodegradable is the polystyrene packaging in which you get a burger or chips. Anyone who drives down any of our country roads knows about the pollution of that on our roadsides. We are going to die in a ditch over paper bags, but when it comes to polystyrene, be it cups, burger boxes or anything of that nature, that is all a bye ball.

The House needs to focus on what its priorities should be in that regard. There is a particular point about the damage done, not just in terms of jobs to the distributors but to jobs and commerce in our town centres. The reason why a shop is anxious to give you a bag to carry your produce in is because it has branded it so that as you walk down the street you might be a walking advertisement.

Today I discovered something that I did not know, which is that Mr Agnew is really a closet capitalist. He is very happy to take the fee for advertising, but he does not like having to carry a branded bag for nothing. This is a serious point: in these hard-pressed times, the shops on our high street depend on drawing in every customer that they can. They wish to have paper bags with their name emblazoned on them to remind passing customers that, yes, there is such-and-such a shop; yes, they sell that; I will go and see. However, the Minister wants to be punitive. The new punitive taxation parties are Sinn Féin, the SDLP, the Alliance Party and, it seems, the Ulster Unionist Party. They want to be punitively taxing on those matters.

I digress slightly, but it is rather intriguing that, today, the great defenders of the border are the nationalist parties in the House. The next irate

nationalist who speaks to me about the fact that when they buy their groceries in Donegal they get them in a paper bag, but if they buy them across the border they have to pay for the bag — since this has started, people have spoken to me in those terms — I will tell them that they can thank Sinn Féin and the SDLP for maintaining the distinction on the border in respect of paper bags.

The next person on the election trail who complains to me about the avalanche of paper and the fact that they cannot get their door open because of Sinn Féin, SDLP, Alliance and Ulster Unionist election leaflets and says, "Look at all that, and they want to tax me for a paper bag", I will tell them that those are the parties that say, "Don't tax us, tax the consumer and charge for paper bags, but let us produce with impunity as much election literature as we wish and let us pollute as much through your postbox as we can and there will be no tax on that, thanks, but if you want to go to the corner shop and buy something, you will have to pay a tax on the bag." The House really needs to get a grip of itself in that regard. It is a common-sense position.

Mr Elliott, on behalf of the Ulster Unionists, effectively said that he sees no reason to change their stance of 2011. I respectfully suggest that what we have seen since in the loss of jobs in the packaging industry is a reason in itself. What we have seen since in the commercial detriment to firms on our high street that can no longer readily advertise their goods is a reason in itself. I always thought that the Ulster Unionist Party was a party with a minimalist approach to legislation and, therefore, we should not be pushing out the boundaries as much as they are content to do and that we should get some rationality and consistency into the matter.

I say to the House that, at the end of this, it is really a matter of common sense. Yes, do what we have done in respect of the pollutant plastic bags because that is the mischief that we want to attack. We have done that, but why, unless it is for taxation purposes, do we want to include the innocuous, innocent paper bag, and, in doing that, put more people out of jobs? That exhortation causes me to say to the House that Members should back the amendments.

**Mr Speaker:** Once again, I remind the House that amendment Nos 1 and 2 are mutually exclusive, and I will not call amendment No 2 if amendment No 1 is made.

*Question put, That amendment No 1 be made.*

*The Assembly divided:*

Ayes 33; Noes 53.

## AYES

Mr Allister, Mr Anderson, Mr Bell, Ms P Bradley, Mrs Cameron, Mr Clarke, Mr Craig, Mr Douglas, Mr Dunne, Mr Easton, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hilditch, Mr Humphrey, Mr Irwin, Mr McCallister, Mr McCausland, Mr B McCrea, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McNarry, Mr McQuillan, Lord Morrow, Mr Moutray, Mr Newton, Mr G Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir.

*Tellers for the Ayes: Mr Allister and Mr McNarry*

## NOES

Mr Agnew, Mr Beggs, Mr Boylan, Mr D Bradley, Mr Brady, Mr Byrne, Mrs Cochrane, Mr Cree, Mr Dallat, Mr Dickson, Mrs Dobson, Mr Durkan, Mr Elliott, Mr Flanagan, Mr Ford, Mr Hazzard, Mrs D Kelly, Mr G Kelly, Mr Kennedy, Mr Kinahan, Ms Lo, Mr Lunn, Mr Lynch, Mr McAleer, Mr F McCann, Ms J McCann, Mr McCarthy, Mr McCartney, Ms McCorley, Dr McDonnell, Mr McElduff, Ms McGahan, Mr McGimpsey, Mr McGlone, Mr M McGuinness, Mr McKay, Mrs McKevitt, Mr McKinney, Mr Mitchel McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, Mr Milne, Mr Nesbitt, Ms Ní Chuilín, Mr Ó hOisín, Mr O'Dowd, Mrs O'Neill, Mrs Overend, Mr P Ramsey, Mr Rogers, Ms Ruane, Mr Swann.

*Tellers for the Noes: Mr D Bradley and Mr McGlone*

*Question accordingly negated.*

**Mr Speaker:** Amendment No 2 has already been debated and is mutually exclusive with amendment No 1.

*Amendment No 2 proposed:* In page 3, line 25, after "any material" insert

*", except a bag made wholly or mainly of paper, hessian material, cotton, cloth or jute,"— [Mr Weir.]*

*Question put, That amendment No 2 be made.*

**Mr Speaker:** I have been advised by the party Whips that, in accordance with Standing Order 27(1)(a) and 27(1)(b), there is agreement that

we can dispense with the three minutes and move straight to the Division.

*The Assembly divided:*

Ayes 31; Noes 51.

## AYES

Mr Allister, Mr Anderson, Ms P Bradley, Mrs Cameron, Mr Clarke, Mr Craig, Mr Douglas, Mr Dunne, Mr Easton, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hilditch, Mr Humphrey, Mr Irwin, Mr McCallister, Mr B McCrea, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McNarry, Mr McQuillan, Lord Morrow, Mr Moutray, Mr Newton, Mr G Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir.

*Tellers for the Ayes: Mr McQuillan and Mr G Robinson*

## NOES

Mr Agnew, Mr Beggs, Mr Boylan, Mr D Bradley, Mr Brady, Mr Byrne, Mr Cree, Mr Dallat, Mr Dickson, Mrs Dobson, Mr Durkan, Mr Elliott, Mr Flanagan, Mr Ford, Mr Hazzard, Mrs D Kelly, Mr G Kelly, Mr Kennedy, Mr Kinahan, Ms Lo, Mr Lunn, Mr Lynch, Mr McAleer, Mr F McCann, Ms J McCann, Mr McCarthy, Mr McCartney, Ms McCorley, Dr McDonnell, Mr McElduff, Ms McGahan, Mr McGlone, Mr M McGuinness, Mr McKay, Mrs McKevitt, Mr McKinney, Mr Mitchel McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, Mr Milne, Mr Nesbitt, Ms Ní Chuilín, Mr Ó hOisín, Mr O'Dowd, Mrs O'Neill, Mrs Overend, Mr P Ramsey, Mr Rogers, Ms Ruane, Mr Swann.

*Tellers for the Noes: Mr D Bradley and Mr McGlone*

*Question accordingly negated.*

**Mr Speaker:** I will not call amendment Nos 3 and 4, as they are consequential to amendment Nos 1 and 2, which have not been made.

## New Clause

*Amendment No 5 proposed:* After clause 9 insert -

### "Report on biodegradable carrier bags

**9A.—**(1) *The Department must, within 18 months of Royal Assent, prepare a report on biodegradable carrier bags.*

(2) *A report under this section must consider—*

(a) the desirability of any exemptions on the grounds of biodegradability from the requirement to charge for carrier bags;

(b) the criteria under which any such exemptions should apply; and

(c) how any exemptions on the grounds of biodegradability proposed in the report would be implemented.

(3) The Department must—

(a) lay a report under this section before the Assembly; and

(b) publish a report under this section in such a manner as it thinks appropriate."— [Mr Weir.]

Question put, That amendment No 5 be made.

The Assembly divided:

Ayes 45; Noes 42.

## **AYES**

Mr Allister, Mr Anderson, Mr Beggs, Mr Bell, Ms P Bradley, Mrs Cameron, Mr Clarke, Mrs Cochrane, Mr Craig, Mr Cree, Mrs Dobson, Mr Douglas, Mr Dunne, Mr Easton, Mr Elliott, Mrs Foster, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hilditch, Mr Humphrey, Mr Irwin, Mr Kennedy, Mr McCallister, Mr McCausland, Mr B McCrea, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McNarry, Mr McQuillan, Lord Morrow, Mr Moutray, Mr Nesbitt, Mr Newton, Mrs Overend, Mr G Robinson, Mr P Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Swann, Mr Weir.

Tellers for the Ayes: Mr McQuillan and Mr G Robinson

## **NOES**

Mr Agnew, Mr Boylan, Mr D Bradley, Mr Brady, Mr Byrne, Mr Dallat, Mr Dickson, Mr Durkan, Mr Flanagan, Mr Ford, Mr Hazzard, Mrs D Kelly, Mr G Kelly, Ms Lo, Mr Lunn, Mr Lynch, Mr McAleer, Mr F McCann, Ms J McCann, Mr McCarthy, Mr McCartney, Ms McCorley, Dr McDonnell, Mr McElduff, Ms McGahan, Mr McGlone, Mr M McGuinness, Mr McKay, Mrs McKeivitt, Mr McKinney, Mr Mitchel McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, Mr Milne, Ms Ní Chuilín, Mr Ó hOisín, Mr O'Dowd, Mrs O'Neill, Mr P Ramsey, Mr Rogers, Ms Ruane.

Tellers for the Noes: Mr D Bradley and Mr McGlone

Question accordingly agreed to.

New clause ordered to stand part of the Bill.

**Mr Speaker:** That concludes the Further Consideration Stage of the Carrier Bags Bill. The Bill stands referred to the Speaker. I ask the House to take its ease as we change the top Table.



5.15 pm

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

## Private Members' Business

### Guide Dogs: Working Dogs Classification

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

**Lord Morrow:** I beg to move

*That this Assembly commends the Guide Dogs for the Blind Association's campaign "Guide dogs are working dogs too!"; and calls on Her Majesty's Government to reclassify guide dogs and other assistance dogs as working dogs to afford them the same entitlements as other working dogs.*

I expected, as, I suspect, did others in the House, to come to this part of the business a bit earlier. I had it pencilled in for about 12 noon, but it is better late than never. This has been a long time in the waiting, and I am not talking about here; it has been a long time on the no-day-named motions list. However, it is with some pleasure that I stand here today to move the motion.

At the outset, I would like to pay tribute to the Guide Dogs for the Blind Association in this, their thirtieth anniversary year here in Northern Ireland. I am pleased to welcome staff from the association as well as owners and their guide dogs. Some of them are with us here in the Public Gallery, and I extend to them a very cordial welcome. I suspect that others would wish to be associated with those remarks.

Seated in the Public Gallery are Elaine Orwin and her dog Chaz. I met both of them earlier and was very impressed, not alone with the owner, but with the dog, as one who has a liking for dogs, particularly Labradors. They are very welcome. I also record my thanks to the association and, in particular, to Andrew Murdock, who has provided invaluable assistance and information to me in relation to this very important matter and debate.

The association launched a campaign entitled "Guide dogs are working dogs too!", calling on Her Majesty's Government to have guide dogs and other assistance dogs reclassified as working dogs. Although it does not sound like a huge ask, the benefits of such reclassification are wide-reaching and include much needed entitlements and recognition.

While researching the motion, I became fully aware of the invaluable contribution of guide dogs, not only to those who use them in their everyday lives, but to society as a whole. My motion has three main focuses: first, to celebrate the work of the Guide Dogs for the Blind Association since the opening of its office here in 1984; secondly, to acknowledge the work that a guide dog does and how environment can impact on that; and, thirdly, to demonstrate support for the guide dogs association as it continues complex negotiations as part of its campaign for reclassification. I trust that, as a result of the debate today, there will be greater awareness and support, not only in the Assembly but in Northern Ireland generally for what the guide dogs association is endeavouring to do.

As I said, 2014 is the thirtieth anniversary of the guide dogs association opening here in Northern Ireland. This marks 30 years of enabling many people who are blind and partially sighted to live more independent lives and to enjoy greater social inclusion and quality of life through independent mobility and travel. I must confess that it was only in recent times that I discovered that assistance dogs are not classified as working dogs; indeed, I find it difficult to comprehend why that is the case. Hopefully, that will change.

The guide dogs association in Northern Ireland started life from humble beginnings with just five staff on secondment from mainland UK. Now, there are 22 locally recruited staff offering a wide range of mobility services, including the guide dogs service, mobile support, services to children and young people and buddy dogs. It also actively campaigns on behalf of people who are blind and partially sighted. In addition, there is a dedicated team of volunteers who are involved in many aspects of a dog's journey through training, from placement to graduation. That alone gives some indication of the invaluable service that Guide Dogs provides.

It should be noted that, nationally, it costs approximately £50 million a year to run Guide Dogs. In Northern Ireland, it costs about £1 million a year. It is also worth noting that the Guide Dogs for the Blind Association receives no government funding, despite being the

largest breeder of working dogs in the world. On a UK-wide basis, the Guide Dogs for the Blind Association looks after 8,596 dogs, of which 4,373 work in partnerships, and almost 1,400 are pups in training.

Currently, there are 102 guide dog owners in Northern Ireland. Since opening its office in 1984, Guide Dogs in Northern Ireland has supported 450 life-changing partnerships. The association takes care of the dogs' welfare, including the all-important veterinary fees and food. After a huge team effort, beginning with a voluntary puppy walker, guide dog mobility, training, assessment, instruction and placement, extensive work is carried out to match a dog suitably with an owner.

Each dog has an average working life of eight years, and every dog is appropriately and securely rehomed on its retirement. It is a lifelong commitment for dog and owner.

It costs between £40,000 and £50,000 to train a guide dog. It is a combination of gentle nurturing and intensive constructive awareness training to ensure that dogs are not easily distracted and that they remain focused. There is something significant that surprised me, but maybe dogs are ahead of us in this respect: they are trained to ignore distractions such as other dogs, cats or small children. I find that very interesting. Maybe all of us could learn from that. We know, or should know, that it is vital not to attempt to distract a working guide dog.

Providing blind or partially sighted people with the confidence to live the life they choose and to go where they wish is the role of guide dogs. I have watched them closely, and it is clear that they relish the role. Dogs are loyal by nature, and their devotion to their owners is incredible to watch. Likewise is the love, affection and appreciation that their owners give in return. I am sure that we all have witnessed that at some time in our lives.

Guide dogs are trained to walk on the straight-line principle of travelling from one kerb to another. The dog then stops and awaits a command. The dog is trained to stop at kerbs to prevent the owner walking onto the road into danger. The dog walks around obstacles, negotiates pedestrians in busy areas and supports its owner when using public transport. The dogs live with their owner 24/7, although they have downtime, which they are trained to recognise as being when their harness comes off. I have also witnessed that today. They are a constant source of support, awareness, company and security.

If a blind or partially sighted person was willing to have a guide dog but did not, or could not, avail himself or herself of one, he or she could rely on carers. That would require relationships being built up with a trusted, patient, familiar, suitably qualified, regulated care worker. Even at that, the time limitations are stringent, and a blind or partially sighted person is not free to come and go as he or she pleases. Instead, blind or partially sighted people are entirely reliant on another person or persons and the timescale available. Most importantly, carers would be carrying out their role in an employed and regulated capacity. In other words, they would be working.

The same and more is being carried out by guide dogs and other assistance dogs, but they are currently classed as being little more than very obliging pets. Huge savings are being made by assistance dogs being placed with owners. As well as that, it opens up opportunities in which they otherwise simply could not partake. Taking all of that collectively, I believe that it is entirely correct to state that these dogs are working and providing a second-to-none service for which appropriate recognition is long overdue.

Although today is very much about the dogs themselves, they could not be what they are without the dedicated, patient and gentle expertise of those who nurture and train them to bring them to their maximum potential. The positive impact of assistance dogs on their owners cannot and should not be underestimated. I know that those in the Public Gallery today agree with me and are a glowing testament to the success of the Guide Dogs for the Blind Association.

In conclusion, I commend the motion to the House and trust that it will receive universal support. I am somewhat confident that that will happen, because I feel that the motion deserves it. I look forward to hearing what other Members have to say.

**Mr Brady:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I, too, welcome the opportunity to speak in the debate, and I thank the Members on the opposite Benches for tabling the motion.

I will start by thanking the Assembly's Research and Information Service for compiling a lot of information for the debate. I concur with Lord Morrow and commend, as he did, the Guide Dogs for the Blind Association and welcome its members to the House today. I commend them for their continuous lobbying campaign to

reclassify guide dogs and other assistance dogs as working dogs. There are other equality campaigning issues that are ongoing, such as the talking buses campaign.

Improvements to towns and street designs can give blind and partially sighted people the same access as everyone else to safer streets that are inclusive for all. Someone who is physically challenged knows only too well the difficulties that can be found in everyday tasks that most of us take for granted. During its evidence sessions on the Licensing of Pavement Cafés Bill, the Committee for Social Development received a very comprehensive and well-informed presentation from the Guide Dogs for the Blind Association on how that Bill might impact on people who are blind or partially sighted and have guide dogs. It was very informative about the day-to-day problems that people face and the obstacles that they have to overcome.

For those who have to deal with those day-to-day challenges of life with a disability through blindness or sight impairment, a guide dog can be of enormous assistance in achieving a greater level of mobility and independence. The dog becomes the blind person's eyes and gives him or her more security and confidence. Indeed, having met a colleague earlier today who has used a guide dog for many years, I know that it is very easy to see how essential and precious the guide dog is for that person. Guide dogs give people so much confidence in their ability to get around.

Guide dogs are trained to assist with many tasks and are adaptable. They can learn how to deal with unfamiliar duties with which their owner might otherwise need assistance. There are many social benefits that a guide dog can give to its owner. Individuals with disabilities experience isolation and, in some instances, can be shunned in their own community because others feel uncomfortable about how they should act around them. Unknown territory can make one anxious or afraid, and the natural human instinct is to avoid places and situations. However, a guide dog or an assistance dog can help bridge that uncomfortable barrier.

There are up to 30,000 people who are blind or partially sighted, many of whom are in employment or, through the assistance of the Royal National Institute for the Blind, actively seeking employment. I also wish to commend the good work of the institute in helping blind or partially sighted people gain the necessary skills, training and opportunities through job

search applications and interviews to gain successful employment.

Although this is a reserved matter, all Departments here have a role to play. I consider this to be an equality issue. For instance, the Health Department can ensure proper access to services and the Education Department can provide support in the classroom for children who are visually impaired. The Department of Agriculture and Rural Development can provide services such as childcare in rural areas, and the Department of Enterprise, Trade and Investment can provide access to services and jobs. DEL can help people who are seeking employment, while DCAL has Sport for All and DSD can provide access to proper housing with adaptations for disabled people etc.

The Guide Dogs for the Blind Association campaign "Guide dogs are working dogs too!" was launched in 2012 and highlights the need for the current HMRC legislation to be amended to include guide dogs and assistance dogs and give them the same food tax exemption as that for working dogs such as greyhounds, sheepdogs and gun dogs. In reading through the research material, I was astonished to find that those dogs are not already in that classification, because they do such a tremendous and worthwhile job.

Guide dogs are working for the majority of the day, seven days a week and 365 days a year. In my view, that certainly means that they meet the working dog criteria and should be exempted. Currently, the HMRC definition of a working dog is based on the type of food that a dog consumes, rather than the role it plays. We are all very aware of the role that guide dogs and, indeed, assistance dogs play. It seems absurd that such dogs are not included, so I support the motion.

**5.30 pm**

**Mr McKinney:** I welcome the opportunity to speak in the debate. I commend the Members who tabled the motion and the Guide Dogs for the Blind Association. Like many others, I supposed that guide dogs were working dogs because of the invaluable service they deliver. As we have heard, there is an omission in the legislation on the issue, and, according to HM Revenue and Customs, sheepdogs, gun dogs and greyhounds are all classified as working dogs, and assistance dogs such as guide dogs are not. The motion and the campaign are pointing at that, and I hope that something can

change as a result of our deliberations and contributions today.

Dogs already statutorily described as working dogs have their food zero-rated for VAT because they bring additional benefit to their owner. The further problem that arises here is that working-dog food is not suitable for guide dogs as it is very high in protein and is specifically tailored for everyday activity. It would be irresponsible, therefore, to feed guide dogs such food, and there is no system in place to provide tax exemption on food that is suitable for guide dogs. The campaign referred to in the motion, "Guide dogs are working dogs too!", has been seeking recognition for the work of guide dogs and strives to find ways to cut the VAT cost for guide dogs. Our party is delighted to commend and support the campaign.

VAT costs are particularly important. I will break down Lord Morrow's bigger figures. The guide dog charity has told us that its VAT bill is in the order of £300,000 a year. In the greyhound industry, where profits can actually be made, there is no such charge, so the question becomes this: how much more assistance could be provided to those with sight loss if that money were retained by the charity? We have heard that it costs between £40,000 and £50,000 to train a guide dog, but it costs many thousands of pounds to sustain that dog throughout its valuable and productive life. The bulk of funding for these endeavours is covered by donation, and, indeed, many people in charities do terrific work in this regard.

Food for gun dogs and greyhounds has tax exemptions, so you can see how charities feel that they are losing out on sizeable chunks of funding because of the fact that they pay extremely high tax bills. Some people might say that they are looking to have their cake and eat it because they get a tax exemption on contributions, but I think that we will all agree that charities such as Guide Dogs for the Blind compete in a very difficult market and it is always difficult to get donations and get enough donations. They could always do with more, and this an imaginative answer to making the best of the moneys donated to them.

We have heard repeatedly in Westminster that it is not the type of dog that determines the VAT treatment but the type of food that they eat. As guide dogs consume food that is suitable for all dogs, the food is not tax-exempt. The Equality Act 2010 defines a working dog as one that is:

*"not merely a pet but learns and performs tasks to assist and/or entertain its human companions or a breed of such origin."*

The inherent flaw is that guide dogs actually fit this description. They learn and perform tasks to assist their owners, often steering them away from danger, as we have heard, and helping immeasurably with navigation. They help their owners to perform everyday tasks and increase their physical, mental and emotional well-being. This assistance cannot be overestimated. The criterion used to stipulate the taxability of a working dog's food is not the above definition but the type of food they eat. This is producing converse results whereby the huge costs associated with providing an often essential tool for someone who has lost their sight are compounded by a large tax bill.

We support the "Guide dogs are working dogs too!" campaign and commend the fact that it has over 6,000 signatures. It is unjust that guide dog charities lose money to tax because of the classification of the dogs' food rather than an appreciation of the work they do to assist the everyday life of those who have experienced sight loss. Of course, we support the motion.

**Mr Beggs:** I, too, wish to pay tribute to Guide Dogs NI, as it approaches its thirtieth anniversary here, for the work that it has been carrying out in Northern Ireland. I understand that it has 22 locally recruited staff providing a wide range of mobility services, including the guide dog service. On top of that, it provides mobility support services to children and young people. It also has a buddy dog service and runs active campaigns on behalf of the blind and partially sighted. We must thank it for all of that.

Guide dogs have enabled blind and partially sighted citizens to have significantly greater independence and mobility. Who would dispute that a guide dog is a working dog? Were it not for guide dogs, carers would have to be employed to allow someone who was blind or partially sighted a degree of independence. However, that would be a lesser independence than a guide dog could provide because they would not have the freedom to go out and so on when it suited them. Given that, there is clearly a job of work being done by guide dogs.

As others have said, sheepdogs, police dogs, guard dogs, gun dogs and racing greyhounds are all recognised as working dogs and so have tax advantages. Surely it is a flaw that guide dogs are not recognised. They play a valuable role and make a huge difference to the life of their owner by increasing their independence, confidence, motivation and well-being. With that independence and freedom to move come psychological and social benefits. A trained

guide dog can provide a life-changing partnership. Training enables the guide dog to safely and skilfully guide someone around an ever-changing environment, whether that is a town centre or a rural setting. No one should doubt that a guide dog is a working dog, and my Ulster Unionist colleagues and I call on the Government to acknowledge that.

I thank Guide Dogs NI for setting up an obstacle course in the grounds of Stormont last year and allowing each of us to get a sense of how important guide dogs are. We were blindfolded and experienced how a guide dog can help someone to avoid obstacles when walking along a pathway. It was useful to get that insight.

Guide Dogs NI covers the food and veterinary costs for the life of its dogs. Those costs are considerable and can be between £40,000 and £50,000 a year. We ought to ensure that we allow it to maximise its fundraising. Collectively, guide dogs cost about £1 million a year in Northern Ireland, but I understand that the organisation receives no government funding. We must recognise the considerable support provided by the charities and allow these dogs to do more to become the eyes and ears of their owner.

After the initial selection of the dog when it is a pup comes significant training and the support of volunteers and puppy walkers who nurture the dog in those early years. Then, there is the process of matching a dog to an owner, which means that a dog must be of suitable height, speed, control and temperament etc so that a good partnership can be created. During the life of a partnership between someone who is blind or partially sighted and their guide dog, ongoing support is needed in case any issues arise. Finally, when a guide dog is older, there is the issue of retirement and finding a supportive home when it is not able to continue its work. I pay tribute to all who have been involved in that wide range of activities and in fundraising. I understand that there are currently 102 guide dog owners in Northern Ireland, but 157 dogs are cared for and looked after by Guide Dogs NI, including those in training and those that are retired.

It is a complex issue, and I understand that changes will be involved. For charities to benefit fully, changes will be required at Westminster and in Brussels. If the regulations are flawed, they should be changed. I would certainly support such changes to allow more money to be spent on those in need. I have drawn the issue to the attention of my colleague Jim Nicholson MEP so that he can use his

considerable European experience and networks to try to address it. This should change, and we must all work towards that.

**Mr McCarthy:** On behalf of the Alliance Party, I support the motion and commend the Guide Dogs for the Blind Association for initiating the working dogs campaign. I hope that, at some stage in the near future, the powers that be will accept the fact that guide dogs are special and should be classified as working dogs for the work that they perform.

I am grateful to Claire Milliken, the Assistant Librarian, for her excellent research paper and the very useful information in her report. However, it seems that HM Revenue and Customs has its rules and regulations, and, while there may be some sympathy for the guide dogs campaign, there does not appear, at this stage, to be any proposal to change the status quo.

Contained in Claire Milliken's report are references to case law and its outcomes. I was particularly struck by the motion debated in the Scottish Parliament back in 2012. Strong and passionate speeches were made. There is no doubt that amendments to the present legislation were what they wanted. However, it was recognised that the London Government had the responsibility but were curtailed, it appears, by EU regulations. Perhaps when Scotland achieves its independence those changes can and will be made by the Scottish people themselves.

My colleague Naomi Long, the Alliance MP for East Belfast, has been very engaged with the powers that be at Westminster. She put a very strong case for guide dogs to be classed as working dogs and for their food to be, as for the rest, VAT-free. Naomi has made the case to the Chancellor of the Exchequer, and he has passed the correspondence on to a Mr David Gauke. In his reply to Naomi last year, he reiterated that, since VAT was introduced back in 1973, there has been only one exception to the general rule: a specialised product that is held out for sale as suitable only for working dogs and not suitable for pets.

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

**Mr McCarthy:** Yes, surely.

**Mr Weir:** I welcome the Member's remarks. He referred to legal cases and the position with regard to VAT. Does he agree that one of the biggest obstacles is a lack of imagination in government? It strikes me that, if there was a

willingness on the part of government to reclassify guide dogs as working dogs, particularly as regards targeting the food, a lot of obstacles could ultimately be overcome.

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

**Mr McCarthy:** I certainly agree with Mr Weir. There does not seem to be the will, at this stage, in the correspondence that I have to hand.

I will read the final sentence from that chap Gauke:

*"It is therefore not possible to relieve dog food to be consumed by guide dogs from VAT".*

So, there does not seem to be a willingness. That was written late last year; perhaps the debates in our Assembly and the Scottish assembly will put some imagination into the powers that be in Westminster, who can make the difference.

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

**Mr McCarthy:** Surely.

**Mr Beggs:** I am just curious about whether the Member has come across any reason why it is not possible? I would have thought that it was possible to legislate whatever you wanted to legislate for, whether that be at Westminster or, indeed, if a change is needed to European regulations to allow it to happen, in Europe.

**Mr McCarthy:** I agree entirely with Mr Beggs. If there is a will, there is a way. This chap is hiding behind EU rules that were made back in 1973. However, if they listen to the message coming from this Assembly and the Scottish assembly — I do not know about the Welsh Assembly — they would know that there is a demand for change. If there is a will, there is a way, and the powers that be at Westminster could certainly change it.

The motion before us is a very worthy and honourable cause. If this Assembly can support it, surely Westminster must listen and act as necessary. I put on record my thanks and appreciation for the work of Guide Dogs for the Blind Association and others. Those dogs can make such a huge difference to the life of partially sighted and blind members of our community. It is a pity that we do not have a Minister with us to respond to the debate. I saw the Finance Minister coming in, but he has

gone. We have nobody to respond to the debate, which is unfortunate.

**5.45 pm**

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

**Mr McCarthy:** Yes.

**Mr Weir:** To be fair to all Ministers from all parties, it is a non-devolved matter. Therefore, however much, I am sure, they would be in favour of it, it is outside their remit to give a response. The issue of VAT very much lies with Treasury.

**Mr McCarthy:** I am grateful to the Member for putting us straight on that. Nevertheless, it would have been nice for a Minister to respond. The Executive chose to put up Mark Durkan to respond to the debate on climate change yesterday. However, we are where we are. As I said, it is a pity. I thank Lord Morrow and Peter Weir for bringing the important issue to the Floor.

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

**Mr McCarthy:** The Alliance Party fully supports the motion.

**Mr G Robinson:** I am delighted to support this very worthwhile motion. I congratulate my colleagues for securing it. I would like to extend a warm welcome to members of the guide dogs association who are in the Public Gallery. I also commend the excellent work performed by the doctors and nursing staff in the low-vision department at Altnagelvin Area Hospital, who treat a relative of mine and many other people who are partially sighted or have low-vision medical complaints.

To my mind, there is no doubt that a guide dog is far from being just a pet. It is an essential part of a blind person's ability to keep some independence and undoubtedly saves them from personal danger and injury. The basic fact that a guide dog goes through many months of specific training before being given to an individual is proof that guide dogs are not ordinary dogs. They are highly trained in a very specific area of expertise. It is not a dog that lies on the best seat in the house soaking up the heat; it is a dog that is trained to work and save lives.

Of course, the definition of a working dog applies in other specialised areas for police dogs, gun dogs and sheepdogs, for example.

HMRC must surely realise that a guide dog fulfils the same criteria. It was interesting to read that it assumed that all dogs would be seen as a pet species. I sincerely hope that it will see the error of that assumption and include guide dogs and, indeed, all working dogs for zero-rated VAT. It has got its definitions wrong. Let us push HMRC to rectify the mistake by supporting the motion.

By doing so, we will also support all people who have working dogs. I am especially concerned about those who are blind. The debate is about people who have a visual disadvantage in life but whose life can be made a little less difficult by the simple reclassification of their guide dog as a working dog. After all, it is not the food that a dog eats that sets it apart; it is the role that it plays for an individual that matters. This is an area where there must be a change by HMRC as a matter of urgency. I hope that everyone in the Assembly will support this very worthwhile motion.

**Mr Principal Deputy Speaker:** I call Peter Weir. I am sorry, Steven Agnew has joined the company. I beg your pardon.

**Mr Agnew:** Thank you, Principal Deputy Speaker. I am delighted to take part in the debate on behalf of the Green Party NI. I very much welcome Lord Morrow's motion and commend him for bringing it forward. It is an issue that, I suppose, like him, I became aware of relatively recently through my work with Guide Dogs on other issues such as audiovisual information on public transport and its campaign to remove street clutter. It also briefed me on this issue. I was shocked that a guide dog, which clearly performs such a valuable role in society, was not classified as a working dog.

To some extent, it is hard not to repeat some of what has been said about the importance of a guide dog to a person who is blind or partially sighted. It gives them the confidence and the independence to go out alone, without the need to have a carer with them at all times, as was pointed out, so that they can have a certain amount of freedom and mobility. It certainly promotes their equality of opportunity, something that we should seek to provide, where practicable, for all people with disabilities. We should also ensure that we mitigate some of the challenges faced by people with disabilities; in this case, it is those who are partially sighted or blind.

Lord Morrow referred to the cost of training a guide dog. Again, I learned about that relatively recently, having been involved with the Agnew

family, who are no relation, in the Justice for Cody campaign. The Agnews were inundated with donations after their dog Cody had been tragically set on fire. They received donations well beyond their vet's bill and chose to donate the money to Guide Dogs to help it to train a guide dog that was to be named in Cody's honour. The campaign raised £5,000 in total. The guide dogs association gratefully received the money, but it informed us that that would pay only for the first part of the dog's training. As Lord Morrow pointed out, the full cost of fully training and equipping a guide dog is in the region of £40,000 to £50,000. That is a staggering sum. It is right that we debate this motion today to see what further we can do to reduce the burden on charities such as Guide Dogs and, indeed, on guide dog owners in footing the bill for feeding what is, in my view, very much a working dog.

I do not wish to introduce any controversy into the debate given that there is clearly unanimous support for the motion, but it seems strange to me that the law defines a hunting dog as a working dog but not a guide dog, when, in my view, guide dogs provide much more value to society. From the sentiments expressed clearly by the Assembly, there is no doubt that we very much value the work of guide dogs. Both the association —

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

**Mr Agnew:** I will certainly give way.

**Mr Weir:** In the spirit of what the Member said about that but without wanting to reopen any debate about the dogs that are classified as working dogs, does he agree with me that it is difficult to think of a more appropriate dog to be classified as a working dog than a guide dog? Mention was made of the fact that they effectively work 24/7. Although they have downtime when they can relax, I suspect that the number of hours put in by a guide dog is greater than that put in by almost any other form of working dog that could be considered.

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

**Mr Agnew:** Thank you, Principal Deputy Speaker. I thank the Member for his intervention. I could not agree more. I am just thankful that we do not have to pay guide dogs the minimum wage, because, given the hours that they do, it would bankrupt us. It is a relatively small ask of the Westminster Government to recognise guide dogs as working dogs in order to allow a VAT exemption

on food for them. For that reason, I again commend Lord Morrow for tabling the motion. It is one of great importance to many people who are blind or partially sighted and those who work to support them. I conclude by asking Lord Morrow to address in his winding-up speech what he feels the mind of the Government is on this. Has he had it explained to him why the Westminster Government would be reluctant to go down this road? On the face of it, it seems to me to be immensely sensible.

**Mr Weir:** With regard to the comments from the previous Member, I do not know whether Lord Morrow will be able to perform an act of ventriloquism. However, if he has any additional information, I will be happy to give way.

Sometimes it is difficult to judge the mind of government in Northern Ireland, let alone that of government across the water. I concur with the previous Member: the mindset of those who appear to be resisting this seems to beggar belief.

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

**Mr Weir:** I am happy to give way.

**Mr Brady:** With regard to the mindset, it is worth mentioning — I think that the Member would agree — that blind and partially sighted people have had an uphill struggle. It is only in very recent years that they have been able to qualify for the high rate of disability living allowance. Therefore, they and their dogs have had a rough time of it.

**Mr Weir:** I very much concur with the point that has been made. Without straying on to a different topic, there have been many negative aspects of welfare reform as things have changed over the past few years, and I am sure that the Member opposite will concur with that. However, one of the positive developments has been greater recognition in recent years of those who are blind.

From all six parties that took part in the debate we have had unanimity on where we see things going, and the tone of the debate has been very good. The Member who spoke previously and has now left the Chamber talked during the previous debate about concern over the hyperbole of language, and that, thankfully, has been missing from this debate. All the contributions from across the Chamber have been constructive. We debated issues around bags earlier. I do not know whether we could have had a solution and merged the two and

had a debate on a levy for doggie bags. That might have been a way of ensuring that the language in the previous debate mirrored the language in this one.

In all seriousness and as has been mentioned by a number of Members, although many of us have a very minor visual impairment, it is difficult for us to get our heads around the impact of being blind or partially sighted on a day-to-day basis. Roy Beggs mentioned the fact that, a short while ago, a number of us took part in an obstacle course with a guide dog that gave us a brief and, I suppose, partial insight into the lives of those who are blind. I was also involved in that exercise. Coping with that on a day-to-day basis 24/7 brings problems, as has been mentioned. Mickey Brady mentioned the significance of guide dogs in tackling problems of isolation in a community, fear and loneliness at times, and guide dogs can make a vital contribution.

I shall speak from personal experience. Late in life, my late grandmother became blind. I was too young at the time to establish why she could not have a guide dog. It may have been because it was so late in life, although it might have been the fact that she died before Guide Dogs was established in Northern Ireland. However, we all know of many people who have benefited from the wonderful contribution that Guide Dogs has made.

In proposing the motion, Lord Morrow highlighted much of the good work that has been done across the UK and particularly in Northern Ireland during the past 30 years by the Guide Dogs for the Blind Association. At times, there is a lack of knowledge over the sheer amount of work and training that has to go into a guide dog to ensure that it can provide the best possible service. As has been indicated, that does not come cheap. It takes a large investment of money, and the time given by volunteer workers involved with the charity also plays a vital role. The financial aspect has been mentioned. Fearghal McKinney said that, if VAT was taken into consideration, it was not simply a question of dealing with that particular issue; it would have an enormous knock-on effect.

There is an opportunity cost, which is that if VAT were dealt with properly, whether in Europe or Westminster, and an attitude taken that allowed VAT on guide dog food to be dealt with, it may make a relatively small contribution, but that would free up money. It is clear that there is a cost not only to blind people who have guide dogs but to the Guide Dogs for the Blind Association, which supplies food —



**6.00 pm**

**Lord Morrow:** I thank the Member for giving way. I want to make something clear. It is not anything that the Member said, but now might be an opportune time to do it. There is a subtle difference between something that is exempt from VAT and something that is zero-rated. The difference is that VAT cannot be charged on something that is exempt, whereas a zero-rated product has the potential to have VAT charged on it.

What reasons were given about VAT? A convincing reason was not given as to why this could not be done, but Kieran McCarthy touched on it. We have what I sometimes call a plague — Europe — and its tentacles go very deep at times. It keeps interfering, meddling and telling us how we should run our affairs. This issue has its origins deep down in Europe, but a referendum is coming, and we will all come out of Europe soon. We look forward to that, but I hope that we do not have to wait until that day comes to get there with this issue. I just want to make that point.

I also want to emphasise to the House that we are pursuing this matter in another place, and, hopefully, we will get the desired result in the not-too-distant future.

**Mr Principal Deputy Speaker:** Thank you for that short intervention.

**Mr Weir:** I thank Lord Morrow and agree with his very brief intervention. There is a direct cost to the Guide Dogs for the Blind Association, which is money that could be much better spent if the VAT issue were tackled. There is an issue about the extent to which the apportionment of blame lies with Europe and the extent to which it is the attitude of the Treasury and HMRC. When I studied taxation at university, I was taught that the difference between a kidnapper and HMRC is that you could negotiate with a kidnapper. If we can see light at the end of the tunnel with the work being done on the exemption, that can be dealt with. If the imagination and willingness are there, the issue can be cracked.

As for the definition of a working dog, as I said to Mr Agnew, it is difficult to think of dogs that provide greater worth or service to mankind than dogs that give day-to-day assistance as guide dogs. I welcome those in the Public Gallery, and I see the silhouette of at least one dog, but perhaps there are more. I am sure whether they have been exceptionally bored

throughout the debate, but they have been exceptionally well behaved.

The issue is being tackled. Mention was made of the very good debate that was held in Scotland. A number of representatives also raised the issue at Westminster, most acutely, David Blunkett. Indeed, the Northern Ireland Assembly is adding its voice to the views that the issue needs to focus on. Food for guide dogs is not the same as food for other working dogs, but if there is some imagination, we can make a very valuable contribution.

I urge that we send a unified message from the Chamber, as happened throughout this debate, to say that all parties support the call of the Guide Dogs for the Blind Association in its campaign to remove VAT from guide dog food. If the Assembly unites behind that call, we will send a very valuable message. I urge Members to support the motion.

*Question put and agreed to.*

*Resolved:*

*That this Assembly commends the Guide Dogs for the Blind Association's campaign "Guide dogs are working dogs too!"; and calls on Her Majesty's Government to reclassify guide dogs and other assistance dogs as working dogs to afford them the same entitlements as other working dogs.*

## Assembly Business

**Mr Principal Deputy Speaker:** Before we move to the next item of business, I wish to inform Members, particularly those who were planning to speak in it, that the Adjournment debate will not be happening today. It will be rescheduled for a later date.

## Committee Business

### Credit Unions: Financial Support

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

**Mr McGlone (The Chairperson of the Committee for Enterprise, Trade and Investment):** I beg to move

*That this Assembly acknowledges the valuable contribution of the credit union movement to providing affordable credit; and calls on the Minister of Enterprise, Trade and Investment to work with her Executive colleagues to provide appropriate financial assistance to Northern Ireland credit unions to cover start-up costs to enable those credit unions that want to expand their range of services to include current accounts, in order to enable more people to avail themselves of banking services, to fill the gap left by widespread bank closures and to make a greater difference to communities across Northern Ireland, especially the most vulnerable and those in rural areas.*

Gabhaim buíochas leat, a Phríomh-LeasCheann Comhairle, as ucht an seans a thabhairt domh an rún seo a chur os comhair an Tionóil. Thanks, Mr Principal Deputy Speaker, for the opportunity to propose the motion in the Assembly. I declare an interest as a member of the credit union movement.

In February 2009, in the previous mandate, when the Committee for Enterprise, Trade and Investment published the report of its inquiry into the barriers to credit unions expanding their range of services, no one really thought that we would still be debating the very issue five years later. I am pleased to report that, albeit slow, progress has been steady and that much work has been done to advance the matter.

Credit unions are now regulated by the Financial Conduct Authority (FCA), with the appropriate legislation having been put through Westminster to enable that to happen. At this week's meeting, officials will brief the Committee on the Department's policy proposals for the Credit Unions and Industrial and Provident Societies Bill, which will provide the legislation needed to implement many of the Committee's recommendations.

*(Mr Speaker in the Chair)*

The whole process provides an excellent example of how devolution can work in action. It can be a demonstration of how Committees make a real difference to the lives of ordinary people, but the benefits can be fully realised only if the one outstanding Committee recommendation is accepted. The inquiry report stated:

*"The changeover to the new regulatory regime and the expansion of credit union services will bring additional costs for credit unions relating both to the transition to the new regulatory regime and to the development of new services. It is recommended that DETI and the FSA work with the credit union movement to fully identify staffing, training and technology & equipment costs and to agree with HM Treasury a package of financial support to assist credit unions in implementing changes."*

Credit unions are in a unique position when it comes to financial services. They are established by the community and for the community, are managed fairly and responsibly, and are run by local people who are primarily accountable to local people; namely, their members.

Back in 2007, before the financial crisis, the banks would have bitten their arm off to give you a loan. Just a few short years later, the story is completely different. The banks have been ruthlessly recapitalising, seemingly without regard for the welfare or future of the people — their customers — at whose expense they have been trying to rectify the mistakes that they made, in order to protect their assets and their shareholders, and, of course, to pay exorbitant bonuses to the executives who largely got them into difficulties in the first place.

We live in a largely rural society, yet the banks fail to recognise or acknowledge that. They have been closing branches in rural areas and deprived communities right across the North, depriving people of banking services, seemingly without regard for the loyal customers who have been with them for many years and through many generations.

As the banking crisis developed and more and more people got into financial difficulties, many through no fault of their own, the payday lenders were there to add to their misery with adverts of happy, smiling cartoon characters bouncing on trampolines, obviously delighted with the 4,000% annual percentage rate (APR)

— yes, 4,000% APR — interest rate that they had just been offered. People need reliable banking services and many need affordable short-term credit, but there must be a better way. Of course, there is, or there is at least the potential for a better way, and that is to give financial support to credit unions to enable them to do provide it.

The Irish League of Credit Unions, supported by the Ulster Federation of Credit Unions, briefed the Committee on their proposals to fill the gap caused by wholesale bank branch closures, especially in rural and deprived areas, by offering full current accounts and access to affordable credit to local people. Credit unions are not like the banks though. Your local credit union is not part of a multinational conglomerate or, indeed, a national or even regional group. It is independent. Your local credit union is not answerable to faceless executives in Spain, Scotland or Scandinavia. It is answerable to its members in the local community. Your local credit union does not exist to make profits. All surpluses are returned to members or used to invest in new and improved services.

Credit unions cannot speculate with members' money and cannot offer short-term loans at high interest rates. Their interest rates are capped by law at a maximum of 1% per month. Credit unions exist for the benefit of their members and the communities they serve. They are there to help people to manage their money well and to contribute to social cohesion and financial well-being. So, when the credit union movement asked if it could come and brief the Committee on how, with some financial assistance to cover start-up costs, it can widen their services and bring real benefits to the local community, the Committee naturally agreed.

The credit union movement is seeking around £860,000 per annum for five years to cover start-up costs for 75 credit unions to enable them to offer current accounts, debit cards, inward and outward payments, direct debits and standing orders. Financial support is needed to access the technical infrastructure as well as business planning, training, staffing and IT security issues. The proposals are outlined in more detail in papers issued to Committee members. On the face of it, and following a briefing from the Irish League of Credit Unions, which was fully endorsed by the Ulster Federation of Credit Unions, the Committee considers the proposals to be a very reasonable and worthwhile proposition.

Credit unions have been here for well over 50 years. Rarely, if ever, have they sought or

received any form of support from the Executive or from government. They employ well over 600 full-time and part-time staff who, of course, pay income tax. A further 120 or more staff would be required to administer the current account system, adding well over 100 jobs to the economy. Irish League of Credit Unions-affiliated credit unions paid around £3.75 million in corporation tax in 2012 and pay around £650,000 in rates annually. Unlike their counterparts in Britain who can apply for discretionary rate relief, they are subject to the full amount. Therefore, we can safely say that, over the past 50 years, credit unions have paid their dues, and we should consider favourably any proposal that will secure 600 jobs and create a further 120 jobs for the next 50 years and beyond.

Credit unions in Britain have used the financial inclusion growth fund there to enable them to build infrastructure and make loans to a value of £175 million to members. That has enabled them to offer instant credit to new members, bringing thousands of financially excluded people under the umbrella of the credit union movement and, in many instances, out of the clutches of high-interest payday lenders and loan sharks. The Westminster Government are investing £38 million in credit unions in Britain over three years from 2012 to modernise and upscale operations and expand credit union membership there.

Only 2% of people in Britain are members of credit unions, whereas membership here comprises around 34% of the adult population.

Investment in credit unions here can make a real, lasting and positive difference to people's lives.

### **6.15 pm**

Of course, the Committee is not suggesting that the Minister jumps in, not immediately anyway, and writes a cheque to the credit unions for the full amount. The Committee believes that the credit union movement puts forward a very reasonable case for funding, which is fully in line with the recommendation of the previous Committee's inquiry. More work will have to be done between the Department and the credit union movement to work out the detail of what is needed, what can be provided and how that can be achieved.

We ask that the Minister and her officials sit down with the credit union movement to work out an appropriate package of financial support that she can bring to her Executive colleagues

to enable credit unions to fill the gap caused by wholesale bank branch closures, especially in rural and deprived areas, and help credit unions to remove vulnerable people from the clutches of high-interest payday lenders and loan sharks.

Mr Speaker, thank you very much for affording the Committee the opportunity to present the motion to the Assembly. I look forward to hearing contributions from other Members.

**Mr Dunne:** I also welcome the opportunity to speak on the issue. As a member of the Enterprise, Trade and Investment Committee, I recognise the valuable role that credit unions play in providing financial assistance to people in need right across Northern Ireland. I apologise for the Minister, who will be with us shortly. She is detained on urgent business.

The success and significance of the service that credit unions provide here is backed up by the statistics: 34% of our population hold a credit union account, compared with around 5% in the rest of the UK, and membership has doubled in the past decade.

I commend the work of the Ulster Federation of Credit Unions and the Irish League of Credit Unions in supporting and developing their services. Many of those who work in credit unions do so voluntarily and make a valuable contribution to the community in which they live. Credit unions are, rightly, run on the principle that, if you cannot afford to save regularly, you cannot afford to borrow. Saving is a basic skill that many lack today and, hence, they get themselves into financial trouble.

A key factor in the credit unions' success is that they are locally based, working with and for local people in local communities. Credit unions are locally focused and run for the good of their members and according to a social mission rather than for profit. That is in strong contrast to the payday loan companies, which often exploit the most financially vulnerable and often have greater resources and use attractive advertising to lure people into unrealistic agreements.

The Committee is aware of the ongoing work between the Department and the credit union movement, particularly on updating legislation that will offer better protection for users and make the credit unions more effective.

There is no doubt that many people need financial support to cope with the ever-increasing cost of living, including food and energy bills. We need to ensure that practical

support structures such as credit unions are in place to provide the tools that they require. Credit unions also operate in a genuinely cooperative way — I believe that there is room for greater cooperation between Departments, particularly given the current financial situation.

Recent bank closures have given a greater emphasis to the need for an effective credit union infrastructure, especially in rural areas. Many people still like a physical drop-in facility in their local town or village, where they meet local staff whom they know and trust.

We recognise that credit union branches need to modernise and become more customer-focused. To provide a modern banking service, they need an IT-based system that allows them to offer current accounts and services such as bank cards and electronic banking. The necessary improvements are costly and will require significant investment to make credit unions competitive in the modern financial market.

There is no doubt that the credit union movement provides an excellent service to many across Northern Ireland. All options should be considered to ensure that it can continue to evolve and operate effectively in the 21st century to compete with the other banks on the high street. I support the motion.

**Mr Brady:** Go raibh maith agat, a Cheann Comhairle. I, too, initially declare an interest as a member of my local credit union in Newry.

The credit union movement is not simply a financial institution, lender or service provider. It is very much an integral part of every community that we represent. It is a grass-roots movement that is community-led and is exactly the kind of institution that we should be proud to support.

Credit unions were a response by civic-minded people to meet the needs of those sections of society that most needed support. It remains so today. The people who gave life to the credit union movement recognised that the root of many of these problems lay in the scarce availability and poor management of money. In response, they were determined to create an institution that would give people, particularly those with the least power and fewest resources, more control over their finances.

What is particularly true in times of hardship and challenge is that the credit union movement is always there. When it comes to Christmas — and September, when children return to school — the credit union movement supports

countless families. At a time when the standing of banks has fallen to an all-time low, the reputation of credit unions with local people is at unparalleled levels.

What started as a small initiative by people who had the national interest at heart has turned into a national movement with over half a million members and 168 branches serving communities and employing 750 people across the North. Research commissioned by the Irish League of Credit Unions showed that 45% of 18- to 24-year-olds in the North were members of a credit union. We have seen the devastating effect that payday loan companies can have on those in desperate need, especially students. Credit unions, if supported properly, could provide a credible alternative.

In these times of increased unemployment and costs and reduced earnings, the need for credit unions has never been greater or more urgent. Critically, credit unions often provide a service in areas and to people where other financial providers have chosen not to, particularly in rural and disadvantaged communities. The services provided by the credit union movement make a real and important difference to people and communities.

We have seen the damage done by financial institutions driven by greed — institutions that reward sharp practices and unethical lending. Credit unions have the potential to fill the gap caused by wholesale bank closures across the North, especially in rural areas such as my own, by offering full current accounts to local people. Fifty-three bank branches have closed in the North in the past two years alone. We are all too aware of the impact that such closures have on our communities.

There are already several towns and villages that no longer have a bank branch. As banks withdraw, people, especially those in rural areas, are left having to travel long distances to a branch. The most vulnerable — for example older people, those with disabilities and the less well off — are becoming, to all intents and purposes, deprived of a banking service altogether.

If credit unions are to continue to grow and service their members and communities, they must be able to offer a wide range of services, including current accounts. As in many instances, Newry has led the way on many of these issues. Newry Credit Union — my local credit union — was the first in the North, and indeed across Ireland, to offer its members a current account service. Its members can access an automated teller machine (ATM) and

use a Visa debit facility to access cash and use the card in-store and online.

In Newry, the ability to access that important service is valued. Citizens across the North should have access to a similar standard of service. We can help to make that happen by providing financial support to those credit unions that wish to offer that vital facility to assist them with the start-up costs.

Supporting the credit union movement may be a concern for a number of Departments: DSD and OFMDFM in terms of financial inclusion, and DARD, particularly in relation to rural economic development, which is so important, especially in border areas like Newry and Armagh, which suffer, and have historically suffered, higher levels of deprivation and lower levels of investment.

Drawing on the experience from my local area, I support the motion and any actions following from it that would allow other communities access to the services that those served by Newry Credit Union enjoy. The motion has the full support of our Members in the Assembly.

**Mrs Overend:** Thank you very much, Mr Speaker, and thank you for the opportunity to speak on this motion, which has been brought by the Enterprise, Trade and Investment Committee.

As has been said, just over one third of people in Northern Ireland use credit union facilities. They are community-based financial institutions set up by the public with a community-led ethos. Credit unions act as an introduction to the financial sector for many people and offer an affordable and easily accessible service to the community. They encourage small-scale savings plans, which help to promote saving money to people who otherwise might not actively save. They also act as an introductory savings scheme for many children and young people throughout Northern Ireland, encouraging saving from an early age. Indeed, my own three children have accounts in our local credit union.

Credit unions fill many gaps in the financial sector, especially for people in rural areas who have seen many bank closures in small towns and villages. In the credit union, people have a local, viable and reliable option. They are also important sources of credit for many who otherwise would be unable to secure credit from major lenders and would be forced to turn to the short-term loan companies and their usurious interest rates, which have had a damaging

effect on many individuals and families and the risks of which have been debated at length.

However, the services that the credit union can provide are limited here in Northern Ireland. This motion has been proposed so that we can begin to address the limits to credit unions, assess where expansion is viable and offer our support to expanding their services. In Great Britain, the coalition Government have pledged financial support to the tune of £38 million over the next three years to help to extend the services of many credit unions there, with the Scottish and Welsh Governments investing £1.3 million and £1.2 million respectively in credit unions.

The Minister at the Department for Work and Pensions (DWP) stated:

*"if credit unions are ready for the challenge of modernisation and expansion we are willing to support them."*

Here, too, if credit unions are ready for the challenge, we hope that government is ready to support them. I call for that support to be forthcoming.

The calls from bodies representing credit unions in Northern Ireland for funding to help to expand to provide services, such as current accounts and enhanced saving options, point to the desire for growth. I support that fully. Many credit unions find themselves limited in the scope of what they can offer to customers who, increasingly, want their financial services providers to offer more and more advanced facilities. Furthermore, with one third of people in Northern Ireland using credit union services compared with 5% across the rest of the UK, we are in a much better position to assist a greater proportion of people in the community.

That having been said, it is important that the right branches are targeted and that funding is apportioned in a fair and equitable manner. Should funding be secured, it is important to ensure that a fair proportion of credit unions across Northern Ireland are given the assistance to expand. I thank Mr McCrory of the Irish League of Credit Unions for his assurances during his submission to the Committee that this development is for all credit unions, irrespective of which trade body they may be affiliated to and without fear or favour. Where investment is made, it needs to be done across Northern Ireland so that as many communities as possible can benefit from the improvement in services.

It is also important to note that only a limited number of credit unions will be in a position to expand their facilities and open up new services. In its submission to the Committee, the Irish League of Credit Unions explained that around 20 of its credit unions would be in a position to extend services beyond what they have. Similarly, in discussions with the Ulster Federation of Credit Unions, I was informed that it has fewer that would be in a position to expand. There are a number of reasons for that, with funding and staffing restrictions the main barriers to growth.

It is important that any plans for expansion take into consideration the views and needs of the communities where the credit unions are located and of the credit union branches. Credit unions, as community-led organisations, are highly distinct and have various specific methods that cater to their individual clients. It is important that any proposed changes are fully developed through engagement and with the community in mind. I support the motion.

**Mr Lunn:** I support the motion and hope that a way can be found to provide the necessary finance. Not being a member of the Committee, I have not been privy to all its discussions, but I have been heavily lobbied about this matter by the Irish League of Credit Unions and the Ulster Federation of Credit Unions. It is very clear that many credit unions are of a mind to expand their range of services and that the only thing holding them back is the start-up costs.

The figure quoted of around £850,000 per annum for five years is a lot of money, but, in overall terms, it is not that much. Allowing the credit union movement to offer current accounts and card services has the potential to benefit a section of society that, for years, has felt let down and abandoned by the major banks. Those same banks have been roundly criticised in this House and beyond for their failures. We now have the opportunity to provide a small amount of assistance to allow credit unions that want to fill the gap to do so. That is very timely, as the banks' policy of branch closure and tightening of credit, particularly of smaller credit, continues.

**6.30 pm**

I must sound a note of caution in my support for the motion. The credit union movement, from its inception in Northern Ireland in 1960, has been a success story. It has stayed true to its roots, been careful not to overreach itself, and is largely built on trust and loyalty from and

towards its customers. As banks, big and small, have run into difficulty, the credit unions, by financial prudence and strict adherence to their own rule book, have grown and prospered. We all heard the figures today: credit unions have 34% penetration in Northern Ireland, as against 2% in the UK. I am told by a German friend that there is an even higher proportion of penetration in Germany by a very similar movement, which has had current accounts for quite a long time.

The UK has produced the financial inclusion growth fund. I must say that it is the most beautifully described fund that I have come across. Normally, such funds are called something daft; but this really is about financial inclusion and growth, so it is perfectly named.

Now is clearly the time for a major step forward by the movement, but the need for control and prudence will be even greater, because it is moving into an area of higher risk, which the banks have deserted. Banks do not run down part of their business without reason. They evidently do not regard it as profitable or worthwhile any more to encourage small current accounts or small lending. That is the challenge for credit unions: to succeed in an area where large and, let us face it, experienced operations have failed or chosen no longer to complete.

That said, I have absolutely no doubt that the credit union movement can handle this expansion. I believe that the traditions and ethics of credit unions and the closeness and loyalty generated with their customers will be enough for this venture to succeed; and I hope that the Executive can come up with an acceptable level of support to make it a reality and bring back the concept of local banking to those who need it.

I would not call this an experiment; it appears to be a five-year plan with five-year funding. That is what the credit unions are looking for, and that would allow up to 75 credit unions. So, they will gain experience over that five years, and who knows where the movement might go next? I certainly wish the credit unions well as they continue their good work for local communities, and I look forward to the Minister's response. I confirm our support for the motion.

**Mr Anderson:** I rise as a member of the Enterprise, Trade and Investment Committee to speak on this Committee motion. It begins by acknowledging the very real contribution made by credit unions in Northern Ireland. Indeed, they have been an integral part of the financial

fabric of society here for many years and have made a large contribution to the economy. As has been mentioned by Members, historically, credit unions have a much higher membership in Northern Ireland than in the rest of the United Kingdom. They now operate right across our communities.

The role of credit unions has become even more important in recent times since the banking crisis of 2008. That crisis has had a profound and probably lasting impact on the financial infrastructure of much of the Western World. For me, and other public representatives, hardly a day goes past when we do not hear from our constituents about problems that they are having with their bankers. That is a subject in itself for debate. The point is that credit unions and similar bodies can go some way to filling the gap left by the banks and help people in a variety of ways and through a range of financial services.

The motion refers to the most vulnerable members of society and those in rural areas. I represent a largely rural constituency, and I am all too aware of the sort of impact that bank closures can have. I am also well aware that there are plenty of loan sharks and people offering payday loans who are busily seeking victims each and every day. The whole area is now subject to reform. Recent reforms undertaken by the Department have allowed credit unions to expand the range of services that they offer, which is something that we must warmly welcome.

The Minister has also rightly and repeatedly stressed that credit unions must operate within strictly defined limits, and we have learned some hard lessons in that area in recent years. Credit unions across the United Kingdom are now registered by Westminster but continue to be regulated here by DETI. As a result of reforms a year or so ago, members' savings are now covered by the financial services compensation scheme and members have access to the Financial Ombudsman Service.

I would also like to acknowledge the changing and expanding role of post offices, which I believe have a similar role to play, especially in rural communities. The Post Office is a well-established organisation and is also well placed to develop a range of services. I know post offices in my constituency that are going through change and offering services that were traditionally offered by banks such as withdrawals, deposits and payments. Those facilities will become available to them. Those expanded facilities, which are so valuable, especially in rural communities, as I said, are

the types of services that we want to encourage in our small towns and villages across Northern Ireland. Whoever is in the best position to provide them, be it the Post Office or, indeed, credit unions, people want the best possible service provision.

The Minister told the House last week that she had had discussions with post offices, and I encourage her to continue with those discussions. The motion also refers to the desirability of being able to provide credit unions with help with their start-up costs. I know that both the Ulster Federation of Credit Unions and the Irish League of Credit Unions, who recently provided evidence to the Committee, are keen that credit unions should be given financial help to enable them to develop the quality and range of services that they can offer to their members, such as current accounts. To do so will require capital investment in staff and technology.

Those are all issues that need to be looked at carefully and further explored to see how we can best proceed. The bottom line is that people need to have access to as wide a range of reliable and well-regulated financial services as possible. I await further developments with interest.

**Mr McKinney:** I rise as a member of the Enterprise, Trade and Investment Committee. After all that I have heard, I now declare an interest in joining the credit union. We have an exceptionally strong credit union movement here. If I turn the 34% figure into a number, it represents 400,000 members. That is a significant proportion of the population.

Of course, the aims of the credit union movement are close to the hearts of SDLP members, existing only to serve their members and not profit from members' needs. It is a practice as necessary now as when Ireland's greatest, John Hume, assisted in founding the Irish credit union movement and the Northern Irish credit union. However, times change, and, given the increased need, it is imperative that this important work is able to continue to allow credit unions to compete in today's market.

In 2012, my colleague Mark Durkan fought hard for credit unions during the debate on the Financial Services Act in Westminster in order to ensure that they could build on their potential, because, perversely, while our credit unions have a much stronger base than Britain's 2%, they are historically much more restricted in the services that they can offer. The effort that was invested in that process was another demonstration of the situation that



Northern Ireland finds itself in vis-à-vis these institutions, as both the major management decisions of the banks and the legislative requirements imposed on them are made elsewhere. Of course, the credit union management is based here and focused on the needs of local members, but the disinterest from London in taking decisions to aid credit unions and savers in Northern Ireland is palpable.

Credit unions have a hugely important role to play, as we have heard, especially at this time of recession, in providing people with a safe place to save their money and the ability to access affordable credit as a safe alternative to loan sharks and payday loan companies. I urge any of you, and I think that my colleague Mr McGlone outlined this, to freeze-frame your television when one of those adverts comes on and look at the interest figure: it is something around 4,000%.

That is, in my view, tantamount to usury. Maybe we cannot do much about that, but we can do more by promoting credit unions as best we can.

Credit unions could also play a part in filling the gap caused by bank branches closing across much of the North. It is happening everywhere. Three banks are closing in the area round my office in south Belfast. You do not have to go very far around the North to see a bank closure. However, credit unions can help to close such gaps only if they are enabled.

In Great Britain, the Government have provided the funding that we have been hearing about to help to offset the high start-up costs of operating current accounts and the ongoing costs of maintaining them. Frustratingly, however, the London Government claim the reason for excluding Northern Ireland from that funding scheme is that our local credit unions are well established. It is, in effect, punishing the people of the North for the self-help that they administered at a time when little help was forthcoming from elsewhere. This is from a party whose stated "Big Society" aims are to encourage people to take an active role in their community, support co-ops, mutuals, charities and social enterprises. Without that support, it is even more important that we bring forward bespoke support for credit unions in the North.

In May 2012, it was the Minister's stated aim to grant similar freedoms to Northern Ireland credit unions to allow them to continue and build on their existing valuable role. The opportunity to provide additional mainstream savings products would make credit unions more competitive in

the financial marketplace and enable them to reach a wider audience, especially at a time when major banks are walking off the pitch. Therefore, I also look forward to the introduction of the credit union Bill, which the Minister promised for the 2013-14 session. The SDLP has a wealth of experience serving credit unions and their members and will have an active part to play in scrutinising such legislation to ensure the best possible outcome for savers and borrowers in Northern Ireland.

**Mr Douglas:** I rise as a member of the Enterprise Committee to support the motion. I also declare an interest, because I have a Dundonald Credit Union T-shirt. *[Laughter.]* The large network of credit unions, spearheaded by the Irish League of Credit Unions and the Ulster Federation of Credit Unions, is testimony to the great voluntary work that goes on across Northern Ireland. That large network of credit unions is the envy of other jurisdictions, and this debate presents a unique opportunity for the Assembly and the Executive. I do not think that it is an issue for the Department of Enterprise, Trade and Investment alone; a cross-departmental response is required.

Over the years, my experience has been with the Ulster Federation of Credit Unions, which has done a tremendous job since 1995. It has over 50 members, having started from a very low base. I record my appreciation of the work that credit unions carry out across Northern Ireland and especially in many of our most needy communities. Forty-two credit unions, for example, operate in the 12 highest-ranked wards in the index of multiple deprivation for Northern Ireland. That is no coincidence, with the overwhelming need for access to affordable credit being driven by those communities. There is a need, a demand and support for credit unions in those communities.

All Members see in their offices that many families across Northern Ireland struggle to make ends meet. According to credit union research, many households are at crisis point. Families struggle to pay bills and, as was said, fall victim to moneylenders and illegal loan sharks, who are the scourge of society. At the end of 2012, a credit union tracker survey focused on high-cost credit. It showed that moneylenders proved to be unrelenting predators on people who were struggling financially, with those admitting to borrowing in that way rising to 6% of Northern Ireland consumers. What an indictment.

In March 2010, the Enterprise Committee noted the disparity between what credit unions in Great Britain and those in Northern Ireland can

do, and it considered options for reducing the gap in flexibilities. The Committee rejected the option of maintaining the status quo and recommended that Northern Ireland credit unions be permitted to expand their range of services to include, at the very least, the services that credit unions in Great Britain can currently offer.

**6.45 pm**

When the growth fund — the modernisation fund for credit unions in Great Britain — was started, credit unions in Northern Ireland were not regulated by the Financial Services Authority. When we look at the level of support provided in the rest of the UK, we find that several dedicated funding streams exist to assist the expansion of the movement. In 2012, it was announced at Westminster that the Government would take forward the findings of a credit union expansion feasibility study and the Department for Work and Pensions would invest something like £38 million in credit unions until March 2015. That fund and others apply to credit unions in England, Scotland and Wales but not Northern Ireland.

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

**Mr Douglas:** Yes.

**Mr McKinney:** Does the Member accept that, in total, between income tax, corporation tax and property tax, the credit union movement here contributes something just shy of £7 million to the annual tax pot?

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

**Mr Douglas:** I thank the Member for his intervention. I agree with him: there is no doubt that that is good value for money, given the work that credit unions do across Northern Ireland.

As I said, those funds applied in England, Scotland and Wales but not in Northern Ireland. That has nothing to do with the Barnett formula or the block grant; it is about the British Government giving England, Scotland and Wales help and support. We all know what happened in Scotland, where credit unions received a total of £1.3 million from the Scottish Government's third sector enterprise fund. That investment will help credit unions to upgrade their facilities, extend their services to a wider range of people and continue to expand and develop as thriving social enterprises. That is

exactly what our Northern Ireland credit unions aspire to.

The Welsh Government recently announced funding of £1.2 million. Another example of financial support provided in the rest of the UK is support for rates. GB credit unions can apply for discretionary rate relief from their local authority. That compares with credit unions in Northern Ireland, which are liable for the full amount.

The motion calls for financial support to expand credit unions' services. It is also about fairness and equality and about credit unions being treated like their counterparts in the rest of the United Kingdom. It is important that credit unions in Northern Ireland be supported by the Executive in their attempts to fill the void left by bank branch closures, particularly in rural areas, and in the continuing fight against payday lenders. I agree that the Assembly and the Executive should make every effort to ensure that credit unions in Northern Ireland are not disadvantaged but are given the same assistance as credit unions in the rest of the United Kingdom to develop their services.

**Mr Dallat:** At the outset, I acknowledge the presence of the Minister and her officials, which is an indication of how seriously she takes the subject. She has been consistent all along, and I will say more about that later. I have no doubt that the people from the credit unions who are present in the Public Gallery will also appreciate the presence of the Minister to hear the debate.

The main thrust of the motion is to provide financial assistance to enable credit unions to develop their current accounts. I want to develop another reason that the Assembly should act, not in the long term but immediately. Credit unions in Northern Ireland have more than £1 billion in assets, but fewer than half of those investments are out in loans to members. That is not a criticism of the credit unions. At the same time, it puzzles me that loan sharks, payday lenders and others who charge exorbitant interest rates operate in the same parishes, villages and towns, ripping off the most disadvantaged people, who can least afford to pay rip-off loan charges. Why is that? Why are so many people ignoring the very competitive 1% a month charge by credit unions and allowing themselves to be exploited by those who charge, as we heard, 4,000% and more, with no insurance protection and no loan interest rebate? I was a director of a credit union for more than 30 years, and those were the best years of my life. In fact, I had no other hobby. I cannot be certain of the answer, but I feel strongly that, if credit unions had the

capacity to operate current accounts, they would instantly be more attractive to the thousands of people who have yet to discover the advantage of being a member of a credit union.

The Department of Enterprise, Trade and Investment can be proud of its history of involvement with the credit union movement. If only those overseeing the banks had been so meticulous, we would not have had the financial mess that caused so much misery to so many people. From experience, I want to put on record my personal thanks to the officials who worked tirelessly with credit unions for many years to ensure that they were run properly. They did it in such a way that credit unions did not feel threatened but were encouraged to become the best. I know that when responsibility passed to the Financial Services Authority there was a great sense of loss, but, today, that gap can be filled again by the Minister, who, as I said, has an excellent understanding of credit unions and, I believe, a genuine commitment to the movement.

No organisation can stand still; if it does, it stagnates and begins to decline. Credit unions are part of the cooperative movement and are too precious for us to allow that to happen. Given the experience and goodwill that exists between the credit unions, the Minister and her Department, the time is surely right to create a renaissance for this wonderful movement, which, as we were told, began in Germany. It is interesting that it started with two Protestant clergymen who recognised the poverty of their flock. In the first place, it spread to Ireland and was promoted by the Catholic Church, but now, of course, credit unions are enjoyed by everyone. I should not even mention religion.

Today, financial institutions operating at arm's length will go to any length to sell loans but at a dreadful price. The credit union, as we are told, is a not-for-profit organisation. It does not exploit people, but, for whatever reason, has less than half of its money out on loans to members. The motion identifies what I believe are some of the reasons for that, and I ask the Minister and the Department to take the bold step of investing resources in credit unions that want to move to the next stage of their development so that their appeal will be to many more people, including those who are currently being exploited by loan sharks.

As mentioned earlier, the first phase of the credit union movement was when my former party leader, John Hume, travelled the length and breadth of Ireland to build up credit unions at a time when banks would not lend money.

Today, some of those financial institutions cannot lend enough, but, of course, the consequences are the same for those who cannot afford it.

Mr Speaker, I am delighted to have taken part in the debate, and I look forward to success. Earlier, we had paper bags and brandy balls, and now we have real action.

**Mr Agnew:** I rise to speak on behalf of the Green Party of Northern Ireland, as a member of the Committee for Enterprise, Trade and Investment and, indeed, as chair of the all-party group on cooperatives and mutuals. I also declare an interest as a member of Bangor Credit Union.

With banks rationalising their on-street retail away from many rural areas, deprived areas and even some town centres, credit unions are very much at the heart of the community and are part of the community. When you speak last in a debate, it is often difficult to say anything new, and I thought that I had one piece until Mr Douglas spoke. The fact that we have 42 credit unions in our 12 highest areas of multiple deprivation is testament to the ethos of credit unions. They are not-for-profit organisations and are there to serve the community and provide a service to it. As I said, they are there to be part of the community.

The challenge we face as a society from the loss of many retail banks from our high streets and our rural areas is an opportunity for credit unions to expand their services. It is also a challenge to them, no doubt. As mentioned, the start-up cost is estimated to be around £70,000. I assume that that is for quite reasonable things such as upgrading IT facilities and systems and reskilling staff.

The model, which is a very responsible one, has a very low rate of interest — 1% — and a very low-risk portfolio of investments. That contrasts with our high street banks and the irresponsible lending that we have seen in recent years. I do not doubt that we will see it again because I am not convinced that we have necessarily learned the lessons of liberal credit. I expect the banks to rebuild and go down that line again.

We should commend the model of the credit unions, but that model restricts their ability to invest in upgrades. Therefore, we should recognise at government level that they provide a valuable service and offer support, particularly given that we are asking them to fill the gap left by high street banks and, indeed, as many pointed out, to be part of the solution to the

problem of payday lenders. A legislative solution may or may not be found at Westminster, but we cannot hope for that. We have to educate consumers and support credit unions in offering an affordable alternative to extortionate credit.

Financial capability is a big issue in Northern Ireland. The Minister and her Department, along with other Departments, are working with the likes of the Consumer Council, Advice NI and Citizens Advice to look at how we can better educate our communities in financial capability. As part of that, we have to look at how we can increase the very laudable rate of 34% membership of credit unions in Northern Ireland.

I ask the Minister to work with her Executive colleagues, as the motion suggests, to provide the assistance that credit unions need to meet the challenge on behalf of their members and wider society. The money required was mentioned: as a proportion of departmental spend, it is not vast. It is the sort of money that might be looked at during monitoring rounds and suchlike. I ask the Minister to act as soon as she can. As mentioned, she has been supportive of the credit union movement. I welcome the broad consensus achieved on the motion today.

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** First, I apologise for not being in the Chamber at the start of the debate. I told the Business Office that I would not be available later this evening, but I managed to get out of a commitment as I wanted to be here for the debate. I apologise to the Chair of the Committee and the others who spoke before I arrived. However, I listened with interest to the rest of the contributions and join Members in acknowledging the valuable contribution of the credit union movement in providing affordable credit.

I listened with some interest to Mr Dallat talking about the origins of the credit union movement. I asked my colleagues behind me whether they thought that it was two Anglican ministers in Germany, but they were not too sure. I think that they probably were. In any event, we know that the credit union movement goes right across Northern Ireland, regardless of religion or, indeed, any political affiliation. It is long-established and soundly based. It developed rapidly during the 1960s and early 1970s when credit was less readily available, and it met an expanding social need for affordable borrowing among those who might otherwise have been financially excluded. Often, the location of the first credit union in an area was a response to

local problems of deprivation, debt or, indeed, financial exploitation or as a way to meet a local need not met by the existing financial infrastructure in the area.

## 7.00 pm

I listened carefully when a number of Members talked about payday lenders and loan sharks. Unfortunately, the reality is that some payday lenders are operating where credit unions are located. That is a matter of grave concern, and one wonders why it would be the case. Why would members of a community that has access to a credit union feel the need to go to a payday lender or loan shark?

We are taking action on money management skills through, as I think Mr Agnew mentioned, the financial capability strategy, which the Executive are involved in, to try to equip consumers with the appropriate information so that they can make informed choices about debt and manageable levels of debt. We also continue to fund Advice NI to provide free debt advice through Debt Action NI. I was very pleased to visit its premises recently to see the very good work going on in Advice NI.

In an increasingly sophisticated financial sector, the basis and range of services that credit unions provide have developed and evolved, while still retaining their self-help ethos and position in the marketplace, where they are not and do not seek to be in direct competition with other financial institutions. With 169 credit unions, many with sub-offices throughout Northern Ireland, no one is more than a few miles away from an affordable source of credit.

Members will know, and it has been alluded to today, that the regulation of credit unions in Northern Ireland, in common with those elsewhere in the United Kingdom, is now the responsibility of the Financial Conduct Authority and the Prudential Regulation Authority (PRA). The range and type of services to be introduced by Northern Ireland credit unions and an assessment of the ability of any particular credit union to provide those services is a matter for those organisations, acting as dual regulators.

I think it is right and proper for Members to acknowledge the work carried out by my staff with credit unions over many years. Some of them are in the Box today, and it is right that we acknowledge the work that they did.

I am glad to be able to report that, while regulation is no longer the responsibility of my Department, the feedback from the movement is that Northern Ireland credit unions have

adjusted well to not only the initial change of regulator to the Financial Services Authority but the successor dual regulatory regime operated by the FCA and the PRA.

Some challenges of course remain, irrespective of the regime. Foremost among those is that of succession, or the shrinking pool of willing volunteers to serve as directors and other key officers of credit unions, particularly for those with smaller memberships or those located in more remote locations. I know that the representative bodies are looking at that issue and that the Irish League of Credit Unions has successfully brokered the merger of a number of its affiliates. While that means that the number of credit unions on the live register will be fewer, the membership of the Northern Ireland movement will remain by far the highest in the UK and one of the highest in the world.

Different percentages have been bandied about today in the Chamber. My statistics are that in and around 40% of the Northern Ireland working-age population are members of a credit union. The Department has long recognised that the movement is an integral and, more than that, important part of the social economy, and indeed contributes significantly to the wider economy through employment and competitive lending, and by engendering that very important self-help ethos in the community.

There has been significant progress in reform of the credit union sector since the Enterprise, Trade and Investment Committee published its 2009 report on the role and potential of Northern Ireland credit unions. The Committee's report made a number of legislative and non-legislative recommendations. Recent reforms undertaken by the Department have allowed our credit unions to expand the range of services that they offer, ensured that members' savings are covered by the Financial Services Compensation Scheme and given members access to the Financial Ombudsman Service.

It is essential that credit unions operate within the most appropriate legislative framework. Following on from the reforms I have outlined, it is my intention to introduce a credit union Bill to update the legislation governing Northern Ireland credit unions later this year. Work is well under way on that Bill. It will grant credit unions greater scope to offer more operational flexibility and expand the scope of their activities.

A full consultation was undertaken last year. The final policy proposals, based on the outcome of that consultation, are now subject to

Committee and Executive approval. As I said, the plan is to introduce the Bill in the current legislative session.

We continue to be the registration authority for credit unions in Northern Ireland until such time as that role also transfers to the PRA and the FCA. It is important that a distinction is maintained between the Department's statutory role and the provision of financial assistance to the credit union movement. Currently, we are not responsible for providing such financial support to the credit union movement. Actually looking into the issue with regard to my legal power to make money available, I see that it may be a challenge given the role of other Departments, including DSD, in issues.

I am aware that Department for Work and Pensions funding is being made available to address the particular needs and profile of the credit union movement in Great Britain, where only around 1% to 2% of the population has accessed the service of a credit union. Of course, as I said, that is not the case here, where the figure is around 40%.

Earlier, I heard somebody refer to the big society. I think that it is fair to say that we have been doing the big society since the 1960s. The mainland is really only catching up in respect of the big society. I made the point to the Secretary of State who was over here not so long ago that we in Northern Ireland really get the social economy and the whole ethos of self-help.

The two main credit union trade bodies previously acknowledged that the movement in Northern Ireland is already highly developed. Virtually all of the population of Northern Ireland meets the qualifying criteria for membership of one or more credit unions located throughout Northern Ireland. The development of any new services, together with the associated investment, will be a commercial decision for the board of each credit union in response to demand from members.

We are, of course, concerned about the issue of high-cost lending and access to basic banking services for consumers. We hope that the draft financial capability strategy will deal with those issues, as I said earlier.

I understand that the Irish League of Credit Unions met some of my Executive colleagues to discuss the role that the credit union can play in the context of developing more services. I understand that that engagement has continued in recent months. The proposal to provide current account and transactional services will

obviously be of considerable interest in that context.

To conclude, I continue to give my support to the valuable work of the credit union movement in Northern Ireland. I commend the innovation that has been shown in the proposal to pilot current account and transactional banking services in response to the impact of bank closures and, indeed, in some areas, post office closures. Mr Anderson referred to the fact that post offices sometimes provide services for banks. That is absolutely right, but sometimes there are neither post office nor banking services, so the credit unions are very important.

With regard to funding — I think that the point was made by the Chairman — I am not in a position today to provide the financial commitment that is sought in the motion. However, when we receive and consider a fully developed business case to support the proposal and look at it across the Executive, that is something that we of course will look at and take into account along with issues such as state aid approval, which of course is always there in the background as well.

I am very happy to support the credit union movement.

**Mr Flanagan:** Go raibh maith agat, a Cheann Comhairle. At the outset, I declare an interest as a member of Tempo-Brookeborough Credit Union in Fermanagh, which, like many other credit unions across Ireland, is in the process of merging with a nearby credit union to respond to the challenges that face the sector.

I very much welcome the opportunity to contribute to this very important debate. I thank all Members for their contributions. The provision of financial support to credit unions has the potential to bring large numbers of people who are currently unbanked and, therefore, financially excluded into the world of mainstream financial services. That fits nicely into some of the work that the Minister and her Department are doing to improve people's financial capability. Given the high and growing rates of credit union membership, this brings the opportunity to provide a change in culture to vulnerable and financially excluded communities.

I commend the Minister and agree with her sentiments about her officials, who have made considerable progress in improving the role that credit unions can play in our society and have undertaken considerable direct consultation with the credit union trade bodies. I thank the

Irish League of Credit Unions and the Ulster Federation of Credit Unions for their input into the debate and for coming to brief the Committee, as well as briefing me and the Chair in an informal meeting some time ago.

Large numbers of bank closures, especially in isolated rural communities — although, as Mr McKinney said, this issue is not isolated to rural communities — bring the potential to increased financial exclusion in those communities. Allowing credit unions to fill that void can not only prevent that from happening but introduce to financial services more rural dwellers who are currently financially excluded.

I want to speak about some of the problems that we face with the banks. There is behaviour going on in the banks that can only be described as disgraceful. At present, they encourage as many people as possible to move to an online system of banking and then use that as an excuse to close rural branches and cut jobs. They have outlandish charges for consumers who go into an overdraft without authorisation to pay direct debits.

In my case, the Bank of Ireland charged me £168 this month for four failed direct debit payments. I will also be subject to a fee of around £20 for each account by the companies trying to take that money, the total amount of which was less than £100. By the way, a Cheann Comhairle, I still have to pay back the £100 as well. So it charges you £21 for a request to go into an unauthorised overdraft, and then it charges you £21 when it turns down your request. Those excessive charges are a disgrace and must be challenged.

The Office of Fair Trading attempted to deal with that issue some years ago, but, unfortunately, the banks refused to budge. That issue and the reluctance of high street banks to offer any kind of flexibility to customers through short-term loans and informal overdrafts has resulted in a surge in demand for super-high-interest legal payday loans.

Credit unions were originally formed to address the needs of vulnerable people whose financial difficulties were being exploited for profit. The first two credit unions in Ireland were based in Dublin, and the third was in Clones in County Monaghan. As some Members said, the first credit union to open in the North was Derry Credit Union, which opened in 1960. At that time, bank lending was limited to those with substantial collateral or guarantees. That drove vulnerable people into the clutches of unscrupulous high-interest lenders — a situation that sounds very familiar today. That

is something that I am suffering from myself with a 50% APR credit card. I am plugging for a pay rise from Sinn Féin, a Cheann Comhairle. *[Laughter.]* Credit unions are inherently a good thing. A bit like nourishment in schools, which we debated last week, everybody agrees that they are a good thing. It is a very good service. It is provided for the community by the community within the community.

Many vulnerable people do not trust mainstream financial services, but people trust credit unions. Credit union members have high levels of satisfaction with their credit union services. Where the banks look at a customer or a potential customer and see an opportunity for profit, credit unions look at a member or a potential member as a person in the community and see an opportunity to improve that person's financial well-being.

Credit unions do not need these services to survive. They have been surviving and growing very well for over 50 years without them, so seeking such services has no real inherent benefit for credit unions. This is not about self-interest. It is about the best way to serve communities. That is what has driven credit unions since they were first founded. Communities, and the individuals within communities, need credit unions to have those services now more than ever. Supporting credit unions to widen their range of services will mean that many more people can become financially included in a supportive and trusted environment. At a time when trust in banks and high-interest lenders is at an all-time low, a supportive and trusted environment is precisely what those people need.

Credit unions command the confidence of people in the local community. I am struck, as I am sure that the Minister is, by the fact that, once a year, on International Credit Union Day, the 'Fermanagh Herald' and 'The Impartial Reporter' feature a large number of ads and testimonies from credit union customers paying tribute to their local credit union service. I never cease to be amazed by the good work that goes on and by the dedication of the committed volunteers in the credit union structure locally, as members of subcommittees and governance structures and as members of either of the two trade bodies that represent all the credit unions here.

#### **7.15 pm**

Credit unions have a very developed structure and are very well-run organisations. The key purpose is about giving; it is not about taking. People do not go into a credit union to help to

run it for their own benefit; they do it to help the local community. Information is kept confidential and people trust that, which is important. Credit unions are very easy to access compared to high street banks. Credit unions are willing to be flexible to meet the needs of an individual, and they are an essential part of the fabric of every community.

This investment will allow credit union branches to offer a much greater range of services, including current accounts, direct debits, ATMs and credit cards, as well as the possibility of installing and maintaining cash machines in rural areas. The investment will allow for the creation, not the promotion, of over 120 jobs, and that is a point that we touch on a lot in here. We can help the credit unions to create over 120 jobs across the North, and that is not something that we should take lightly.

Credit unions are full of highly skilled and highly trusted individuals who can help people, particularly the vulnerable, to obtain better financial capability skills and to manage their finances better. That is well worth the investment. It is not a particularly large sum of money with regard to the money that the Executive have to spend. The Minister said that she may be constrained, but we are hopeful that she may be able to confirm that the Executive are not constrained and that funding can be provided from somewhere in the Executive if the Executive take that decision. We are asking the Minister to work with her Executive colleagues to deliver in this regard.

In my final two and a half minutes, I will cover some of the points that Members raised. Most Members spoke about the problems of bank closures and the wider problems of banks. Gordon Dunne, Mickey Brady, Sandra Overend, Sydney Anderson and Fearghal McKinney spoke about bank closures and how that is increasing the need for credit unions with modern banking services. Mickey Brady said that the credibility of banks is at an all-time low, and Sydney Anderson outlined the problems that many people were having with their banks. The benefits of credit unions have been a tenor through the debate. Many Members recognised the valuable work of credit unions, the high level of membership, the trust that people have in credit unions, the local focus that credit unions have, their very positive ethos and the way in which they encourage people to save.

Sydney Anderson highlighted the fact that credit unions are an integral part of our community in helping and supporting local people. Fearghal McKinney highlighted the fact that credit unions

bring in around £7 million a year between various taxes and rates bills. Trevor Lunn introduced a note of caution and highlighted the need for credit unions to stay true to their ethos if they were allowed to expand. The Committee has developed a close working relationship with the credit union movement, and I am sure that all Committee members would agree that we have every confidence that they will stay true to their ethos.

Sandra Overend, Fearghal McKinney, Gordon Dunne and Sammy Douglas focused on payday lenders and their use of aggressive advertising to attract vulnerable customers. Sammy Douglas and John Dallat mentioned the scourge of illegal loan sharks and the misery that they bring to many communities. John Dallat highlighted the need for urgent action to help people to get away from high-cost payday lenders.

Steven Agnew compared the actions of payday lenders with the low and affordable interest rates of credit unions. Credit unions lend based on the ability to pay a loan back based on an historical ability to save — a point made by Gordon Dunne. That is very different from the reckless actions of payday loan companies, which often throw out money without even doing a credit check or looking at an individual's ability to pay.

Other Members spoke about the benefits of funding credit unions to fund those services. However, the main point that I want to get across is that we fully support the motion, and we would like the Executive to provide some financial support to credit unions to allow them to provide those much needed additional services.

*Question put and agreed to.*

*Resolved:*

*That this Assembly acknowledges the valuable contribution of the credit union movement to providing affordable credit; and calls on the Minister of Enterprise, Trade and Investment to work with her Executive colleagues to provide appropriate financial assistance to Northern Ireland credit unions to cover start-up costs to enable those credit unions that want to expand their range of services to include current accounts, in order to enable more people to avail themselves of banking services, to fill the gap left by widespread bank closures and to make a greater difference to communities across Northern Ireland, especially the most vulnerable and those in rural areas.*



## Adjournment

### Creavery Primary School

**Mr Speaker:** Item 6 on the Order Paper is the Adjournment debate. Members may know by now that the topic will not be debated this evening and will be rescheduled. However, as it still stands in the Order Paper as an item of business, I ask Mr Clarke to indicate formally that it will not be debated.

**Mr Clarke:** Not moved.

**Mr Speaker:** I am grateful to the Member.

*Adjourned at 7.19 pm.*







Published by Authority of the Northern Ireland Assembly,  
Belfast: The Stationery Office

and available from:

Online  
[www.tsoshop.co.uk](http://www.tsoshop.co.uk)

**Mail, Telephone, Fax & E-mail**

TSO  
PO Box 29, Norwich, NR3 1GN  
Telephone orders/General enquiries: 0870 600 5522  
Fax orders: 0870 600 5533  
E-mail: [customer.services@tso.co.uk](mailto:customer.services@tso.co.uk)  
Textphone 0870 240 3701

**TSO@Blackwell and other Accredited Agents**

ISSN 1463-7162

Daily Editions: Single copies £5, Annual subscriptions £325  
Bound Volumes of Debates are issued periodically during the session: Single copies: £90

Printed in Northern Ireland by The Stationery Office Limited  
© Copyright Northern Ireland Assembly Commission 2014

ISBN 978-0-339-50681-7

