

# Committee for Enterprise, Trade and Investment

# OFFICIAL REPORT (Hansard)

Enterprise Bill — Legislative Consent Motion: DETI Officials

8 December 2015

# NORTHERN IRELAND ASSEMBLY

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### 8 December 2015

## Members present for all or part of the proceedings:

Mr Patsy McGlone (Chairperson)
Mr Conor Murphy (Deputy Chairperson)
Mr Gordon Dunne
Ms Megan Fearon
Mr Paul Givan
Mr Fearghal McKinney
Mr Máirtín Ó Muilleoir

#### Witnesses:

Mr Keith Forster Department for Enterprise, Trade and Investment Mr Martin Graham Department of Enterprise, Trade and Investment

**The Chairperson (Mr McGlone):** With us are Mr Keith Forster, principal, economic policy unit, and Mr Martin Graham, deputy principal, economic policy unit. The provisions of the legislative consent motion seem reasonable. However, as stated in the Committee Clerk's brief and our tabled papers, consultation was not undertaken in Northern Ireland. Can you give us an idea of why there was no open consultation here?

Mr Keith Forster (Department for Enterprise, Trade and Investment): Chair, the consultation was led by the Department for Business, Innovation and Skills, and Northern Ireland companies had an opportunity to respond. Our understanding is that there was not a significant response. We subsequently had conversations with a number of business representative bodies to make them aware of the proposal and to understand and gauge what the demand for the Small Business Commissioner may be. It is apparent to us that late payments are an issue for small businesses in Northern Ireland. From our conversations with the Federation of Small Businesses, the Chamber of Commerce and InterTradeIreland, our understanding is that they would welcome the extension of the commissioner's remit to Northern Ireland.

**The Chairperson (Mr McGlone):** You consulted those three organisations and they said that it was a good idea.

Mr Forster: And the Institute of Directors.

**The Chairperson (Mr McGlone):** OK. The Department says that it made use of the UK consultation responses. Were businesses in Scotland and Wales consulted similarly?

**Mr Forster:** Yes. Our understanding is that it was a UK-wide consultation. Everybody in the devolved Administrations was consulted in the same manner.

**The Chairperson (Mr McGlone):** So they consulted in England, Scotland and Wales, but we here in the North just dropped off the edge. is that it?

Mr Martin Graham (Department of Enterprise, Trade and Investment): No. It was an open UK-wide consultation, led by the Department for Business, Innovation and Skills. There was a limited response from businesses in Northern Ireland. We have had dialogue with our counterparts in Scotland and Wales but did not enquire about the level of consultee responses from their jurisdictions to the national consultation.

The Chairperson (Mr McGlone): The legislative consent memorandum states:

"The UK Government undertook a public consultation. While time pressures precluded consultation in Northern Ireland use was made of existing industry research and the assessment of the UK consultation responses, along with bilateral discussion with NI business representative organisations."

That is the bit that you referred to.

Mr McKinney: Chair, does this just provide for a commissioner based in England or here?

Mr Forster: It is a commissioner based in England.

Mr McKinney: Will there be some local provision or is that work dealt with satisfactorily through a —

**Mr Forster:** No. The remit of the commissioner will extend to Northern Ireland and the other devolved Administrations. There will be an obligation on the commissioner to report on any specific Northern Ireland items or issues on an annual basis, which will inform their annual statement.

**The Chairperson (Mr McGlone):** Presumably there is some written form of the consultations that you had with those organisations. It might be helpful to see that.

**Mr Forster:** We had verbal consultations with them, but there have been surveys that the representative bodies have commissioned to their members. The results of those surveys evidence the fact that late payment can be an issue between smaller and larger businesses.

The Chairperson (Mr McGlone): I want to explore that a wee bit further, because it sounds like a "grandma and apple pie" thing. It probably is not; I hope not anyway. There are many specific issues associated with the North. We have a land border, and we have currency implications that we very readily face daily. There will probably be issues in other parts as well. Then there is the potential for Brexit — I hope not, but it is possible. Those issues are more in focus and sharper in day-to-day living here in the North. Do you feel assured that any commissioner would be as well aware of, or as well tuned into those issues as perhaps they would otherwise be?

**Mr Forster:** Essentially, the commissioner will provide an advisory service and will point and direct issues or complaints to appropriate mediation services, which will be based in Northern Ireland or the Republic of Ireland. Those mediation services will be able to take account of the specific issues in the locality. The commission itself will not have the legal basis to make a legal ruling on any of the issues. It will be more of a directional, signposting mechanism to local mediation and arbitration services. We hope that would be able to take account of local specifics.

**Mr McKinney:** I will make one more point, if I may, Chair. I am just looking at the cost on the back page. If we were setting up something here, the cost would probably be disproportionate to the need.

Mr Forster: Yes.

**Mr McKinney:** That is understood but, if issues were to arise, would anything preclude us from dealing with it separately ourselves at some point in the future?

**Mr Graham:** We have had those discussions with officials in London. Their understanding is that if, through the course of the work of the commissioner, regional issues are identified, there certainly would be an opportunity to work directly with them and not to have to have recourse to London or whatever to explore them further and see what local action could be taken.

**Mr McKinney:** Are there any time implications? This has come late to us, and we are always nervous when things come late. Is that not right, Chair?

The Chairperson (Mr McGlone): Aye.

Mr McKinney: It worries us, rightly so, in that sense. Are there any implications were we to defer?

(The Deputy Chairperson [Mr Murphy] in the Chair)

**Mr Graham:** The Bill is due to receive its Third Reading in the House of Lords next week and will then transfer to the House of Commons. I think that they are aiming for Royal Assent in February next year. It depends on its passage through the Commons.

Mr McKinney: Thank you, Deputy Chair. That is all from me.

**The Deputy Chairperson (Mr Murphy):** OK. Are members content that we get a draft report at our next meeting?

Members indicated assent.

The Deputy Chairperson (Mr Murphy): Thank you.