

COMMITTEE FOR REGIONAL DEVELOPMENT

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Mitchel McLaughlin, MLA
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27 February 2009

Public Procurement Inquiry

Dear Mitchel,

The Committee for Regional Development noted your Committee's inquiry into public procurement and, at the meeting of 24 February 2009, made the following brief response.

The public sector in Northern Ireland makes a significant contribution to both GDP and employment in Northern Ireland. It is an important direct employer, and indirectly through public procurement, it contributes to the local economy, job creation and growth in local businesses and service providers.

The Northern Ireland Executive has an impressive programme of infrastructure investment, as set out in the capital budget for 2008-11 and the Investment Strategy for Northern Ireland. The Committee has expressed its continued support for the Department for Regional Development in delivering on the road, rail, and water elements of this programme.

The Committee is of a view that such a significant investment programme may provide opportunities to explore social policy initiatives, such as apprenticeships and local labour clauses, which could contribute to building, maintaining and enhancing the skills of the Northern Ireland labour force; a factor which will be critical in enhancing Northern Ireland's attractiveness to inward investment, and underpinning the ability of local firms and individuals to take advantage of the economic recovery when it comes.

The recent success by local construction and transport firms in competitive tendering demonstrates that companies in Northern Ireland can and are world leading. In this context, opportunities may also exist to support and develop the competitiveness of local enterprises, through the provision of advice and practical assistance in identifying, building and developing strategic partnerships and knowledge / skills sharing. Information and a clear forward programme of investment projects, as well as a steady deal flow are also essential if local firms are to invest the often considerable sums required to bid for large public investment contracts, and train or recruit the staff necessary to deliver on these bids.

At this challenging time for the global economy, and particularly for businesses in Northern Ireland, the Committee for Regional Development would encourage full, creative and joined-up consideration of ways in which public procurement could, without jeopardising important value for money considerations or compliance with EU procurement provisions, be harnessed to the widest possible benefit of the people of Northern Ireland.

Yours sincerely,

Fred Cobain, MLA

Chairperson of the Committee for Regional Development