
NORTHERN IRELAND ASSEMBLY

Tuesday 30 June 2009

*The Assembly met at 10.30 am (Mr Deputy Speaker
[Mr McClarty] in the Chair).*

Members observed two minutes' silence.

ASSEMBLY BUSINESS

Mr O'Loan: On a point of order, Mr Deputy Speaker. Yesterday, the Speaker said:

"I have no doubt that after Thursday's Executive meeting, we will hear a statement on the June monitoring round from the Minister." — [*Official Report, Bound Volume 42, p233, col 1*].

What arrangements have been made for the Assembly to hear a statement from the Minister of Finance and Personnel on the June monitoring round, and can you confirm whether the Business Committee has arranged to convene a special sitting of the Assembly for that purpose?

Mr Deputy Speaker: I have nothing to add to what the Speaker said to Members yesterday.

Mr O'Loan: Further to that point of order, Mr Deputy Speaker, will you confirm that you will approach the Speaker to express the desire that the Business Committee meet to seek a special sitting of the Assembly?

Mr Deputy Speaker: I will, of course, report your comments to the Speaker, Mr O'Loan.

Committee Chairperson and Deputy Chairperson Changes: DUP

Mr Deputy Speaker: I advise Members that the Speaker has received notification of the resignations of Mrs Iris Robinson as Chairperson of the Committee for Health, Social Services and Public Safety; Mr David Simpson as Chairperson of the Committee for Social Development; Dr William McCrea as Chairperson of the Committee for Agriculture and Rural Development; Mr Robin Newton as Chairperson of the Audit Committee and as Deputy Chairperson of the Committee for Employment and Learning; Mr Jim Wells as Deputy Chairperson of the Committee for Regional Development; and Mr Simon Hamilton as Deputy Chairperson of the Committee for Finance and Personnel. All resignations will take effect from 4 July 2009.

The Democratic Unionist Party's nominating officer, the Rt Hon Peter Robinson, has nominated Mr Ian Paisley Jnr as Chairperson of the Committee for Agriculture and Rural Development; Mr Jim Wells as Chairperson of the Committee for Health, Social Services and Public Safety; Mr Simon Hamilton as Chairperson of the Committee for Social Development; Mr Peter Weir as Deputy Chairperson of the Committee for Finance and Personnel; Miss Michelle McIlveen as Deputy Chairperson of the Committee for Regional Development; Mr Thomas Buchanan as Deputy Chairperson of the Committee for Employment and Learning; and Mr Peter Weir as Chairperson of the Audit Committee. All of those nominations will take effect from 4 July 2009.

Mr Paisley Jnr, Mr Wells, Mr Hamilton, Mr Weir, Miss McIlveen and Mr Buchanan have accepted the appointments. I am satisfied that the correspondence meets the requirements of Standing Orders. Therefore, I confirm that, with effect from 4 July 2009, Mr Ian Paisley Jnr will be Chairperson of the Committee for Agriculture and Rural Development; Mr Jim Wells will be Chairperson of the Committee for Health, Social Services and Public Safety; Mr Simon Hamilton will be Chairperson of the Committee for Social Development; Mr Peter Weir will be Chairperson of the Audit Committee and Deputy Chairperson of the Committee for Finance and Personnel; Miss Michelle McIlveen will be Deputy Chairperson of the Committee for Regional Development; and Mr Thomas Buchanan will be Deputy Chairperson of the Committee for Employment and Learning.

Mr Paisley Jnr: On a point of order, Mr Deputy Speaker. I met with the Speaker this morning and have made him aware that I intend to raise this point of order. Yesterday, in the Chamber, one Member accused another of being, in effect, a liar when he used the unparliamentary term "seriously misleading to the Assembly." — [*Official Report, Bound Volume 42, p234, col 1*]. I have asked the Speaker

to examine the record, given his ruling of 19 November 2007 in which he ruled that the term “misleading the Assembly” or “misleading the House” is unparliamentary language, and I have asked that that language be withdrawn by Mr Declan O’Loan, the Member who made the statement about me.

I have also asked the Speaker whether he can bring a ruling expeditiously to the House regarding the use of other unparliamentary language. I was accused yesterday of unparliamentary language in my use of the words “cheapest”, “lowest”, “dirtiest”, “meanest”, “nastiest” and “cheapest possible”. This morning, I received a verbal assurance from the Speaker that my use of that terminology about Mr O’Loan was, in his words, perfectly correct and used in the proper context of parliamentary cut and thrust of debate. It is important that that is put on the record.

Mr Deputy Speaker: Thank you, Mr Paisley Jnr, for your point of order. The Speaker is, of course, considering your complaint and will report at a later date.

Mr O’Loan: On a point of order, Mr Deputy Speaker. Yesterday, I raised a point of order and brought matters to the Speaker’s attention. The Speaker said that he was considering those matters. He has yet to report back to the Assembly. Is it in order for another Member to report at second hand what he says is the view of the Speaker in relation to those matters? It does not seem to me to be in order.

Mr Deputy Speaker: Mr O’Loan, I am in no position to comment on that. I am aware that the Speaker is considering the points that were made to him and will report at a later date.

Mr Attwood: Further to that point of order, Mr Deputy Speaker. The point that my colleague Mr O’Loan made is a valid one. There is a fundamental issue about whether Members have the right to reflect to the Assembly what they say the Speaker has or has not said, based on private conversations with him outside the Chamber. That is a fundamental issue regarding the privacy of conversations that the Speaker has with Members; the accuracy of what Members then report as the Speaker’s views; and whether the House will end up being a gossip Chamber that relies on hearsay to give the Speaker’s views to the wider public.

Mr Deputy Speaker: Thank you, Mr Attwood, for that point of order. As I have said already, the Speaker is considering the issues at hand, and no doubt he will take a strong view on the points that you have raised. I am taking no more points of order on the issue.

MINISTERIAL STATEMENT

North/South Ministerial Council

Transport Sectoral Format

Mr Deputy Speaker: I have received notice from the Minister of the Environment that he wishes to make a statement about the North/South Ministerial Council (NSMC) meeting in transport sectoral format.

The Minister of the Environment (Mr S Wilson): In compliance with section 52 of the Northern Ireland Act 1998, I will make a report on road safety issues that were discussed at the sixth meeting of the North/South Ministerial Council in the transport sectoral format, which was held in the Curran Court Hotel, Larne on Friday 3 April 2009.

The meeting was attended by Conor Murphy MP MLA, Minister for Regional Development, and Mr Noel Dempsey TD, Minister for Transport in the Republic of Ireland. Minister Murphy reported to the Assembly on 28 April on the strategic transport issues that were discussed at the meeting.

The Council noted the progress that was achieved in reducing road deaths in 2008 on both sides of the border. In both cases, the number of road deaths was the lowest on record. It was also noted, however, that Northern Ireland and the Irish Republic still lagged some way behind the countries in Europe with the least fatalities per head of population, and we agreed that efforts to maintain progress must continue.

We noted the progress towards achieving mutual recognition of driving disqualifications and agreed that a project plan should be developed to achieve mutual recognition of penalty points within an agreed time frame. We also noted that co-operation on advertising and publicity was continuing, with the sharing of knowledge, experience and, where possible, costs. The Council also agreed that we should seek to co-ordinate our efforts to utilise new technology for advertising and publicity purposes. We agreed that progress on developing and delivering a strategic approach to improving road safety on both sides of the border should continue and that it would be monitored at ministerial level. Furthermore, it was agreed that the results of current research projects, a number of which are under way in both jurisdictions, should be shared.

The question of introducing lower blood:alcohol limits for drivers is under consideration here and in the Republic, and we agreed to consider whether there should be scope to develop a co-ordinated approach.

I am happy to take any questions on the statement. It was a worthwhile meeting, and progress has been made on both sides.

Mr Weir: I thank the Minister for his statement. The Minister mentioned the blood:alcohol limits. The introduction of random breath tests to combat drink-driving is one measure that has been fairly successful in the Irish Republic. Is the introduction of random breath tests in Northern Ireland being considered?

The Minister of the Environment: We discussed the effectiveness of random breath-testing. The Irish Republic has adopted it as a method of trying to reduce drink-driving levels, and it is one area in which we can learn from them. As I made clear in an earlier statement to the House in which I talked about reducing alcohol levels, we will consider whether random breath-testing should be introduced as part of legislation.

Mr McKay: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his statement. I welcome the reduction in the number of road deaths across the island, but even one road death a year is too many.

How long will it take to achieve mutual recognition of driving disqualifications? I was interested in the Minister's comments about using new technology. What technology will be utilised? Will it be the Internet or social networking websites?

The Minister of the Environment: On the issue of mutual recognition of driving disqualifications, outside of the NMSC, one of the first meetings that I had here in Stormont was with Westminster's Minister for Transport and the Republic's Minister for Transport. That meeting was held in June or early July of last year.

Two steps must be taken in order to achieve mutual recognition of driving disqualifications. First, mutual recognition of driving disqualifications is needed for Northern Ireland and GB. That work is almost completed. Secondly, that same work must be undertaken between the UK and the Irish Republic. Ministers have also been working on that issue, and after meeting with Noel Dempsey in Larne in April, I held a further meeting with the UK Transport Minister at Westminster some four weeks ago. I can report that good progress has been made in that area.

10.45 am

It was hoped that an announcement would be made on that issue before the end of June, but given that today is the last day of June, there may be some delay in its release. However, there is recognition on both sides that people who are disqualified in Northern Ireland cannot be allowed to drive in the Republic of Ireland, and vice versa. Some legal difficulties arise in the Republic with respect to that, but we are working towards resolving them.

As far as the use of technology is concerned, several initiatives have been undertaken. I am a bit of a technophobe myself, so I hope that I name the

technology correctly. The Department has used Bluetooth technology to send text messages to people in pubs to remind them that if they are drinking alcohol that they should not drive. Another initiative that the Department has introduced is the insertion of road safety messages in racing games for games consoles, because often those who will drive fast will play those games. Therefore, the Department has sought to use new technology in different ways, and anything that the Department has employed here will be examined by the authorities in the Republic, and vice versa.

Mr Kinahan: I also welcome the Minister's statement, and all efforts to limit road traffic accidents.

I note that the Minister's statement refers to a meeting that took place on 3 April 2009. Does the Minister accept that he should report back to the Assembly as soon as possible, and that it is almost impossible for the House to provide any scrutiny on a meeting that occurred three months ago? Will he explain the reason for that delay to the House?

Furthermore, will he provide more detail on ongoing research projects, which he highlighted towards the end of his statement?

The Minister of the Environment: The Member is absolutely correct. After all the meetings of the North/South Ministerial Council in which I have been involved, I have tried to report back to the House within two weeks. That has always been done, except in this instance.

Some confusion arose as to whether the Minister for Regional Development was going to report on behalf of us both, but that joint statement did not take place and the timetable subsequently slipped. I accept the Member's point, and it is important that, when North/South meetings are held, a response be made as quickly as possible to enable the House to provide scrutiny. Therefore, I apologise that my response was not combined with the Minister for Regional Development's statement on the roads issue.

The Member also asked about research that has been undertaken. In 2009, research has been carried out in the following areas: use of mobile phones while driving; helmet wearing by cyclists and motorcyclists; the use of high-visibility clothing; pedestrian behaviour at traffic lights; wearing of seat belts; speeding rates; and the attitudinal behaviour of Irish road users. All that information is shared between the two jurisdictions, and often the Republic's findings will be no different to those here, and that prevents a duplication of research.

The Member will know my view on North/South arrangements, but where there is a mutual benefit, it is important for us to work together. By doing so, we can create significant savings to the public purse and make significant progress in dealing with a problem that does not stop at the border. Indeed, as Members from

rural areas along the border will know, accidents and death rates tend to be highest in those areas.

Mrs D Kelly: I must say that I am unimpressed by the statement and by the three-month delay in issuing it. The Minister might perhaps elaborate on the reasons for that three-month delay and the disagreement between Mr Murphy and himself. Can the Minister outline what efforts are being made and, in particular, what actions are being taken to reduce the number of road fatalities on the island of Ireland? We all recognise that traffic accidents are the main cause of death among the under 25s.

I want to refer specifically to the agreement that a project plan should be developed to achieve mutual recognition of penalty points within an agreed time frame. Can the Minister elaborate on what the time frame will be? The statement is largely inspirational, and although we are all very much aware of the Minister's comments on the North/South Ministerial Council, it is nonetheless one of the institutions of the Good Friday Agreement, and he has no choice but to implement its decisions.

Mr Deputy Speaker: Order. I call the Minister.

The Minister of the Environment: I am glad that the Member finds me inspirational; I think that she might have meant to say aspirational.

If the Member had listened a bit more closely, she would have heard me giving the explanations that she has asked for. I made it clear that a statement should have been made before today. I explained why that did not happen, and I think that I even apologised that it was not made sooner. I do not know what more the Member wants.

The Member asked what is being done to try to reduce road deaths. Perhaps, if she had listened to the rest of my statement, she would have found out. Let me list again the issues that we talked about: joint advertising campaigns; research that will be carried out and shared across the two sides of the border; and the action on mutual recognition of driver disqualification. I will deal with penalty points separately, because that is a longer-term issue.

I also mentioned the ongoing work. Indeed, the Minister for Regional Development, Mr Murphy, pointed out the amount of money that the Irish Republic is prepared to invest in road improvements in Northern Ireland, especially along some of the major routes. One example is the A8 in Larne, which, because it has not been dualled, has experienced difficulties and has been the scene of accidents caused by people overtaking at bad spots. I know that the Members for East Antrim will be reassured that, despite the economic difficulties in the Irish Republic, Mr Dempsey has given an assurance that the money that was promised for those road improvements will be made available. We are also

looking at the reduction of drink-drive limits. Had the Member been listening, she would have realised that all that information was in the statement and perhaps she would have heard the answers to her questions.

As far as the mutual recognition of penalty points is concerned, that is a longer-term project. I cannot give a completion date for a number of reasons. There are different methods of allocating penalty points in the two jurisdictions, and, if we are to have mutual recognition of penalty points, they must be applied equally. For example, if one jurisdiction has a harsher regime than another, people should not be disadvantaged by receiving penalty points in one place that they would not receive elsewhere. That requires legislative change; the Northern Ireland Government and the Government in the Republic both accept that work needs to be done on that matter. Indeed, given that there are some differences between the systems in other parts of the United Kingdom, more work probably needs to be done there, too.

We must first identify some of the issues more precisely, and then we will have to make the necessary changes to the legislation and create the necessary legal powers. Again, that is more of a difficulty for the Irish Republic than for us; they have difficulty in sharing some data because of constitutional reasons. Those issues must be addressed as well.

Although I have discussed the matter on three occasions with the Minister for Transport in the Republic and the UK Transport Minister, I cannot see a quick resolution of the situation. However, I recognise the Member's point, and we should work towards that.

Mr B Wilson: Unfortunately, as Members pointed out, the Minister's statement is a bit vague and woolly and does not contain much substance. Nevertheless, the Minister has clarified a number of points. I want to talk about the number of deaths on the roads. There is some complacency —

Mr Deputy Speaker: Order, order. The Minister is taking questions. May we have a question, Mr Wilson?

Mr B Wilson: I am sorry; I am coming to the question. There is some complacency about road deaths. The death rate has gone up in border areas and in rural areas, and I am concerned that that trend may continue. What progress has been made to introduce lower blood:alcohol limits? Has there been any success in that area?

The Minister of the Environment: Nobody does vague and woolly better than the Member who has just spoken.

We discussed the issue of road deaths in border areas because that is recognised as a problem, especially people driving too fast on roads that are unsuitable for speed. The mutual recognition of driving

disqualifications would help. That would mean that people who are disqualified in the Republic could not come into Northern Ireland and drive recklessly, and vice versa. That situation will tighten up.

We also talked about identifying those problematic points along the border to which the police and the guards need to give more constant attention. The issue of the reduction in blood:alcohol limits is out for public consultation. When I launched the proposals, the public reaction was, by and large, very positive. I do not think that there will be any difficulty in getting public approval for the proposals. The legislation will be drafted in the autumn and worked on in Northern Ireland, and I hope that that will work apace with what happens in the Republic.

Mr Shannon: Contrary to other Members' contributions, I welcome the Minister's statement, which includes many important issues. The Minister referred to road traffic accidents. What is being done to reduce the spate of recent tragic deaths, particularly those involving motorbikes? Minister Conor Murphy was also present at the meeting. What consideration has been given to co-ordination between the Department of the Environment and the Department for Regional Development regarding road safety, given that road conditions are partly responsible for those accidents? Has the Minister any indication of the content of the joint advertising campaign or when it will take place?

The Minister's statement referred to alcohol, but there is no mention of drugs. Has any consideration been given to that issue?

The Minister of the Environment: We are not anticipating a joint advertising campaign: it is under way. About five weeks ago, a surgeon from Donegal and I launched the "Crashed Lives" advertising campaign in the Long Gallery. The surgeon spoke about his experiences of badly injured patients being admitted to hospital in Donegal. He spoke very movingly about having to break the news to relatives. Some Members attended the launch, and it was a very powerful advertisement. The message must come across that when people drive recklessly on the roads, they not only wreck the lives of those who have been injured but the lives of the families of those who have been injured or killed.

11.00 am

We have undertaken a number of joint advertising campaigns. Of course, the good thing is that the fixed cost of making the advertisement is shared between the authorities in the Republic and those here. That helps to reduce our advertising budget, and it gives us more leverage for the money that we have spent.

When the North West 200 was going on, I launched an advertising campaign that was aimed at making car drivers more aware of motorcyclists. Motorists often

almost blame motorcyclists when they hit them. For example, they say that they did not see them coming and that they appeared out of nowhere. It is almost as though it were the motorcyclist's fault. Recently, my Department also launched an advertising campaign on drug driving. However, all the issues that the Member raised have been addressed through the advertising strategy.

The Minister for Regional Development can answer for himself. Indeed, he has done so; I have heard him speak in the Assembly about the need to improve the state of some minor roads in Northern Ireland. Research has shown that the state of the road fabric itself is one factor that leads to accidents. Many minor roads need a great deal of repair, and the Minister has addressed that on a number of occasions already.

Mr McElduff: Go raibh maith agat, a LeasCheann Comhairle. Ba mhaith liom mo bhuíochas a ghabháil leis an Aire as ucht a ráitis agus as ucht na tuarascála ar an chruinniú ina thoghcheantar féin.

I thank the Minister for his statement on the report of the meeting that took place in his constituency.

A Member: Are you sure? Did you get that right?

Mr McElduff: Aye.

Does the Minister agree that one contributory factor to confusion and road danger in the border corridor area is the fact that, in the North, speed limits are denoted in miles per hour, whereas in the South, they are denoted in kilometres per hour? Does he agree that there is a case for exploring the merits of having a single, co-ordinated approach and that, perhaps, it is high time for the North to go metric with speed limits?

The Minister of the Environment: I know that the Member may like to go metric and that he may be a bit of a Europhile: I do not know, perhaps his party has changed its stance on that. Following his logic, if speed limits in Northern Ireland are in miles per hour, and in the Republic, they are in kilometres per hour, one would expect that people would go slower in the Republic, because, of course, the miles per hour limit is much lower than the kilometres per hour limit. If the Member wishes to know how they can be converted, he should multiply the number of miles per hour by 1.6. I am not sure that the difference is a contributory factor, but I admire the Member's attempt to try to make us go metric. However, I assure him that I will become a metric martyr before going down that route.

Mr Ross: I thank the Minister for his statement. I support lowering the drink-driving limit for Northern Ireland, but there is an issue about how a different limit on each side of the border would have an impact on the border towns and counties. Can the Minister assure the House that the changes that we are pioneering in Northern Ireland will not be stalled if they are not

replicated in the Irish Republic or even in GB? Are the Irish Republic and GB making noises about lowering their drink-driving limits, and if so, what discussions are taking place on that?

The Minister of the Environment: No, they are not. We will act independently of what happens in GB and the Irish Republic. However, I remind the Member that at the previous NSMC meeting, it was agreed that developing a co-ordinated approach to drink-driving limits should be considered. The Minister in the Republic has given a commitment already to seek to co-ordinate such things and to try to introduce them simultaneously. However, if that is not possible, we in Northern Ireland alone will make the changes.

Mr McCallister: I thank the Minister for his statement. In an earlier response, he mentioned the poor state of road maintenance. Does he accept that poor maintenance of heavy goods vehicles in the Republic has associated safety risks? Was that matter discussed at the meeting? If not, why not?

The Minister of the Environment: That issue was not discussed at the meeting, for the simple reason that it was not on the agenda. I am not even sure — I would have to check — whether it is one of the competent issues that can be discussed. A range of issues are prescribed for discussion at North/South Ministerial Council meetings; I am unsure whether that matter is on the list. However, I know that officials from Northern Ireland have discussed it with officials in the Republic. Even if it is not an NSMC issue, there is nothing to stop Ministers discussing such issues one-to-one. I have discussed other issues with the Minister from the Republic. Although the Northern Ireland Act 1998 lays down certain things that can be discussed at the meetings, I can assure the Member that that does not prevent the bilateral discussion of other important issues.

Mr Dallat: I welcome the statement. I note that we still lag behind the best-performing countries in Europe. Given that over the past 40 years more people have lost their lives on the roads than through the Troubles, does the Minister agree that we need meat on the bones rather than an aspirational or inspirational document if we are to honour those families who have lost loved ones, two of whom died in my constituency at the weekend?

The Minister of the Environment: I totally agree with the Member. All of us who know families that have lost loved ones on the roads know that the Assembly and the Executive can use such measures to improve the quality of life for people in Northern Ireland. However, I reject the Member's other point. The road safety strategy is neither aspirational nor inspirational: it contains real, hard targets. I do not want to give the impression that I am complacent about this,

but the targets for road deaths, fatalities and injuries in Northern Ireland for 2012 have already been achieved. We are now working on a new strategy that will supersede the current strategy.

However, the document contains hard targets to ensure that vehicles are safe for use on the roads, to reduce deaths and serious injuries, and to target vulnerable groups such as young people, motorcyclists and children on their way to school. The document is not vague and woolly, as other Members have suggested. We set those targets because, unless we do so, it can become, as the Member suggested, an aspiration that may be achieved or may not. The issue is too serious to be dealt with in that way.

Mr I McCrea: I welcome the Minister's statement, which referred to the strategic approach of improving road safety on both sides of the border. Will the Minister advise the House whether there are plans to set up a separate road safety authority in Northern Ireland similar to that in the Republic of Ireland? Moreover, given the large number of deaths on rural roads — and the Minister is aware of the recent deaths in my constituency of Mid Ulster — does he agree that the retention of acute hospitals in rural areas should be considered?

The Minister of the Environment: First, there are no plans to set up a separate road safety authority. Indeed, all the responsibilities of the Road Safety Authority in the Irish Republic fall under a distinct section of the Department of the Environment in Northern Ireland. Significant benefits can be brought from having it directly under the control of the Minister; providing that the work is done, it does not matter under what banner it falls.

The Minister of Health is in the Chamber, and I am sure that he heard the Member's comments on accident and emergency provision in rural areas. I do not wish to intrude on that Minister's patch.

Mr P Ramsey: I thank the Minister for his statement. The Member for East Derry John Dallat referred to the deaths of young people on the roads in his constituency. Last week, I attended the funeral of a young man in Derry, 18-year-old Kevin O'Toole. The previous week, I attended the untimely funeral of the McNicholl brother and sister in Loup, outside Magherafelt. There are still horrific circumstances on the streets and roads of Northern Ireland.

Therefore, it is timely that, at lunchtime today, the Assembly's all-party group on road safety will meet. Previously, the all-party group asked for full reconsideration of the funding opportunities for the Road Safety Council of Northern Ireland. I understand that the Committee for the Environment also questioned officials on that.

Mr Deputy Speaker: Please ask a question, Mr Ramsey.

Mr P Ramsey: In light of the fact that the Minister has few, if any, days left in office, will he give full reconsideration to providing funding to the Road Safety Council, which carries out sterling work to highlight, promote and advocate road safety?

The Minister of the Environment: I thought that I had escaped a session on road safety without the issue of the Road Safety Council being raised. I have gone over that issue time and again in the House and with the Committee for the Environment.

I emphasise once more that the decision to terminate funding for the Road Safety Council was made on the basis of a report that I could not have ignored. I wish that the Member would read that report. It showed that the Road Safety Council did not give vision, inspiration or support to road safety, or the guidance or leadership that was required to justify the money that was being spent on it. Furthermore, the Road Safety Council was so ineffective that it claimed only three quarters of the money to which it was entitled, and it spent 60% of that on administration. That is not how the road safety message should be delivered.

If money is to be spent on road safety, I want to ensure that it is spent effectively and that the message reaches target groups in innovative ways. Some of the money is being spent in the same way as it was spent in the 1950s, despite the fact that lifestyles have moved on. Therefore, it is important that the money will be redirected in innovative ways in the future. I will not reconsider the decision. I can stand over my decision, and that is the end of the story.

Mr Attwood: I warmly welcome the style, tone and demeanour of the Minister in his embracing of the all-Ireland architecture of the Good Friday Agreement. It really is a wake-up call for all of us that someone who was so suspicious of all-Ireland architecture has been so —

Mr Deputy Speaker: Order. Mr Attwood, this is not a debate about the Good Friday Agreement and the North/South bodies; it is a time for questions to the Minister on his statement. Please ask a question, Mr Attwood.

Mr Attwood: My colleague Dolores Kelly asked about the agreed time frame for mutual recognition of driver disqualifications. The Minister knows from his experience on the Policing Board that mutual recognition of disqualifications to enable lateral entry for police officers, North and South, has not happened, nine years after the Patten Report, for legal and technical reasons. That is why an agreed time frame for new laws for mutual recognition of driving disqualifications is so important. Is any time frame in place here and in the Oireachtas that might result in legislation being

passed to ensure that that issue is dealt with in much less than nine years?

11.15 am

The Minister of the Environment: If we are talking about changed attitudes, I can say from my experience on the Policing Board with the Member that it was nice to see the way in which he joined the board and embraced policing in Northern Ireland, even though he had been reluctant to do so for many years. If he will damn me with faint praise, I will do the same.

My party and I have always made it clear that if there is a way in which to improve governance in Northern Ireland through co-operation with the Government in the Irish Republic or, indeed, the Government in any other part of the British Isles, we will, of course, work with them. I have highlighted some areas in which we can.

On 26 June 2008, I had a meeting at which it was agreed that the Department would prioritise the completion of legislation on procedures that is necessary to deliver mutual recognition of driving disqualifications. The British-Irish Council is also working on that. I have been informed that that has largely been achieved. I am not sure what will happen next. It is expected that formal declarations will be made to the Council of Europe and the European Union in accordance with article 15.4 of the European Convention on Driving Disqualifications. They should be informed by the end of the month. I assume that that will be done.

I am not sure what the process to introduce legislative changes in the Republic is thereafter. I will write to the Member in that regard. I hope that, at least, he can see that progress is being made on the issue.

MINISTERIAL STATEMENT

Swine Flu

Mr Deputy Speaker: I have received notice from the Minister of Health, Social Services and Public Safety that he wishes to provide the House with an update on swine flu.

The Minister of Health, Social Services and Public Safety (Mr McGimpsey): I noted this morning, Mr Deputy Speaker, that you welcomed in the new Chairperson of the Committee for Health, Social Services and Public Safety. Iris Robinson is now the outgoing Chairperson of that Committee. As you may be aware, the Chairperson's role under legislation is to advise and assist the Minister of the relevant Department. That is what the Chairperson is asked to do in law. I want to put on record my deep gratitude to Iris Robinson for all her valuable advice and assistance. Thanks very much.

I want to take the opportunity to provide Members with a further update on Northern Ireland's response to the swine-flu virus. Since my previous statement on 15 June 2009, there have been several significant developments. At that point, there were only eight cases throughout Northern Ireland. In just a fortnight, that number has more than quadrupled, to 33 confirmed cases. One person remains in hospital after contracting swine flu.

For the first time, we have seen cases of swine flu in children, and that has resulted in the early closure of a primary school for the summer. A further case has now been confirmed in a classmate of the pupil at that school who first contracted swine flu. The second case at that school was picked up through the Department's use of its standard procedure for following up cases. The child has mild symptoms and is at home. It is the third case of swine flu in a child here and the fourth case of person-to-person spread.

Worldwide, more than 70,000 cases have been confirmed in 112 countries. There have been 311 deaths. Throughout the UK, there are around 6,538 cases. There have been three deaths. In the Republic of Ireland, there are now 40 cases. As those figures illustrate, the number of new cases continues to grow, doubling in the UK every seven days. Although the disease appears to be spreading quickly, I reassure Members and the public that, to date, swine-flu symptoms are generally mild in most cases. They can, however, be severe in a small minority.

Elsewhere in the UK, the situation is that most cases now result from spread in local communities rather than as a result of travel to other countries. Clusters of cases and widespread community transmission are

already prevalent in parts of Scotland, the West Midlands and London.

The situation is different in Northern Ireland at present, and the majority of cases to date continue to be travel related. However, as is the case in the rest of the UK, we can expect to see similar clusters here, with a growing proportion arising from community transition rather than from travel. That is entirely in line with what we would expect in the course of an outbreak. Those local hot spots will continue to grow across the UK in the weeks and months ahead. As many families will be heading off on holiday, we can continue to expect a number of travel-related cases.

As we have learned more about how the virus behaves, we have been adapting our response accordingly. Early actions that have been taken to contain and reduce the spread of the virus throughout Northern Ireland have been very successful. I thank staff in the Public Health Agency and front line health professionals for their tireless work in managing the outbreak of swine flu. They continue to provide important clinical advice and to support my Department, the health and social care service, and the public.

Our strategy to limit the spread of swine flu has involved offering antiviral drugs to those who develop the disease and, as a preventative measure, to their close contacts. That approach is part of our pandemic flu preparations and is in line with advice from the World Health Organization, the Scientific Advisory Group for Emergencies (SAGE), and the Joint Committee on Vaccination and Immunisation (JCVI). Although that policy has worked to date, we have always made it clear that we would not be able to prevent the spread of swine flu indefinitely. Emerging evidence and the experience in the so-called hot spots in England and Scotland support that view. As the number of cases continues to rise across the UK, we have adopted an appropriate response that allows flexibility in areas where there have been significant increases. Ensuring that flexibility is crucial. As our experience of the virus develops, it is essential that our GPs and other health professionals are able to use their clinical judgement in deciding how best to treat patients.

Our knowledge of this virus is only 10 weeks old. The initial position that emerged from Mexico suggested a severe illness. In light of that and of the fact that so little was known about the virus, it was entirely appropriate to take all available steps to slow down its spread while we learned more about it and bought time until a vaccine was available. Experience that has been gained since that time from across the world suggests that, to date, the virus causes less severe illness than was feared initially. At present, it has many of the characteristics of seasonal flu, with most people having a mild illness and making a full recovery. As with seasonal flu, most otherwise healthy

people generally do not require antiviral drugs, which can produce side effects such as vomiting, diarrhoea and nausea. The continued widespread use of antiviral drugs also runs a risk of the virus developing resistance and so reducing the level of protection that the treatment gives.

Emerging clinical experience of the virus suggests that for many people, the symptoms of swine flu can be treated in the same way as a normal cold or seasonal flu, which is by staying at home, taking paracetamol and cold remedies to reduce symptoms, drinking fluids, resting and contacting your GP only if symptoms do not improve. Were we to adopt that approach, as with seasonal flu, it would mean that we would rely more on symptoms than on swabs to diagnose the illness. It would mean that the use of antiviral drugs as a preventative measure and the tracing of close contacts of a symptomatic patient would be largely discontinued, although that would be based on the clinical judgement of local clinicians. That is in line with what is happening in the US, Canada and Australia, where there are large numbers of cases. That would represent a change in our current strategy, and it would require careful consideration. Any such decision would be based on scientific and clinical advice and would be kept under review. As I said, however, local clinicians and healthcare professionals would have the flexibility to use their clinical expertise and judgement in how best to treat patients.

On Wednesday, I will take part in a meeting of the Cabinet Office group COBRA, which is chaired by Andy Burnham, the Secretary of State for Health in England. Health Ministers from Wales and Scotland will also participate in that meeting, along with scientists and other senior health professionals, including the four Chief Medical Officers.

Actions may arise from that meeting that may result in changes to the way in which we deal with the swine flu pandemic along the lines that I have set out. I will update Members, via a written statement, of any decisions that lead to a change in approach.

It is important that our response to swine flu is proportionate. The investment of money and of people's time and energy should be targeted on managing the needs of patients and society as a whole, but that does not mean that we should be complacent. The scientific advisory group for emergencies advises COBRA on modelling for the spread of swine flu. It has advised that if the virus continues to spread at current rates in the UK, we could potentially expect to see up to 500,000 cases in the UK by the end of August.

Northern Ireland has a stock of antiviral drugs that will treat half the population. I have ensured that steps are in place to increase that, so that there will be antiviral drugs to treat up to 80% of the population.

Although that represents a significant stockpile, we must be prudent in its use. As I said earlier, it is important that we use antiviral drugs in a way that minimises the potential for resistance to develop so that they remain an effective treatment for people who are most at risk and for those with a less mild illness. We also need to ensure that the drugs remain effective in case the virus becomes more severe in the autumn.

As in the rest of the UK, we have been planning for a potential pandemic for some time, and since the emergence of swine flu, we have been operating in a heightened state of readiness. Our plans are robust and well rehearsed. However, as I have tried to make clear, they also need to be sufficiently flexible to respond to changing circumstances. The UK, including Northern Ireland, is one of the best prepared countries in the world. The Department of Health in London has concluded negotiations with the two main vaccine manufacturers on behalf of the four UK Health Departments. The UK will be procuring pandemic vaccine for the entire population. That will arrive in stages, commencing in August 2009, with full delivery anticipated in November 2010.

I remind Members and the public that we cannot do this alone. Everyone must play his or her part in helping to reduce the impact of the pandemic. Now that schools are closing for the summer and people are going on their holidays, I reiterate my public health messages, including the instruction that people should contact their GPs if they feel unwell when they return home. In addition, the public can reduce their chances of catching the virus by following these simple but effective steps: wash your hands regularly; cover your mouth and nose with a tissue when you sneeze and then put the tissue in the bin: "Catch it. Bin it. Kill it".

We need to be prepared for every eventuality in relation to swine flu to ensure that the public have access to the right treatment. That requires the necessary funding from the Executive, and I will be discussing the financial commitment required to manage our response to the emergency situation with Executive colleagues on Thursday. Members will be aware that as part of the final Budget settlement, my Department can bring bids to the Executive table in situations of a national emergency such as pandemic flu. Given the context of the emergency and the national response required, I regard swine flu as falling within that defined category.

The Assembly and the people of Northern Ireland can be assured that I will do all in my power to respond to any emerging situation over the summer months and into the autumn and winter.

The Deputy Chairperson of the Committee for Health, Social Services and Public Safety (Mrs O'Neill): Go raibh maith agat, a LeasCheann

Comhairle. I thank the Minister for his statement and for providing us with a further update on swine flu. That update is important, considering the impending recess.

I ask the Minister for a reassurance that he will continue to keep Members advised of developments over the summer. Furthermore, I wish to put on record my thanks to the officials from the Department and from the health and social services board who briefed the Committee last Thursday on the detailed preparations in place to deal with any upsurge in cases, especially in relation to the role that GPs and pharmacists will play in tackling swine flu.

The Minister spoke of the flexibility of local clinicians to use their best judgement when prescribing antiviral drugs. It is predicted that there will be an upsurge in cases in the autumn. Is the Minister concerned about whether the overprescribing of antiviral drugs now may lead to the virus developing resistance to that treatment in the autumn, when more cases occur? We live in a society in which some people assume that there is a pill for every ill; however, that is not necessarily the case.

11.30 am

The Minister of Health, Social Services and Public Safety: I assure the Deputy Chairperson of the Health Committee that Members will be kept advised of the situation as it evolves throughout the summer; flexibility is very important. Clinicians on the ground, primarily GPs and primary care services, will be responsible for managing the outbreak by deciding which treatment is required.

The Member is right about the issue of antiviral drugs. Our successful approach, to date, has been to give antiviral drugs to a widespread number of contacts. However, that has resulted in large numbers of people who do not have swine flu receiving antiviral treatment. One danger with that approach is that the virus may mutate and become resistant to the antiviral drugs. That would mean that when we need them most, they would be less effective. Another danger is that the virus could then spread rapidly, which we have already seen happen in Scotland and England. Therefore, it is simply not practical to give antiviral drugs to all contacts. Before the outbreak is over, half the people in this country would have been given antiviral treatment, even though many of them might not have needed it.

The next stage is to look at primary care services and to give antiviral drugs only to those who need them. At tomorrow's meeting, it may be decided to move from the stage of containment to that which was originally called "mitigation" but which is now called the "outbreak management process". The treatment process involved in that will ensure that antiviral drugs are given to all who test positive for swine flu after falling ill.

Mr Easton: I also pay tribute to the Minister's Department for its hard work and for keeping us up to date on the situation so far. The move from containment to the new strategy seems to represent a dramatic change in the Department's handling of the outbreak. Is the Minister saying that, based on medical expertise, swine flu is to be treated more like ordinary seasonal flu because of the symptoms that people are experiencing? Are medical experts saying that they expect swine flu to become more virulent and more severe in the autumn?

The Minister of Health, Social Services and Public Safety: Our experience of the virus is 10 weeks old. To date, people's symptoms have been mild; however, in a minority of cases, the symptoms have been severe. In no way can we say that that is a characteristic of the virus. No one knows how it is going to behave. The danger is, however, that it will become more virulent.

I have said repeatedly that it is anticipated that there will be a slow burn throughout the summer, followed by a surge in cases during flu season in the autumn. That is what we are anticipating, and that is the model on which the scientific advisory group is working. Other Health Ministers and I take the advice of the experts on that issue.

To date, people's symptoms have been mitigated and dealt with in the same way in which seasonal flu is treated. Anyone with flu-like symptoms has been told go to bed, stay warm, drink plenty of fluids and use medicines such as analgesic tablets to alleviate any flu-like symptoms. People will not necessarily need antiviral drugs in every case. The issue is about determining a policy that allows us to do that. Our stock of antiviral drugs must be kept largely intact so that we can deal with the surge, if and when it comes.

Mr McCallister: I welcome the Minister's statement. I, too, thank the Department of Health, Social Services and Public Safety and the Public Health Agency for the role that they have played and are playing in dealing with and planning for the swine flu outbreak.

I noted the Minister's reference in his statement to monetary matters. Does he agree that it would be indefensible for the Executive, which collectively agreed to the Budget, to renege on the agreement to provide the necessary funding to deal with swine flu? Surely, we do not expect people who fall sick with swine flu to pay for their treatment.

The Minister of Health, Social Services and Public Safety: I agree. I will discuss the Budget deal on Thursday but, as far as I am concerned, a deal is a deal. Part of that deal was that the Department would table a request for funds in the event of major and unforeseeable circumstances, such as an outbreak of

pandemic flu. That was in the Budget deal that many Members voted for.

We are facing a challenge that is, to an extent, unknown. We do not know how the virus will behave come the autumn, but we do know that there will be a continuing demand on health and social care and that there will be continuing effects on society. Swine flu spreads faster than any other flu and, even if the symptoms remain mild, those who contract it will require time off work. Having up to one third of the population being off work this autumn would have strong ramifications not just for health and social care but across society. Any organisation that loses one third of its workforce will feel the effects strongly.

Mr P J Bradley: I thank the Minister for his statement, which is of particular interest because of the recent outbreak of swine flu in my area at St Ronan's School in Newry. I pay tribute to the Public Health Agency for its assurances on the matter yesterday. The principal acted immediately by closing the school, which means that there will be no more lessons until after the summer. Given the widespread concern in the area, will the Minister consider authorising testing for the pupils, staff and ancillary workers at the school? If not, will he make testing available for those who seek it?

The Minister of Health, Social Services and Public Safety: As I tried to explain, we are moving towards a different situation with the virus, the spread of which is quickening all the time. Testing will not provide any reassurance, because someone might test negative for the virus today and test positive for it tomorrow. We are administering antivirals to everyone who has symptoms of the virus, and we will get to a point where we administer antivirals to those who are at risk of coming to harm if they contract the virus. Therefore, our response is evolving at all times.

I understand the concern in the case that the Member mentioned, because it was in a school. In that case, a family had travelled to Mexico, and the child, who was a pupil at the school, came back with the virus and passed it on to another pupil. The Public Health Agency decided that the school should close, which was the appropriate response. The important point is that schoolchildren are very good at passing viruses, because of their environment, so having the schools closed as we enter the summer holidays is a major plus for us. In the past, I said in the House that the summer holidays will be important in helping us to limit the spread of the virus. However, its spread is inevitable, and the issue is how we deal with it as it explodes. Going into a school in Newry or anywhere else and testing everyone will not provide any answers.

Mr McCarthy: I thank the Minister for his statement. Following on from his previous answer, has there been a breakdown in the precautionary strategy

in the case of families who have travelled back from Mexico, which was the seat of swine flu in the first instance? Are precautions being taken to help families who have travelled back from various parts of the world and from Mexico in particular? Have any such families been denied health checks before their children were allowed back to school?

The Minister of Health, Social Services and Public Safety: The situation is as I related it. There has been no breakdown of the precautionary strategy whatsoever. We follow Foreign and Commonwealth Office travel restrictions. Restrictions on travel to Mexico were in force at one point, but those were lifted a couple of weeks ago because they were proving pointless. People are still travelling widely, and the virus has spread throughout the world. There is a very large number of cases of the infection, which is a quick traveller.

The situation is as I related it to Mr Bradley. The family from his constituency came back and tested positive for swine flu, and the school was closed as a result.

Ms S Ramsey: Go raibh maith agat, a LeasCheann Comhairle. Like other Members, I thank the Minister for his statement. I commend the work that is being done 24/7 by front line professional staff in the Public Health Agency and the Minister's departmental staff, who have been on red alert since the swine flu outbreak.

The Minister said that the antiviral medication can produce side effects such as vomiting, diarrhoea and nausea. This is the first time that I have heard about side effects. Will those have an impact on people who have underlying health problems? What is the shelf life of the antivirals? How much will the antiviral medication cost, and will the Health Committee get a copy of the bids for that medication?

As we approach the summer holiday period, people are going to all parts of the world, including Mexico, and it might be useful to continue to give travel advice. Will the Department advise people not to travel, given that there has been an increase in the number of cases? Several weeks ago we were advising people not to travel to Mexico, when there were fewer cases. Will officials be at the airports over the holiday period to give advice to people who are arriving back?

The Minister of Health, Social Services and Public Safety: As I said earlier, we follow Foreign and Commonwealth Office travel advice. There are no direct flights between Mexico and the island of Ireland, North or South; they come through mainland UK. The advice that we have been giving is that personal hygiene and self-isolation are the two key elements in limiting the spread of the infection. The advice on travel to Mexico was lifted a couple of weeks ago because it had served its purpose in limiting the

spread of the infection, and no further gains were being made in that regard. The virus spreads very quickly.

There are some side effects of the antivirals, as there are with any medicines. Giving antivirals to people who are ill is a matter for clinicians to judge, but in most cases it is a risk that is worth taking, because of the gains that can be made against the cost.

When we began to deal with the outbreak, we started with everyone who identified positive and the people with whom they came into contact, and gave them antivirals. As the situation evolved, anyone who tested positive, along with those with whom they had come into close contact, was given antivirals. We will soon get to a point at which we will give antivirals to people in at-risk groups who test positive — the people with underlying problems such as cardiovascular difficulties and asthma who are most in need of treatment, as well as the very young and the very old.

That is the direction in which the response is rapidly heading, because of the rapid spread of the virus that we are witnessing.

11.45 am

Mr Gardiner: I express my thanks, as other Members have done, to the Minister and his departmental officials, who continually keep the Committee for Health, Social Services and Public Safety updated on what is happening. As a member of that Committee, I say that with hand on heart.

I am concerned about financing, because the Minister or any of his officials could not have predicted the outbreak of swine flu. Will the Minister assure Members that he will make representation to the Executive, and to the Minister of Finance and Personnel in particular, to ensure that funds are available, and that the Health Service will not have to budget for the epidemic?

It is necessary that the Department continues to run as it does and that it maintain a high standard of healthcare in Northern Ireland. However, when we encounter such a crisis, additional funding is required. I hope that the Minister of Finance and Personnel will make funding available to the Minister of Health, Social Services and Public Safety.

The Minister of Health, Social Services and Public Safety: The Member can rest assured that I will make such representations. The financial paper came before the Executive last Thursday, at around two hours' notice. Both Reg Empey and I refused to discuss it. The Minister of Finance and Personnel proposed that we defer our discussion until this Thursday, and we will discuss it then.

As I have indicated to the Department of Finance and Personnel, the swine-flu outbreak will cost a minimum of £53 million. That is the minimum price of covering the cost of vaccines, antivirals and antibiotics,

plus the cost of administering them. I specifically said, during a debate on the Budget that many people voted for, that in the event of major and unforeseeable circumstances such as the outbreak of pandemic flu, there will be a price to pay. If that price is a minimum of £53 million, and it must come out of the health budget, that will represent a cut of £53 million to healthcare.

That, as far as I understand, is not acceptable to the House, because the House voted for the Budget. It is certainly not acceptable for society as a whole, and it is not sustainable in a Health Service that is running at a deficit of £600 million to provide a service comparable with the rest of the UK.

The Health Service has also been required to find £700 million in efficiencies over three years. That is an enormous amount to find. To be asked to find cuts to my budget, which is what financing the swine-flu outbreak would represent, would be intolerable and would cause a great deal of pain; I assure everyone of that.

Mr Deputy Speaker: That concludes questions to the Minister of Health, Social Services and Public Safety on the ministerial statement.

MINISTERIAL STATEMENT

Transfer 2010

Mr Deputy Speaker: I inform Members that the Speaker has received notice from the Minister of Education that she wishes to make a statement on transfer 2010.

The Minister of Education (Ms Ruane): Is rud mícheart amach is amach é páistí a chur faoi scrúdú le socrú a dhéanamh faoi iontráil chuig iarbhunscoil, go háirithe nuair a bhraitheann gach rud ar na torthaí. Níl leithscéal ar bith ann le páistí óga a chur faoina leithéid de bhrú nuair atá roghanna eile ann. Is eispéreas trámach é don iliomad páistí. In ionad páistí a spreagadh agus a chothú, is córas é a chuireann ainm teipe ar ár bpáistí, rud atá míchothrom agus míchruinn agus a fhanann leo ar feadh a saoil. Is rud mímhorálta é ainm teipe a chur ar pháistí de 11 bliain d'aois; is mícheart é agus níor chóir go leanfadh sé ar aghaidh.

To test children at the age of 10 or 11 for the purpose of determining admission to post-primary school is totally wrong, particularly in circumstances in which the stakes are so high. To put young children under that kind of pressure — intense pressure — when alternatives are available is indefensible.

For many children, the experience is traumatic. Rather than encouraging and nurturing, the system brands many of our children as failures, which is an unfair and inaccurate categorisation that follows them throughout their entire lives. To brand 11-year-old children as failures is immoral and unjust, and the practice should not continue.

Caithfidh an córas athrú. Tá córas oideachais de dhíth orainn atá páistelárnach, a fhreastalaíonn ar riachtanais an tsaoil nua-aimseartha agus a sholáthraíonn dár bpáistí ar fad agus a ligeann dóibh forbairt a dhéanamh ar a gcuid láidreachtaí agus a gcuid buanna. Caithfidh an fócas ar leith ar chumas acadúil a athrú ionas go mbeidh sé dírithe ar bhuanann agus ar inniúlachtaí. Tá sé ar intinn agam a chinntiú go bhfuil na riachtanais, na mianta, leas agus cearta páistí ag croílár ár gcórais oideachais.

The system has to change. We need a child-centred education system that meets the needs of the modern world, delivers for all children and allows each of them to develop their individual strengths and talents. The singular focus on academic ability must be replaced by a focus on all talents and aptitudes. I intend to ensure that the needs, aspirations, well-being and rights of children are at the heart of our education system. In my opinion, no child is a failure. For that reason alone, there will be no further state-sponsored test at age 11.

Furthermore, the evidence clearly shows that the old system created inequality. It served a small number

very well, but failed many more. Children from well-off areas are much more likely to gain admission to a grammar school than those from more disadvantaged areas. I am not prepared to tolerate such inequality.

However, the problem is not just inequality in access to grammar school places at an individual level. It is also one of systemic inequality amid demographic decline. Children from disadvantaged socio-economic backgrounds are significantly over-represented in a non-selective, post-primary sector in which provision and educational opportunity are increasingly restricted and threatened by shrinkage and unsustainability.

Mar bharr ar an olc, chuir an seanchóras an mhúinteoireacht i mbunscoileanna as a riocht, nó tréigti gnáthcheachtanna le páistí a chur trí pháipéir trialach lena n-ullmhú do theist. Thoisigh roinnt scoileanna an cleachtadh seo i rang 5. Fágadh na páistí sin nach ndearna an tesit, train de na páistí ar fad, gan a bheith páirteach sna hullmhúcháin, agus bhí an chontúirt ann mar sin go gcaillfidís suim agus nach mbainfidís bunleibhéil litearthachta agus uimhreachta amach.

Compounding all that, the old system led to the distortion of teaching in primary schools, as normal lessons were abandoned in order to put children through practice papers in preparation for a test. Some schools began conditioning at P5. However, those who did not take the test, one third of all children, were left out of preparations and were, therefore, in danger of losing interest and of falling behind in achieving basic levels of literacy and numeracy.

While our children were being coached for a test, others of the same age across Europe and this island were improving their literacy and numeracy skills, learning languages and participating in drama and sport. Our old system has put our children at a disadvantage compared with children elsewhere. That will no longer be the case.

There is a statutory duty to deliver the curriculum. Apart from that legally binding duty, however, it is wrong that a small number of grammar schools should attempt to dictate teaching practice in primary schools in pursuit of their own narrow self-interest. We cannot allow a selfish minority to dictate the pace of change.

The non-selective post-primary schools have organised and spoken clearly. The teaching unions are as one. The Commission for Catholic Education is determined that selection will end in its sector. The vast majority of primary school teachers and principals have reiterated their opposition to academic selection. I, as Education Minister, and the Department are clear that academic selection is coming to an end.

The final version of transfer 2010 guidance was published on 25 June 2009. That followed two consultation exercises on the guidance, which received

3,224 responses, reports of which are on the Department of Education website. Of those, 3,054, or 95%, were supportive. The key points of the guidance remain unchanged. However, it contains much additional helpful material, and I am very grateful to all those who responded to the consultations.

What remains unchanged? Ar dtús, ní chuirfidh an Roinn aon teist aistrithe ar fáil le haghaidh aistriú 2010, rud ar chuir bunús mór na na bhfreagróirí sa chomhairliúchán fáilte roimhe. Sa dara cás, coinníonn an treoir an moladh nár chóir do scoileanna critéir iontrála acadúla a úsáid. Cuireadh fáilte mhór roimhe seo freisin. Sa tríú cás, coinníonn an treoir an moladh gur chóir do gach scoil úsáid a bhaint as an chritéar, mar an chéad chritéar iontrála, a thugann tosaíocht chomhréireach do pháistí atá i dteideal béilí saora scoile. Is aitheantóir cothrom éifeachtach an ioncaim ísil í an teidlíocht le haghaidh béilí saora scoile. In aghaidh roinnt tuairimí fúithi, tá an teidlíocht — i gcoinne an lín a ghlacann léi — bunaithe ar coimhéd i ngach pobal.

First, no transfer test will be provided by the Department of Education for transfer 2010; that was welcomed by the overwhelming majority of consultation respondents. Secondly, the guidance maintains its recommendation that schools do not use academic admissions criteria; that was equally welcomed. Thirdly, the guidance maintains its recommendation that all schools should use, as their first admission criterion, a criterion that gives proportionate priority to children who are entitled to free school meals. Entitlement to free school meals is a highly effective and fair identifier of low income. Contrary to some suggestions, entitlement, as opposed to actual uptake, is established at an equal rate across communities.

What is new? The guidance is now a much more detailed and comprehensive document. Annexes two and three include clear definitions, practical guidelines, criteria and an illustration of how to use the criterion for entitlement to free school meals. As a result of consultations, and in the interests of maintaining parents' ability to express their preferences for schools freely, the guidance also contains a new recommendation that schools do not use admissions criteria that prioritise applicants according to whether or not they have applied to the school as their first preference or second preference, and so on.

The guidance continues to provide clarity to primary schools and the education and library boards about their role in post-primary transfer to ensure that parents and children continue to have clarity. Primary schools are particularly assured that they cannot be pressured into serving the admissions process of post-primary schools, and many schools already understand that. The role of a primary school, which is vital and precious, is to deliver primary education to children. It

is nothing else, and many primary schools have declared that for themselves.

Tá córas páistelárnach a chuireann ar chumas gach páiste a lánchumas a bhaint amach. Cheil an seanchóras eispéireas oideachais ardchaighdeán ar pháistí ina mblianta deireannacha sa bhunscoil; nó is ar ullmhú don teist amháin a bhí an fócas iomlán. Chinntigh an seanchóras an mhíthchothromas, agus chuir sé stiogma na teipe ar pháistí de 11 bliain d'aois. Creidim gur céim chun tosaigh é eisiúint na treorach seo i dtreo córais oideachais atá níos fearr, níos cothroime; córas a fhreastálódh ar ár bpáistí ar fad.

We need a child-centred system that provides every child with an equal opportunity to reach her or his potential. The old system deprived children of a fulfilling and quality education experience in their final years in primary school because the entire focus was on preparation for a test. The old system entrenched inequality and stigmatised 11-year-old children as failures; that has to change. The issuing of the guidance marks another important step towards a better, and more just, education system that serves and cherishes all our children equally.

Creidim gur céim chun tosaigh é eisiúint na treorach seo i dtreo córais oideachais atá níos fearr, níos cothroime; córas a fhreastálódh ar ár bpáistí ar fad.

The Deputy Chairperson of the Committee for Education (Mr D Bradley): Go raibh míle maith agat, a LeasCheann Comhairle. Caithfidh mé a rá i dtús báire go gcuirim fáilte roimh chinneadh an Aire an Ghaeilge a chur ar thaobh na lámhe clé dá ráiteas inniu, mar a mhol mé di a dhéanamh an lá faoi dheireadh. Ba chóir don Aire beart a dhéanamh de réir mo bhriathair-sa níos minice ná mar a dhéanann sí.

12.00 noon

I welcome the Minister's decision to put the Irish language on the left-hand side of the pages of her statement, as I suggested during a previous debate. The Minister should listen to me more carefully and act on my words more often; I hope that she will do so in future.

Ba mhaith liom an cheist seo a fhiafraí den Aire : an aontaíonn sí liom nach réiteoidh an treoir seo fadhb an aistrithe ? Cad chuige? Toisc go dtabharfaidh na scoileanna gramadaí spléachadh gasta uirthi agus neamhaird iomlán a dhéanamh di; agus toisc go bhfuil na critéir seo in úsáid cheana féin sna scoileanna neamhroghnaithe. Ar an ábhar sin, ní athraíonn an treoir seo rud ar bith. Ach is admháil an treoir ón Aire go bhfuil teipthe uirthi glan fadhb an aistrithe a réiteach.

Does the Minister agree that her published guidance does nothing to solve the transfer issue and that it is, in fact, largely irrelevant? Grammar schools, having read the guidance, will duly ignore it, and most non-selective schools use such criteria in any case. Therefore, in

effect, nothing has changed. The guidance simply represents an admission from the Minister that she has failed totally to solve the transfer issue.

The Minister of Education: Go raibh maith agat as an ráiteas sin. I listen to useful suggestions but discard those that I do not find useful. I do not agree with the Member's second point at all. Right across the board, the educationalists have spoken: Catholic trustees, secondary schools, primary schools, and the vast majority of parents. My Department put the guidance out to public consultation.

Mr Storey: *[Interruption.]*

The Minister of Education: The Member on the opposite Benches is clutching at straws. In case Members do not understand, the guidance went out to public consultation, and 3,054 of the 3,224 responses, which is some 95%, were supportive.

Mr Storey: *[Interruption.]*

Mr Deputy Speaker: Order. Members must allow the Minister to answer. I am hearing everything in quadrasonic sound. Perhaps the Minister would respond to the question.

The Minister of Education: To reiterate the point that I was making, the views of the vast majority of the Catholic trustees and Catholic secondary schools and the statement that the Department received from the state secondary schools were positive. I have just held conferences in Newry, Ballymena, Cookstown, Belfast and Derry with representatives of primary schools from right across the North of Ireland.

The vast majority of educationalists support the guidance. The vast majority of educationalists from right across the board support change. The vast majority of educationalists will not allow a small minority to block change. Given that the Member who asked the question is an educationalist, I hope that he is supportive of all those different organisations and educationalists, because fundamental, radical changes are happening in the education system.

Miss McIlveen: Only last week, the Minister threw a hand grenade into the system in the form of a last-minute announcement on a teacher-retirement scheme. Her announcement was, undoubtedly, driven by expediency and the need to curry favour with the trade unions in return for their politicised support for the flawed transfer 2010 proposals. How disappointed they will be today on reading paragraph 21 of the guidance, which states:

“The legal position and the Department's recommendations: for any school to use academic admissions criteria will not be explicitly prohibited.”

In other words, the status quo remains.

Mr Deputy Speaker: Order. Please ask a question, Miss McIlveen.

Miss McIlveen: Given that thousands of parents have entered their children for the unregulated tests, does the Minister not agree that despite her consultations, parents have opted for selection?

The Minister of Education: I take my duties as Minister very seriously, and I am carrying out a full equality impact assessment of the premature-retirement compensation scheme.

As I said, the vast majority of people who responded did so positively; the figure of 95% speaks for itself. All the teachers' unions stated that there needs to be change in the system and that the 11-plus system was deeply unfair.

Last year, approximately 15,000 children signed up for the 11-plus, but the numbers that I read in the 'Belfast Telegraph' were quite small. I plan to bring about a system in which there is no testing of children at age 10 or 11. The system has failed us in the past, and it will fail those breakaway schools that opt to do so-called independent tests. What they are doing is wrong, immoral and it disadvantages children. We should all move together in the interests of putting equality at the core of our education system because that is what transfer 2010 does. Make no mistake about it: the old days of inequality are gone for ever. The time of change and new thinking is now. The time for discriminating against 10- and 11-year-old children is over.

Mr B McCrea: The only thing that is coming to an end is the credibility of the Minister. She stated that putting young children under intensive pressure when alternatives are available is indefensible. Why did she decide to put immense pressure on our children and parents this year? She said that we cannot allow a selfish minority to dictate the pace of change, but does she not recognise that this Assembly represents the free will of a democracy, rather than unelected and unrepresentative quangos upon which she chooses to rely?

She asserted that the system has served a small number of children but has failed many more. However, how can she rebut the information from the BBC, which states that, as usual, GCSE pupils in Northern Ireland outperformed the rest? Northern Ireland A-level students have again outperformed those in England and Wales. We have the best education system in the United Kingdom and beyond, and you, as the Minister, are either incompetent or educationally illiterate because you will not address the facts. You are determined to destroy what is best about Northern Ireland, and I challenge you, here and now — because you do not have the guts — to debate in this place the education of our children.

Mr Deputy Speaker: Order. Members must address all of their remarks through the Chair.

The Minister of Education: Despite that rant, democracy has spoken: 3,224 people took the time to engage in the public consultation. I do not know where the Member's reference to quangos comes in because it was a public consultation.

People can, and regularly do, resort to personal insults. People can resort to all the little rants that they want, but the reality is that we have the biggest body of underachievement on any part of this island and throughout many countries in Europe. We just need to look at the OECD results. Members can live in a fantasy land and pretend that we have the best education system in the world or in Ireland, England, Scotland and Wales but that is not the case.

Members would better serve their constituents if they actually dealt with the facts; if they dealt with the facts of the deep inequality of our system; if they dealt with the fact that 12,000 of our young people leave school without an English and a maths GCSE at grade A* to C.

Members can interrupt me, and they can use all the little tactics that they want, but that is the reality that is hurting Members on the opposite side of the Chamber. They are not representing the people whom they are supposed to represent.

Let us just look at the statistics for Belfast. The city has 28 post-primary schools, 12 grammar schools and 16 secondary schools. She said:

"Those 12 grammar schools now educate 54% of children who attend the 28 schools."

The 16 secondary schools educate the remaining 46%. In those 16 secondary schools, 3,010 desks are empty. That is an average of 188 empty desks a school.

In the 16 secondary schools, 35% of children, more than one in three, are free school meal entitled, and 278 children are SEN statemented, an average of 17 a school. In the 12 grammar schools, 5% of children, one in 20, are free school meal entitled, and 95 children are statemented, an average of eight a school. Please represent your constituents.

Mr Deputy Speaker: Members are reminded that their questions must be on the Minister's statement.

Mrs O'Neill: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her statement and commend her for her ongoing commitment to producing an education system that is based on equality for all children, not a selected few.

Is the Minister satisfied that grammar schools are aware that it is illegal to charge parents of children who take part in these so-called independent tests?

The Minister of Education: The legality of plans to charge parents for their children's entrance tests is an issue for the schools involved to consider, particularly given the relevant legislation. Article 128(1) of the Education Reform Order 1989 prohibits a school from charging for admission. The final transfer 2010 guidance includes advice on that:

"Even whilst these plans may feature an attempt at means-testing, the Department would advise any such schools to consider whether parents should have to pay in order to apply meaningfully for a state school".

Mr Lunn: I welcome the Minister's statement, in so far as it provides clarity about what she wants, if not about how we will get there.

Is there a legal definition of the phrase "have regard" in the Minister's statement, or in the transfer 2010 document itself? It is made perfectly clear that boards of governors have a legal duty to "have regard" to the guidelines, but they have no legal duty to apply them. That is contradictory. Despite the support, to which the Minister referred in her statement, from all the various bodies and the consultees, the fact is that there is no —

Mr Deputy Speaker: The Member must ask a question.

Mr Lunn: Is there a complete lack of effective sanction against those who do not choose to adhere to the guidelines? Will the Minister comment on the fact that her guidelines have no teeth?

The Minister of Education: I thank the Member. Caithfidh scoileanna aird a thabhairt ar threoir na Roinne. Ciallaíonn sé sin nach féidir leo neamhaird a dhéanamh di.

Schools that must "have regard" to the Department's guidance cannot disregard it. That means that the guidance is an important document for them to consider when developing their admissions criteria and performing their role in the admissions process. Boards of governors and others addressed by the guidance should understand that they have a legal duty to have regard to that guidance.

In practice, for a post-primary board of governors that duty means that, in drawing up admissions criteria for the 2010-11 school year, they should give active and receptive consideration to the guidance's recommendations on admissions criteria and record that consideration. If a board of governors does not comply with its duty to have regard to guidance issued by the Department, under article 16B of the Education Order 1997, the Department can issue a direction requiring it to do so under article 101 of the Education and Libraries Order 1986.

The Department can invoke article 101 when it is satisfied:

“that a relevant authority has acted or is proposing to act unreasonably”.

The Department could also consider issuing an article 101 direction if the admissions criteria set by a board of governors were to contravene any statutory provisions, for example, equality legislation.

12.15 pm

Mr McCallister: In my brief time on the Education Committee, the one thing that has become clear is that we do not have clarity on anything. The Western Education and Library Board, for example, estimates that up to 8,000 pupils who would be entitled to free school meals do not claim them. In addition, there are issues about the capital value of farms. Adding that to the fact that her own equality impact assessment concludes that the criteria discriminate against those in rural and Protestant working-class areas, and given that so much of the policy is based on free school meal entitlement, how does the Minister propose to make any of her plans fit for purpose?

The Minister of Education: I believe that the Member has been on the Education Committee for only two hours. Nevertheless, I welcome him, and I am sure that he will receive copious notes on this subject from my Department.

The guidance, and transfer 2010, will not discriminate against children from rural areas. In fact, we have taken our duty to those children very seriously, which is clear in the way in which we have used the term “nearest suitable school” for certain admissions criteria. Therefore, I advise the Member to read the guidance, which is clear on that point.

Children from the Protestant community will not be disadvantaged. In fact, for the first time ever, they will get a fair chance in the education system. Records are kept of those pupils who have claimed free school meal entitlement by making applications to their education and library board. Free school meal entitlement is used by the Department as an indicator of deprivation, because it correlates highly with a number of deprivation measures, including the multiple deprivation measure. It is pupil specific, and therefore, more robust than spatial measures, which assume that everyone in a given area is alike. It is current, because it is updated annually as part of the schools census return. Furthermore, it is an indication of the relative concentration of potentially disadvantaged pupils in a given school, in a way that no other indicator is. That is important in circumstances in which schools, especially at post-primary level, draw their intakes from widely dispersed areas.

Despite the high correlation of free school meal entitlement with the multiple deprivation measure, there may be instances whereby children who are entitled to free school meals do not claim their

entitlement. During consultation, an issue was raised about whether there is systematic bias in such under-claiming. Recent analysis of data from the Family Resources Survey, the key Assembly survey that is used to measure poverty, profiled the characteristics of children who live in households that are defined as being in poverty. The analysis shows a strong correlation with the multiple deprivation measure and the closely matched religious profile between pupils who are entitled to free school meals and children who live in households that are defined as being in poverty, all of which highlights the value of free school meals as an indicator of deprivation.

Mr Brolly: Go raibh míle maith agat. In the absence of regulation, are children facing the prospect of sitting more than one selection test for entrance to a grammar school?

The Minister of Education: No child should have to sit any tests, and it is wrong to put children in a position in which they will be forced to sit tests. If schools follow the guidance —

A Member: What about GCSEs?

The Minister of Education: I am talking about tests at the age of 10 or 11. To the best of my knowledge, the only children who sit GCSEs at the age of 10 or 11 are those who take GCSE Irish or children who are fluent in other languages.

As to whether the absence of regulations means that children face the prospect of sitting a number of entrance tests, if schools follow the guidance, no children will have to sit any tests.

Go raibh maith as sin. There is no educational case for a test at the age of 10 or 11. International evidence is clear on that. Not only do many non-selective systems produce better results than the North of Ireland, but international surveys regularly conclude that attainment gaps and extended underachievement are characteristics of selective systems. If that happens, it will be because schools have set aside a recommendation that, in the interests of fairness, urges them not to practice academic selection. The reality is that transfer 2010 is now departmental policy. It is my policy and that of the Department of Education. For the first time ever on this part of the island, equality will be at the core of our education system.

Mr Ross: In her statement, the Minister said:

“I, as Education Minister, and the department are clear that academic selection is coming to an end.”

However, the guidance that she also provided to Members states that the legal position is that academic admissions criteria will not be explicitly prohibited. Is that not all the proof that we need that the Education Minister has failed utterly in her attempts to abolish academic selection?

The Minister of Education: The 11-plus has gone. It has gone forever. I welcome that, because people know my views on it. The vast majority of educationalists support transfer 2010. The consultation was responded to by 3,224 people, 95% of whom supported the guidance. The guidance is departmental policy. People can go into legalities, but the reality is that transfer 2010 is departmental policy. The old system of discrimination and inequality is ending, and I welcome that. I urge all Members of the House — *[Interruption.]*

Mr Deputy Speaker: Order.

The Minister of Education: I urge all Members of the House to support me in putting equality at the core of the education system.

Mrs McGill: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her statement. She referred to the fact that in the old system:

“Some schools began conditioning at P5.”

What guidance has been offered to primary-school principals for cases in which parents want their children to sit a test?

The Minister of Education: Go raibh maith as sin. As I said to Members, I held a series of five conferences across the North of Ireland recently: in Ballymena, Cookstown, Newry, Belfast and Derry. The overwhelming majority of primary-school principals are delighted that the 11-plus has gone. That was the consensus in all the meetings, at which there were representatives from every sector: Irish-medium, integrated, Catholic maintained and state schools. The vast majority supported it, because, for too long, a small minority of schools dictated the curriculum that was taught in primary schools. Thankfully, primary schools are now an entity in their own right. Primary-school years are some of the most important in a child's life. I am delighted that, forever and a day, the primary schools are liberated — that is the word that many of them used — from teaching to an outdated, outmoded test that discriminated against thousands of children.

In relation to pressure from some parents, the guidance states that primary schools cannot be required to prepare children for tests and that the Department recommends strongly that they do not do so. The guidance states:

“All primary schools are covered by statutory obligations to deliver the primary curriculum as defined in Articles 4-9 of the Education Order 2006 ... The Education and Training Inspectorate will continue to monitor the quality of teaching and learning, in the context of, the revised curriculum in primary schools.”

The primary schools and the teachers' unions requested that clarity, and I am happy to provide it.

I pay tribute to primary-school principals across the North of Ireland for the good work that they are doing. I celebrate with them the fact that, for the first time, no

part of the primary curriculum will be distorted in the way that it was in the past.

Mr P Maskey: On a point of order, Mr Deputy Speaker.

Mr Deputy Speaker: There are no points of order during questions on ministerial statements. You should know that, Mr Maskey; perhaps you have not been in attendance at one of these sessions before.

The Chairperson of the Committee for Education (Mr Storey): I am glad that the Assembly does not have a sports day at the end of term, because the Minister of Education could not win even the egg-and-spoon race.

As Chairperson of the Education Committee, I want to inform the House that the Education Minister has bypassed the Committee. Members will remember that when she published the sustainable schools policy, she did it by —

Mr O'Dowd: Speech.

The Chairperson of the Committee for Education: Mr Deputy Speaker, am I to be continually interrupted by a Shinner?

Mr Deputy Speaker: Order. The words “pot”, “kettle” and “black” come to mind, Mr Storey. However, Mr Storey should be allowed to continue. It is questions to the Minister on her statement, and I await the question.

The Chairperson of the Committee for Education: The Minister published her sustainable schools policy by putting on her education balaclava and doing it at night. When she decided to publish transfer 2010 guidance, she did not come to the Education Committee, despite the important fact that in a letter to the Education Committee dated 5 May —

Mr Deputy Speaker: Order. Mr Storey, as Chairperson of the Committee, you are given a certain amount of leniency in respect of what you can say, but the time for a question to the Minister on her statement has long passed.

The Chairperson of the Committee for Education: The Education Minister has ignored the Education Committee. Will the Education Minister tell the people and the parents of Northern Ireland today, first, that she has failed in relation to the abolition of academic criteria, and, secondly, when she will heed the numerous calls that have been made to her? We will have to come back to the issue of transfer. We will have to establish an agreed way to transfer our children from primary school to post-primary school rather than go down the ideological cul-de-sac that she, as Education Minister, has created and exist in the confusion over which she is happy to preside.

The Minister of Education: Go raibh maith agat. Mr Storey raised a point about sports days. Last night, I met all the GAA coaches who are part of the sports programme in P1 and P2. Members will know that we have a good sports programme with the GAA and the IFA. It might be useful for the a Cheann Comhairle, the Chairperson, of the Education Committee to have a discussion with the GAA and the IFA, because one of the issues that we discussed was ways in which sports days can be made more participative. It is not about winning or about the two or three children who win all the medals; it is about interaction. I commend the GAA and the IFA for making sports days more interesting in the primary schools in which they are working, and for training the teachers. I thank the Member for giving me the opportunity to pay tribute to the IFA and the GAA.

I urge the Chairperson of the Education Committee not to resort to personal insults. It is better to deal with the educational arguments. It is often the case that people resort to insults when they have nothing or little to say.

12.30 pm

The Chairperson of the Committee for Education talks of agreement and consensus, but I have always given the Committee — *[Interruption.]*

Mr Deputy Speaker: Order.

The Minister of Education: I have always given the Committee its rightful place, and I have met with it on numerous occasions to discuss transfer 2010. However, the Member's party has refused, on a number of occasions, to allow me to put my proposals to the Executive, or to even put those proposals on the agenda. Perhaps he should explain to parents why his party is afraid to place the issue on the agenda at an Executive meeting? *[Interruption.]*

Mr Deputy Speaker: Order.

The Minister of Education: On 15 May 2008, I put compromise proposals to the Executive, and the DUP Ministers refused to discuss them. On 29 January 2009, I put compromise proposals and guidance description to the Executive, and the DUP Ministers refused to place them on the agenda. On 2 February 2009, and again on 23 June 2009, I issued guidance for consultation to the Executive, and the DUP Ministers again refused to discuss it. That party has refused again and again and again.

Parents must hear that the party opposite does not want transfer 2010, and I can tell those parents why it does not want it. The DUP does not want it, because it knows that the previous system failed thousands of our children every single year. Members from that party can hide that fact, they can shout across the Chamber and they can use personal insults, but the reality remains

that we have the biggest body of underachievement on this island and across Europe.

We can engage in discussion and debate or we can move on. I am moving on, and my Department is moving on. *[Interruption.]*

Mr Deputy Speaker: Order, Members.

The Minister of Education: Transfer 2010 is now departmental policy and it is putting equality at the core of the education system.

Mr Deputy Speaker: I must say that Members are providing a fine example to the very children about whom they are talking.

Mr Poots: Does the Minister agree that there is a number of very important and key elements missing from her statement, such as: "Ruane makes amazing comeback to win Wimbledon ladies' singles"; "Newry City win Champions League"; "Elvis spotted sunbathing in Warrenpoint"; and "They all lived happily ever after"?

I recommend that the Minister take a long holiday, because, when she returns, examinations will still be taking place. Furthermore, the privatised transfers that she has initiated, for which there will actually be more testing, and which will make it more difficult for children from socially challenged backgrounds to get into grammar schools, will still be in place. Is that the system that the Minister set out to create, for that is what she has created?

The Minister of Education: It is interesting to hear sporting analogies as Wimbledon takes place, and I am glad that Mr Poots has provided the House with some very good ones. I look forward to seeing Newry City win the Champions League, and all the rest.

[Interruption.]

My aim is that children participate, rather than for the focus to be on the winning. It is not about the winners but about everyone, and that is the key point. It is the same in education, and the Department is trying to ensure that every child receives a fair chance. For the first time ever since the 11-plus was introduced, equality is at the core of the education system in the North of Ireland.

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

Mr P Ramsey: I thank the Minister for introducing the guidance paper. However, does she acknowledge that, particularly for primary schools, now is the most difficult, stressful, worrying and traumatic period for parents? Does she agree that, even if all post-primary schools were to use only this guidance to admit pupils, it would still not be workable, because sufficient reorganisation of the post-primary sector, required to make the guidance work, has not yet occurred?

The Minister of Education: I have met with primary schools across the North of Ireland, and I

wrote to all the primary schools on 11 May 2009 to draw their attention to the relevant parts of the transfer 2010 guidance.

In addition, I note that CCMS issued helpful and clear guidance on transfer 2010 to its primary schools on 13 May 2009. I wrote to the education and library boards, and they have also written to the controlled primary schools about the issue.

Two things are clear to me. First, primary schools are delighted that they are no longer a stepping stone to post-primary education. They are a sector and an educational experience for children in their own right. Secondly, and as importantly, all primary schools told me that they love the new revised curriculum. Members may laugh, but go and talk to primary-school principals. In the past three weeks, I have talked to hundreds of primary-school principals across the North of Ireland and across all sectors. They tell me that the curriculum is good. They say that it is good for the children and that it is stimulating them, and they are already seeing a difference at primary 6. They are delighted with the changes.

There is a big prize here for all of us, particularly for primary schools. No longer will they be the ones having to face parents and white-faced children who, at the age of 10 or 11, are sitting two one-hour tests for an education to which they are entitled. No longer will they be the ones who have to ring the parents and listen to a crying child in the background.

[Interruption.]

You may shout across the Chamber, but that is the reality of our system now. It is going to change, and it has to change. The system is wrong. Go and talk to the primary-school principals —

Mr Deputy Speaker: Order. The Minister is quite incorrect; Members may not shout across the Chamber. There is a new teacher in the Chair who insists that all remarks be made through the Chair. Minister, continue.

The Minister of Education: Go raibh maith agat faoi sin. Thank you for that. I had, in fact, finished.

Mr Kennedy: The Minister of Education has brought mediocrity to new levels with her statement. We have heard what the Minister has said. We have heard the statistics and percentages that she has used, allegedly in support of what she has brought forward. How then does she explain the simple fact that parents and schools are, and will be, engaged in individual entrance tests for schools?

My next point relates to paragraph 5 of the guidance. It has been clearly identified that education and library boards are saying that there are operational difficulties with the criteria with which the Minister wishes to proceed. How is that to be dealt with in real

and practical terms? Is she not putting the education and library boards in an invidious position?

Paragraph 20 of the guidance states that distance tiebreakers are, apparently, not recommended as a criterion, but the nearest suitable school is permitted as a criterion. That is simply illogical. It is education by postcode. Will the Minister respond by providing detailed answers rather than generalised ideology?

Mr Deputy Speaker: I remind Members to make their remarks through the Chair. *[Interruption.]* I will do my best to chair the meeting.

The Minister of Education: The Member asked a number of questions, so I will start with the comment on underachievement and entrance tests. I will cite figures for the Member's area, Newry, and also for Armagh and Down because that will cover two constituencies. There are 46 post-primary schools in the Down area: 14 grammar schools and 32 secondary schools. The 14 grammar schools educate 44% of the children who attend the 46 schools. The 32 secondary schools educate the remaining 56%. Some 2,730 of the desks in the 32 secondary schools are empty.

In the 32 secondary schools, 18% of the children are entitled to free school meals, and 1,128 children are SEN (special educational needs) statemented. In the 14 grammar schools, the figure is 4%. The same applies to Armagh.

We can pretend that there is not inequality in the system, which is what the Members on the opposite Benches love to do. There is deep inequality in the system. That situation must change, and it is changing. I welcome the fact that the education and library boards have written to the primary schools about their statutory duties in relation to the revised curriculum. The reality is that 3,224 respondents support the change. *[Interruption.]*

Mr Deputy Speaker: Order. That concludes questions to the Minister of Education.

The Minister of the Environment will not be making a statement, so we will move on to the next item of business.

Mr P Maskey: On a point of order, Mr Deputy Speaker. It is a pity that the Deputy Speaker who was in the Chair previously is not still there. However, can you, a LeasCheann Comhairle, make a ruling? The Deputy Speaker who was in the Chair previously invited at least two Members to ask the Minister of Education questions on her statement. That happened even though they were late in arriving for the beginning of her statement and even though one of those Members is the Chairperson of the Committee for Education. If that Member had taken more interest, he would have been in the Chamber at the beginning of the Minister's statement.

However, that same Deputy Speaker made a ruling a couple of weeks ago about one of my party colleagues and a Member of the DUP. That ruling was that they were not allowed to ask questions because they were not in the Chamber for the beginning of a statement. Therefore, I ask you to make a ruling on the matter; the Deputy Speaker who was in the Chair previously seems to make the rules up as he goes along and from one sitting to the next.

Mr Kennedy: On a point of order, Mr Deputy Speaker.

Mr Deputy Speaker: May I deal with Mr Maskey's point of order first, please?

When the Member said that it was a pity that the Deputy Speaker who was in the Chair previously was not still there, I thought that it was because he did not like me. However, his remarks will be referred to the Speaker, who will respond accordingly.

Mr Kennedy: On a point of order, Mr Deputy Speaker. Is it proper for any Member to challenge either the authority or the ruling of the Speaker or any of the Deputy Speakers?

Mr Deputy Speaker: Those are all very hard questions. *[Laughter.]*

In the circumstances, as any good teacher who does not know the answer would do, I will refer the matter to the Speaker.

Mr B McCrea: On a point of order, Mr Deputy Speaker.

Mr Deputy Speaker: I hope that the Member is making a genuine point of order.

Mr B McCrea: This is fundamental — *[Interruption.]*

I will wait for the ministerial conference to finish.

This is fundamental to good order in this place, and I do not want the matter to be trivialised, but I do not think that it is appropriate for Members to challenge either the Speaker or the Deputy Speakers directly. I wish for that fact to be brought to the Speaker's attention and for a ruling to be brought back to the House.

Mr Deputy Speaker: As I understand it, the Member was asking a question, and I have undertaken to have it answered. I do not think that that is a challenge to the Chair.

Mr O'Dowd: On a point of order, Mr Deputy Speaker. The Member made a good point. During the ministerial statement and responses, it was clear to any observer in the Chamber that Mr McCrea interrupted consistently the Minister and Members who were asking questions. Considering that the Speaker has ruled on the conduct of Members in the Chamber on several occasions, will you also refer to the Speaker

the conduct of Members during the previous statement and the questions and answers that followed?

Mr Deputy Speaker: I do not believe that that is a point of order. The Member will agree that several Members interrupted the Minister. If we keep on with this discussion, everyone will get lines.

We will move on to the next item of business.

12.45 pm

EXECUTIVE COMMITTEE BUSINESS

Employment Bill

Second Stage

The Minister for Employment and Learning (Sir Reg Empey): I beg to move

That the Second Stage of the Employment Bill [NIA 9/08] be agreed.

The Employment Bill seeks to introduce new provisions on regulation of employment agencies and on the administration of, and legal representations before, the Industrial Court. The Bill contains measures to strengthen powers of investigation and prosecution of unscrupulous employment agencies; provide greater flexibility in making appointments to the Industrial Court; extend the right to legal representation to those appearing before the Industrial Court; and other minor and technical amendments.

My Department has had powers to enter and inspect Northern Ireland-based employment agencies since January 2006. Last year, 76 inspections were carried out with a view to enforcing employment agency regulations. The regulations set minimum standards for agencies with a view to protecting the work seekers and hirers that use them. Most agencies have been co-operative with the inspectors, and are happy to become compliant with the law. To date, my Department has not had to make any prosecutions.

However, as the Department's enforcement role develops, it is anticipated that it will need to prosecute some seriously non-compliant agencies in the future. It is important that my Department has a wide range of powers that can be used to adequately deal with those agencies. I therefore propose to strengthen the Department's powers of inspection and prosecution in a number of ways: first, by making offences under employment agency legislation triable at the magistrate's courts, as at present, or the Crown Court, thereby allowing for unlimited fines. Currently, the maximum fine that can be imposed is £5,000. It is felt that that is not enough of a deterrent because rogue agencies are making much more than that.

Secondly, the Bill will compel agencies or third parties such as banks to produce financial information. That will include the power to take copies of, or remove, any documents that have been inspected, and the power to issue written notice to third parties to provide documentation relevant to an inspection. Finally, the Bill will allow the Department's employment

agency inspectors to exchange inspection information with Her Majesty's Revenue and Customs (HMRC) national minimum wage compliance officers.

Those measures will not affect the vast majority of agencies that comply with the law, or those that are willing to quickly put right any inadvertent compliance issues. It is important, however, that the Department has powers to deal effectively with those agencies that routinely abuse vulnerable workers or break the law for financial gain. The proposals are therefore targeted only at agencies in serious breach of the law. In my view, the possibility of an unlimited fine is a powerful deterrent for those who would attempt to abuse vulnerable workers. Vulnerable workers will also benefit from the protections provided by increased powers to investigate an agency's financial affairs, and from clarification of the law to allow the exchange of information gained during the inspections with HMRC national minimum wage compliance officers.

I turn to the provisions in relation to the Industrial Court. The court is a tribunal non-departmental public body with statutory powers. Its main jurisdictions are concerned with resolving disputes relating to statutory recognition, or derecognition, of trade unions for collective bargaining purposes, and employee information and consultation rights. My Department provides a secretariat function to the court, and is responsible for the appointment of court members.

The legislation relating to the appointment of members of the Industrial Court and their terms of appointment is too restrictive in its current form. I therefore propose to replace those provisions with broader regulation-making powers, which would enable those appointments to be made via subordinate legislation, as opposed to the current primary legislation. That approach will afford sufficient flexibility to facilitate possible future changes with respect to the appointment of members of the court and the provision of the court secretariat, and will also enable those changes to be made in a more efficient and timely manner.

Another provision of the Bill relates to the right to legal representation before the Industrial Court. The Industrial Relations (Northern Ireland) Order 1992 imposes a restriction on legal representation for parties who appear in certain proceedings before the court. That restriction applies to seven of the court's eight jurisdictions. However, my Department received legal advice to the effect that failure to allow representation could lead to a challenge under article 6 of the European Convention on Human Rights, which establishes the right to a fair trial.

Consequently, I propose to amend the legislation to enable parties to engage legal representation if they choose to do so. That will apply to all but one

jurisdiction of the court: the provision of voluntary arbitration in relation to industrial disputes. That reflects the view of the Industrial Court that the provision of voluntary arbitration on industrial disputes would, by its nature, not benefit from legal representation.

The Bill contains a range of measures that the Assembly will want to consider carefully. It will build on my Department's work so far to provide an effective regulatory system for the private recruitment sector that will increase protections for vulnerable workers. Moreover, it will provide greater flexibility in the process of making appointments to the Industrial Court and allow for legal representation before the Industrial Court. I look forward to listening to Members' comments during the debate, and I commend the Bill to the Assembly.

The Chairperson of the Committee for Employment and Learning (Ms S Ramsey): Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his explanation of the Bill; he went into detail about the Bill and its clauses, and I do not propose to regurgitate everything that he said. However, I will provide a brief outline of the Committee's deliberations and views thus far.

As Members are aware, the Bill's First Stage was on Monday 22 June, and the Committee Stage will begin tomorrow. The Committee has already received briefings on the Bill as it progressed towards the Floor of the Assembly, and we will receive another briefing at tomorrow's meeting, where we can ask officials further questions. Again, I thank the Minister for making officials available and for his co-operation with the Committee.

The Department for Employment and Learning is responsible for the regulation of the private recruitment sector. Part of that regulation involves the inspection of local employment agencies and businesses. The Department employs two inspectors whose role is to inspect the relevant businesses and investigate any complaints made against them. If a business does not comply with the law, the Department has the power to prosecute in a Magistrate's Court or to apply to an industrial tribunal to prohibit an individual from operating or being concerned with the operation of an employment agency for a period of up to 10 years.

Clause 1 seeks to enhance the Department's powers of investigation and prosecution of particular serious offences under employment agency law, and clause 2 seeks to provide the Department with powers to compel agencies, and third parties such as banks, to provide financial information that is useful to the investigation of an agency. That power should be used sparingly and appropriately, and only when authorised at a certain level in the Department.

Clause 5 provides for clarification of the law on information sharing and will allow Revenue and Customs' national minimum wage compliance officers and the Department for Employment and Learning's employment agency inspectors to legally share and exchange information that could, for example, allow an employment agency inspector to highlight employment businesses' breaches of the National Minimum Wage Act 1998 to Revenue and Customs.

In its initial response to the Department on consideration of the Bill, the Committee indicated its support for its provisions. All Members are aware of abuses of the law by employment agencies; such abuses have been brought to everyone's attention by constituents. The Committee is particularly supportive of efforts to ensure that businesses act in strict accordance with the law and good practice. As is often said in the Chamber, the most vulnerable people in society look to employment agencies for help, and those groups are often exploited. We need to stop that.

The Committee is aware of abuses of wages, leave, maternity and paternity regulations, among others, and is committed to working with those bodies and organisations that seek an end to those abuses. The Committee has signalled its desire to help those vulnerable groups, and that remains the aim of members.

That aim is especially relevant in the current recession, during which unemployment has risen sharply and many more people are looking for work. People are desperate for work, and that can often be exploited by employment agencies.

Clause 3 of the Bill deals with appointments to the Industrial Court. The process for those appointments, as laid out in primary legislation, is quite prescriptive, and even small changes require lengthy legislation. In addition, no power is included under present legislation to remove or suspend members of the court. The Committee sees that as a serious issue, and we have already indicated support to the Department for the Bill's proposals in that area. The Committee highlighted to the Department the fact that members are receptive to the provisions that are contained in the Bill on the appointment process.

Clause 4 of the Bill makes provision for legal representation to be extended to all jurisdictions of the Industrial Court, except that which deals with the provision for voluntary arbitration in relation to industrial disputes. The Committee is aware of the legal advice that the Department received stating that a failure to allow legal representation might be a breach of the provision in the European Convention on Human Rights on the right to a fair trial.

The Committee is working closely with the Minister and the Department to look at workplace dispute resolution, and it is hoped that, along with the relevant

stakeholders, we can make proposals to allow for greater resolution of disputes so that they can be resolved at the most local level before resorting to the formal process.

Clause 6 of the Bill refers to the necessary amendments and repeals of other existing legislation that are necessary for the provisions of the Bill to be enacted as outlined in clauses 1 to 5. The Committee will examine the schedules to the Bill and consider the amendments and repeals as part of the Committee Stage of the Bill.

Clauses 7 and 8 deal with commencement and the short title of the Bill. The Minister already spoke about those clauses.

The Committee notes the Department's financial impact assessment, the human rights assessment and the equality impact assessment of the Bill. The Committee also notes the regulatory impact assessment, the Minister's legislative competence to introduce the Bill for the Assembly's approval, and the Secretary of State's consent for the Bill to be considered by the Assembly.

The Committee is satisfied that the Minister and the Department undertook extensive and meaningful consultation, the results of which are reflected in the Bill. I commend the Minister for that. We are grateful to the Minister for the opportunity that he granted to the Committee to act as a super-consultee, of which members took advantage. I appreciate the fact that the Minister allowed us to do that. We were given access to a synopsis of the consultation, and that helped Committee members to get their heads around some of the Bill's provisions. We were provided with comments before the provisions in the Bill were finalised, and we built a close working relationship with the Minister and the Department so that we can take some of the issues forward.

In December 2008, we wrote to the Department to say that members were content with the provisions of the Bill. The only issue that the Committee regarded as problematic was the proposal to amend legislation in relation to a trade union's ability to expel its members for reasons relating to membership of a political party. The Committee believes that such a provision would have far-reaching and potentially dangerous implications, and we wish to record our support for the exclusion of that provision from the Bill.

As I said, the Committee Stage of the Bill begins tomorrow. The Committee has indicated its broad support for the Bill's provisions. However, as is normal protocol, the Committee will seek views on the Bill through a public notice in the three main local daily newspapers. The Committee's scrutiny stage of the Bill will be thorough and, as should be the case

when any Minister awaits the outcome of a Committee Stage, the outcome should not be taken for granted.

It has been the Committee's approach to work closely with the Minister and the Department, where possible, to ensure that the Committee's views are heard and respected. Partnership, where appropriate, and constructive dialogue will continue to be the chief aims of the Committee in its relationship with the Minister and the Department.

The Deputy Chairperson of the Committee for Employment and Learning (Mr Newton): I thank the Minister for his account of this important Bill. The Minister and the Chairperson of the Committee have gone into the Bill in some detail, so I do not propose to go over everything that has been said.

The Chairperson has provided an outline of the Committee's thoughts and views on the Bill and, indeed, its approach not only to the Bill's development but to other aspects of its work. As has been said, it has taken a very constructive, partnership approach.

1.00 pm

The only issue that the Committee regarded as problematic was the proposal to amend legislation to enable trade unions to expel members for reasons that relate to political party membership. It is very much the Committee's stance that such a provision would have far-reaching and potentially dangerous implications. The Committee would like to record its support for the exclusion of that provision from the Bill. Many Members on this side of the Chamber wish that people would not join other political parties. That is unrealistic; it is certainly unattainable.

The Chairperson reminded the House that the Bill's First Stage was on Monday 22 June 2009. Its Committee Stage will begin on Wednesday 1 July. I regret very much that I will not be part of the team who will scrutinise the Bill. All Committee members appreciate that the Minister made his officials available and was extremely willing to do so. His co-operation throughout the process was essential.

During several debates in the House, Members expressed concern about the private recruitment sector and some of its practices. It should be clarified that that does not apply to all recruitment agencies. The Bill allows for the inspection of Northern Ireland's employment agencies and businesses. The Department's role under the Bill will be to inspect those organisations and to follow up any complaints that are made against them. The Bill will allow the Department to proceed against an organisation when a case is thought to be justified.

I want to mention only two clauses. Clause 1 will provide the Department with greater investigation and prosecution powers to deal with offences under

employment agency law and will also allow cases to be prosecuted in the Crown Court. Clause 2 deals with granting the Department powers to compel third-party agencies, such as banks, to provide financial information about an employment agency for investigation purposes. Limits will be placed upon the circumstances in which that power can be exercised. Authorisation will be needed from a senior departmental officer, most likely, I anticipate, an officer at director level.

The Chairperson has already brought to the attention of the House other areas of the Bill that I wanted to mention. In conclusion, therefore, the Committee is satisfied that the Minister and his Department have undertaken meaningful consultation in the creation of the Bill, and that has resulted in a capable Bill for the future of employment. In December 2008, Committee members confirmed in writing that they were content with the Bill's provisions.

Mr Attwood: I apologise that I will not be able to stay for the remainder of the debate. I join my Committee colleagues in welcoming the legislation's proposals. In its own way, the Bill proves the value of devolution and Assembly debate. If I recall correctly, several months ago, an Assembly debate dealt with people's difficult experiences of the conduct of employment agencies in various parts of the North.

As I said, the Bill also proves the value of devolution. The Assembly is able to fine-tune and extend legislative provisions to protect people who are at risk and vulnerable.

I see the legislation in the context of a rights-based and recession-based response. Indeed, if one considers the recent situation, one can see that apprentices do not receive the minimum wage. The Assembly should attend to that matter in due course. If one considers the workers in Nortel or Visteon, one will see how, in a recession, their rights were, and continue to be, denied to them. Consequently, the proposals to protect the rights of workers during a recession seem to be well timed, and they will fulfil the purpose for which they are intended.

I wish to comment on three provisions in the Bill. First, I agree with the Minister that it is important to have unlimited fines for people who are caught under the Bill's provisions. Yesterday, in New York, Madoff was given a maximum prison sentence, which sent out a strong message that people who abuse their responsibilities and exploit individuals who may have been vulnerable will see the maximum weight of the law imposed on them. Similarly, under our terms of reference in the North, there will be unlimited fines. That will send out a strong message to those who abuse vulnerable people that the courts will be able to impose unlimited penalties. If that is going to be a provision of the legislation, is the Minister satisfied

that we will have the enforcement architecture in place so that, in the event of abuse and workers being exposed, the regulations will be fit for purpose, and the worst offenders may visit the worst penalty by way of unlimited fines?

Secondly, I agree with the Minister that the extension of legal representation in the Industrial Court to seven of the eight jurisdictions is appropriate. That is consistent with European provisions, and the exemption for voluntary arbitration makes good sense and is good practice. In that regard, is the Minister satisfied that the provisions to which the Chairperson and the Deputy Chairperson referred, wherein people could be excluded from a trade union based on their political membership, are on the right side of the Human Rights Act 1998 and European provisions? There may be political entitlements under the European Convention on Human Rights, within which the legislation may be sitting in some tension. The draft legislation will have been proofed for human rights issues, but I ask for reassurance that the issue of political party membership and expulsion from an organisation is compatible with human rights provisions.

Thirdly, I welcome the provisions to enable information to be extracted from employment agencies. If one considers other good practice in the North, one will see that the ability to compel disclosure is a mechanism that gets people who may not be the worst offenders to improve their conduct and gets the worst offenders to visit the worst penalties. I rely on what we see in respect of extracting information when it comes to criminal assets or employment patterns in various organisations and employer groups. Extracting information is one mechanism to ensure that people begin to behave themselves properly, and when they do not behave properly, the law takes its course.

Therefore, I join with my erstwhile colleagues on the Committee for Employment and Learning and welcome the legislation, and I trust that the provisions for trade union membership may yet be amended.

Mr Lunn: I am not a member of the Committee for Employment and Learning; I am standing in for Anna Lo, who cannot be here today. Anna has suffered some serious threats in the past couple of days, which I am sure all Members totally condemn. That is not new to politicians, but this case had a particularly ugly and disgusting aspect to it in a racist sense. I hope that the message from the House is that that is to be absolutely condemned.

Having admitted that I am not a Member of that Committee, I also must admit that I am not very familiar with this piece of legislation. However, we strongly welcome and support the Bill. It is noticeable that there is support for the Bill from across the Committee. I have not heard any dissent whatsoever. In fact, it makes me

want to ask for a transfer from the Committee for Education to that Committee, because it would be a welcome change to see a bit of agreement.

We welcome the toughening of various aspects of employment law. We agree that there is a need to enhance the Department's powers of investigation and prosecution, as we feel that that will help to provide more effective enforcement of the law and bring more employers into line before enforcement is even necessary. We also strongly agree that there is a need to enhance the Department's sharing of information with Revenue and Customs commissioners in order to ensure minimum-wage compliance. That must be a growing issue in Northern Ireland, given the changing nature of our workforce. The whole idea of Departments exchanging information is not new. As you know, Mr Deputy Speaker, the Public Accounts Committee has strongly advocated that for some time.

As regards the issue of a maximum fine of £5,000, the fine must fit the crime, and we must acknowledge that in the modern world, a much bigger fine than that may be necessary. The Crown Court has been given the power to decide that.

I do not know what was going on in 1992, but there must have been a good reason for not allowing legal representation in the Industrial Court. I do not what the reason was; however, I am glad to hear that proper representation will now be allowed.

We strongly support the legislation. I really do not have much more to say about it than that. It will deliver greater protection for employees through improved deterrents and enforcement of the law. It will also bring us into line with European law, and that is always a good thing. Perhaps we had to be prompted by Europe in this case, but it is still a good result.

Mr Easton: I intend to keep my contribution short, as there seems to be quite a bit of consensus. I generally welcome the Second Stage of the Employment Bill, which is a matter that, I am sure the Minister will agree, the Committee has considered diligently. Many complex matters were subjected to rigorous analysis, and I pay sincere tribute to the many people who responded to the consultation process. Their contribution has aided and challenged our thinking and, as such, has been very helpful to the Committee. In the course of those difficult considerations, the mind of the Committee has been directed towards addressing the balance of rights that so much of our thinking on human rights leads us to consider.

We looked at how to ensure that legal representation complies with the European Convention on Human Rights. Employment agencies play a valued role in economic life, making a necessary contribution to business affairs. Most are well run and compliant with their role and responsibilities and should be commended

for being so. However, a minority are falling short of the mark. We need to be able to take requisite action; that is what society demands of us and that is what we are obliged to deliver.

I have not gone into detail on the matter, because time does not really afford me that possibility. However, in addressing the amendment of trade union law for employment agencies and businesses in order to change investigatory powers and the penalty regime, the Committee has correctly analysed all the responses favourably and, I think, has arrived at sound conclusions.

1.15 pm

Although some feel that we should go further in certain areas and others have expressed criticisms, the conclusions that have been reached are balanced, proportionate and meet the identified needs. Therefore, I feel confident in recommending the Bill to the House.

Mr Butler: Go raibh maith agat, a LeasCheann Comhairle. Tá mé sásta labhairt ar an Bhille seo inniu.

I echo Trevor Lunn's comments about the threats to Anna Lo. I am sure that Members are united in their condemnation of the threats to Anna Lo, who is a member of the Committee for Employment and Learning. Her election to the Chamber was a welcome step, because she broke traditional voting patterns and represented a section of the community that had previously not been represented. Therefore, we should all condemn those threats and support her.

I welcome the Minister to the Chamber. Members are broadly in agreement that the changes that he announced are welcome, particularly those that affect employment agencies. However, as the Deputy Chairperson said, not all employment agencies treat their workers badly; some provide an opportunity for people to gain employment. There have been concerns about agencies exploiting workers, particularly people who are coming to these islands for the first time. There are also issues about the application of the national minimum wage, and I am glad that the Department will have greater powers to investigate and prosecute those who breach the law.

I wish to ask the Minister about changes to article 38 of the Trade Union and Labour Relations Order 1995, which concerns membership of trade unions. The Department is looking at a number of options and has taken legal advice. I am concerned about whether those changes are compatible with the Fair Employment and Treatment Order 1998.

Legal representation before the Industrial Court is another welcome change, but I recognise that there were varying views on that measure: the Law Society said that the measure did not go far enough, and the trade unions felt that people did not need legal representation. What is the Minister's view on that?

Representatives of the Law Society gave a presentation to the Committee on that matter in which they outlined their concerns, so I welcome the changes.

The other major issue was the funding of political parties by trade unions. The legislation that deals with that here has been virtually unchanged since the 1920s. There is concern that people here are contributing to trade unions that are funding political parties that either do not organise here or whose political objectives do not relate to here. Although the Employment Bill does not address that issue, there is provision to do so in the future. What are the Minister's views on that?

We are broadly supportive of the Bill. The Committee is still working on the matter of workplace dispute resolution, which will come before the Chamber in the future.

Mr McClarty: I welcome the opportunity to speak on a very important piece of legislation that represents a major step forward in protecting employees from misconduct on the part of employers. I commend the Minister, Sir Reg Empey, for his ongoing and sterling work in that field and congratulate him on this vital piece of legislation.

I welcome the improvement to the system of fines from a maximum of £5,000 to an unlimited sum. A fine of £5,000 is simply not an adequate deterrent to an unscrupulous employment agency, which will almost certainly make substantially more than that in a year from such exploitation. Giving the courts the power to hand down a fine that they deem fitting to the level of wrongdoing is an entirely proportionate and welcome provision.

We must recognise the role that the legislation will play in making Northern Ireland a more welcoming place for our minority communities. The shadow of racism, which has been all too apparent in recent days, has fallen over us, and it is important that we recognise how the Employment Bill will affect the rights of minorities who will more than likely be employed disproportionately by agencies. By protecting that vulnerable section of our community from the exploitation to which it is open, we go a long way to making Northern Ireland a fairer, more meritocratic, more economically active and better place. It is incumbent on this place to do all that it can to eradicate racism and exploitation on the grounds of race. The Bill takes us another step on that road, and the Minister is to be commended for bringing it before the House.

In discussing the matter, it would be highly remiss of me, representing the Ulster Unionist Party, not to mention the deplorable threats that have been meted out to the Member for South Belfast Ms Lo. We must all ensure that Ms Lo knows that we stand with her against such hatred.

I ask the Minister to give us an assurance that agencies that do not make material breaches of the law but that are perhaps making inadvertent technical breaches will not be punished heavily for small misdemeanours. I hope that he will assure the House that his Department will keep in mind the need to protect small businesses from legislation that is designed to crack down on major wrongdoing.

The second major provision of the Bill gives the Department for Employment and Learning, under a properly constituted investigation, the power to compel agencies and third parties to reveal financial details, including bank statements. However, in seeking to determine whether an agency is systematically and deliberately flouting the law, particularly in relation to the minimum wage, it is clear that that power may be used for other purposes. Although I welcome that provision, I ask the Minister to clarify what safeguards will be put in place to prevent the abuse of that power. I also ask him to outline how the House can be sure that we are not writing a blank cheque for state harassment. That is particularly relevant when one considers that that provision may break data protection rules. I ask the Minister to clarify that.

The Employment Bill provides additional powers to the authorities that will allow for greater information sharing between agencies without breaking the confidences that, rightly, apply in other areas. I ask the Minister to give guarantees about the safe sharing of information and to assure us that information will be shared responsibly.

I welcome the provision that allows the Department for Employment and Learning to make changes to the appointment and terms of the members of the Industrial Court by regulations, which are, of course, always subject to scrutiny by the Committee for Employment and Learning and the Assembly. The Bill also provides a mechanism for the Department to suspend or dismiss a member of the Industrial Court. Such a mechanism is clearly proportionate and necessary.

It is also good to know that the somewhat odd ban on legal representation during most proceedings of the Industrial Court is to be lifted. A person should be permitted legal representation during such action, and it is right that we are moving to a normalised position on that.

Mr P Ramsey: Like other Members, and on behalf of the SDLP, I condemn the threats that have been made against Anna Lo. I extend our support not just to Anna but to her family and colleagues, who are working in difficult times on the issue of racism.

As a freshman to the Committee for Employment and Learning, I will make some minor comments about the Employment Bill, which has come as a welcome relief to so many people. The Bill will be particularly

welcomed by, and is important to, temporary workers, who are often non-nationals who work for companies that are not registered, regulated or even established.

Those companies may well be temporary in nature. Such workers will often be unfamiliar with Northern Ireland and its various support agencies, such as the Labour Relations Agency, Citizens Advice and local political party advice centres. They may have no knowledge of workers' rights in this region or country, and will probably not be members of a trade union. In many cases, they may not have knowledge of the English language.

Will the Minister outline how such workers and agencies will be identified; how the agencies will be scrutinised; and how the workers will be communicated with and informed of their rights? Can they be assured that they can make a complaint without prejudice or repercussions from their employer? If so, how will they be assured that that is the case? Given that there is likely to be an increase in the number of cases now going to the Industrial Court, will the Minister outline what extra funding will be made available to that court?

On a separate but similar issue, my colleague Alex Attwood made reference to Visteon workers being denied their rights. Yesterday, a number of workers from Nortel visited the Stormont estate. They are in similar circumstances to the Visteon workers. Nortel is now in administration, and the workers find it outrageous that they have been denied their fundamental rights to redundancy payments and pensions, while, at the same time, the company has awarded huge bonuses to its directors. I realise that that issue is not specifically covered in the Bill that we are debating, but one would imagine that the Minister would have a role in making appropriate representations to the Minister for Work and Pensions in Westminster, Pat McFadden, who clearly has a role to ensure that those people, who have worked for a company for decades and invested their lives in that company, are assured of their employment rights and entitlements. Those people need to be given some level of comfort as they near the end of their working age. I understand that some of the workers could be down almost £30,000, and the taxpayers of Northern Ireland will have to make up the difference in that money. That is a separate issue, but it is an important one. The Committee for Employment and Learning will have a role in that, and the Minister should take a more proactive approach in giving some comfort to those workers.

Rev Dr Robert Coulter: I welcome the consideration of this important piece of legislation. The Ulster Unionist Party is in Government to deliver and to make Northern Ireland a better place for all its citizens. It is always a pleasure to be able to speak to a Bill that shows the Ulster Unionist Party at its best and doing what it does best — delivering. The Minister demonstrates what

having the Ulster Unionists in Government really provides.

My friend the Member for East Londonderry Mr McClarty touched on the matter of racism. That matter cannot be overstressed in any way. The exploitation of migrant workers is a terrible scourge on Northern Ireland, which surely adds to the forces of racism in society. The national minimum wage provides protection for everyone, and that principle is vital. Migrant workers represent the most vulnerable component of our workforce. They may not be fully aware of their rights to the minimum wage, and they may require our help in achieving a fair deal.

The Bill provides the Department with the power to share information with other statutory agencies so that agencies and other employers who seek to exploit their staff can be brought to book. That, too, is a welcome achievement of the Bill.

I seek clarification from the Minister about whether the provision also represents a change to the rules that govern the agricultural minimum wage or the Gangmasters Licensing Authority?

The changes to the Industrial Court are also welcome as they provide the Department with a power, subject to scrutiny by the House, to alter the appointments process for members of the Court. That is a welcome loosening of the quite tight methods that are employed through the existing primary legislation.

I welcome the Bill, and commend it to the House. I look forward to its Committee Stage with interest, as that will provide the opportunity to look at the detail of the Bill to see what improvements can be made.

I look forward to the Minister's response to the debate and hope that the Bill can be put on the statute book in a consensual manner.

1.30 pm

The Minister for Employment and Learning: Before I respond, I ask the Member on the Alliance Party Benches, Mr McCarthy, to pass on to Mr Lunn, who is not in the House at the moment, my personal condemnation of what happened to Anna Lo overnight and before. I am sure that all Members, including members of the Committee for Employment and Learning, on which she sits, will join in condemning what has happened.

Sadly, a number of Members has suffered attacks in recent weeks, including on their homes. Mr Ramsey, who is joining the Committee, needs no introduction to that subject, having been subjected to attacks over the years. Although Members deserve public criticism as politicians, the risks that many Members inadvertently run are sometimes forgotten. Perhaps those sentiments could be passed on to Ms Lo in her absence.

I thank the Committee members and other Members who spoke in support of the legislation. As one who was involved in the architecture of the Committees, I believe that Committees provide an opportunity, particularly if given the chance, to influence significantly the legislation that flows through this place. Along with other party leaders, I believe that Committees could play further roles with legislation. My colleague Danny Kennedy, a Member for Newry and Armagh, has put on paper some thoughts on that matter, because the Committees' legislative functions could be even greater. However, that will be a discussion for another day.

I return to issues that Members raised. Not all of them are in the House, so I will deal with what was said issue by issue. Mr Ramsey asked how workers will be made aware of the changes. The changes will appear on the Department's website in various languages. Guidance will be issued to organisations such as Citizens Advice, and the Labour Relations Agency will be fully informed. Furthermore, material will be available in a number of languages. I hope that that will assist people in understanding the position.

Mr Coulter spoke of the Gangmasters Licensing Authority. The Gangmasters Licensing Authority is a national issue and not a devolved matter. Although co-operation takes place between agencies here and the Gangmasters Licensing Authority, the Department of Agriculture and Rural Development is the part of government that most interfaces with the Gangmasters Licensing Authority. We will continue to work closely with the authority, even though gangmasters legislation is not a devolved matter.

Mr Attwood and others raised the matter about trade union law on political party membership. The decision referred to current or future membership of a political party. Seeking to incorporate that into Northern Ireland law would appear to be incompatible with the Fair Employment and Treatment (Northern Ireland) Order 1998, which prohibits discrimination on the basis of political opinion.

The Department took legal advice on the matter. Under section 60 of the Northern Ireland Act 1998, any provision of an Act is outside the Assembly's legislative competence if it discriminates against any person or class of person on the grounds of religious belief or political opinion. That is why the provisions on amending trade union law, which were consulted on, are not included in the draft Employment Bill. Indeed, Committee members made that point repeatedly during the consultation period. There are clearly major issues and, having taken advice, those provisions have been dropped from the legislation.

We were also asked whether the Department is satisfied that sufficient architecture exists to enforce the Bill. We are confident that that is in place. A second

inspector has been appointed, and with the new power, we believe that that person will be well capable of exercising the necessary duties. As I previously pointed out in answer to a Member's question, there have been 76 inspections to date. However, those inspections will be made much more effective by several provisions of the Bill, including the removal of a limit on the size of fines, to which Mr Attwood referred.

Moving to Crown Court judgements does not necessarily mean that more people will be prosecuted or convicted. However, it means that an employment agency will know that it will face unlimited fines if it acts outside proper practice; the difference is that fines will be unlimited. A court will be able to determine a fine according to the size of the organisation concerned. A fine of £5,000 may be comparatively minor for some organisations but, with no limits, effective fines can be imposed on both large and small organisations.

I join Mr Newton and other Members in saying that, by and large, the sector is populated by highly reputable companies that serve a major function by meeting the demands of the labour market. The Bill is not intended to be a witch-hunt, but issues have been raised by Members in more than one debate over the past 18 months. Members repeatedly expressed concerns to me, which they repeated at Committee meetings, that vulnerable people could be exploited. The provisions that relate to the disclosure of information will permit the Department to establish whether people are breaching the law by, without permission, deducting money from wages for housing, for example. Members may recall a number of debates in which it was pointed out that people were being tied to housing at exploitative rates of rent.

Neither I nor the House intend the provisions of the Bill to be abused in any way. A senior departmental official will have to authorise the removal of any material, so that will not be done routinely or for frivolous purposes. That provision is designed to enable us to get the disclosure of information. It is ridiculous that HM Revenue and Customs, the Department and others cannot communicate the relevant information to one another. That is not acceptable in this day and age, and the consequence is that exploitation can go unpunished.

The Bill is not intended to be a snooper's charter or to be used in a heavy-handed fashion. It is intended to be used to get to the truth in cases where we believe that prosecution is justified, and to provide the Department with a reasonable prospect of successfully prosecuting people for exploitation. The existence of a provision for access to information ought to be a deterrent. That is the purpose of the legislation, and that provision will be enabled if the legislation is passed.

I am, therefore, satisfied that no exploitation of any company is intended. The intention of the Bill is that, if there is reason to believe that serious misdemeanours

are occurring, the Department can access material, such as financial information, that is critical to tracking people down in this day and age.

Mr Attwood mentioned the Madoff case, and, although that is in a different league, he made a valid point: had the relevant powers been exercised in that case, perhaps fewer people would be in such an unfortunate position today.

I am confident that it is common sense to have the additional power and the ability to communicate with HM Revenue and Customs. The legislation is not intended to breach anyone's rights. Tomorrow, when the Committee begins its detailed scrutiny of the Bill, it will, as is its wont, consult and seek comments from third parties. Anyone who feels threatened by the provisions will, no doubt, have the opportunity to draw that to the Committee's attention. If necessary, any provision can be reconsidered at a later stage.

The Bill is a proportionate, balanced response to dealing with the risk. On at least two occasions, the House made clear its view that it wanted to ensure that all the loopholes were closed and that people would not be exploited. The Bill does that by updating the provisions to match the current circumstances. It achieves the objectives that Members outlined on several occasions in debate.

The abilities to inspect and to obtain and share financial information cover the bases in solving the existing underlying problem and preventing its recurrence. I fear that, now that jobs are scarce and people are in difficulty, the opportunity for exploitation may rise. The Bill is, therefore, a timely piece of legislation that will move to close the existing gaps.

The Bill demonstrates that, through devolution, the Assembly is able to introduce measures that it considers appropriate for the particular circumstances of the labour market. I repeat that I do not want any employment agency to feel that it is under any cloud or threat; that is not the case. Employment agencies are in an excellent sector and do a good job. However, as in all walks of life, some people will always take advantage and will be willing to exploit, and the Bill is aimed at that tiny minority.

The Bill is also intended to raise and maintain high standards. Mr McClarty asked whether companies that legitimately go about their business would face any difficulty should they commit minor misdemeanours. My Department and agency inspectors are conscious that most employment agencies treat their workers fairly. Experience shows us that the majority of them are willing to work with us to ensure that practices are within the law. The Department's approach has always been to aim to help agencies to comply with the regulations. We are interested in using the powers only when an agency is exploiting its workers and is seriously

non-compliant. The powers, therefore, will be used only as a last resort. There is no intention of going on a witch-hunt; that is not the objective of the legislation.

Rogue agencies that take advantage of vulnerable workers for profit must be dealt with effectively. The Bill adds to the suite of measures to address that problem. It is also essential for the private recruitment sector in Northern Ireland that my Department is able to investigate and punish rogue agencies effectively. By breaking the law, such agencies can put themselves at a competitive advantage over compliant agencies. That is not a new phenomenon and exists in different walks of life.

People play by the rules, but others sometimes cut corners to seek a competitive advantage, particularly in the current labour market conditions. It is in the interests of maintaining standards and of the vast majority of law-abiding agencies that those measures exist to bear down on people who seek to exploit their position.

1.45 pm

The Industrial Court is an important body in the field of employment relations, so it is sensible and forward-thinking to ensure that any future change in relation to the processes for appointments to the court can be made within a less restrictive framework. That is a measure to give us a bit more flexibility because we currently rely on primary legislation. If we need to change anything, the current position would require a completely new Act. This measure will prevent us from having to go down that road.

The other major point to which a number of Members referred is the right to legal representation. Considering European law, it is perfectly clear that that right has to be provided, with the exception of the circumstances for voluntary arbitration. In all of those areas, we have covered most of the points that Members made.

I ask for the support of the House to agree the Second Stage of this Bill and send it to the Committee for Employment and Learning for more detailed scrutiny.

Question put and agreed to.

Resolved:

That the Second Stage of the Employment Bill [NIA 9/08] be agreed.

Local Government (Miscellaneous Provisions) Bill

Second Stage

Mr Deputy Speaker: Before calling the Minister of the Environment to move the Second Stage of the Local Government (Miscellaneous Provisions) Bill, I remind Members of their responsibilities in relation to the registration and declaration of interests as set out in Standing Order 69 and in the code of conduct and the guide to the rules relating to the conduct of members.

The Minister of the Environment (Mr S Wilson): I beg to move

That the Second Stage of the Local Government (Miscellaneous Provisions) Bill [NIA 10/08] be agreed.

As its name suggests, the Bill contains a number of miscellaneous provisions concerning local government legislation. Essentially, the provisions are for two main purposes: to enable councils to enter into long-term service contracts and to enable my Department to make some preliminary arrangements for the reorganisation of local government in the run-up to 2011.

The need for councils to have powers in respect of long-term service contracts arose because of the EC landfill directive 99/31/EC. I am sure, Mr Deputy Speaker, that you are well aware of that piece of legislation, which requires member states to reduce the amount of waste being sent to landfill. The directive sets targets for member states to meet between 2010 and 2020. It is imperative that councils meet those targets to avoid the possibility of incurring infraction proceedings.

Significant new waste facilities need to be constructed in Northern Ireland so that councils can meet the landfill targets. One of the options that is being considered involves the private sector building the necessary infrastructure and providing recycling services to councils by means of long-term contracts, for example, public-private partnerships or private finance initiative contracts. Those contract provisions need to be in place before the end of the year to ensure that the private sector has confidence in the ability of councils to enter into the long-term service contracts, to ensure that the contracts can be awarded in time for the new facilities to be built, and to ensure that the recycling services will be available to councils so that they can meet the EC landfill targets.

The contract provisions of the Bill will clarify the power of councils to enter into long-term service contracts with the private sector and therefore will remove any concerns that contractors and financiers may have had about the matter. The Bill will also enable councils to vest land for waste management purposes and will apply the contract provisions and the

power to vest land to Arc21 and the Southern Waste Management Partnership (SWAMP) 2008. Those are two of the three waste management groups that have been established by councils to oversee the procurement of the new waste infrastructure, and both have constituted as bodies corporate.

As I mentioned, the Bill also contains provisions that will enable my Department to make some preliminary arrangements in preparation for, and in advance of, the reorganisation of local government in 2011. Those provisions will enable the Department to do three things. First, to issue directions to existing councils as a means of control, so that, in the lead up to reorganisation, councils will not be able to dispose of land or enter into capital contracts above specified values, unless they have the consent of their statutory transition committees.

Secondly, the provisions enable the Department to make regulations for the establishment of statutory transition committees for new councils, including regulations for the appointment of members to the committees, the functions of the committees, and the procedures to be followed by the committees.

Thirdly, the Bill will make regulations for the introduction of severance arrangements, if they are considered necessary, for councillors who do not stand for re-election.

As regards the disposal of land and capital contracts, it makes good sense that an existing council should not dispose of land without first ensuring that the new council does not wish to retain that land. It is also sensible that the existing council should not enter into a capital contract without first ensuring that that contract suits the needs of the new council.

My Department recently carried out separate consultations in respect of severance and statutory transition committees, and officials are considering the comments that were received. Comments on the former will be helpful to me or my successor in reaching a conclusion on the introduction of severance arrangements. Comments on the latter will inform the drafting of the proposed regulations.

My successor will announce the decision on severance arrangements in due course, and, if such arrangements are to be introduced, he or she will consult with the Environment Committee regarding any proposed regulations. He or she will also consult the Environment Committee in due course on the proposed regulations for the statutory transition committees.

Mr Weir: I declare an interest as a member of North Down Borough Council, as the vice-president of the Local Government Association, as a member of North Down and Ards transition committee, and as a member of policy development panel A. At this point, I feel tempted to just sit down.

I see that the incoming Chairperson of the Environment Committee is in the Chamber but, in the absence of the current Chairperson and Deputy Chairperson, I have been volunteered, somewhat in my absence, to speak on behalf of the Committee. In order to settle the nerves of some of the Committee officials, I assure them that I will not fulfil my threat to ad lib my remarks; I will stick to the script given to me by the Committee. I see that the Minister seems to be a little disappointed by that.

On behalf of the Committee for the Environment, I thank the Minister for introducing the Local Government (Miscellaneous Provisions) Bill. The Bill, or, more accurately, the original contracts and compulsory purchase elements of it, was first introduced to the Committee in September last year. Members were advised of the need for, and the nature of, its provisions, and some time was spent on considering them in detail, particularly the issues of vesting powers and how to get best value from the Bill.

The Committee also considered the timetable, which is an important issue, because, in recognition of the urgent need for legislation, the Committee agreed that it would not seek an extension to the Bill's Committee Stage. The Committee had hoped that the Bill would have been introduced before now, but it is aware that much has happened to the Bill since it was first considered by the Committee. The Committee also knows that there has been a concerted effort to bring the Bill to the House this side of the summer recess, to give the Committee the benefit of extra time. I commend the Department for that.

The Committee is aware that the contracts and compulsory purchase elements of the Bill provide for establishing long-term public-private partnership arrangements that are necessary for, but not confined to, waste management, and will go some way towards helping Northern Ireland to meet its obligations under the European waste directive.

However, when the Committee was first advised on the detail of the Bill, key waste management stakeholders raised concerns that its provisions were insufficient for their needs. Subsequently, the Committee was relieved to learn that the forthcoming waste Bill will address those concerns. The Bill is required to engender confidence in the market and to take account of EU infraction deadlines for dealing with waste issues. Indeed, in the past, concerns were raised about the history of delays in establishing PPPs, all of which also adds importance to the legislation and the need for urgency.

At the same time that the Committee was receiving advice about the contracts and compulsory purchase elements of the Bill, it was informed about the severance and transition committee arrangements that were originally to be included in the Local Government

(Finance) Bill. In April 2009, members were advised that, because of time pressures, those elements, once consulted on, would be included in the contracts and compulsory purchase component of the newly named Local Government (Miscellaneous Provisions) Bill.

Last week, the Committee had its first briefing on the scope of the new Bill. By that stage, a fourth element had been added: a requirement for existing councils to seek approval from other councils, with which they will be in partnership under the new district council arrangements, before disposing of land or making purchases above a certain value. The Committee accepted the concept of, and the need for, that element, but it sought more information about the details.

The Committee accepts the general concepts of the Bill. However, at Committee Stage, it will seek clarification on a range of matters that are encompassed by the Bill, such as the scope and restrictions of vesting powers; the control and disposal of existing councils' contracts; the inclusion and exclusion of the waste organisations; the timescale for statutory transition; the method of establishing the statutory committees; and the setting of rates, including by whom, and when and how they will be established. The Committee also asked about the implications of the power and timing of specific clauses and about the definition of "predecessor councils". Members look forward to receiving clarification from the Department on all those matters.

On behalf of the Committee, I welcome the principles of the Bill and look forward to the Committee contributing to ensuring that a good, workable piece of primary legislation ensues.

I shall now add a few words on behalf of the DUP. It is clear to anyone who has worked in local government, particularly someone who has observed years of direct rule, that waste management was perceived by many in direct rule as something of a Cinderella service. Consequently, councils' ability to enter into contracts was placed on the back burner, even in the Department of the Environment (DOE). As a result of some of the pressures that Europe has placed on Northern Ireland, a massive catch-up has been required on waste management.

In the past, the challenges of waste management have been met as productively as possible by local government representatives, particularly those working through the three waste organisations. However, those councillors were not always given the support that they required, the end result being that the subject slipped down the agenda. An advantage of devolution is that, through the Bill, we have been able to move forward rapidly on the matter.

The powers to award waste management contracts to private companies, which, at times, were unnecessarily

circumscribed, and the vesting powers that will be given to councils are welcome steps forward. We will want to ensure that those powers are operated in a proper fashion and applied in the correct way. Nevertheless, the Bill is an undoubted major step forward in the treatment of waste management, and it is welcomed by the three waste organisations.

Two other elements of the Bill have been mentioned: transition and severance.

2.00 pm

I will discuss those elements in reverse order. I will not scatter the House by talking about severance; if I did, many Members would have to disappear because of a conflict of interest, and that would give the Chamber an interesting appearance. Severance is the issue that dare not speak its name, if I may use that phrase. The provisions of the Bill that deal with it will essentially bring forward enabling powers. That is the right way to proceed, and the Committee for the Environment can tackle that directly.

Assuming that those enabling powers lead to proposals on the enactment of severance, the merits of any severance itself, as well as the process by which it is brought forward, will need to be examined. Above all other matters, severance is one in which a lot of Members have a clear and direct financial interest. Given that, special procedures may need to be put in place.

As regards transition, we are moving slowly through the review of public administration (RPA) process. The policy development panels and the strategic leadership board did a lot of cross-party work to ensure that a high level of consensus is reached before the transition stage begins. The Bill is an additional step in that process. The work that the policy development panels and the strategic leadership board did has meant that, on a range of transition issues, particularly the enabling legislation, consensus has been reached on a number of the positions. That should smooth the transition and the movement towards the statutory transition committees.

Those of us who have served on statutory transition committees will know that they have been useful tools in helping people to get to know each other and the workings of the individual councils. However, we also know there has probably been some frustration about the fact that we have not been able to get down to the nitty-gritty of moving towards a single body. Therefore, this is an important step forward in the RPA, and the building blocks are gradually being put in place for its implementation. I welcome the proposals on the transition committees, which again, are largely enabling powers to which we will move.

Finally, I think that this is the last occasion on which the Minister will appear in the House in his capacity as the Minister of the Environment. I thank the Minister

for all his efforts, particularly those on local government reform. He can look back with pride on the legacy that this Bill and others will leave in moving the RPA process forward.

In respect of both waste management and the RPA, the point is to deliver the best to all our citizens, and we should never lose focus of that. In all its elements, the Bill will move that forward. Clearly, we will scrutinise the detail of the Bill, but it is an important and productive step forward for local government. I commend the Bill to the House.

Mr McKay: Go raibh maith agat, a LeasCheann Comhairle. I declare an interest as a member of Ballymoney Borough Council. The Local Government (Miscellaneous Provisions) Bill is an important piece of legislation that gives councils a number of new powers and will help them in their efforts to meet recycling targets. It also prepares them for the transition to the new councils in two years. The Bill will allow councils to enter into contracts and to vest land. We have some concern about the power to vest land, and it is important that safeguards accompany that particular proposal.

The Bill will also provide for severance payments to be made to councillors who resign during the council term. That will lead to the face of local government being changed radically. Allowing council members to avail themselves of a co-option will also go some way to changing the face of councils. Perhaps the Minister can inform the Assembly of how that situation now stands.

District councils face a very difficult challenge in meeting landfill directive targets. We need to ensure that they are equipped to take on and meet those targets. Ensuring that councils can enter into major contracts for recycling facilities that deal with waste is essential in moving forward. We cannot leave anything to chance or run the risk of being subject to European infraction proceedings that will hit the local ratepayer in the pocket.

Dr Farry: I am grateful to the Member for giving way. He quite rightly set out the importance of having a proper legal framework. Does he also recognise the importance of having political leadership and of politicians following through and making the decisions that are necessary to put the infrastructure in place that will allow Northern Ireland to meet its recycling and other waste targets?

Bearing that in mind, does Mr McKay believe that Belfast City Council's decision not to proceed with the energy-from-waste facility at the North Foreshore is in the interests of the ratepayers of Belfast and the taxpayers of Northern Ireland?

Mr McKay: I thank the Member for his intervention. He is right; we need to have the appropriate infrastructure in place, but we must also be mindful of the environmental impact of some of the proposals.

The establishment of statutory transition committees is necessary to ensure a smooth transition to the new council model. A significant amount of good work is being undertaken, and that will continue until the new councils are set up. That work will help to ensure that the new councils hit the ground running and have an immediate effect. Much important work is being done. I commend councillors for the work and the time that they have invested in the process. I commend the Bill to the House.

Mr Deputy Speaker: As this is the first occasion on which the Assembly will hear from Mr Kinahan, I remind the House that it is the convention that a maiden speech is heard without interruption.

Mr Kinahan: It is a honour and privilege to deliver my maiden speech, especially on local government — a subject that is close to my heart. Before I continue, it would be remiss of me not to pay tribute to my predecessor. On behalf of my party, I thank David Burnside for his many years of hard work in the South Antrim constituency as a Member of Parliament and as a Member of the Assembly. I know that Members will miss the Monday morning points of order and, especially, his quick and sharp mind as he stood for unionism and unionists at every opportunity. I know that I will struggle to match his eloquence and charisma, but I will enjoy trying to do so.

I relish the opportunity to represent all my constituents, and I will work as hard as I can to ensure that South Antrim returns an Ulster Conservatives and Unionists — New Force member to Westminster and more Ulster Unionists to the Assembly. I am particularly proud to serve in the House as the son of an Ulster Unionist who was also a member of a Northern Ireland legislature. My father was elected to the Belfast Clifton seat in 1958, and I am proud to try to emulate him. I was born in that year, and I am told that he complained often to my mother that other Members were always talking during his speeches. How little that has changed.

My home has always been in Templepatrick, apart from the time of my birth in the Royal Victoria Hospital in west Belfast. My father was proud of his cross-community support and of his family business, which was based in the Cullingtree Road and the Glen Road, as I am of mine.

I am told that it is traditional to talk about my constituency. For the benefit of those Members who do not know, Antrim, of course, is the best county in Northern Ireland. South Antrim is one of the most beautiful parts of the world and is inhabited by some of the friendliest and hardest-working members of society.

I will digress to say something that needs to be said in the shadow of the recent race attacks. I once met a backpacker who had travelled around the world three times, and he was insistent that the Northern Irish were

the friendliest people anywhere, and he said that before he knew where I came from.

Northern Ireland has its problems, but the attacks of recent weeks are not a fair reflection of our people and our society. It is incumbent on all who serve in this place to work towards eradicating all forms of hate in our society. As, I am sure all Members were, I was appalled to learn of the threat that was made against the Member for South Belfast Mrs Lo last night. We all must be clear that there is no room for racism in Northern Ireland and that the House stands with Mrs Lo. Those issues are to the forefront of my mind as I begin my service.

South Antrim is home to Belfast International Airport, Randox, Schrader Electronics Ltd, F G Wilson, Nortel, Junction One, DHL and many other successful industries and businesses, which typify the hard-working and innovative Northern Irish. It is a constituency with rural and urban communities, which stretches from the shores of Lough Neagh to close to the shores of Belfast Lough, and its green hills and valleys stretch from the edge of the Divis Mountain to the forest of Tardree. It sits on the edge of Belfast and includes the major towns and conurbations of Newtownabbey, Glengormley, Ballyclare, Antrim, Crumlin, Randalstown, and numerous charming villages.

Recent housing studies show that part of South Antrim requires some 8,000 houses. It is right at the heart of the urban/rural debate, and I do not believe that our system of government strikes a good enough balance between rural and urban concerns. Therefore, I am particularly pleased to serve on the Environment Committee, and some Members may be pleased to know that I believe in the problems that humans have caused in the world with global warming. I also believe that the world began many millions of years ago and, indeed, that it is round.

Although I do not want to spend too long talking about my constituency, it would be woeful of me not to reiterate that it is home to the premier airport in Ireland, Belfast International Airport, the gateway to Northern Ireland and Ireland. That airport must be given all the support possible to ensure that it remains the premier airport in Ireland and that the proper road, rail and bus systems, which are so vital to it, are set up to allow it to flourish.

We in South Antrim also like to champion two of our more prominent local sporting heroes, Tony McCoy and Mark Allen. South Antrim is a very special place; it is my home, and I am extremely proud to represent it.

Turning to the business at hand, after declaring my interest as a member of Antrim Borough Council and a substitute member of arc21, I broadly lend my support to the principles of the Local Government (Miscellaneous Provisions) Bill, particularly as it is another very

important stage in the very necessary reorganisation of local government. That reorganisation was initiated in 2002 by my Ulster Unionist colleague Sam Foster, and it is the first review of local government since the McCrory Report, which was initiated by another UUP Minister, Brian Faulkner, in the late 1960s.

With the RPA, we have an opportunity to make constructive changes to the way in which we govern Northern Ireland. Although my party remains opposed to the major provision of the first stage of the reorganisation, owing to its opposition of the 11-council model, it finds the Bill broadly acceptable.

I welcome clause 18 of the Bill, which gives councils the power to vest land for the purpose of the Waste and Contaminated Land (Northern Ireland) Order 1997, but we must ensure that the land values are more accurately determined than is often the case. Perhaps that issue will be raised later today when the Assembly sets the pay for those charged with such decisions.

It is particularly welcome that the powers of councils and their authority to enter into long-term contracts will be clarified. That is especially driven by the EU waste directive, and it is vital if we are to meet our landfill targets and avoid European fines. However, we must take care to ensure that the interests of the ratepayers in each council always come first and that central Government is not often put in a position where it can force contracts or decisions on councils. In South Antrim, we are struggling to manage our rates, because the Government have billed the council for £1.2 million of miscalculated rates on behalf of the Ministry of Defence. Councils must be given protection.

We must ensure that large contracts, such as those dealing with waste management, do not lock councils into technologies, the performances of companies or the failures of other councils for which they become liable. For those and other reasons, when devising contracts, councils require advice on drawing up those that are sufficiently robust to protect the council and the ratepayer from future changes.

The certification of contracts must also be made clearer, particularly on the issues of time limits and whether they should be performance based. It concerns me that a certificate remains valid even if there are inaccuracies in it, and there must be a distinction between material and immaterial inaccuracies.

Similarly, I am concerned that a contract that is entered into unlawfully could be ordered to remain valid, and yet I can see why, on some occasions, that should be so. That needs clarification, especially given that the damages that may arise could be of such magnitude that councils and councillors could never stand over them.

2.15 pm

I welcome interested parties and legal experts picking up on those points and sorting them out before the Bill's next Stage, but I am afraid that the sheer monetary scale of those contracts means that the preferred route for a complainant could be a legal battle rather than any effort to resolve the issue. We know from experience that when such financial magnitude is involved, the likely result would be long delays and stand-offs that could result in out-of-court settlements that local government cannot afford.

I welcome the guidelines and powers that are laid out in the Bill for the statutory transition committees, and I wish to make it clear that I am not a member of an existing transition committee. At present, it is evident that the different transition committees are all at different stages and different states of readiness. We must quickly get them all up to speed and ensure that they have similar methods of operation. We do not have long in which to do that. The statutory transition committees can all come into line if strong guidance is available and agreement is achieved, and if the powers in the Bill are used properly. It is essential that councils be given teeth and meaningful tasks, and that they are not left as the toothless consultees that they have become, whereby they are consulted on every matter but ignored on almost every other one.

Ministers, particularly the incoming Minister of the Environment, must concentrate urgently on what matters they will devolve, keeping the interests and needs of the public to the fore rather than concentrating on building their own empires or keeping departmental empires intact. The Minister of the Environment must continue to consult fully with parties, councils and the public on what powers will transfer from regional to local government. We need planning to be properly devolved and yet linked to some inclusion of specialists as part of the decision-making process and to the regional development plan. Local government needs to see many matters, including responsibility for minor roads, libraries, street lighting, youth and community services, grass cutting and gulley emptying, being devolved, along with the appropriate funding. That needs to happen very soon.

Decisions need to be made now, as the transition committees need to know what exactly councils will be expected to do. We must also take care to ensure that we do not create cabals in councils — cabals that do not make decisions in front of their fellow councillors and whose members are not part of the statutory transition committees. That is not clear in the legislation, yet it is vital that there be good communication from the transition committees and that all councillors are kept well informed so that there is an understanding of the decisions that are being taken.

Clause 16 gives me great cause for concern. The Department will be able to change, as it sees fit, any piece of rating or local government law by regulation. That clause must surely have been written by somebody in Brussels. Councils, but, more importantly, Members of the House, must have a say in every part of the process; the Department must not enforce it undemocratically. The Department may seek to alter the law in such a way as to allow it to decide on the setting of the district rate or to pressure councils on the matter. It may wish to change the law on who sits on councils. Could those matters not be dealt with by primary legislation that will be fully scrutinised by the House?

Clause 17 deals with severance payments to councillors. I am a councillor of just four years' standing. Despite having no intention of accepting severance pay, I will not be speaking on the matter. I welcome the plans to free up space on councils and to recognise long-serving councillors. That is entirely reasonable. We know from the electorate's anger about double-jobbing, the ill-advised Westminster expenses claims and the "keep it in the family" employment circus that all of us must not only change how we are perceived but how we do our work. The eyes of the public are on us, and the public expect changes to be made. However, we must respect the experience and knowledge of colleagues rather than lose it through our planned changes. Just as we need to ensure that those who cannot afford to enter politics can do so, so we also need to make it likely that those with experience of trade, commerce and other walks of life will be tempted into politics.

I hope that those changes will result in a broader and younger spread of councillors that includes more female representation, which will, in time, benefit this House, too. I would prefer to see the matter dealt with by primary legislation for a full level of scrutiny. As my friend the Member for Newry and Armagh Mr Kennedy pointed out last week, we have a lot of parliamentary time.

Finally, I want to raise other matters of pertinence to the future of councils and their roles that the Assembly and the transition committees should consider. As I have said, I have been a councillor for four years, and I have been appalled by some of the comments that I have heard about our role. I attended a seminar for all councillors in my borough where it was explained that the council wanted to minimise all its risks and that it intended to see that the 10 or so risks that were ongoing were reduced to zero. I ask Members to think for a minute. If people try to avoid risk, they will avoid making decisions and they will probably end up doing nothing. Any business in the real world would collapse if things were run in that way. This Civil Service-driven set of guidelines is dangerous, and it should concentrate on risk management.

A fellow councillor told me that we were there to advise and not to take decisions, and another told me that a major part of our job was to protect and employ the large number of people who worked in councils. No — our job is to provide services in the most efficient way possible for the ratepayer. Yes, we are an employer, but that is not the *raison d'être* for councils. Councillors are elected to lead and to make decisions, and attitudes of the type that I have just mentioned have no place in government.

We have 26 councils, and we may soon have 11. They all developed over time, working in different ways with different practices and agreements. They are all driven by different problems arising in different times and in different magnitudes. Now is the time to use the RPA to reorganise those councils so that they are all more efficient and start to operate in similar ways. We must look to the future and form a vision of what we want those councils to look like. I would like to see more business and commercial involvement, with councils linked intrinsically to working with them, aiding and learning from local businessmen and helping to add to the local economy, while enabling councils to benefit from their experience and to pass on those benefits to the ratepayers in the form of greater efficiencies.

Maybe we should consider having one Northern Ireland local government insurance policy that covers all councils, perhaps with one legal department advising and working for all councils, robustly taking on and challenging every legal claim made against them. That is how risk can be minimised. Risk should be tackled head on with decisiveness and strength.

Thank you, Mr Deputy Speaker, for your indulgence and for giving me the time to make my rather long maiden speech. I welcome the new powers to be given to councils, and I welcome the proper concern given to those who have served us for so long in council. I also welcome the transfer of powers to the transition committees. However, it all needs to be done now, thoroughly and carefully, or we might as well not have started going down that rather expensive, money-saving route.

I thank the Minister for his hard work, especially in South Antrim.

Mr Gallagher: We are at the stage of laying down the guidelines for taking forward the transition committees in statutory form. I want to pay tribute to the elected representatives who have been involved in the voluntary committees and the staff who have supported them.

The Bill concentrates mainly on our response to EU directives on waste. It is clear that we are enabling the development of public-private partnerships (PPP) and

if it saves the ratepayers' money, that is the right direction to go.

However, I say that in a guarded way. PPPs in Northern Ireland sounded well in theory, but, in practice, whether in health or education, some proved to be costly failures. I would like to think that Government here are learning from those failures.

I hope that there will be no more of the PPP white elephants that we have seen in some Departments. We do not want councils to build waste facilities through PPP initiatives, using private companies that, in some cases, are in direct competition so that we end up with more facilities than we need and with a few white elephants. What thought has the Department of the Environment given to that? What checks does it consider will be needed to protect ratepayers from some of the unfortunate PPP mistakes of the past?

Dr Farry: I declare an interest as a member of North Down Borough Council and of the north Down and Ards transition committee. On behalf of my party, I welcome the progress on getting the legislation to the Assembly. It is worth reflecting on the fact that we are dealing with a great deal of legislation on the last plenary sitting of the Assembly before the summer recess, after so many days spent dealing with private Members' business. It is welcome nonetheless.

Much work has to be done on the review of public administration. The House will have a major role to play in that, along with the Committee for the Environment. It is important that we meet the various timetables set for the RPA. There seems to be much shifting of goalposts at the moment. Indeed, at the minutiae of the transition committee, the sheer volume of reports being produced with different target dates is confusing to the best of us at times.

There will need to be a spirit of give and take among Members and across political parties to ensure that we meet the targets. Last week, we received the final recommendations of the Local Government Boundaries Commissioner for Northern Ireland, which have to go to the Executive, and, possibly, back to the House. I am fearful that that process will become bogged down over petty issues, such as the names of councils, particularly the name of the council in the north-west. It would be a tragedy if the process were to slip up over that point. We will see how that goes.

I welcome the broad principle of the aspect of the legislation dealing with contracts; councils need to have the ability to enter into such arrangements. In response to Tommy Gallagher, there are certain safeguards, including the three sub-regional groupings of councils that deal with waste management issues. They consider issues regarding economies of scale to ensure that the infrastructure capacity that is created is in line with the expectations of the supplies of raw

materials coming through from various ratepayers across Northern Ireland.

Therefore, we have some degree of safeguard. However, there may well be opportunities to liaise better with regions outside Northern Ireland, such as Scotland and the Republic of Ireland. We need to be mindful of that.

2.30 pm

(Mr Speaker in the Chair)

I echo the point that I made in my intervention during Daithí McKay's speech: we talk about councils' responsibility to ensure that they are able to engage properly with the private sector, and elected representatives must follow that through with proper leadership, taking tough decisions on, for example, the sites of infrastructural pieces that we have to put in place and, indeed, the principle of having some of those. When we ask people from the private sector to make investments, they need, in turn, some degree of assurance from the political system that they will not be held to ransom by Nimbyism or the "banana" syndrome — build absolutely nothing anywhere near anybody.

It is regrettable that Belfast City Council has not gone ahead with the energy-from-waste facility. Such facilities are considered mainstream waste management provisions beyond these shores and are used quite successfully in several European countries. I had hoped that Belfast City Council had taken on board the lessons of their success elsewhere.

We should not take a strong ideological point of view either way on the principle of PPPs and PFI in general. PPP has an important role in its proper place and dimension, and lessons can be learnt from bad examples in the past, not only here but elsewhere. However, we should not run away from the importance of trying to work with the private sector and use private capital to achieve public goals. PPP becomes more viable when clear indications can be made on future calculations on supply. PPPs and PFIs have fallen away when, for example, the supply assumptions have proven incorrect, such as in the example of Balmoral High School, where pupil numbers did not reach the original expectations.

It is important to give transition committees formal power to become more than the talking shops that they are at the moment. That is not to be disparaging about those committees; some good work is happening on building relationships and working through the principles of different issues that will have to be tackled in due course. There is a hunger among members to deal with some real work and plan for the future.

I want to raise a slight concern about some anomalies in the composition of the transition committees. I understand from my colleague David Ford, who

unfortunately cannot be with us today, that committees have not addressed those issues properly when they have been raised. For example, other areas are coming to Belfast city from other council areas whose interests are not taken on board by the receiving council. For example, the Cregagh area and other parts of Castlereagh are coming in, and Dunmurry is moving from Lisburn. Even in small areas, individual ratepayers' interests must be taken into account, and we cannot allow a situation where we are talking about takeovers; we need to be talking about mergers on an equal footing where all interests are fully respected.

I recognise that transition committees will need certain powers to look to the future and to make tough decisions. However, I am slightly apprehensive about the committees' ability to look back and interfere with existing programmes and policies that are under way in councils, especially given that several councils have been trying to bring long-term capital investment programmes to fruition for several years. In a situation where new proposals are introduced at the eleventh hour, there will be legitimate public concerns, and questions need to be asked. However, when democratically elected politicians have already made decisions in principle on investment for their communities, that original mandate must be of primary importance and the considerations of the transition committee must be of a more secondary nature.

Safeguards may need to be put in place to regulate how intrusive the transition committees can be in dealing with the detailed work of existing councils as opposed to dealing with the future work of planning how a new council will operate. Great sensitivities will emerge when rate striking processes are made over the next couple of years.

Aside from those points, I formally welcome the progress that has been made. On behalf of the Alliance Party, I recognise the work of the Minister of the Environment in what may be his last formal duty in the House in that role. Although my party has had major differences with his approach to climate change and on the underlying assumptions that we each make about the issue, I recognise his dedication to the workings of the Assembly. I have noticed the number of times that he has come to the Assembly and made statements, and that has been welcome.

A slightly controversial point is the fact that the Minister has had some experience of local government, which has led to his understanding of, and sensitivity towards, the wider issues that those of us who are councillors bring to the Chamber. Councillors understand the subtleties of how local government works, rather than taking a top-down approach from Stormont and being seen by councils as the enemy. That has been a plus point, although we will have to work on the wider issues connected to double-jobbing in the future.

Mr Ross: I congratulate my colleague Mr Weir on speaking on behalf of the Committee for the Environment in the absence of the Chairperson and the Deputy Chairperson. He did a very good job. I also pay tribute to the outgoing Minister of the Environment for the work in which he has been engaged for the past year. He has taken a refreshing approach, and he has generated much debate.

I congratulate the Member for South Antrim Mr Kinahan on his maiden speech in the Chamber. I am glad that I am no longer the new boy of the Assembly, and it is fair to say that, in his opening two weeks, he has made a greater contribution to the Assembly than his predecessor did in his two years here.

The Bill is fairly uncontroversial, but it is, nonetheless, a very important piece of legislation, which is required to be in place for the RPA process. Urgency is needed to pass the Bill because of the tight timescales.

As other Members said, there are a number of issues over how councils deal with waste, and the Bill also deals with the more headline-making issue of severance pay. The legislation clarifies the powers of district councils to enter into long-term contracts. We have heard that there is some uncertainty over councils' current powers to enter into contracts, whether those are PPP or PFI contracts. It is important that the legislation clarifies that and that it also gives the private sector the confidence that it needs, because, undoubtedly, some of the facilities that councils will build will use private money. It is important that the private sector has the confidence to invest that money.

The Minister outlined the responsibility of member states under the EU landfill directives. That responsibility is passed on to local councils, which must reduce the amount of waste that is sent to landfill sites or potentially face infraction charges. The legislation allows councils to vest land for waste management purposes, and the vesting of land, along with the ability to enter into long-term contracts, means that the facilities for waste management areas in local councils will, I hope, be in place by 2011.

The Bill also introduces controls on specific financial activities by the current 26 councils in the run-up to their dissolution and the formation of the new 11 councils. That is important to ensure consent among all participating councils so that the new council areas can act as a unit in their decision-making.

The proposals on severance pay are, perhaps, the most headline-grabbing aspect of the legislation. As I am one of only two of the members of the Committee for the Environment who is not involved in local government, I will be able to speak without having to declare an interest. If legal issues are to be considered on how the Committee addresses those proposals, I will probably be on a subgroup or an Ad Hoc Committee. It

may be easy for me to say, but, given the way in which the public view politicians in the current climate, the issue of severance pay for councillors will be a difficult issue to deal with, and one that has certain sensitivities.

As has been said previously, details must be worked out on all those issues, and it is important that the Committee gets a chance to do that. The legislation also contains provisions for statutory transition committees, about which I asked the Minister on Monday 29 June 2009. There are details of the guidance that the Department will issue to the new councils in order to ensure that there is proportional representation on those bodies using d'Hondt and the single transferable vote. That is also important.

In conclusion, the Bill is very much enabling legislation, and the detail will have to be worked out. During the Bill's Committee Stage, many issues will arise that the Committee must examine. Overall, however, the Bill is the right move. There will be support for it from all sides of the House, and I look forward to getting the work done.

Mr O'Dowd: Go raibh maith agat, a LeasCheann Comhairle. I apologise to you and other Members for not being present for the entire debate.

The Bill is an important step on the road to restructuring local government and councils through the RPA process. Although it does not deal directly with the number or workings of councils, the Bill sets out a number of long-term proposals and objectives that set the tone for the future direction of the RPA.

I want to concentrate my remarks on where the RPA is heading and on the role that the new councils will play in establishing a new society in the North. On 29 June 2009, the Assembly debated its need to show leadership against racism and sectarianism. The entire House endorsed that. Members from all parties supported that and spoke in favour of it, and I welcome that greatly. However, action is now needed. The Assembly must ensure that action is taken on the ground to tackle racism and sectarianism, which are the blight of society.

Sectarianism can also be tackled through the RPA. New local government structures must enshrine equality at their very core. The term "equality" must not merely be a buzzword or catchphrase or something that the Assembly will get round to sorting out some day. The structures must be equality proofed. That includes senior positions, such as chairpersons and vice-chairpersons of committees and mayors and deputy mayors of the 11 new councils. Without that proviso, there is no point heading down the road of RPA, because we will simply have 11 shiny new Craigavon Borough Councils.

At the outset, I should have declared an interest as a member of Craigavon Borough Council. Around the Chamber, there are members of several councils that exclude sections of their community from high office.

Although I have been a councillor for 11 years, I have no wish to hold high office. I do not wish to degrade the post, but I simply do not see myself in that role. However, I demand the right of my party, on behalf of the people whom it represents, to hold high office, whether that is in Craigavon Borough Council, Belfast City Council, Banbridge District Council, or Ballymena Borough Council.

If there is to be a new beginning, the rights of all sections of society must be protected, from the Assembly downwards. The RPA process in which we are involved presents an ideal opportunity to do that. Therefore, although the Assembly is debating the Local Government (Miscellaneous Provisions) Bill, which is a step towards the restructuring of local government, I ask the Minister, who is moving on, and the new Minister who will take over his post, to be mindful of the fact that without equality provisions and the protection of minority communities and all sections in a council, I am afraid that it will not be worth proceeding with the RPA.

Mr Beggs: At the outset, I declare an interest as a member of Carrickfergus Borough Council, and I acknowledge the fact that my dad is also a member of Larne Borough Council.

Carrickfergus Borough Council, Larne Borough Council and, indeed, Newtownabbey Borough Council are members of Arc21. I have no doubt that ratepayers in those areas, along with those in other areas, will benefit from the proposed additional powers that the Bill grants to Arc21. It will help them to keep down future waste management charges that might materialise. Although I am not a member of Arc21, I have no doubt that I, and others, will benefit from its work.

2.45 pm

One of the most pressing issues affecting local government is the issue of waste management and the pressure of meeting targets that have arisen from the EC landfill directive. It is a challenging target of hitting 75% of 1995 levels by 2010; 50% by 2013; and 35% by 2020. In the past, recycling rates were poor, and many precious resources were being lost to landfill sites. However, over the past few years, councils have introduced a variety of recycling methods, including brown bins, blue bins and "kerbie" boxes, and that has improved recycling rates. Those councils, along with the EHS, which is now known as the Northern Ireland Environment Agency, have invested in education to encourage recycling. However, it is widely accepted that to achieve the increasingly stringent targets, significant investment in processes such as mechanical biological treatment plants and energy-from-waste plants will be required. I remind Members that considerable EU fines will result if we fail to meet those targets.

The use of PPP or PFI contracts are options to enable local government to move forward to provide a facility and then repay the cost over time, but that must be made as attractive as possible. Therefore, I have an understanding for much that is contained in the Bill, as many aspects of it are simply to enable such a long-term contract to be entered into if it can be shown to represent best value and to give confidence to the lenders involved, and so enable competitively priced bids to be made, covering the significant capital infrastructure that will be required. We must bear that in mind.

On occasion, some people appeared to be stuck on the issue of PPPs. They say that they are against them, but we must all bear in mind the future costs to ratepayers as we go forward. We should all remain open-minded until the costs become apparent and the choices can be made. The bottom line is the cost, and the question of what is the most efficient method of going forward and dealing with waste on behalf of our ratepayers. As I have said, I am supportive of that action in principle, and it may reduce the burden on hard-pressed ratepayers, particularly at this difficult time.

The legislation gives councils the power to enter into those long-term contracts, and, given that the current councils have shelf lives of less than two years, I can understand that contractors will require confidence in the continuity of their contracts if they are to make the necessary investment, which will have payback over many decades. Therefore, there is logic in many aspects of what is being proposed. However, I wish to put down a marker that further explanation is required to account for much of the detail contained in the Bill. I will also be seeking more information around the issue of certified contracts. As other Members, including my colleague Danny Kinahan, have said, there seems to be constant special provision, and the issues of judicial reviews and audit reviews need further clarification. I look forward to dealing with that and with other issues in detail when the consultation goes forward and the issues are addressed during the Committee Stage of the Bill. No doubt, officials will give evidence to help our understanding of those matters.

I welcome the provision in the Bill to grant councils the ability to acquire or vest land to meet the requirements of the Waste and Contaminated Land (Northern Ireland) Order 1997. As I said earlier, key new infrastructure will be required to meet the EC landfill directive, and we are all aware that it can be very difficult on occasion to gain suitable sites, even for relatively small recycling sites. Therefore, there will be a limited number of suitable sites for which there will be a realistic prospect of gaining planning permission. I go back to what I said earlier: unless we can put the infrastructure in place, we will not be able to achieve our reduction in landfill, and we could be susceptible to significant fines from Europe for failing to meet those targets. Therefore,

I am supportive of giving those additional powers to local government and to composite bodies, such as Arc21, who will be required to put that infrastructure in place.

Another important aspect is the issue of future carbon costs, which has not been mentioned to date. If recycling and recovery sites are not located in the right place, it is expected that there will be significant additional transport costs as well as different tax formats or limits placed on the amount of energy that each Department may be allowed to use. It is, therefore, important that such sites are appropriately located. The provision of vesting powers must be welcomed, and the benefits that those will bring to ratepayers through sites being located in the right locations must be recognised.

As indicated, the Bill will also grant such powers to the joint waste management committee. What is good for that committee will also be good for local ratepayers, as they will ultimately have to pay for the removal, recycling and recovery of the waste from their homes. That will reduce the level of uncertainty that may exist for those who are considering building and financing the necessary infrastructure, and increase the likelihood of projects moving forward in a realistic way and to an appropriate timescale.

The legislation is largely enabling, and much of the debate will take place after the regulations are published. Why are the proposals subject to such an extensive use of negative resolution, rather than either secondary legislation or affirmative resolution? Will the Minister give greater explanation of that decision? It would have been more democratically appropriate to use affirmative resolution or secondary legislation rather than negative resolution.

The powers given to the transition committees are another key aspect of the Bill. In considering that area, it is important to place it in context. The Ulster Unionist Party favoured the use of a shadow council period to enable an efficient handover to occur. I still do not understand why that route has not been chosen. I ask that Members reflect on the four- to five-month period last year when the Executive failed to function and many of those issues were effectively paralysed due to the failure of Sinn Féin and the DUP leadership in the Executive. That time could easily have been used to put a shadow council system in place at the end of the current process. I regret that that has not been the case. Instead, we have a notion of transition committees and have been asked to nominate members from existing councils.

We do not know which members of the present voluntary committees — soon to be statutory committees — will become members of the new council. Many of those taking key decisions that will affect future councils may not be members of those transition committees. Indeed, Mr Weir earlier declared his interests as a

member of a transition committee and an MLA. The issue of double-jobbing has increased in the public's awareness. The pressure of the workload in the new councils may well be different from that which exists in the current councils. I suspect that it will become more and more difficult for anyone to be a double-jobbing or even treble-jobbing politician.

It is clear from the recent European elections, in which the DUP lost almost half its votes, that the members who were nominated to the current transition committees on the basis of the 2005 local government elections will not be the representatives of the electorate today. Therefore, the people nominated to sit on the transition committees will not be representative of public opinion. We continue to believe that directly electing new members and allowing for a shadow period are more accountable methods of dealing with the necessary transition period.

The idea of transition committees also brings into question the *raison d'être* for a change in personnel, given the limited opportunity that will exist for new councillors who are appointed over the next two years. As other Members said, transition committees will have a very powerful role. Unless councillors are members of those committees, they will not be involved in the final budgetary process. Therefore, there will be limited learning opportunities for any new councillors.

Apart from the setting of budgets, it is clear that the Bill passes authority to transition committees for existing councils' disposals and contracts. Councils will have to seek the approval of transition committees for significant investment, and that will add yet another layer to local government decision-making. Conflict may arise between existing councils and the proposed transition committees: so much for reduced bureaucracy and improved local democracy.

As Members said, it is very important that there be transparency in the proposed transitional system. It is also very important that all councillors have a high level of understanding about some of the decisions taken — some of which may be very difficult to make — or there will be a great deal of conflict between those councillors who sit on transition committees and those who do not. Therefore, huge dangers exist in the proposal.

Another major question that has yet to be answered about the legislation is what the cost will be of the transitional process and what the final cost will be of moving from 26 to 11 councils. Surely we should have received a full business case advising us of the full costs and of the savings that have been promised. What will be the payback period? We all know that costs are involved in changing an organisation, but we want to see a greater level of certainty as to where the savings are so that ratepayers can be satisfied that the process

is worthwhile. What does the never-ending use of consultants cost? They are involved continually on a range of subjects. I am sure that that cost is considerable. Surely we deserve a business case for the journey that is under way.

Will ratepayers be assured that their rates will go down as a result of the process, or are we going through all this pain only to have an increase in rates in future? To date, the financial aspect of the process has not been afforded considerable discussion or transparency, which would be helpful. There should be opportunities for savings to be made, but what are they? That will be a major marker for judging the change-management process that a succession of DUP Ministers has organised. Next week, we will have our third Minister of the Environment in two years. If, for some reason, things do not go well, which of the three will be deemed responsible? Changing personnel is a risk, as is the learning process that is involved when that happens.

As Members will have gathered, the Bill contains provisions that I can support, others that require greater explanation and some that are not the best method of providing representative, accountable local government.

I thank the Minister for his efforts in his time as Minister of the Environment. Like other Members, I have clashed with the Minister on a number of occasions, mainly on the issue of climate change. As he moves from one Department to another, I plead with him not always to ignore challenging questions that he may not like. Finance and jokes do not mix well, so I ask that, when he is asked a valid and appropriate question, the Minister at least makes some attempt to respond seriously. Nevertheless, I wish him well.

The debate stood suspended.

3.00 pm

Oral Answers to Questions

ASSEMBLY BUSINESS

Mr Speaker: Before we proceed to Question Time, I will address a few issues that were raised in the House this morning. A number of Members raised points of order at the start of today's sitting. In all but one case, I will consider them and respond appropriately in due course.

However, I wish to respond immediately to comments that were made by Ian Paisley Jnr in the House this morning. He said that he met me in my office this morning to discuss a point of order that was raised by Mr O'Loan yesterday. In that regard, Mr Paisley Jnr's remarks were certainly accurate. However, he went on to make remarks that he attributed to me. I wish to make it clear that those remarks were inaccurate. I take a very dim view of Mr Paisley Jnr's action.

Mr McCartney: Will he go to jail?

Mr Speaker: Order. Members will know that I encourage them to meet me in order to discuss matters that are raised under points of order. I rightly consider such discussions private and confidential, and expect Members to do likewise. Members will know that I operate an open-door policy and that I do not stand on ceremony. If Members want to see me when I am in the office or in the Building, they can do so. I am always willing and able to meet Members to try to resolve any issues that they feel strongly about, whether they concern my rulings or any matter of business in the House. Nevertheless, it is unwise and discourteous of a Member to recount them in the Chamber after a private meeting with me as Speaker. No matter who comes through my door, a private conversation remains private between me and a Member, regardless of the subject of that conversation.

I will respond to the other points of order that were made, particularly that which was raised by Mr O'Loan, in my own time and in my own nature. I will not allow any other Member of the House to try to put words in my mouth. I want to make that absolutely clear to the entire House, because it is all about protecting the procedures and business of the Assembly. I would like to think that a Member can come through my door and talk to me on any subject and know that the conversation between us will remain private.

Mr Attwood: On a point of order, Mr Speaker.

Mr Speaker: It is time for Question Time. I will be happy to take points of order after Question Time.

FINANCE AND PERSONNEL

Equal Pay Claim

1. **Mrs Hanna** asked the Minister of Finance and Personnel to state his plans to ensure that the Civil Service equal pay claim is resolved within three months, as supported by all parties in the Assembly debate on 1 June 2009. (AQO 3081/09)

The Minister of Finance and Personnel (Mr Dodds): As I stated during the recent debate on the equal pay claim, the scale and complexity of the issues involved mean that the Department must resolve them in a manner that is compatible with its legal obligations, is fully informed by the facts and ensures a fair and robust pay and grading structure for the future. That is why, as was explained in the debate, it is difficult to lay down a timescale within which a resolution can be achieved.

Mrs Hanna: I thank the Minister for that reply. I am glad to hear that the Department will resolve the matter in a fair manner. Does the Minister understand the sense of injustice that is felt by low-paid civil servants when they hear about salaries and bonuses for the Senior Civil Service? Is he aware of the claims that have been made in the media in the past few days by the trade unions that represent senior civil servants?

The Minister of Finance and Personnel: I hear what is said on the news about all those matters, but I fully appreciate what the Member says about the concerns that people have.

As a public representative, representing many constituents affected, I share those concerns, which is why I have instructed officials to work intensively with the Northern Ireland Public Service Alliance (NIPSA), the main trade union involved, to establish the parameters within which a negotiated settlement can take place. Ministers can then collectively — because it will have to be a collective decision — consider how the matter should be taken forward. I have made it very clear that that process will not be subject to any unnecessary delays on my part, or on the part of officials.

Members will be aware that, in setting down a particular time frame in which to resolve the issue, we are hampered if not undermined by the fact that there is not just one equal pay claim; there are thousands. Many claims have now been lodged with tribunals, so even if there were an agreement with NIPSA tomorrow, individuals would still be free to proceed with a tribunal case based on their decision and the advice that they get. We cannot control that, and neither can NIPSA or

anyone else. It is therefore impossible to say that the matter will be resolved within three months, because it is outside our control and that of the union.

Mr Shannon: The Minister, like everyone in the Chamber, will have had vast amounts of correspondence — emails, letters and phone calls — on this issue. It is a very clear issue. Yesterday, the Assembly gave unanimous support to a motion on Civil Service pay. Nonetheless, I commend the Minister for his hard work on the matter. Will the Minister give some indication of the timescale for settling the equal pay claim? That is the issue for many of us in replying to our constituents. Will the Minister also provide us with a specific timescale for the review of technical grades?

The Minister of Finance and Personnel: I am grateful to the Member. He will be aware that I secured access to £100 million, through negotiation with the Treasury and the Prime Minister, to address a range of cost pressures, including equal pay. Work has been done, and tangible results have been produced.

We are not yet clear what the overall cost of addressing the issue will be, but the Member mentioned the review of technical grades, which is a necessary and important part of ensuring that a firm foundation is laid for addressing the equal pay issue. The last thing we can afford to do is to proceed on a basis that would then be subject to further challenge or challenge by others, or would open up other issues. We need to ensure that when we address the equal pay claim, we address it in a fair, comprehensive and robust way which is not open to further challenge. That is why the review is taking place, and we have spoken to NIPSA about that.

As I have said previously, the review is expected to take around three months to complete, with the co-operation of both unions and staff. I am absolutely committed to seeing the matter resolved. Where there are legal obligations, inequalities, or back-pay issues to be addressed, then my colleagues and I are determined that they will be addressed as quickly as possible, preferably by negotiation; that is our wish and that of NIPSA. We have to do it in a firm way that will withstand any further challenge. We must do it as quickly as possible, but in a robust way that can withstand any challenge in the future.

Mr McElduff: Go raibh maith agat, a Cheann Comhairle. Is the Minister effectively saying that £100 million has not specifically been ring-fenced or earmarked to resolve this issue? Has sufficient progress been made, one year after the commitment to resolve this issue, to state definitively the number of current and former civil servants who will be entitled to compensation?

The Minister of Finance and Personnel: I am not in a position today to categorically state the precise number of civil servants, but I think that everybody is

well aware that we are talking in the range of some 7,000 to 8,000 people overall.

Access to the £100 million was secured in order to address a range of cost pressures faced by the Executive, one of which was equal pay. The Executive will, in due course, consider whether to access that facility. That will be a matter for all Ministers to examine at that time.

The devolved Administration inherited the issue from the direct rule Administration. That is why we put the issue strongly to the Treasury, and, once we get further down the line, there might be a case for returning to the Treasury. There is no doubt, however, that there has been no backtracking, renegeing on commitments or backsliding in our determination to meet those claims where there is legal justification and an obligation to do so. We are committed to doing that quickly, by negotiation if possible, because that is in everyone's best interests. As we know, in Northern Ireland, negotiations sometimes take a bit of time.

I am conscious of Mr Beggs's exhortation to the incoming Minister of Finance and Personnel, Mr Wilson, not to descend to jokes, and so on. The scope for jokes in the Department of Finance and Personnel might be less than in the Department of the Environment, so he is quite right on that point.

Salaries/Bonuses: Senior Civil Servants

2. **Mr Attwood** asked the Minister of Finance and Personnel whether he will include all senior public sector salaries in his review of the salaries and bonuses of senior civil servants. (AQO 3082/09)

The Minister of Finance and Personnel: The review of the current pay and reward arrangements for senior civil servants that I recently announced will focus on the pay and bonuses for senior civil servants in the Northern Ireland Civil Service (NICS), for which the Department of Finance and Personnel (DFP) has management responsibility. It is not a review of wider public-sector pay. However, I have instructed my officials to consider how the review of Senior Civil Service pay will affect wider senior public-sector salaries and bonuses. That is, as I said in yesterday's debate, a highly complex issue that will require careful consideration, and my officials will produce a paper setting out all the implications in detail.

Mr Attwood: I welcome the steps that the Minister has taken thus far in trying to address the matter. However, does the Minister agree that when, for example, an institution such as Queen's University receives 40% of its funds from the taxpayer, it is simply not satisfactory, in times of recession, for its chief executive and vice chancellor to say on the radio last Tuesday that it is not for him to comment on his salary, which is a matter for the remuneration committee? Does the Minister agree

that it is simply not good enough, in times of recession, for the chief executive of a publicly funded body to deny his personal responsibility for his salary level? Is there not a need for Government input on salary levels in higher education and the wider public service in the North?

The Minister of Finance and Personnel: The Member raises an important point about salaries, remuneration and rewards in the wider public sector and in bodies that are, to some extent, arm's length but still, to a great extent, publicly funded. Those are important matters of public concern.

There has been much discussion and concentration on Senior Civil Service pay, bonuses, rewards and remuneration, and such scrutiny is perfectly normal and right. When we discuss those issues, however, it is important to bear in mind that much higher salaries are being paid in the wider public service in local government, education and library boards and the Housing Executive. Not all those organisations are much larger, but some are.

The Member referred to Queen's University. The Minister for Employment and Learning might want to comment on that. People will have heard what was said about the matter and will make up their own minds. Increasingly, however, people are examining those issues intensely. It is important that we take the wider issue into account. Whereas, last year, pay increases in the Senior Civil Service were about 2.5% in relation to the base pay award, there were much greater increases at a senior level in other areas, such as education and library boards, the health and social care sector and the Northern Ireland Housing Executive.

We need to look at all the relevant issues, and, increasingly, the debate is focusing on wider issues as well as the Civil Service.

3.15 pm

Mr McLaughlin: Go raibh maith agat, a Cheann Comhairle. I listened carefully to the Minister's response and took some assurance from it. Will he assure the House that the salaries and bonuses of senior civil servants will be reviewed? That could provide the House with important information for examining public sector pay in general and addressing any anomalies that have developed. Let us have a short, sharp, focused review of Senior Civil Service salaries and apply any lessons that are learned to other parts of the public sector.

The Minister of Finance and Personnel: The Chairperson of the Committee for Finance and Personnel makes the point that we should get on with the review that has been commissioned. I am considering proposals for taking that forward. As soon as the draft terms of reference are ready, I will circulate them to my ministerial colleagues.

I hope that a full report and proposals will be available to the Minister of Finance and Personnel in the autumn; there should not be unnecessary delay on the matter. It is entirely right and proper that the review is carried out by external and independent people. The review must be wide-ranging and must include comparisons with systems of pay and reward for similar jobs in the wider public sector, the private sector and across the rest of the country. It is a complex and wide-ranging issue, so let us carry out the review as quickly, but as thoroughly, as possible.

Mr Kennedy: Presumably, the Minister accepts that the payment of large bonuses to senior civil servants is controversial and unsatisfactory, even for those who receive them. As the Minister prepares to leave office, does he have any suggestions or ideas about how the matter can be dealt with better? When does he expect his successor to be in a position to report back to the House on the issue?

The Minister of Finance and Personnel: We have outlined the way forward precisely because of the issues and concerns that have been raised. I have already indicated that I expect the report to be available in the autumn. The matter will be considered by the Minister at that time.

We are having a review to address what is a complex issue. Northern Ireland does not have an unusual arrangement. Senior civil servants in Northern Ireland are paid in the same way as those in other parts of the United Kingdom. The payment system follows the recommendations of the independent senior salary review body that advises on such matters. Nevertheless, people have expressed concerns, not least in the House, so it is right and proper to have the review. Let us await the outcome of it, and then we can consider the issue while taking account of the matters that have been raised.

Mr McQuillan: I welcome the timely and important review. Is the Minister considering including the wider public sector in the review?

The Minister of Finance and Personnel: The review will focus solely on the pay and bonuses of senior civil servants in the NICS, for which DFP has management responsibility. However, we need to consider how the review impacts on wider public sector salaries and bonuses. It is clear, from the issues that have been raised with me in today's Question Time and elsewhere, that some work is required in respect of the pay and bonuses of senior civil servants. I welcome the recognition that the issue concerns general public sector pay also. It is right that the focus should be broadened, but the first piece of work will concern senior civil servants. It is sensible to look at the implications of the review and then proceed.

Digital Communication

3. **Miss McIlveen** asked the Minister of Finance and Personnel what steps are being taken to advance greater use of digital communication by the Northern Ireland Civil Service. (AQO 3083/09)

The Minister of Finance and Personnel: In recent years, the NICS has had a policy of continuous development through the introduction of new technologies, and it has taken a number of important steps to advance the better use of digital communication services throughout the organisation. To date, those include the development of a robust and secure network infrastructure and the introduction of a resilient and standardised email service. In addition, a number of staff access the mobile BlackBerry service. Work is progressing on exploring the possibility of migrating NICS voice services to digital technology. That would deliver additional business benefits and flexibility, including the creation of a videoconferencing network that would help to achieve sustainability targets.

Facilities for next-generation videoconferencing are important. I visited one such facility recently, and I am pleased to confirm that my Department is in discussions about developing a next-generation NICS teleconferencing pilot project in Northern Ireland. Such a project would bring significant benefits. It would facilitate high-quality global videoconferencing in real time, and it has the potential to improve the way in which we work significantly. As I am sure all Members will welcome, particularly those who sit on Committees, it would reduce the need for overseas travel greatly, thereby driving down the spiralling costs of such travel. It has the potential to improve productivity by minimising staff downtime, and it could reduce the NICS's overall carbon footprint

Miss McIlveen: I thank the Minister for his response, in which he gave some detail of the creation of a videoconferencing network. Will he elaborate on how that differs from the videoconferencing that operates currently in the Civil Service, and will he outline what further benefits may be gleaned from a new network such as that?

The Minister of Finance and Personnel: Next-generation videoconferencing is a completely new and different experience. Recently, I had occasion to visit a facility in Belfast, and it is miles away from the current type of videoconferencing that all of us have, undoubtedly, experienced at some time. Next-generation videoconferencing makes people feel as though they are in the same room as people who are in America, London, Dublin or wherever. If next-generation videoconferencing can eventually cut the need to travel for meetings and so forth, it will be of significant benefit to the public service.

However, if the technology can be developed and the opportunities opened up, it could also benefit the private sector. The small and medium-sized businesses in Northern Ireland, for which travelling to events and meetings may be prohibitively expensive, could reap the benefits of such meetings without incurring the cost.

Given Northern Ireland's geographical position on the periphery of Europe, it is particularly important to pursue the development of such technology. It will help immensely as part of our suite of offerings to attract investment and grow the economy.

Dr McDonnell: Mr Speaker, I apologise for being distracted yesterday when you called me to speak. I appreciate your kindness, and I will try to ensure that it does not happen again.

I thank the Minister for his comments so far. I am a great enthusiast of the new phase of technologies. Will the Minister tell the House what he and his Department are doing to correct some of the problems in the HR Connect programme? Is he concerned that most of the Government's IT-based systems experience serious teething problems? Is there a case for forming some kind of collaborative partnership with the world-renowned Lagan Technologies in Belfast? It installs many IT programmes across the US and the UK. Is there some way in which we can avail ourselves of local talent to ensure that our IT systems work better?

The Minister of Finance and Personnel: One of the things that is always interesting about Question Time is the ability of Members to ask supplementary questions that have very little to do with the original question. The Member's supplementary question just about qualifies because it contains the name of a company that is involved in digital communication. Nevertheless, it is an important issue about which I have received a lot of communication, mostly by letter, but some of it digitally.

The point that the Member raised about teething problems was also highlighted. Despite the best efforts to iron out many of the problems before the programmes go live, there will be teething problems when they are brought into a new way of working, particularly where there are large-scale computer programmes. Human beings are also involved, so there is always the capacity for human error.

I urge any Member to whom people have come with problems with HR Connect to directly contact me or the Department. We will always endeavour to sort out those matters. I very strongly said to officials that it is important that every effort be made to ensure that those sorts of issues are dealt with quickly so that there are minimal disruptions to salaries and payments to staff in the Civil Service. If any Member has issues, I urge them to get in contact with us so that we can try to put them right.

Mr Cree: I share the Minister's enthusiasm for this matter. Will he undertake to enforce the use of plain language and to ban all jargon as an associated part of his Department's digital inclusion programme since the public, who pay for that, often do not understand what the Civil Service is talking about?

The Minister of Finance and Personnel: I agree that as much jargon as possible should be banished. However, when one deals with issues of digital technology, it requires some level of knowledge in relation to the intricacies of the subject. The matter of providing more clarity should not only apply to civil servants; perhaps all of us could take a lesson on that front, not least in the Assembly.

Health Budget

4. **Mr McNarry** asked the Minister of Finance and Personnel if he will exempt the health budget from any block grant cuts and efficiency savings before and after 2011. (AQO 3084/09)

The Minister of Finance and Personnel: As part of the 2007 Budget process, the Executive unanimously agreed that all Departments should be set a target to deliver cash-releasing efficiency savings of 3% per annum over the periods 2008-09 to 2010-11. As a result, over £1.6 billion in resources will be recycled back into departmental budgets in order to enhance the standard of public services that are provided for the people of Northern Ireland.

Individual Departments and Ministers have the flexibility to determine how efficiency savings will be delivered, but they were advised by my Department that the impact on the delivery of priority front line services should be minimised.

Mr McNarry: I am very grateful to the outgoing Minister for that response, and I take on board what he said about recycling.

Since the Northern Ireland health budget is already £300 million each year behind that of England and Wales, is the Minister minded, as a recycling exercise, to support reprioritising the Programme for Government with the health budget being given the priority that it needs to maintain parity with the rest of the United Kingdom?

The Minister of Finance and Personnel: All of us believe that the Programme for Government sets out various priorities, of which health is rightly one. That is why some 50% of the entire Budget from 2008 to 2011 is for the Department of Health, Social Services and Public Safety. Northern Ireland currently spends around 6% more per head on health and social care services than in England, with faster growth in spending on health and social care than either Wales or Scotland over the past year. That reflects some of the

priorities, given all of the other competing demands that are out there.

It should be noted that if there were a blanket exemption in relation to efficiency savings, it would result in over £340 million less in spending power for the Department of Health. Therefore, we need to be careful about that particular issue.

3.30 pm

Dr Farry: Considering the difficulties with the health budget, and bearing in mind that Northern Ireland's morbidity rate is higher than that of the rest of the United Kingdom, what steps are being taken by the Minister's Department to prepare Northern Ireland for any potential change from the Barnett formula to another form of assessment that will ensure that the needs of the health sector in Northern Ireland are properly taken into account?

The Minister of Finance and Personnel: The Member raises a much wider issue in relation to the possibility of a change in the way in which devolved Governments are funded. I am careful about engaging in any kind of speculation on that front, because, frankly, and with due respect to the Member, who makes an interesting and important point, I do not think it is wise to get into "what if" by asking what we would do in those circumstances.

The Barnett formula has flaws and faults, because it is population rather than needs based. However, the Barnett formula has served us well over the years by providing certainty of funding per head of population in Northern Ireland. There may be issues in and around the Barnett formula, but I worry when Treasury officials sound all too keen to open up the issue of the Barnett formula, because they do not do so with the interests of Northern Ireland in the form of extra allocations in mind. We must be circumspect in approaching the matter.

The issue was debated in the previous Assembly, and the decision was not to take the review route. However, we will monitor events. The Member is aware that a discussion is under way in Scotland and Wales, and we will keep those matters under review.

Mr I McCrea: Given the important role played by nurses here, does the Minister agree that it is important that efficiencies in the health budget do not adversely affect the nursing profession?

The Minister of Finance and Personnel: The Member raises an important point that has been the subject of public concern. More than a third of all staff in the Health Service are nurses. Therefore, it is important that such a large number of people is deployed to best effect. The matter is one entirely for the Health Minister. People have said that the efficiencies are not cuts and must not reduce front line services, and I expect that to be reflected in how the Minister deals with nursing posts.

ASSEMBLY BUSINESS

Mr O'Loan: On a point of order, Mr Speaker. Further to your ruling earlier in relation to a Member recounting his version of a conversation with you, do you intend to take further action? Since the Member made his comments in the Assembly, will you require him to take further action in the Assembly?

Mr Speaker: I note what the Member says. I have spoken to the Member concerned in private and the Member has apologised to me. As far as I am concerned, that is where the matter rests.

EXECUTIVE COMMITTEE BUSINESS

Local Government (Miscellaneous Provisions) Bill

Second Stage

Debate resumed on motion:

That the Second Stage of the Local Government (Miscellaneous Provisions) Bill be agreed. — [*The Minister of the Environment (Mr S Wilson).*]

Mrs D Kelly: The SDLP wishes to see strong and effective local government, firmly rooted in and representative of the community that it serves. We welcome the Bill.

In relation to other outstanding legislative requirements connected with the review of public administration, in particular, local government, will the Minister provide a timetable for when we can expect further legislation to be brought to the House? On the day before summer recess, it is disappointing that we are now, in a sense, rushing through the Bill.

The SDLP remains opposed to the 11 super-council model. As we heard in the debate, we have little confidence that it will not be a carve-up between the two main parties rather than the meaningful power sharing that people are entitled to expect.

The Bill is useful and timely, if not overdue, particularly for dealing with waste management and for meeting local government requirements on EU landfill directives. A number of measures are being introduced. However, the legislation does not go far enough, so I ask the Minister whether he intends to strengthen the role of the local government auditor. The Northern Ireland auditor's powers are limited and restricted. In order to ensure best practice, proper, open and transparent decision-making, and equality in service provision and an opportunity to apply to provide those services, the local government auditor's role must be strengthened. Powers should be available to him or her to ensure that councils comply with the legislation.

Many councils — as a member of Craigavon Borough Council, I have to declare an interest — have outstanding matters with respect to the provision of legal services. I think it was Mr Beggs or Mr Kinahan who referred to some of the other services, legal services and land disposal services, such as the person or company that provides valuations of land and is engaged to dispose of it. That has not been subject to best-value practices or competitive tendering, certainly not in the case of Craigavon. Nevertheless, many councils are determined to continue using the same processes until the review kicks in. Therefore, some guidance from the Minister would be useful.

The SDLP welcomes the Minister's intention to put the transition committees on a statutory footing. In particular, it appreciates the Minister's allocation of funds for the employment of transition managers, who will carry out a useful role. It is important that the people who are appointed in the various council areas have ratepayers' best interests at heart. At the end of the day, it is about securing the best value for the delivery of services for the people whom local government represents.

We must also be mindful of the many staff who are employed by councils, because the time that it takes to make decisions and bring forward legislation has a detrimental impact on their motivation and morale. People want to know what will happen to them. We all recognise that in the majority of cases, administration and senior management roles will be most affected by the switch to 11 councils. People want to make plans. Will there be a phased approach? Some people want to leave early. How will the number of posts that will be required at senior management and chief executive level be determined? Does the Minister have any views about those appointments that he can share with the House? Will all the posts be openly advertised, or will appointment powers be restricted to the councils in the various partnership arrangements?

My colleague Tommy Gallagher paid tribute to councillors who have served for many years, particularly those who have given their time to the voluntary transition committees. I, too, want to place on record my appreciation of their work. Nevertheless, we must be assured that equality is at the heart of the decision-making process in the statutory transition committees. All decisions must be open and transparent, and checks and balances must be in place to ensure that equality prevails.

Will the Minister give us that reassurance this afternoon? I know that the Committee, the parties and others will scrutinise the detail of the legislation.

If there are to be changes to job descriptions, it is important to ensure that we have the right people doing the right jobs at the right time. That goes back to some of the work of the statutory committee. It would be useful to have some indication of any improvements to the Local Government Staff Commission's regulatory authority, especially given that some local councils regularly undermine the commission and routinely ignore its advice. The Commission should use its directive mechanism.

Does the Minister have any intent in the near future to look at the problem of vacancy controls that we will be faced with?

As other Members said, the review of local government has been a long time coming. It is an issue that is close to the people, and there is only one opportunity to get it right. Members have questioned the cost-effectiveness

of the outworkings of the legislation, and whether the outcome will result in a better all-round delivery of services to the people.

I congratulate Mr Kinahan on his maiden speech. As a resident of south-east Antrim, I watched the winning Antrim hurley team with great interest and delight, and I wish County Antrim well in its clash with Tyrone for the Ulster title. I am sure that Mr Kinahan joins me in wishing the team well. Sportsmen and sportswomen are great ambassadors for their county and for their towns, cities, countries and parishes.

I look forward to working on the Committee with the incoming Minister, and I wish Minister Wilson success in his new role as Finance Minister.

The Minister of the Environment (Mr S Wilson): Mr Speaker, I nearly missed your call and nearly did a Dr McDonnell on the Assembly.

I thank everyone for their participation in today's debate. It feels a bit like the end of term with it being the last plenary sitting and one of the last Bills to be discussed before recess. A lot of people have gone on the beak, including, it seems, the Chairperson of the Committee for the Environment, whom I have missed on far too many occasions. When he invites me along to the Committee, he does not turn up half the time, and now he has not turned up for today's important debate about the Bill. However, I am sure that the quality of the debate has not been affected by his absence, and the new Chairperson of the Committee raised a number of important points that I will deal with.

Mr Weir, who spoke on behalf of the Committee, gave an assurance, and I welcome the fact that the Committee has decided not to seek an extension to the Committee Stage of the Bill. I made a promise at the very start of the process that I would seek to ensure that it did not have to go through the Assembly by accelerated passage, because I believed that it was important legislation. Indeed, all the legislation regarding the RPA was important enough to have received proper scrutiny in the House, then clause-by-clause scrutiny in the Committee and a final assessment by the Assembly. I appreciate that the Committee has reciprocated and has accepted the urgency. Perhaps the Chairperson will bring the Committee in over the summer to try to get some of the work done.

The intention of part 1 of the Bill is to deal with the fact that we have a huge issue with waste management in Northern Ireland, as many Members have said. That will require considerable investment. Some Members have expressed concerns about the use of public-private partnerships and PFIs, but, regardless of whether we like them, our waste management strategies will require the involvement of the private sector in one way or another. Part 1 of the Bill was designed to give the degree of confidence that is required. We are not

talking about capital contracts that are worth millions of pounds; we are talking about contracts that are worth hundreds of millions of pounds over the period that we are dealing with. Therefore, confidence in the private sector is required.

3.45 pm

Part 1 of the Bill provides the confidence in the private sector that will be required, because it will clarify what powers the councils or the waste management groups that are acting for the councils will have when they enter into contracts with the private sector. It will also enable the councils to certify those long-term contracts, which will give the contractors and their financiers a safe harbour or a protection from legal challenges — unless there is a judicial or audit review, which I will address later. The Bill also ensures that contractors will be compensated if the contracts are set aside as a result of such a review, and it should minimise the likelihood that contracts will be set aside. It is important to include safeguards, because their inclusion means that any contracts that are entered into will be robust, and I will address that in a moment. The inclusion of safeguards also empowers the courts to direct that contracts continue, even in cases in which they have been entered into unlawfully.

Some Members raised the issue of unlawful contracts. The word “unlawful” is misleading. Councils do not wilfully break the law, but, sometimes, incidental contracts can be regarded as unlawful but necessary. The Bill will provide safeguards where those issues have been raised.

Mr Weir said that there was urgency in progressing the Bill. I will remind Members why it is so urgent. As some Members have said, waste management and waste contracts are laid down by targets that have been set as part of the landfill directive. That requires that councils enter into contracts and commence the contract procedure so that the award can be made towards the end of 2010. That procedure requires the submission of the competitive dialogue, the closing date for the receipt of final tenders, the evaluation of tenders, the selection of the preferred tenderer and, finally, the award of the contract. That will have to take place towards the end of 2010. That is why it is important that we have the legislation, which underpins the security that is required for those contracts.

A number of Members also raised the issue of whether transition committees will have the ability to stop the sale of land or to prevent councils from entering into contracts without first assessing whether the councils that are joining together will need that land or whether the contract is in their best interests. Financial thresholds will be set for those assessments. That will not apply in the disposal of small pieces of land, but it will apply for significant parcels of land.

Once those financial thresholds are agreed by the Department, they will be conveyed to the transition committees.

I accept Dr Farry’s comment about instances in which a council has already made a decision on a piece of land and is well down the road in the process. I do not think that transition committees will be empowered to stop a well-developed proposal, but they will have a chance to look at proposals from councils that are starting off in the process or that are at the beginning of the process to see whether they are in a council’s best interest.

That does not necessarily mean that the transition committees will automatically block the proposals. It simply allows for a better discussion on whether that is an appropriate contract, sale or disposal of an asset or capital investment, given the wider context of the new amalgamated councils.

Members also asked about the transition committees and their role. The committees will undertake a very important role and will be key to the smooth working and movement towards the new councils, and I have made it clear from the beginning, both in response to questions from Members and at the strategic leadership board, that that will mean that the membership of the committees must reflect the composition of parties in the amalgamating councils. That is reflected in the legislation, but I want to put it on record again. If those committees are seen as gerrymandered or unrepresentative, their authority will be compromised, and given the decisions that those committees must make, it is important that their authority is not compromised in any way.

That is why d’Hondt and the single transferable vote system will be used to compose those committees. Furthermore, once the legislation is enacted and before the statutory committees come into being, committees that have not been composed in that manner will have to be re-elected. However, there may be some changes anyway, as some committee members may decide to come off the voluntary committees and not transfer to the new statutory committees

I do not really understand the d’Hondt system. It is said that when d’Hondt was first introduced during negotiations in 1998, one of the parties to the negotiations thought d’Hondt was the centre forward for Juventus. However, I am not sure whether that is true.

Apparently different methods could be used to select the members of the committees. Therefore regulations will set out the method that must be used to ensure consistency across the councils. I hope that that reassures Mrs Kelly, Mr O’Dowd, Mr Kinahan and Dr Farry who raised issues in that respect.

Some Members asked about the roles that the committees will have, and I confirm that the committees’ roles will be fairly extensive; they will develop and

manage the convergence plans for the amalgamating councils; they will also develop strategies for the estates and accommodation of the councils and, in doing so, will deal with the sale and disposal of assets and entering into capital contracts; they will also be responsible for the managements and transfer of assets and liabilities from one council to another; the development of a short-term corporate vision for the new council districts; and the trialling of initial community-planning arrangements. Furthermore, they will be responsible for the composition of the preliminary staffing structure and the appointment of the chief executive designate and senior staff in the new councils and for the preparation of the budget and the fixing the new councils' rate.

That rate will only be set for the first nine months to run from February 2011 to February 2012, with the new councils being elected in May 2011 and taking ownership of the rate from February 2012 onwards. Finally, they will also be responsible for the management of local communication with staff and ratepayers, and I hope that that deals with queries that Members raised on how the Department will ensure that decisions are communicated.

Mr McKay asked about vesting powers. Although he welcomed the vesting powers that councils will have for waste management purposes, he wanted to know what kind of safeguards will be put in place. Safeguards are already in place. When a council wishes to vest land, it must first send a vesting application to the Department. That is the first safeguard. The Department will ask whether it is necessary for the land to be vested, and once the application has been made, it must be advertised locally and served on persons or public bodies that appear to have an interest in the land. If there is a challenge to that, there is, of course, room for a public inquiry. Thus, safeguards are already in place so that people who wish to oppose the vesting can have their views heard.

I want to welcome the new Member for South Antrim, Danny Kinahan, and I welcome his maiden speech. As has been pointed out, he has already exceeded the record of the Member whom he replaced as far as contributions in the House are concerned. In fact, I think that he probably managed to do that in today's speech alone.

I do not agree with everything that Mr Kinahan said. He mentioned climate change and global warming, but I noted an inconsistency in his speech. Although he waxed eloquent about human responsibility for climate change, he also mentioned his constituency interest in Belfast International Airport and his desire to see it expand, with more carbon dioxide-spewing aircraft landing at and taking off from it. Of course, he is not alone in doing that. I suppose that there is a little inconsistency there, but he is allowed that in his maiden speech.

Mr Kennedy: Nobody noticed.

The Minister of the Environment: Nobody noticed except me.

Mr Kinahan raised a number of very important points, which I want to address. The first concerned the vesting of land, and I hope that I have given him an assurance that safeguards will be in place. However, it will sometimes be essential for land to be vested. If a capital project is being held up because of a council's inability to obtain or access the land or part of the land that is required for the project, powers must be in place to help deal with the situation. When we talked to commercial interests, they raised three concerns about the waste infrastructure. The first one was about certainty, which is one issue with which the Bill will deal. The second was about the land available, and the third was about planning. All those issues are important, which is why the vesting, along with safeguards, is required.

Like other Members, Mr Kinahan raised the important issue of councils getting locked into contracts. He asked how we ensure that ratepayers will not be disadvantaged. A number of steps must be taken before those contracts are entered into. First, the Department of Finance and Personnel must approve the business case of each of the individual waste management organisations. That business case will have to show the kind of methods that the organisation believes should be used for the waste contract exercise.

Secondly, to give some assistance to the councils, we have set up a body called the programme delivery support unit (PDSU), which gives guidance on procurement, planning and the whole issue of finance for councils. Therefore, help is available. There is also the matter of achieving best value for money in the contracts. We will also look at regulations around the certification exercise.

There will be safeguards in all those issues. However, when one enters into long-term contracts, especially when one cannot foresee changes that may occur over the period of those contracts, many of them go to judicial review and end up in court where people challenge them. We are all aware of that as we have seen it in so many other walks of life. However, all we can do at the outset is try to ensure that all the safeguards have been examined and that due consideration has been given to all the points that need to be looked at in contracts.

4.00 pm

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

Mr Kinahan and another Member raised the issue of clause 16 with its far-reaching powers to amend existing local government legislation and rating legislation by subordinate legislation. Those powers are far reaching;

however, they are necessary in the transition period, and the safeguard is that the regulations will be brought back to the Assembly and be subject to a draft affirmative procedure for subordinate legislation, which means that they cannot come into operation unless the Assembly agrees to it. It is not a case of the Department simply trying to change the rules in the way in which the Member described. It will be for the Assembly to give affirmative resolution, and that provides the safeguard that the Member sought. Mr Beggs also raised the issue of safeguards, but he is not in his place.

Mr Gallagher raised the issue of PFI contracts and public-private partnerships. I am glad that Mr Beggs has just entered the Chamber, because I did not want to talk about him in his absence. This is a rare occasion: I agree with him. *[Interruption.]* It is my last day, so I am allowed to do that. Mr Gallagher questioned whether PFI and PPP were appropriate. They will, of course, be appropriate only where the schemes are of sufficient scale. However, as Mr Beggs rightly pointed out, given the amount of investment required, we cannot ignore the fact that, in many cases, we will have to look to the private sector. In some cases, the appropriate method of delivery may be PPP schemes.

However, as I said in reply to Mr Kinahan, protections will be in place so that before that method of financing a scheme is entered into, all the necessary safeguards and evaluations of the procedures will have been gone through. Two methods would, probably, have been looked at, and one would involve private finance. It is certainly the preferred method of procurement in the three outline business cases that have been presented so far: the design, build, finance and operate contract. The other option that would represent value for money is the design, build and operate contract where the finance would have to be found from other sources. However, we must get value for money. The Department of Finance and Personnel will have an input, as will the programme delivery support unit that I referred to earlier, which will provide expertise on procurement, advice and assistance to the waste management groups.

Dr Farry talked about the safeguards in the composition of the committees. I hope that I have assured him that not only will we have one method, but that the regulations will indicate how that method — the d'Hondt method — should be applied.

Dr Farry: When I talk about safeguards for the transition committees, I mean how far they intrude into the existing work of councils rather than their composition.

My party's position is that there should be a range of methods to determine the composition of the committees. Proportionality is the key principle, but there is more than one way to achieve that. We must take account of the different compositions, settings and contexts of

different councils across Northern Ireland. One size may not fit all. The d'Hondt mechanism, although it aims at proportionality, can sometimes be a blunt instrument and have adverse effects. My party's suggestion, just to confuse the issue even further, is that councils should have a choice between the d'Hondt method, the Sainte-Laguë method and the single transferable vote.

The Minister of the Environment: I take the Member's point, but the other side of that coin is that, when such a range of flexibility is allowed, accusations can be made that the method was chosen simply to suit one group of interests.

Mr Weir: Will the Minister give way?

Mr McNarry: I thought you wanted to go home early.

Mr Weir: I will not delay him too long.

Dr Farry: The anoraks are taking over.

Mr Weir: I will speak on behalf of the anoraks' union on this side of the House. The Minister will be aware of the methodologies to determine the composition of the transition committees. The recommendation that was agreed by all parties was that there should be a range of choices, perhaps including the various methods that Mr Farry mentioned. It is vital that if, for example, the d'Hondt method were chosen, the same type of d'Hondt mechanism be operated consistently, so that the system could not be abused by a party or grouping on a council. People should have some certainty on that issue.

The Minister of the Environment: For the reason that the Member outlined, the regulations will specify the methods to be used. Although I appreciate Dr Farry's point, once that flexibility is introduced, the door is left open for accusations that it has been abused.

I also welcome Dr Farry's sterling defence of the dual mandate between this establishment and the councils. He was the only Member to do so. I did not introduce legislation to do away with the dual mandate for the very reason that he mentioned. I know that his comments may have been tongue in cheek, but there is symmetry between people's roles in the Assembly and their roles at a constituency level in local councils.

There have been siren voices from beyond the Assembly and from the press. However, as an Assembly, we should consider whether we wish to take a blanket approach to the issue of dual mandates. I am speaking only about a dual mandate between the Assembly and local councils. Sometimes, the sensitivities that are required at local council level need to be reflected in the Assembly, and there may be a case for parties and individual Members making decisions about whether they can carry out those two roles and add value to both because of the positions that they hold.

I agree with Mr Beggs's assertion that, given the significant capital infrastructure that is required, we need to look to the private sector, hence the reason for much of the legislation. He spoke about the use of negative resolution, but, in his absence, I have already pointed out that it is explicit that the powers that will be taken under clause 16 will be subject to affirmative resolution in the House. Therefore, before any changes are made to the current local government legislation for transition committees, it would require the affirmation of the Assembly. If those significant changes are to be made, it is important that they are done with the assent of the Assembly.

Mr Beggs and I have disagreed about the issue in the past, and I will not spend too much time on it. However, I must give some attention to his point about whether there should be a shadow or transition period.

We have made the decision on that matter, and there is no point fighting about it. If we were to have councils in shadow form after 2011, I am fairly sure that there would be no urgency to complete the preparation work. Hence, we took the route of transition committees.

People argue that those who will not be members of the new councils cannot make decisions that will affect the new councils. However, that scenario happens every four years in local government. I am a member of Belfast City Council where, on average, the turnover of members during my time has been between 30% and 40% at every election, because people either drop out or are not re-elected. However, those members set the rate for the incoming council; they make capital decisions for the incoming council; and, sometimes, they have even appointed key officers for the incoming council. It is not a unique situation, and the transition committees will do a similar job for the new council. As I said, the rate will be set for one year, and councils will have the option to decide whether to appoint senior officers for fixed terms only. Therefore, it is not a huge issue.

Mr Beggs also mentioned the cost of the process. As Mrs Kelly said, some costs have already been met. We supply £150,000 per annum to councils to deal with the management of the transition. Members have asked about the long-term impact on rates. Given what we are trying to achieve, larger councils should benefit from economies of scale. There should be no duplication or triplication of many current posts.

The Bill tries to ensure that waste management is dealt with on a larger scale. Given the new technologies that are required, which represent a huge capital investment, we will receive the benefits of drawing down the unit cost and, therefore, save money for ratepayers. As Members said, we are also trying to ensure through the transition committees that we do not, at least initially, engage in unnecessary capital expenditure.

That is why those restrictions exist. There is potential for savings, which, of course, will be spread over time.

Finally, I will address the points raised by Mrs Kelly, most of which I have already dealt with. However, she raised several issues about the appointment of chief executives and other officers and the issue of equality in the transition committees. The policy development panels in the strategic leadership board are conducting work on the behaviour of councillors, the way in which councils will conduct their business and the equality issue. The strategic leadership board and, thereafter, the Department will examine that matter, after which it will go out for consultation. Therefore, all those issues should be addressed.

Mrs D Kelly: I thank the Minister for that clarification. However, he may not be aware that, in some councils, elected representatives are sometimes at risk from vexatious complaints and allegations from officers. As the Minister knows, people take on the mantle of public representation as a voluntary role. We must ensure that we protect the rights of anyone whom we encourage to come forward for election as well as the rights of employees. Therefore, will the policy development panel consider a mandatory code of conduct for councillors and also the protection of elected representatives?

4.15 pm

The Minister of the Environment: The Member has raised an important point. All of the public debate so far about what will happen in the Assembly and in the councils has focused on how to ensure that any misdemeanours that are carried out by public representatives are dealt with. The Member is right that complaints can often be made in a vexatious way in the other direction. Her party will have members on policy development panel A, which will deal with that issue. I hope that such issues will be raised, because it must be a two-way process.

The Member also raised an important point about vacancy controls. As we move towards reorganisation, some people will want out. Some of them may be key personnel, and vacancies may emerge. Policy development panel C will deal with the issue of the transferring of functions and staff, and it will bring forward recommendations on that. That issue cannot be ignored. Key personnel have fled from other organisations, leaving the problem of whether to put people in place for a short time, and the problem of getting the best people. That issue sometimes hampers the ability to reorganise, and it must be addressed.

Mrs Kelly also raised the issue of the timetable for local government legislation. Two other Bills are to be introduced. The local government finance Bill has been drafted and is subject to Executive agreement. It should go out for consultation between July and October 2009 and be introduced to the Assembly in

January 2010. Some policy proposals for the local government reorganisation Bill have been included in the Local Government (Miscellaneous Provisions) Bill, and will soon be due for consultation. The local government reorganisation Bill is scheduled for introduction to the Assembly in May 2010.

I hope that I have dealt with most of the points that were raised. Mr Beggs asked for firm figures on the cost of reorganisation. The strategic outline business case will be finalised in the coming months, and that should identify the costs and benefits that will result from the reorganisation of local government. That will be brought to the Executive in due course. Mr Beggs is quite right that, in the short run, there will be costs such as redundancy. In the long run, however, economies of scale, the better use of capital, and so on, will mean that we should finish up with a leaner local government system, which should lead to better value for ratepayers.

I thank Members for their contribution to the debate. Much hard work is still to be done on the Bill, and I know that the Committee for the Environment will give it the required scrutiny at Committee Stage. Departmental officials will, as always, wish to co-operate with the Committee on that, and I thank the Committee for its assurance that it will not stand in the way of ensuring that the legislation is moved forward in time to meet the May 2011 deadline.

This is probably my last opportunity as Minister of the Environment to address the Assembly. I have not always seen eye to eye with all Members, and they have not always seen eye to eye with me. I do not know who has been out of step, but it has been an interesting and a fruitful year. I appreciate that this place is about Members scrutinising the work of the Department and the Minister, and valuable work has been done. I am sure that my successor will enjoy the job as much as I have.

Question put and agreed to.

Resolved:

That the Second Stage of the Local Government (Miscellaneous Provisions) Bill [NIA 10/08] be agreed.

EXECUTIVE COMMITTEE BUSINESS

Budget (No. 2) Bill

Final Stage

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

That the Budget (No. 2) Bill [NIA 8/08] do now pass.

As the Assembly reaches the Final Stage of the Budget (No. 2) Bill, I thank my colleague the Minister of Enterprise, Trade and Investment for introducing the Bill on 15 June 2009 and for moving its Second Stage on 16 June 2009. I also thank her for handling the lengthy Supply resolution debate on 15 June 2009 and the Second Stage debate on 16 June 2009.

I also record my thanks to the Committee for Finance and Personnel for agreeing to the accelerated passage of the Budget (No. 2) Bill. I know that the Committee and Members of the House appreciate that accelerated passage is a necessity for logistical reasons to ensure a seamless flow of cash and resources to Departments throughout the remainder of 2009-2010. I thank the Committee for that.

I am pleased at the level of interesting debate that was held on the Supply resolution and the Second Stage of the Bill. I note that, as usual, the debates were all-encompassing and that they covered many important issues. I thank all Members for their contributions.

As has been stated, the legislation is the starting point of the 2009-2010 financial accountability process. The Bill authorises Departments to spend cash and use resources up to the limit that is set by the Bill, along with the Vote on Account and the Budget Act (Northern Ireland) 2009, which was passed in March 2009. In early 2010, the Minister of Finance and Personnel will bring to the House the spring Supplementary Estimates and a further Budget Bill, which will supersede previous Budget Bills and set a final limit on the amount of cash and resources that Departments may spend and use in 2009-2010. The Assembly will then hold Departments accountable for managing and controlling cash and resources within those final limits.

The Budget (No. 2) Bill is an important step in authorising public expenditure by Northern Ireland's Departments through the Budget Bills. Therefore, I ask Members to support it.

The Chairperson of the Committee for Finance and Personnel (Mr McLaughlin): Go raibh maith agat, a LeasCheann Comhairle. I understand that today is the Minister's final day in office. I express my appreciation for his courtesy at all times and for the co-operation that he extended to the Committee in its work.

As I have stated in previous debates on the Bill, the Committee is satisfied that it has been consulted fully. The Minister has set out in precise detail why it is important that the Bill progresses before the summer recess. If it were not to progress, the consequences for departmental spending would be significant. As the Committee was consulted adequately in that context, it was content for the Bill to proceed by accelerated passage.

I draw a number of issues to the attention of the Minister and, indeed, his successor. Going forward, the Committee is keen to learn the outcome of the Department's review of the monitoring round process, which was due to be completed in March. I welcome the Minister's recent commitment that that will be considered soon. Perhaps, in the context of the past week's developments, that is all the more significant.

The Committee is anxious to engage in that process because it is also inquiring into the scrutiny of the Executive's Budget and expenditure programme. That inquiry has been delayed because of the review, so we look forward to seeing the completed document.

The Minister also stated that he will soon consider the report on his officials' review of the previous Budget process. Members should be aware that that was to have been forwarded to the Minister by last October. I am sure that the Minister will agree that he will need to approve an effective and effective process for scrutinising and agreeing future Executive Budgets as soon as possible. That includes a return to an annual Budget process.

I would be grateful if the Minister could be specific as to when this will be made available to Assembly Members and, in particular, to members of the Committee for Finance and Personnel.

In a previous debate, I highlighted the importance to this year's Budget of efficiency delivery plans. I restate that, as long ago as January, the Committee requested details on the qualitative analysis of individual efficiency delivery plans carried out by the Department of Finance and Personnel (DFP). We still have not received those. Will the Minister tell us why that analysis has not been forwarded to the Committee, and will he ensure that it is sent with some urgency?

Having outlined those outstanding issues which the Committee wishes to scrutinise, I declare my support for the motion.

Mr Shannon: While the Bill is technical in nature, it is extremely important. Not only does it give legal cover for the 2009-2010 Main Estimates, but it gives the House an important further opportunity to debate a wide range of financial issues. I concur with the last Member in congratulating the Minister of Finance and Personnel for his very diligent work during his tenure. With that office comes great responsibility and great stress. I pay tribute to the sterling work of the Minister

and his personnel. I am not sure whether it is in order, but I wish to mention in particular the work of Wallace Thompson. The officials have all done excellent work in managing the Province's finances at a time of worldwide recession and global economic downturn.

It is important to remember that we are not a sovereign Government and that we have limited fiscal powers. Some long for us to have greater fiscal powers, but their motivation must be questioned. I, for one, am very glad to be part of the United Kingdom. That constitutional position has helped us to shelter from the worst ravages of the economic storms. One has only to look at the economy in the Republic, and the transformation of the Celtic tiger into a scrawny pussycat, to see how beneficial it has been, yet again, to be an integral part of the United Kingdom.

Aa' hae tae sae Mr Specker that Aa' hae a feelin that this haes aw happent' afoar aboot muckle debates in this Hoos regerdin metters aboot mony. We heer iver an iver again, aboot tha need fer a new Budget proasess, an fer soon reasins o' giein oot mony tae this area an that. But theim that iver an iver agin caw fer this hae iver an iver agin fawed far shoart o' spellin oot whor they wud takk tha mony fae. It is aw quare an weel tae oarder an deman mare fundin, but we canny awaes roab Peter tae pay Paul. Tha quarterly takkin in tae acoont roons, whuch er aften tauked aboot bi' sum Memers, oaffer a reel guid soartin oot wae o' brinnin aboot muckle changes tae tha Budget as it noo stauns. Aa' unnerstaun that weel iver yin billyin poon o' allocated an reduced needs hae bin maed throo tha takkin intae acoont roons iver these paust twau yeer.

I must say that there is a sense of déjà vu to many of the financial debates in the House. We hear over and over again about the need for a new Budget process and for fundamental reallocations to this area or that. However, those who continually call for that consistently fail to spell out where they would take the money from. It is all very well to demand increased funding, but we cannot rob Peter to pay Paul. The quarterly monitoring rounds which are so frequently criticised by some Members offer a real, meaningful and effective way of bringing about significant changes to the Budget arrangements.

Dr Farry: The monitoring rounds only work if we actually get one.

Mr Shannon: The Member was present yesterday when this was discussed, and he heard the Minister's answer. I am sure that he is more than able to understand the Minister's words.

I understand that well over £1 billion of allocations in reduced requirements have been made through monitoring rounds over the past three years. Here again, there has to be an understanding of the issue. Departments should make full use of the monitoring

rounds to declare reduced requirements at an early stage and thus make much-needed resources available for reallocation.

It is also important to reject the myth that there is a black hole in Northern Ireland's Budget. Those who persist in that line of scaremongering are out of touch with reality. They believe that they were elected to bring about uncertainty and irrational, ungrounded fear, rather than stability and growth. It may not be such a leap to ask whether there is a black hole in the minds of some Members, rather than in the Budget. We were warned that the Chancellor's Budget in April would spell disaster, but it has not done so. There are certainly pressures, but they can and will be managed.

It is also important to acknowledge that even in the face of those pressures, much has been done to help ordinary people and local businesses, and we have seen examples of that over the past few days. Indeed, I commend the Minister of Enterprise, Trade and Investment for the £15 million grant scheme through which Invest Northern Ireland will support companies that are experiencing difficulties in the current climate. That short-term aid scheme is an excellent example of the effective targeting of limited resources, and it should be a triumph for the Assembly.

4.30 pm

I also welcome the Minister of Finance's announcement of a review of Senior Civil Service pay and bonuses; the issue was discussed during a previous Question Time, and it was also discussed in the Assembly yesterday. I acknowledge the contribution made by all grades in the Northern Ireland Civil Service over many years, especially during the years of direct rule, but, at a time when many people are struggling to find work or to put bread on the table, some people find that the high levels of bonuses for, in some cases, well-paid public-sector officials, are unacceptable.

Time does not permit me to go into further detail, because I am conscious that many issues have already been discussed and other Members wish to make a contribution. However, I stand by the Budget, not because it has been brought forward by my colleague, but because it makes sense.

I sometimes get weary of people spouting the same doom and gloom and never offering a practical alternative, other than to pretend that somehow, somewhere, the Minister is withholding an extra one or two billion pounds from us. I am sure that he wishes that he had one or two billion pounds in his hip pocket or sitting somewhere on his mantelpiece, but there is no extra money. The Minister has done an excellent job of allocation. The finer details lie with the other Ministers, and I wholeheartedly agree that the current monitoring round and Budget is the best way for us to work. Therefore, I stand by the Budget and support the motion.

Mr McNarry: In his Budget speech, Chancellor Alistair Darling said that the Budget deficit would amount to 12.4% of output in this financial year, falling to 11.9% next year. To put that into raw figures, it means that the UK's overall net debt stands at £775 billion, which is about 54.7% of annual output. That is the biggest proportion for more than 30 years. That, in part, is the economic context for the Budget. What do we find here in Northern Ireland? We are devoid of information. Did we overspend or underspend last year? The fiscal year ended in April, yet it is the last day in June and we still do not know. Are we having a redistribution of funds in the June monitoring round or are we not? We still do not know on the last day of June. Does it mean that we have already overspent in the first quarter of the new financial year? We still do not know, because we simply do not have the information. Will we meet Programme for Government targets? Can we pay for them? To whom do we address our questions these days: to our Finance Minister or to Alistair Darling?

Can we really say with certainty that the block grant cuts scheduled for 2011 onwards will not occur before 2011? Can we really say that the Chancellor can hold the line until then? If he can, why did he recently postpone his three-year spending review, and where are the figures? Where are the details of last year's Budget outcomes? Where is the June monitoring round? We hear that it is coming to us sometime, not in the ministerial statement but held over for debate until September. Yet the Finance Minister asks the Assembly to support his Budget Bill. We will not obstruct it because, as everyone knows, we are responsible people, but we have to ask what is going on in the secret society of the Finance Department, which gives out no information.

What is the full extent of project postponements? Are there cumulatively more than the 22 capital building and infrastructure projects deferred in January to the next financial year? There are five projects in the Department of Education, nine in the Department for Regional Development, four in the Department for Social Development, one in the Department of Finance and Personnel, one in the Department of Culture, Arts and Leisure and two in the Department of Agriculture, totalling £43.7 million. The 22 projects were costed into the money voted by the Assembly for last year's Budget, so where has the money gone? Has it been frozen, or is it being used elsewhere? In a sense, that deals with the postponements from the last financial year to this, but are we now accumulating, or likely to be accumulating, a growing list of more project postponements? Are we facing a disguised overspend that is being bailed out by project postponements?

Given that the DUP spends a great deal of time at Westminster, it knows that public spending cuts across the board are on the Labour agenda and that according

to many experts that cannot be stalled before the next election. When Labour inflicts early cuts or leaves behind a mess that makes such cuts unavoidable, who will pick up the pieces? Are we in a position to avoid cuts here? If not, what steps are being taken to calculate the effect that those cuts will have on us? Is our Budget strong enough to save jobs here? Only Labour has the books. We all know that cuts to public spending mean job losses in the public sector. Do we have the money? Have we a strategy to weather the further turbulence that will affect our economy in the public and private sectors? I leave that question with the House.

Finally, on a personal note, I offer my genuine best wishes to the outgoing Minister for the future. Quality of life is what one makes of it, and that is important to us all. I have enjoyed crossing swords with the Minister. It was never personal; as he said in a television interview yesterday, it was just party politics or playing politics. That is what I am here to do, and that is what he is here to do on behalf of his party. He will be missed by others and by me. I wish the Minister and his family good luck for the future. I hope that he enjoys every minute of it.

Mr O'Loan: I wish to comment on three areas: first, the construction industry and its connections with the Budget; secondly, the monitoring rounds; and thirdly, performance measurement.

I attended a meeting of the all-party group on construction at lunchtime today. A great deal of information was presented there, much of which was chilling to read. It is important that we do our best during this difficult economic time and that we talk as positively as we can about the situation; at times, however, it is necessary to have a degree of realism. Unfortunately, the message that was presented today was far from good.

The Construction Employers Federation said that at the end of May 2009, there were 12,350 construction workers claiming unemployment benefits. That is an increase of 6,770 since May 2008 and equates to a 120% rise.

We heard further evidence from their professional colleagues such as architects and surveyors; they presented information that showed that unemployment had risen in the order of 800%. To understand that, one must recognise the fact that there was virtually no unemployment in that sector before the recession started and that there is now substantial unemployment. More worryingly, they said that the level of business coming through their firms at present is very low. That is a particularly worrying indicator for developments in a year to 18 months from now. We should listen to that report with considerable concern.

The third piece of evidence is from the Quarry Products Association. It said that it is particularly

regrettable that the Chancellor and, indeed, our local Executive were not able to provide a real stimulus to public investment and the economy through the revenue route into the maintenance of our schools, hospitals, roads and, particularly, the social housing sector, in which there is a huge, historic underspend. In that case, "underspend" means a lack of adequate spend, rather than the meaning that we apply to it during discussions here. It said that demand for its products was down, year on year, by 30%.

All in all, that presents a very sad picture of the position of our construction industry. That is not the picture that I necessarily expected; I thought that the report would be more positive, particularly on the indications for the future. That leads to my second point about the inadequacy of using the monitoring rounds to address our serious situation. My party and I have argued intensively that something much more than monitoring rounds was needed to address the situation, and that a significant rewrite of the Budget was required.

The Minister said that this is his last appearance in the Chamber as Minister of Finance and Personnel. We have been dealing with a serious and conscientious Minister, and I give him due respect. However, he has not shown the flexibility and imagination necessary to deal with the very unusual situation that we face. He offered the monitoring rounds as the mechanism for dealing with our difficult situation; I do not see how anyone can seriously argue that the monitoring rounds were ever going to be enough.

It is unfortunate that, after putting his faith in the monitoring rounds, the Minister should end his tenure by failing to present the outcome of the June monitoring round to the Assembly, which should have been done before the summer recess. I hope that special measures will yet be taken to ensure that that happens. I understand that the delay was due to the necessary paper being sent to the Executive too late. That is the unfortunate note on which the Minister finishes his period at the Department of Finance and Personnel.

I spoke quite a bit about performance measurement in the debate on the Bill's Second Stage; I want to make further comment on that issue and update what I said. I said that a paper had come from the Department of Finance and Personnel, which reported, in very critical terms, on the failure of Departments to provide evidence of their delivery on public service agreements (PSA). There was much criticism of the reports that Departments were producing.

Last week, the Committee for Finance and Personnel received a report on its own Department's outputs, which the Chairperson referred to during a previous debate. We were presented with a report that, in summary, seemed most satisfactory: 16 of the Department's 23

PSA targets were achieved, five were on track for achievement and only two had lesser scores. However, on reading the fine — or not so fine — print, the Committee rapidly discovered that the targets that were described as “achieved” had not been achieved. I could go through the detail of that, but I will not. Suffice it to say that the Committee sent the report back to the Department and asked for it to be rewritten.

That report came from the Department that assesses the quality of reporting by other Departments. Despite saying that the reports of other Departments were not up to standard, DFP produced a report that could not be accepted by the Committee on the same basis. That is crucial because, as everyone agrees, the main issue is not just about spending money; it is how effectively that money is spent. The measurement and assessment of how money is spent is critical. We are at a point where the Minister can neither report on the success of his Department in delivering what it is committed to doing, nor report on his supervision of the process in other Departments.

4.45 pm

We cannot approach the passing of the Budget (No. 2) Bill, which will create the financial arrangements for the Executive for this year, with any confidence. A great deal of work remains for a future Minister to do.

Dr Farry: I will begin by paying tribute on behalf of my party to Nigel Dodds on his final day as Minister of Finance and Personnel. We have had our disagreements with him on budgets, rating and taxation issues, but it is important to recognise his commitment to the Assembly and to making devolution work. He has demonstrated that in his ministerial role, through responding quickly to circumstances that have arisen. As an example of that, I would highlight his intervention in the local government finance crisis for councils before this year’s rate-setting process. Although we may disagree about the details of that, the speediness of the intervention demonstrated the importance of devolution. That, in turn, requires Ministers who are prepared to take decisions.

I also want to recognise Simon Hamilton’s contribution as Deputy Chairperson of the Committee for Finance and Personnel. He is also stepping down, or, perhaps, stepping up, to new pastures in the Committee for Social Development. When Simon Hamilton chaired Committee meetings they ended an hour earlier than they did under the Chairperson. I am not quite sure what was going on there, but it will be interesting to see how things develop. I also congratulate Peter Weir on his promotion to Deputy Chairperson of the Committee. We look forward to working with him in future.

We have the luxury of discussing the Final Stage of the Budget (No. 2) Bill, which, in a strict sense, represents the status quo. We are endorsing decisions that were taken a long time ago and working our way through

the system. As we do that, however, we are also at the beginning of the rest of the financial process that lies before us. We must first reflect on the current difficulty of not seeing the June monitoring round statement. I do not want to point fingers as to why we have not had the June monitoring round statement, but we must simply recognise that something has gone seriously wrong in the system.

In one sense, things have been left very late in the day and have been taken close to the wire. In a broader sense, however, it is important to recognise that, although the June monitoring round may historically be the duller quarterly round, given that it occurs at the start of the financial year, there are major issues in this year’s monitoring round that require proper scrutiny. It is in this Chamber, first and foremost, that that scrutiny should take place. That scrutiny will be the poorer whatever mechanism is used to release the June monitoring round statement in the coming days, if not weeks, unfortunately.

The particular issue that I have in mind is the Chancellor’s Budget on 22 April, which included an increase in public spending in the United Kingdom of approximately £1 billion. I know that the UK Government do not like to call that another fiscal stimulus; they would like us to think of last year’s pre-Budget statement, which provided a £20 billion stimulus, as the UK’s response to the economic downturn. Nevertheless, the actions that the Chancellor took in April have produced some pump-priming effects on the economy overall.

As an Assembly, we are entitled to our share of that increased spending through Barnett consequentials. There is a major issue around how the additional resources that are now available to the Executive during this financial year, as well as some resources that will become available next financial year, will be spent.

In very simplistic terms, the Executive are facing a choice. They could take that consequential and offset it against the new demands for efficiency savings that have been made of us, setting one off against the other. That may be very tempting, but would be a very simplistic way of doing things, and may point to wasted opportunities. The alternative is to invest that money and follow the clear lessons to be learned from what the UK Government are doing. They feel the need to further invest in the economy, and to do things differently here.

I strongly defend devolution, and recognise that within it, the Executive and the Assembly have the ability to do as they see fit with that money. We are sovereign in respect of that decision. However, there are important lessons to be learned from what the UK Government are doing, particularly if one looks at the reasons why those consequentials have arisen. They have arisen through, for example, increased investment in the green economy and in social housing. Although

it is not comparing like with like to compare the situation in Northern Ireland with that in the rest of the UK, those are clearly pointers that should be encouraging us to do similar things, and, in turn, we should look to find those efficiency savings through work within our existing budgets.

I concur with the points that have been made about the limitations of monitoring rounds as a way of providing flexibility. Of course, that assumes that we get monitoring round statements in the first place. Monitoring rounds are limited to whatever moneys Departments are prepared to surrender and whatever Barnett consequentials come from the UK Government. In light of the new financial climate, those will be few and far between over the coming months and years. It is important to recognise that monitoring rounds do not delve down into the existing policies and practices of Departments to see if we should be acting differently, or whether there are existing things that may not be so desirable or important in the current context. Moneys involved in those projects could be released and invested in doing things differently.

I will put my cards on the table as a neo-Keynesian and say that I am mindful that there is a difficult judgement call to be made on public spending. In contrast to David McNarry, I do not panic if the Government go into debt. Debt management is part and parcel of government; it is part of managing a modern economy. The important question that must be borne in mind is whether that debt is sustainable in the long term.

My main issue is knowing at what stage it is wise to take the foot off the pedal in the pump-priming exercise. We are currently getting mixed indicators about how quickly the UK is coming out of the recession, if we are coming out of recession at all. We must be mindful of the latest report from the Organization for Economic Co-operation and Development (OECD): we are potentially talking about the UK economy having less than -4% of economic growth in 2009. That is a very sobering reality, and Northern Ireland will feel its share of that pain.

Jim Shannon commented on how wonderful it is to be part of a UK economy, and contrasted that with what is happening with the former Celtic tiger in the Republic of Ireland. I take no pleasure in pointing out how well we are doing in comparison with how poorly they are. There are particular reasons why the economy is suffering so much in the South of Ireland, particularly due to the housing bubble that has burst there. We have had our own housing bubble here; our economy is having difficulties; the UK economy is part of a wider economic downturn; and there are also specific issues in the UK economy that have to be tackled. I do not think that we can be in any way complacent about the wider situation.

It is important that the Assembly and the Executive take the economic downturn seriously; we have not been as effective as we could have, and the response of many Departments has been to maintain the status quo. The detail of the report by the Committee for Enterprise, Trade and Investment when it sought the comments of Departments shows that Departments were trying to adjust how they did business to the circumstances of the downturn rather than ask how they could contribute to pulling Northern Ireland out of this situation and how the Executive as a collective whole could co-ordinate action between Departments.

The silo mentality of Departments affects our ability as an institution to respond to the extreme circumstances that face us. This institution should be doing two things: first, we have a duty to try to mitigate as much as we can the effect of the downturn on Northern Ireland; secondly, we must prepare for economic recovery and take full advantage of the opportunities that will come. We must be optimistic that there will be light at the end of the tunnel.

Our interventions in Northern Ireland have leaned more towards mitigating the effects of the downturn. We have issues regarding support for businesses and we looked at the taxation system to help struggling local businesses. However, we have not done as much to rebalance and modernise our economy or take advantage of the opportunity to engage in higher spending in the short term to do things differently and to re-orientate the economy in Northern Ireland.

I was struck by the comment of Rahm Emanuel, the White House Chief of Staff, who said:

“Never let a good crisis go to waste.”

In Northern Ireland, we have let a good crisis go to waste, because we have missed opportunities to do things differently.

We have not done as much in the green economy; Northern Ireland should have wonderful opportunities in that area. We are falling behind the rest of the United Kingdom, which is falling behind the rest of Europe. We are at the back of the queue. We need to welcome the constructive comments made in the past week by the action group on the green economy, of which the CBI and the Institute of Directors were core elements. Its report is not simply the opinion of the environmental lobby; it has been endorsed by hard-headed businesspeople who point out opportunities for society in the green economy. The Executive have a duty to reflect deeply on that report.

Jim Shannon asked where we will find the money when we talk of increased spending on projects. I made a pledge to myself today that I would not mention the cost of division. However, the Alliance Party has made proposals in that area, which we sent to the Department of Finance and Personnel and to the Office of the First

Minister and deputy First Minister and which we are happy to discuss. The green task force made recommendations about where finances could be released in Northern Ireland to help matters, including encouraging savings along the lines of green bonds, if that is possible legally. There are some interesting proposals; it is not all doom and gloom with regard to where we can provide resources.

There are many challenges ahead, especially looming UK Government cuts. The period of increased spending will come to an end, and the reverse will kick in as debt is addressed. There will be difficult choices. However, we must assess all those matters and ensure that we make the right, balanced judgements in the interests of Northern Ireland.

Mr Hamilton: I will begin like other Members by acknowledging that this is the Minister of Finance and Personnel's final day. In fact, this is his penultimate act in the House, because next we have the important Lands Tribunal (Salaries) Order (Northern Ireland) 2009.

I put on record my appreciation for the service that the Minister gave not just to the Department and the Executive but to the whole of Northern Ireland in his time in office. As is evidenced by many of the topics that have been touched on in the debate, we all acknowledge that the finance portfolio is by far the toughest brief in the Northern Ireland Executive, and it is made all the more difficult by the circumstances in which we find ourselves. The Minister took over in difficult times, and he has made an exceptionally good job of trying to mitigate many of the ravages of the downturn.

5.00 pm

Dr Farry mentioned the rates assistance package, which gave some £8 million of assistance to local government in Northern Ireland. That assisted my local council greatly, and I have no doubt that it did the same elsewhere. At the last minute, the package helped greatly to keep local rates increases as low as possible.

However, that is not the only measure for which Mr Dodds's tenure will be remembered. He froze the non-domestic regional rate, which, at a very difficult time, eased the cash-flow difficulties of Northern Ireland businesses to the tune of some £8 million.

He indicated the Department's desire to bring forward legislation on small business rates relief. Multimillion pounds worth of assistance will be given directly to some of Northern Ireland's very small businesses, which, from our work on the ground, we know are suffering great difficulty. Indeed, we tailored that legislation to help post offices in particular. It is worth remembering that the Minister has provided assistance across the board. He has encouraged his Executive colleagues to ensure a record level of infrastructure investment of around £1.7 billion in the past year.

I listened intently to what Mr O'Loan said about the impact that has been felt by the construction industry in Northern Ireland. From our own experiences, we all know that our construction industry is going through exceptionally difficult times. Much of that concerns the bursting of the property bubble in Northern Ireland, which, thank goodness, has not been as big or as bad as that in the South. We acknowledge the difficult times and recognise the ill effects that the downturn has had, particularly on residential property.

However, if we are to be honest, we equally have to recognise the record level of investment that there has been on public infrastructure in Northern Ireland. We see the results of that, day in and day out, across all our constituencies. The investment has changed the physical look of our constituencies and the way in which public services are delivered there. Yesterday saw the official opening of the new Downe Hospital just outside Downpatrick. That hospital is a fine example of the major capital investment projects that we are taking forward right across Northern Ireland. Hopefully, not too many people will have to use those facilities, but, unfortunately, it is a fact of life that they will have to. People will see that the new facilities are state of the art, and they will get greater benefit from them.

Investment creates jobs right across the construction industry, from professionals such as architects and surveyors to the guys who put down the bricks and mortar. That benefits the Northern Ireland economy, and long may it continue.

Mr O'Loan talked about a lack of funding for ongoing maintenance, whether that is in roads or social housing. There is obviously an impact —

Mr F McCann: Will the Member give way?

Mr Hamilton: Unfortunately, I used the trigger words "social housing" and provoked a response from the Member.

Mr F McCann: In one of his previous Budgets, the Chancellor talked about the need to put public money into the maintenance and upkeep of social housing stock as a way of creating employment and keeping houses up to the decent homes standard.

In the context of the debate, does the Member agree that the Minister for Social Development's decision to divert money from maintenance will have a long-term detrimental impact on social housing and cost more in the long run?

Mr Hamilton: The Member will know that social housing is a subject about which I am learning rapidly, and I will receive quite a few more tutorials over the summer. He is right to make a point about maintenance. I have spoken to those in the industry and to the people whose homes that the Minister's decision has affected. The Minister has prioritised newbuild social housing,

and I understand her argument for doing so. However, she must appreciate the knock-on effect of that on the ongoing maintenance and repair of social housing. Her decision affects the small companies, which employ only one or two builders, and for which maintenance was a staple part of their work. The Minister's decision also has a negative impact on people who want to upgrade, enhance or replace their properties. I am certain that the Member and I will return to the issue in the coming weeks and months.

In extremely difficult times, the Minister of Finance and Personnel has achieved a great deal for Northern Ireland. The Assembly, the Executive and Northern Ireland will be the poorer for his departure from ministerial office. I wish him all the best in his future roles.

Mr McNarry concentrated on what his party has described as the inevitability of cuts to the block grant. He enjoyed giving a rundown of the cuts that he believes the Labour Party is likely to initiate to the Northern Ireland block grant and to public expenditure throughout the UK. I am far from being a supporter or advocate of the Labour Party, but it is unfair to level criticism at what that party will do without considering the other side of the coin, particularly given that the Conservative Party is now allied to Mr McNarry's party in Northern Ireland. Mr McNarry said that cuts are on the Labour agenda, but it is only fair to point out that cuts are also at the top of the Tory agenda.

It has been made perfectly clear in the Chamber, never mind out in the wider world, that cuts will come if and, as looks increasingly likely, when a Conservative Government led by David Cameron enters Downing Street. Recently, Andrew Lansley was famously silenced for speaking the truth when he said that although some areas of public expenditure would be ring-fenced and protected by a future Tory Administration, others would face savage cuts of 10%. During yesterday's debate on pay and bonuses for senior civil servants, Mr McNarry talked about their not being sent on gardening leave. Recently, however, Mr Lansley has been curiously silent. Perhaps he is tending to his garden more than would normally be the case.

As part of its alliance with the Conservative Party, the Ulster Unionist Party must tease out what would be the impact of that level of cuts on Northern Ireland and clarify the Conservative Party's intentions for Northern Ireland. We can surmise that the impact could be devastating. If, as has been indicated, hospitals, healthcare, schools and education are to be ring-fenced, the impact on other public services could be huge.

Northern Ireland's financial system allows the Assembly to exercise some discretion on expenditure in its own backyard. The Assembly, therefore, does not necessarily have to protect certain areas of public

expenditure. However, I imagine that if those areas were to be ring-fenced on the mainland, there would be a massive public outcry for the same to happen in Northern Ireland.

I detect little sympathy among the public or their representatives for cutting the provision of front line public services. If 75% of Northern Ireland's Budget, which is a huge amount, were to be ring-fenced for schools and hospitals, we would face not cuts of 10% but of as high as 40%. The percentage across the water is not quite as high.

That 40% in cuts would be to housing, road maintenance, road construction and agriculture. It would have a devastating impact on public service provision in Northern Ireland. There has been criticism of this Budget and of the previous one. Undoubtedly, there will also be criticism of next year's Budget because it will not go far enough or will not spend everything that everybody wants. However, if we are considering cutting key public service areas by as much as 40% in the future under a Conservative Administration that are allied to the Ulster Unionist Party, this Budget —

Mr McCallister: Will the Member give way?

Mr Hamilton: Hold on; let me make my point. This Budget, last year's Budget and next year's Budget will be looked back upon fondly by all of us as representing the halcyon days in Northern Ireland public expenditure history. I doubt that future Budgets will come to be described as halcyon. The cuts to public expenditure will be so devastating that the oft-mentioned so-called social housing fund gap will be made to look like a rounding error.

Mr McCallister: During a debate a few weeks ago, the Member, with his head in the sand, said that he did not believe that cuts were inevitable. He has now completely turned around and thinks that they are inevitable and that the debate is just about who makes the cuts and by how much.

Mr Hamilton: The issue of who makes the cuts and by how much is important and needs to be debated. In financial terms, the year beyond 2011 is not yet clear. However, this party and, I imagine, all parties in the House, with the exception of the Member's, will fight hard against cuts. I hear no other party coming forward and saying that it will cave in to cuts because they are inevitable, and the more cuts that there are, the merrier. However, that is exactly the line that the party to which the Member belongs has been taking in the House: it has stated that savage cuts are the future of public expenditure in Northern Ireland.

The Member can argue that cuts are inevitable, but the fact is that this party and others will fight very hard to ensure that that is not the case. Indeed, we have had some success on that front in recent times. It is clear

that the Member's party, and the party across the water to which it is allied, is extremely keen on cutting. In that respect, it is probably inevitable in Northern Ireland that his party will be compliant with those cuts. Therefore, if there is a loss of service or a loss of public-sector jobs in Northern Ireland in the future, it will be the UUP's responsibility. Next year, or when a general election is called, the Member and his colleagues, in their electoral alliance with the Conservative Party, will go to the people on a platform of deep, savage and extremely detrimental cuts to public service delivery in Northern Ireland.

I very much welcome and support the Budget (No. 2) Bill. I also support the aims and objectives that it seeks to match. Dr Farry mentioned that this is one of my last occasions as Deputy Chairperson of the Committee for Finance and Personnel. I have very much enjoyed my tenure. During the two years that I have been on the Committee, I have noticed that the standard of debate on financial issues in the Assembly — my most recent contribution notwithstanding — is much higher today than it was two years ago. There is always room for improvement, not least in debating financial matters in this institution, but there is a more thoughtful approach to these types of issues and less of the begging-bowl approach that we were, perhaps, used to during the first Budget Bill that we passed very soon after coming into the Assembly.

That approach has not completely disappeared. We are all prone to falling and lapsing into that problem from time to time, but there is a more thoughtful approach to financial matters in this institution. Whether or not I remain on the Committee, my interest in the subject will continue. I hope that the growing maturity among Members continues when we debate matters of such financial importance.

5.15 pm

Mr F McCann: Go raibh maith agat, a LeasCheann Comhairle agus a chairde. I also wish the Minister well in his future endeavours. We have had our battles in another chamber, but I have always found him courteous in answering any questions that I have asked in the House or in Committee.

I support the Budget (No. 2) Bill. However, in doing so, I want to raise a number of issues that are relevant to the debate. Many people find it increasingly difficult in today's society to manage their meagre budgets. They struggle to make ends meet and with the establishment of the Assembly, they expected to see benefits from us controlling our own affairs. We must ask ourselves whether conditions have been improved to the extent that life is better for the long-term unemployed, those on sickness benefit, the homeless and communities that suffer the ravages of poverty and whose lives are

plagued by antisocial elements; such people have suffered not just recently but for generations.

Some communities in the North are being torn apart because of the prevalence of drugs, with some tragic cases resulting in death. There are also major problems related to alcohol abuse, as well as serious levels of suicide, particularly among the young. I ask Ministers, when it comes to considering their budgets, to remember that there are those whose lives may depend on us making the right decisions when allocating resources.

When budget cuts are required, the first to be hit are invariably those who provide the most basic of services — the front line staff and those who work in smaller, but often crucial projects, and, by extension, the neediest in society, who rely on those services and who have had their lifelines taken away, leaving them vulnerable and isolated.

On the housing debate, I made it clear that we support the allocation of additional resources to address the serious shortfall in the housing budget. When we speak of housing, we refer to the wide range of services that make up the housing sector.

Funding for the community sector through neighbourhood renewal must be continued and increased, because it enables many groups across the North to deliver essential services. Those groups are being seriously damaged, because jobs are being discontinued and projects are being forced to run on a shoestring. A group in my constituency, which has provided excellent projects and front line support for young people over many years, is to close its doors. That follows years of arguing for its services to be mainstreamed; an argument that, sadly, fell on deaf ears in social services and the Probation Board.

The question that must again be asked is: what is the real situation in regard to Supporting People? We are told that there is an increase in this year's budget of £1 million, but the story is different on the ground. Groups describe programmes being scaled down and jobs being cut. The Minister for Social Development must make the situation absolutely clear, instead of telling us that it is the responsibility of all Departments. She must spell out what is to happen to the section of the construction sector that is engaged in Egan contracts and faces having to lay off many hundreds of employees because funding is being allocated to newbuild.

Many of our communities suffer from a lack of local crèche facilities, which impacts particularly greatly on young women who wish to work. My colleague Mickey Brady frequently speaks of the lack of such facilities in Newry and Mourne, making it the most deprived part of western Europe when it comes to registered childminders. That issue affects all areas, which is why the Minister of Finance and Personnel must ensure that additional money is allocated to front

line services and that housing is prioritised to ensure that urgent repairs and replacements are completed.

We have a responsibility for those who are less well off. The budgetary process can be influenced by monitoring rounds. The Executive must ensure that, in the present economic climate, front line providers who deliver services at the coalface of the voluntary and community sectors do not fall off the radar. Go raibh maith agat.

Mr Ross: I do not intend to speak for too long. However, I will highlight a few important issues. I do not want to break the political maturity that my colleague Mr Hamilton spoke of earlier, but some significant issues in my constituency are also of interest with regard to regional strategies for Northern Ireland.

Part of the strategy includes the road infrastructure, and it is well documented that we are getting some finance from the Irish Government for the A8. The road infrastructure in that area is important, as is the development of the port of Larne, which is the second busiest seaport in the United Kingdom. Consequently, the port is important for Northern Ireland's future not only because of the freight traffic that comes through it but because increasing numbers of tourists come through it. In this time of economic recession, when people are holidaying closer to home, port officials tell me that more people from Scotland and mainland Britain are coming through the port to travel to the north coast. Of course, the freight transport that comes through the port is important for business, too.

In the past week, the Minister of the Environment announced that the Magheramorne development will go ahead. That project will also boost tourism, and it is important that the financial assistance that is required for it is forthcoming, so that we will have the world-class mountain-biking facility, pioneering eco-village project and hotel that will boost tourism not only in my constituency, but throughout Northern Ireland.

When looking at the Budget, such matters must be considered, and I hope that the future Finance Minister will be keen to consider projects that will benefit East Antrim and Northern Ireland.

Mr McCallister: I certainly hope that the future Finance Minister will do all that he can for East Antrim and, more importantly, for South Down. I thank the Minister of Finance and Personnel for moving the Final Stage of the Budget (No. 2) Bill, and I am pleased that he is here. Like other colleagues, I wish him well in his future role, concentrating on Westminster.

Although I regret the Minister's departure, I think that he would agree that he is leaving at a difficult time. In addition, he is leaving a Department that is in some disarray. The Minister has presided over record rates arrears and collection problems, the Workplace 2010 debacle and the worst fiscal position that the Executive have ever seen. Nevertheless, the Minister has consistently

refused to recognise many of those problems and many of his and his predecessor's failures. His refusal to re-examine the Programme for Government has left us in a position that will, in all probability, result in disorganised and ill-thought-out revisions and potential cuts to public services, departmental budgets, Programme for Government targets, or even public service arrangements.

No doubt, the Minister for Finance and Personnel will protest, but what plans has he left his successor to deal with the potential £1 billion water bill or the cost of swine flu, which might triple as we move into the autumn? Furthermore, the Minister must answer questions about freezing rates in light of the continued deferral of water charges. Is that sustainable? In addition, he must answer questions about the performance of civil servants in his Department and across the Executive.

The Finance Minister has also taken to attacking my party and the Conservative Party for the realistic and honest position that they have taken on the state of public finances in the United Kingdom —

Mr Poots: The Member asked whether freezing rates and delaying the introduction of water rates is sustainable. Is he suggesting that we should unfreeze rates and go ahead with introducing water rates? Is that the new policy of the Ulster Conservatives and Unionists — New Force?

Mr McCallister: I never said that; I asked those questions in the hope that the Finance Minister would answer them later. Is the position sustainable? Over the next few years, water will potentially cost £1 billion. Is that sustainable?

The Minister and his party colleagues have taken to attacking my party and the Conservative Party for being honest with the public about the state of public finances in the United Kingdom.

Public debt has reached frightening proportions and the most recent warnings from the Organisation for Economic Co-operation and Development highlighted that the UK economy could tip back into recession if public debt remains as it is and if our banks' refusal to lend continues.

Mr Hamilton: I thank the Member for giving way. The Member and I agree that we are in very difficult times, and he said that his party has adopted an honest position on what he has called inevitable cuts. Will he go the full way and be totally honest with the people of Northern Ireland by saying where exactly in Northern Ireland those cuts, if they are inevitable, will fall?

Mr McCallister: That is exactly the type of debate that we are trying to have. However, all we heard from Mr Hamilton today was more of the same. A few weeks ago, in an earlier debate, he denied that cuts were inevitable, now he says that they are. He wants to link

himself more closely to the Labour Government by saying that they might not cut as much as the Conservatives. The Liberal Democrats say that cuts are inevitable as well.

Mr Elliott: We have heard much debate about devolution being good for Northern Ireland, and I am not saying that it is not. However, does the Member accept that at the year ending March 2004, when we did not have devolution here and came under direct rule, we had what was probably the highest ever proportion of money for the roads maintenance budget? That budget is now 29% less for the year ending March 2009 under devolution.

Mr McCallister: I thank my honourable friend for that point. He and I know the impact of that decrease on the rural constituencies that we represent. There is not always good use of public money.

Dr Farry: Will the Member give way?

Mr McCallister: Oh why not? *[Laughter.]*

Dr Farry: I am grateful to the Member for giving way. I want him to clarify whether we are now hearing from the Ulster Unionist and Conservative Party that devolution is no longer in the interests of Northern Ireland and that it wants to return to the integrationist approach of direct rule. That is the implication of what has just been said. Is that party saying that it is renouncing 10 years of support for devolution going back to the Good Friday Agreement?

Mr McCallister: I have to agree with my colleague that Dr Farry has had far too much sun and that it is going to his head. What Mr Elliott said was that we need more money for rural roads; he was commenting that our roads maintenance budget is less. There is something in the devolved system that we are not doing right; there is poor management somewhere. However, I am not sure how Dr Farry infers that we are withdrawing support for devolution.

Dr Farry: Mr Elliott said it.

Mr McCallister: Mr Elliott did not: check the Hansard report.

The OECD has warned that unless we get our public finances into shape, we will dent confidence in our economy. However, such facts have not stopped the current, and probably not the next, Minister of Finance and Personnel from attacking the Conservative Party with what are, frankly, ridiculous allegations. That is despite the fact that opinion polls show that the public has most confidence in the Conservative Party to resolve the situation. We can now only assume that the DUP wants to wed itself completely to the catastrophic policies of the Labour Government.

The people of Northern Ireland should not be treated like fools; they recognise the problems that we face and they respect an honest appraisal. However, at the

moment, they are being treated to cloak-and-dagger and reshuffle politics from the DUP.

The Members to my right talk much about being the honest party. However, at the Second Stage of the Budget (No. 2) Bill, the young Vince Cable asked me whether I had heard of Keynesian economics. I say to the Member that we have witnessed a unique form of Keynesian economics in which, instead of setting money aside in good times and spending it in bad, the Labour Government have put the nation in unprecedented debt in an attempt to get us out of recession.

That debt is in danger of keeping us in recession. That has been recognised by his colleague Vince Cable, who strongly supports a plan to reduce public debt by reducing public spending, rather than by raising taxes.

5.30 pm

The Alliance Party wants to devolve tax-varying powers to Northern Ireland. That desire highlights the ignorance of certain Members in respect of the Barnett formula and its consequential. If we were to decrease income tax by £1, we would lose that from the block grant, and, if we were to raise it, why would the Treasury continue to put that money here? Furthermore, in light of the fiscal problems that we face, tax-varying powers will only mean tax-raising powers.

Dr Farry: One of the main policy advantages that has been talked about in respect of the supposed merger between the Conservative Party and the Ulster Unionists is enterprise zones in Northern Ireland. That is the great selling point of the link-up. How on earth can we have enterprise zones in Northern Ireland without tax-varying powers?

Mr McCallister: I am grateful for the Member's point. The Alliance Party talks at length about tax-varying powers, which, in its case, means tax-raising powers. The Alliance Party will not put a tax on water, but it will tax something else. However, it has not said what it will tax. It does not believe in the rates system. Rather than asking about enterprise zones, why does Dr Farry not tell us at what and to whom he wants to direct taxes? The policy of the Ulster Conservatives and Unionists is to convert Northern Ireland into an enterprise zone and to build up and encourage a strong private sector. We are too heavily reliant on public-sector employment. That is well known, but we are not making any progress in addressing those issues.

Mr Elliott: I thank the Member for giving way, because he has done so quite often. Perhaps the Member from the Alliance Party will get his opportunity to show us how well he can balance the books when his party receives ministerial responsibility for policing and justice, for which it has long run after the Government.

Mr McCallister: That is right.

Dr Farry: Will the Member give way?

Mr McCallister: I will give way to the “Minister”.

Dr Farry: I am not taking any bait on policing and justice; that is a serious matter for another day. A challenge has been made on taxation. The Member is being inconsistent in slamming the Alliance Party for advocating tax-varying powers at the same time as his party is advocating enterprise zones and not accepting the logical conclusion of that.

Taxes on business in Northern Ireland could be lowered. For instance, the campaign for a differential rate of corporation tax would mean a loss in revenue of £300 million. Under the terms of the Azores ruling, we would have to find that £300 million from public spending. We put forward proposals for addressing the cost of division in Northern Ireland, which has the potential to be worth £1 billion a year. It will not be easy, but if we make a start in that area, it will open up opportunities for redirecting spending or for lowering taxes to attract and encourage business.

Mr Deputy Speaker: I ask Members to ensure that interventions are short and snappy.

Mr McCallister: That was a short intervention on behalf of the Alliance Party. If only everything in life were as simple as the Alliance Party. Dr Farry talks about finding £300 million as though it is 50 quid that had been shoved down the back of a sofa. However, £300 million pounds is a significant amount of money, and it will have to be added to other expenses, such as the £1 billion cost of water that I asked the Finance Minister about earlier. Furthermore, the cost of tackling swine flu could triple by the autumn; there is a reduction in capital receipts; there will be associated costs to the devolution of policing and justice, as my colleague mentioned; and the Civil Service equal pay claim has yet to be addressed. Those issues are jostling for position, but Dr Farry talks about building into that another £300 million, and claims that it should not be hard to find.

Mr Hamilton: I thank the Member for his indulgence; he has been very kind to all Members during this debate. However, I wonder whether I have detected another inconsistency in the Ulster Conservative and Unionist Party’s fiscal policy. Is that party now opposed to reducing the differential rate of corporation tax for Northern Ireland? That certainly sounds like what the Member has just said.

Mr McCallister: I was merely trying to point out to Members and to Mr Hamilton that it is time they stopped living in a fantasy land.

A few weeks ago, Mr Hamilton stated that cuts were not inevitable, but he has now said that they are. He has also said that £300 million is easy to find. I was trying to be realistic and honest with the public by admitting that these are seriously difficult issues, which must be tackled. At some point in time, the Assembly will have to have the debate on how we pay for water and swine

flu, and whether we ring-fence health spending or find the £300 million to encourage enterprise zones.

It is easy for Members to come to the Chamber and call for more money. My party is the only party to stand up and tell the public that it wants an honest debate on how we spend the money and on the state of the public finances. We are not saying that we can go on indefinitely with the current level of spending, with no cuts, no tax rises and no changes to anything. We cannot keep spending; our constituents know that that is unsustainable.

I have worried in the past about the Environment Minister’s views, particularly on climate change, and there was perhaps a concern that his views would transfer to his new position as Minister of Finance and Personnel. However, I am grateful to the First Minister for putting all of our minds at rest by telling us that Mr Wilson used to mark children’s economic papers, and is well-placed for his new job. I wish the outgoing Minister well, and I look forward to his successor’s beginning work.

Mr Weir: The Member has been quite derogatory about the new Finance Minister, and has belittled him by saying that he:

“used to mark children’s economics papers”

when in fact the Minister was the external examiner for economics in Northern Ireland. Perhaps the Member will tell the House how his economic qualifications compare to those of the Minister?

Mr McCallister: My qualifications are certainly not as high as the Minister’s. I have never marked any economics homework; I can confirm that. *[Laughter.]*

Mr Attwood: I share in the positive comments wishing the present Finance Minister well in whatever expression his future political life takes. However, I would actually go a little further than the rather stereotypical exchange of views between the Ulster Unionist Party and the DUP. I think that the Minister, in his future job at Westminster, has certain obligations to think about, as do all the Westminster MPs, in respect of future Budgets.

This morning it was revealed that two aircraft carriers, which are part of the spending commitments of the British Government, have increased in cost in the last year by £1 billion; from £3 billion to £4 billion. The question has been asked, not by party politicians but by the former Secretary-General of NATO, by Paddy Ashdown and by the former Deputy Chief of Staff of the British Army, all of whom are now out of Government and work for a think tank, as to what the point of Trident II was. By implication, what is the point of spending billions of pounds on aircraft carriers, when the strategic and military requirements of the British Government are not what they were in recent history?

As the Minister leaves office here and returns in a more full-time capacity to Westminster, I ask him what his view will be on the tight votes that may be held over the next months and years on the new generation of Trident and on those aircraft carriers that increase in price by £1 billion every year, even when defence specialists, or people who purport to be defence specialists, say that there is no military or strategic need for them.

Those are the issues that Nigel Dodds will have to address when he goes back to Westminster, as will all the Northern Ireland MPs. I hope that such votes will be held in the British Parliament sooner rather than later so that decisions can be made that will ease the burden that falls on all those in the devolved Administrations who are subject to British Government finance. That is a serious question, particularly when serious people, or people who purport to be serious, have made the recommendation that I outlined earlier.

I say that against the backdrop of what I hear when I move between the airwaves from the 'Good Morning Ireland' radio show to Radio Ulster to Radio 4. This morning, 'The Today Programme' on Radio 4 reported that much international evidence and advice now suggests that there may be a second wave of recession, known as the "double dip", and I think that Alliance Party members referred to that, too. If we do face that double dip, the stereotypical debate between the Ulster Unionist Party and the DUP about who is going to cut more, when and how quickly will become even more marginal to the debate on the strategic economic issues. In that context, the decisions about the new generation of Trident and aircraft carriers become even more crucial.

I do not intend to beat up on the Minister about what he has failed to do. I want to outline the strategic opportunities that the SDLP believes have not been grasped over the past years but which, hopefully, will be grasped in the second phase of the second mandate of devolution. Those opportunities are over and above the ones that I have already mentioned.

If the Minister were to speak to officials in Dublin, he would find that some of them are pulling their hair out over what they regard as the wasted opportunities in North/South developments; opportunities that they believe are outside the architecture of the Good Friday Agreement and that are waiting to be grasped. If the Minister were to speak privately to some of those officials, they would say that, unfortunately, those bilateral opportunities that are waiting to be grasped involve finance and personnel matters.

Obviously, I will argue that much more should be done on a North/South basis under the architecture of the Good Friday Agreement and further to the review of the North/South implementation bodies, which is ongoing and due to report in October. Without prejudice

to how the SDLP views that, officials in Dublin do not understand why opportunities around the border, especially those that involve healthcare, are not being grasped, how potential all-Ireland procurement is not being taken forward and how green issues and green energy are not been developed on an all-Ireland basis. That is not heavy political stuff. Those are immediate opportunities, even outside the architecture of the Good Friday Agreement, that officials would argue should be developed urgently. I am sure that the Minister has a view on that.

I know that people will beat up on the Celtic tiger and the state of the Southern economy, but how is it that those less-political opportunities have not been seized in the past couple of years? I ask the Minister and his successors to consider how that situation could be rectified in the next two years.

My second question is small fry compared to the new generation of Trident, and relates to the pay of public officials generally, which I raised during the debate on the Supply resolution for the 2009-2010 Main Estimates. However, if the Minister has not read the Hansard report of that debate, I want him to hear what I think should be done in the interim.

5.45 pm

The publicly funded bodies in the North, whether they receive partial or full funding, should, when it comes to their chief executive and their senior salary pay structure, have obligations to those who pay those bills. I hope that the future review of salaries is extended far and wide. In the interim, the Minister should, first of all, tell those publicly funded bodies that chief executives have a personal responsibility when it comes to whether they accept what remuneration committees recommend that they should be paid. He has a personal responsibility to say whether that is fair and proportionate to them and to other staff members and in the context of the wider community and the recession. I get a sense that some of the chief executives do not feel that any personal responsibility falls to them when it comes to their pay increases.

Secondly, there should be a line of reporting from those publicly funded bodies to the DFP Minister and his Department in respect of their proposed pay increases.

Thirdly, there should be some line of accountability and input from DFP or the funding Departments in respect of proposed salary increases. It is not acceptable that when lay senators of publicly funded bodies in the North recommend what the head of a university should be paid, there is no representative from DFP or DEL sitting on that remuneration committee. That would be a good practice. Government representatives should sit on those remunerations committees and listen to what is going on. It is clear that in some institutions in the North those remuneration committees are guided by

factors that are not reflective of the public purse or the public interest.

In his first-day brief to the incoming Minister, the outgoing Minister should establish, here and now, best practice when it comes to the bonuses and the pay of chief executives who get substantial funds from the public purse, pending whatever broader review can be undertaken. I have no doubt that someone nearby is scribbling a note that says that those bodies are legally independent. DEL appoints members to the senate of Queen's University, it has a statutory responsibility for higher education, and it has personnel who sit on some of those governing bodies. The same situation applies to many other public bodies in the North. Let us put people who reflect the public interest into those organisations and onto remuneration committees to ensure that, in the future, things are not disproportionate and, at times, even arbitrary.

The fourth issue relates to housing, and the Minister will have been expecting to hear that. I have no doubt that the outgoing DFP Minister has a political and personal commitment to social and affordable housing. One cannot come from the constituency of North Belfast and not have that commitment. I have never heard anyone in the housing sector in the North say that Nigel Dodds has little interest in housing need. However, I do hear people say that DFP officials think that there is no housing need. They think, because of the history of housing over the past 30 years, that housing need has been met and that there is not significant unmet need across the range of the housing sector. There is an issue there, but I do not think that that crosses to the Minister.

For that reason, I was disappointed and surprised that the Minister did not accede either to the recommendations that the Department for Social Development or the Committee for Social Development made in December on the reallocation of non-housing moneys in that Department's budget. However, as the Minister is aware, that was corrected dramatically in January when he agreed to the reallocation back into the housing budget of funds in the Department for Social Development that were unspent on non-housing matters. He went further in his letter to the Minister for Social Development, acknowledging that there would be a disproportionate impact on the construction industry if there were not sufficient funds for housing.

Will that be followed through in future budgetary needs? In the event that money is not spent on the Royal Exchange development, the SDLP would argue that it should be reallocated back into the housing side of the Department for Social Development's budget. Sinn Féin is now on record as stating that £100 million, if that is the sum that we are discussing, should be reallocated to the Department for Social Development's housing budget from the non-housing side; indeed, I

trust that members of that party will prevail upon their Ministers to support that approach. Given what the Minister said in January, and given his better practice then, is that the advice that he will give to his successor?

Bearing in mind the disproportionate effect of the housing downturn on the construction industry, and given the Minister's personal commitment to social housing, will his advice to his successor be that he should follow through on those warm words and big aspirations and accept what the SDLP and Sinn Féin have said, and, I trust, what the Sinn Féin Ministers will also say? Will the advice be that the greater part of the budget that was allocated to the Royal Exchange development should be redirected back to the housing side of the Department for Social Development's budget?

In that context, I ask the Minister to acknowledge a serious strategic issue that has arisen. Given the suggestion that there may be cuts of 10% or thereabouts from 2011 onwards, there is a danger that publicly funded bodies in the North will produce their future financial plans unilaterally. That was apparent in the vote of the senate at Queen's University last week. Not one word of the document that the senate endorsed relied on anything that a Government Minister said in this Chamber in the previous 10 days or on what Department for Employment and Learning officials told the Committee for Employment and Learning a week before the senate vote. The document relied on what John Denham, the London Minister who had responsibility for higher education in England, said to the higher education sector there.

I find it curious and irregular that a Government-funded body in the North decides unilaterally what it thinks will happen in 2010, 2011 and thereafter, disregarding everything that is said at a political and official level in the North. That raises the fundamental issue of political authority. The consequence is that the Minister might find that other publicly funded bodies decide this year and next that they know best when it comes to future public-spending allocations to their institution, thereby usurping the role of the Minister, the Department and the Assembly and saying that they will rely on what informed sources tell them is the gossip on the London circuit.

It would be a serious issue if other institutions followed the example of Queen's and took the view that they knew better than any politician or Minister in the North. That is a potentially serious situation that must be addressed. Perhaps it should be addressed in the way that some people have suggested. Does the Government here have any understanding, despite the political propaganda of the Tories and Labour, of what is believed deeply in the official system in London?

Simon Hamilton has just said that health and education are safeguarded when it comes to future public spending

needs. Given that a disproportionate amount of the Budget in the North is spent on that, compared with other parts of Britain, we will have ring-fenced 75% of our funding in health and education, and all the burden of future cuts will fall on the other Departments. As Simon Hamilton said, that could represent up to 40% of their budgets.

In the context of the recession, the potential for a double dip and the absence of monitoring returns on the Floor, it will be a matter of neglect if the Assembly goes into recess for 10 or 12 weeks. Given that monitoring returns and quarterly spending have become a political dogma for the DUP and Sinn Féin, the SDLP has gathered the names of all its Members to convene a special meeting of the Assembly next week. I hope that other Members will back that proposal so that what is said to be the answer to the recession in the North, when it comes to Government funding, can be properly scrutinised, and a message sent to the community that, although a recession may or may not bite deeper over the next two or three months, this place will not sleep during that time.

Mr Poots: Follow that.

Mr Weir: I hear cries of “follow that”; I will try my best to follow Mr Attwood’s wise words. As other Members have said, there is a degree of finality about this debate. However, if Mr Attwood and his colleagues get their way, we will have the stunt of an additional meeting of the Assembly. However, leaving that aside, the degree of finality stems not only from the fact that today’s debate is on the Final Stage of the Budget (No. 2) Bill, but from the fact that, as several Members have said, this is the final debate in which Simon Hamilton will be the Deputy Chairman of the Finance Committee. I see that he is welling up with tears at that prospect. However, as a member of that Committee, I pay tribute to Simon’s efforts.

Mr McNarry: Who is the new Chairman?

Mr Weir: The name escapes me.

I also pay tribute to the outgoing Finance Minister, Nigel Dodds, who has brought gravitas and conscientious work to the post. Given the eulogies that he has received, Nigel must feel that he is attending his own funeral today. However, I listened earlier to Declan O’Loan’s somewhat balanced and nuanced attitude towards the Minister. To be honest, if I was heading towards death, I am not sure that I would ask Declan to write the eulogy.

Even Mr McNarry, when he moved off his Conservative script and struck a personal note towards the end of his speech, paid a personal tribute to the outgoing Minister. His remarks to the effect of “Nigel, it was never personal” somewhat reminded me — and I have a film fan, Mr Hamilton, sitting to my right — of the latter stages of ‘The Godfather’, in which an underling who had served under the godfather was found to have

betrayed Michael Corleone. As he was being taken away to be shot, he delivered a parting line to the effect that it was nothing personal, only business. One hopes that Mr McNarry does not suffer a similar fate. Perhaps, in future debates, I will regret making that generous assessment. *[Interruption.]*

Mr S Wilson: What about finance?

Mr Weir: Few people have been deterred from mentioning a great deal about finance during today’s debate; I will not fall into that trap either.

I see that Mr Attwood is no longer in his place. We have a range of finance debates, and there is, at times, a déjà vu quality to that. Curiously enough, the issue of social housing seems to come up fairly constantly, particularly through Fra McCann or the SDLP.

At least a few novel interventions have been made in the debate. I would have struggled to have found a way in which to introduce Britain’s nuclear deterrent into the debate. The SDLP is very keen on an early devolution of policing and justice powers, and I am not sure whether that party is attempting to bring Britain’s defences into the realms of the Northern Ireland Assembly’s competence.

6.00 pm

Mr McNarry: Only if Stephen Farry gets the policing and justice job.

Mr Weir: Yes, one has heard of a nuclear option, but one did not necessarily think that that was what was envisaged.

Although Mr Attwood did not go into much detail, he suggested that a bit more “North/Southerly” would solve all our problems. As the Celtic tiger economy sinks further and further, I can understand how getting a lifeline of joint work would be attractive to a Government official in Dublin. No Member could be opposed to productive co-operation that is practically driven, but the analogy is that the Republic of Ireland is a mountaineer who has fallen off a mountain. We do not want to be tied to a rope with that mountaineer as he goes hurtling downwards. Mr Attwood’s proposals —

Mr Kennedy: What are you rambling about?

Mr Weir: Perhaps if you had listened, Mr Kennedy, you would know.

A much greater attachment to the downward-hurling beast that is the Republic of Ireland would not benefit our economy. The DUP has no problem with co-operating with the Republic of Ireland on practical measures, but the SDLP and Sinn Féin have turned down practical suggestions for help. For example, the Committee for the Environment considered the route of the North/South interconnector to help the energy market, and the SDLP and Sinn Féin have been equally guilty of opposing the proposed route. The interconnector

is an example of “North/Southerly” that can be beneficial to the people of Northern Ireland, and it has met constant levels of opposition.

Mr Kennedy: Mr Weir’s party colleague William Irwin will be aware of the importance of having a sensible route for the interconnector that does not impinge on private dwellings and, where possible and if necessary, is built underground. Mr Weir should realise that that is a very real issue for a great many people, not only in Newry and Armagh but in constituencies from which he may be quite removed.

Mr S Wilson: Is that a traditional route or a rerouting?
[Laughter]

Mr Weir: The new Minister of Finance and Personnel stole my thunder on that. I am disappointed that he is looking at rerouting.

The most sensible route should be taken. The evidence from an economic point of view suggests that a large amount of underground cabling would be massively disadvantageous financially when compared with overground cabling. I have heard the evidence, and I understand the constituency interest that Mr Kennedy and Mr Irwin will have, but, with the best will in the world, we must remember that the interconnector would be of benefit to all of Northern Ireland. We must look beyond the prism of constituency interest.

Work is to be done on the review of senior salaries, and, indeed, the issue of senior salaries must be examined more widely. However, I find it disappointing that Mr Attwood chided some of us for taking a marginal interest in whether large cutbacks would be made to public expenditure yet then seemed to be fixated on the pay of a relatively small number of chief executives. Undoubtedly, that issue is of interest to the public, but its impact on the global financial scale is somewhat limited.

A number of Members from the Conservative Party contributed to the debate. I do not say that in a derogatory tone, but I noticed something in the debate that I have noticed before. I offer one piece of advice to the scriptwriters at Conservative Campaign Headquarters: it might be vaguely helpful if the words “Ulster Unionist Party” were mentioned occasionally.

Constant references are made to Conservatives and Labour, but they seem averse to working the words “Ulster Unionists” into their speeches. Indeed, disjointed comments were made in the debate, particularly by Mr McCallister. The Conservative Party, which is supposedly the party of low taxation, talked about freezing rates and not imposing water charges. I was of the belief that the Conservative Party favoured low taxation, yet it seems keen, possibly, to impose that. Those Members asked many questions but provided few answers. Indeed, they seemed keen to pose those questions to the Minister.

Much was made of whether cuts are inevitable. I will deal with Mr McNarry’s question about whether there are likely to be cuts before the next election. It has been made clear that whatever settlement exists is in place until the election. Indeed, Lord Mandelson, the great guru of new Labour, even suggested that the comprehensive spending review period would not be brought forward before the election.

However, cuts could become inevitable if the Conservative Party colleagues of the people who are complicit with it — the Ulster Unionist Party — get into power. It is clear that it will impose cuts. That is inevitable. It will be no use reaping the benefits of association with “Call me Dave” Cameron when his party makes cutbacks; the party opposite will be completely complicit with that.

That is not just a matter of public conjecture. The Conservative Party has made it clear to the public that if it gets into power, health, education, overseas development and defence will be ring-fenced; every other area will face cuts, which, I believe, will be in the region of 10%. The Assembly deserves answers from those who have an insight into Conservative thinking on the effects of such cuts on Northern Ireland. We need honesty.

If the Conservative Party makes cuts, the Assembly must have clarification, as Mr Hamilton said, on whether they will affect health and education here. Will those areas be ring-fenced? Will Northern Ireland take a 10% cut across the board and have to shoehorn that into areas other than health and education? Will it be that only the 25% of capital that is not allocated to health and education will be cut by 10%?

Indeed, if, in the spirit of openness and transparency that Mr McCallister seemed keen to tell the Assembly about, those cuts, which they claim will be inevitable, are brought in by the next, Conservative, Government, there is a duty on the Conservatives and Ulster Unionists to bring forward information on precisely where those cuts will be made. Until the Assembly receives that information, it will be difficult to make projections for the future.

It is strange that Mr Elliott seemed to send closet messages to Traditional Unionist Voice by expressing a desire to return to direct rule. Mr McNarry referred to capital projects that have not moved forward, which total, if I am correct, about £43 million. The Assembly wants all capital projects to move as quickly as possible. However, let us set that against the context of the highest level of capital investment ever made in the history of Northern Ireland: some £1.7 billion gross, £1.4 billion net. That investment exists in the infrastructure.

There will be strategic opportunities in future. There is no doubt that there will be pressure. However, I look to our Conservative colleagues to provide answers,

instead of simply throwing questions at the Minister. Unfortunately, those have been lacking.

In the meantime, we have a Budget that is fit for purpose. It puts the economy at the top of the agenda, and it delivers. Mr Hamilton mentioned the specific case of Downe Hospital, and there is a range of such projects. Recently, in my council area, we saw the work projected for the Ulster Hospital. That will benefit people from several constituencies. We have seen direct delivery on a massive number of capital projects.

The Executive are delivering for people in Northern Ireland; the Budget is the right way forward, and I commend the Bill to the House.

The Minister of Finance and Personnel (Mr Dodds): I thank all the Members who took part in the debate, and I hope to be able to respond to some of the issues that they raised. It is commendable that so many Members are present at 6.10 pm on the last sitting day of the Assembly, on a lovely summer's evening. I see some of the usual suspects who attend finance debates; however, I thank everyone who took part in this and in all other finance debates. They have mostly shared a similar cast of characters, who make similar speeches and return to similar themes.

At Westminster, coming up to the summer recess, a game is played, which involves guessing which MP will be the first to demand a recall of Parliament during the summer to cover some crisis or other. In the Assembly, we did not even have to wait until recess before there was a demand for the recall of the Assembly. People often say that it is inevitable that when recess begins, someone calls for the return of Parliament. We have had the intimation already that the Assembly will be recalled. I am sure that every Member is thrilled by that prospect and looks forward to it.

I thank the Committee for Finance and Personnel once again for facilitating the accelerated passage of the Bill, which will enable it to receive Royal Assent by 31 July.

In the time available to me, I want to deal with a few of the issues raised, and then I will make some general comments. Mitchel McLaughlin, the Chairperson of the Committee for Finance and Personnel, raised the issue of the reviews of in-year monitoring and of the Budget process. Those will be considered during the summer by my successor, and he aims to provide the reports to the Committee before the next Assembly session. I am sure that he looks forward to spending part of his summer dealing with both that issue and the next round of monitoring respective efficiency savings, which will provide the full-year position.

Jim Shannon raised the issue of the so-called black hole in the Budget. That has been a recurrent guest at our finance debates. Less and less is heard of that. It was a major theme a few months ago, but it disappeared

completely into another black hole when it became clear that there is and was no black hole in the Budget. All the dire predictions made at that time about the terrible, devastating black hole in the Budget and the impact that it would have did not come to pass. The black hole has not been mentioned today, except by Mr Shannon, who highlighted the fact that it is not an issue.

I also want to agree with Mr Shannon's comments on the importance of the review of Senior Civil Service salaries, which may produce a better use of resources.

A number of Members raised the issue of the June monitoring round. Mr McNarry and others talked about the lack of information. However, it has been made very clear that the June monitoring position will be reviewed again at the Executive meeting on Thursday, and the position will be set out. There is no mystery about that, or about the provisional out-turn position, which will also be made clear. A comprehensive picture of the financial position for this year will be set out, and it will cover most of the issues that Mr McNarry raised.

In relation to UK fiscal policy, which was raised by the Member and others, those are questions —

6.15 pm

Mr O'Loan: Will the Minister give way?

The Minister of Finance and Personnel: No. We have had a lengthy debate, a lot of issues have been dealt with, and I want to try to respond to some of them in the time that is available.

UK fiscal policy and the Treasury's approach to that at Westminster fall outside my remit; it is a matter for colleagues at Westminster. No doubt, the Member will be able to ask questions of people who are closer to him than to us in respect of the forthcoming impact of cuts on the Northern Ireland Budget.

There was mention of capital projects being deferred, but, as Mr Weir pointed out, the fact of the matter is that last year, we spent £1.7 billion gross on capital investment, which is a greatly enhanced figure compared to the year before and compared to the year that Tom Elliott mentioned, which was 2004. He picked out one particular issue about roads maintenance, and I will come to that in a minute. However, looking at the overall picture, it is a vastly improved situation as far as capital expenditure is concerned, considering that under direct rule just a few years ago, it was less than half of that. We need to get those things into perspective.

With regard to the whole debate about Labour or Conservative cuts — or Liberal Democrat cuts for that matter, if they should ever get into power as part of a coalition, and maybe they will — those parties are all on record as saying that they will implement cuts to public expenditure. Some are more open about it, and there is a debate going on about who is more open and transparent about it. It has been made very clear, and

no one will dispute it. The Conservatives have made it clear that they are open about it and would go further and make those cuts earlier, but both of them are committed to it.

We will oppose both of them as far as the impact on Northern Ireland is concerned, for the reasons that have been set out in respect of the needs of Northern Ireland and the gaps in funding between Northern Ireland and the rest of the UK in certain critical areas, which means that protecting the Northern Ireland block grant will be a priority for us in Westminster, and, I hope, for other parties as well. I doubt that, if people are going to be linked with a party that will propose such cuts, but we will oppose them on the grounds that the Northern Ireland situation needs to be protected for all the reasons that Members regularly outline, such as health, education, and so on.

One of the arguments about the Barnett formula is that although it has served us well over the years, it is based on population and does not take need into account. Therefore, there is an issue there for Members who are asking about the position of the Northern Ireland Executive. They talk about honesty, transparency and openness, but there are swingeing cuts coming down the line to the whole Whitehall apparatus, including all Departments, the Northern Ireland block grant and the Northern Ireland Office. The people who raise those issues also need to address that.

Mr Beggs: Will the Minister give way?

The Minister of Finance and Personnel: As I said previously, I want to try to address the issues that have been raised. Many of the points are not new. I read the Second Stage of the Budget (No. 2) Bill in the Official Report, and a lot of the issues that have been raised today were raised then. I do not blame anyone for that, because people are being consistent. However, they are similar issues, and there is nothing particularly new in some of the themes that have been raised.

In respect of Mr O'Loan's comments in relation to the construction industry, I have referred to the increase in expenditure in the capital budget. However much one wishes to disguise the fact, the Executive have done an enormous amount in that regard across all Departments. The massive increase in capital expenditure is not only delivering a better infrastructure for the people of Northern Ireland and the needs of Northern Ireland going forward but helping the construction industry through the very difficult economic downturn.

Over and over again, Mr O'Loan and other Members raised the issue of the Budget process and in-year monitoring. If we are going to be open and honest, we must recognise that the Budget process is not the panacea for resolving all our problems; rather, the critical issue is about how resources are applied.

Over and over again, I also hear Members being critical of the Budget process and suggesting areas in which they want expenditure to be increased. However, I have rarely, if ever, heard a Member — we have not heard it today, even though Members were challenged — suggest changes to the Budget. There are one or two isolated examples, but, when the facts were probed and examined, it became clear that the savings were not as obvious as Members had made out. People never ask where the money will come from and which budget line will be raided for the current expenditure profile to pay for the extra expenditure that is required in another area. That simply does not figure.

We have a devolved Government and Assembly. We also have a Budget that is predicated, to a large extent, on the block grant and is, therefore, a finite amount. The more money that is spent in one area, the more money will have to be taken out of another area. That is where openness and honesty needs to come from.

We heard a lot of lecturing today, from Mr McCallister in particular. I do not want to be too unkind in this debate. However, from reading Hansard reports, I know that, more than any other Member who contributed today, Mr McCallister rehearsed many of his arguments during the debate on the Second Stage of the Bill. However, today, he did not even acknowledge any of the work that is being done by the Executive, of which two of his colleagues are members.

For example, he and other Members suggested that the health budget should be ring-fenced and protected from cuts or efficiencies. He talks about the need for honesty and openness. That proposal would, effectively, see the Health Service receive £300 million over and above the expenditure that it has already been allocated. If that is to be implemented, Mr McCallister and his colleagues must tell us where that extra £300 million can be found. However, they never tell us that.

Mr McCallister talks about openness and honesty; however, when he is challenged about where the money should come from, he does not have an answer. Having an honest debate is not only about raising issues and questions but about suggesting some answers. Mr McCallister must explain how we are going to fund that item of expenditure.

Members cannot simply raise an issue and say that they want an honest debate about it. They must follow that through and suggest how it could be addressed. For one Member and his colleagues to pretend that someone is being dishonest and trying to pull the wool over other Members' eyes is a total and utter travesty of the true position. They speak about the need to face up to the hard issues. However, they are never specific about how to address those issues.

We never hear whether that money should come from the roads maintenance budget, the social housing

budget or the health budget. It will not come from the health budget, which accounts for 50% of the Northern Ireland Budget, because that is protected, so all the other budgets will have to be devastated. That position does not even take into account what proposals will come from Whitehall. Therefore, when Members talk about honesty, openness and transparency, they also need to be open, honest and truthful about the position instead of trying to accuse everyone else of doing what they are guilty of.

We must be honest about that fact today, as we come to the close of another financial debate on the Budget, which has been characterised by the same kind of arguments that we have heard so many times and which, despite being rebutted, are repeated over and over again.

Mr McCallister also said that Workplace 2010 had not been addressed, which is a fallacy: it was addressed as part of last year's Budget. The money that did not come through Workplace 2010 has already been put in place through careful management of the Budget. The last financial year has finished, and there is no overhang. That point has been repeated over and over again, but it does not seem to get through to the Member. He said that Workplace 2010 was not addressed, but it was addressed last year as part of the in-year monitoring process.

Mr McCallister spoke again of the need to reassess the Programme for Government, which is something that his own party leader, the Minister for Employment and Learning, rejected out of hand. He talked about people having their heads in the sand; what better example of a head-in-the-sand approach is there than saying that the health budget should be ring-fenced? That would decimate the budgets of all the other Departments. Is that what he is suggesting? If so, let him tell us how to pay for a ring-fencing of the health budget.

When Mr McCallister was challenged about the idea of an enterprise zone, instead of answering the question, he launched another attack on the Alliance Party, which I have no difficulty with. If we are going to have an open and honest debate, Members have to answer some questions instead of just posing them. That applies to all Members who raise issues in this area.

Tom Elliott brought up the roads maintenance budget, but he did not mention that capital investment in roads has increased by 77.5% since 2007-08. In addition, the current spend on roads is due to increase by 9.9% this year. It is easy to throw out statistics, but it is very hard to sustain an argument on the basis of isolated statistics that do not back up one's argument.

Mr O'Loan said that spending on maintenance was a boost to the economy in various areas such as roads and housing. I was glad to hear him talk about the need to spend on maintenance and housing, because

unfortunately there has been a diversion of resources away from that area. Mr O'Loan, Mr Attwood and other Members spoke of my commitment, and that of the Executive, to social housing and housing in general, and I am grateful for those comments.

I wish that Mr O'Loan knew of the efforts of some of us to try to ensure that there is a balanced approach to expenditure on housing and that there is not a diversion of a large proportion of funds from other budgets into just one aspect of housing provision. Although it is important that people receive renovation grants, external cyclical maintenance grants and kitchen and heating replacements, it is also important that the needs of tenants in Executive houses and other forms of social housing are taken into account. A balanced approach is needed, and we have been working very hard with the Social Development Minister and others to try to ensure that progress is made.

Although Mr O'Loan said that my approach lacked flexibility and imagination, his approach could be characterised as one of fantasy and invention. At times, Mr O'Loan and the SDLP have been willing to make suggestions and proposals about where money should be found. A recent SDLP paper stated that hundreds of millions of pounds could be found. However, its import and significance was reduced greatly on the discovery that its authors thought that we had spent £1.4 billion instead of the actual figure of between £1.6 billion and £1.7 billion. Therefore, there was a gap of around £250 million in the SDLP's figures to begin with, which somewhat dented the credibility of that paper.

6.30 pm

Stephen Farry made a measured and thoughtful contribution, in which he talked about the speedy interventions, particularly with regard to local government, that prove that devolution can make a difference. Many Members are also councillors and have first-hand knowledge of the difficulties that councils were and still are facing. They would have been in a much worse position had it not been for the interventions of the Executive and my Department. That proves that we have been flexible and responsive where we can, and it was illustrated again in the Executive's response to the economic downturn through the measures that they took in December.

Of course, Mr Farry could not let the occasion pass without referring to the cost of division; I know that that will be a recurring theme for him and his colleagues. It is easy to throw figures into the air, but an analysis of those proposals on the cost of division shows that some of the suggested savings just cannot be delivered. For example, the £300 million savings in education largely disappear once adjustments are made for differences in pupil numbers; £300 million is wiped

out immediately. It is easy to suggest changes, but the hard fact of the matter is that grappling with reality makes one realise that things are not as straightforward as some Members make out.

Mr Farry also mentioned the issue of the additional Barnett consequentials for 2009-2010 and put forward an argument, as he has done previously, about how those should be managed. Of course, Members will be aware that the Executive have already indicated their preference that the additional Barnett consequentials for 2009-2010 should offset the efficiency savings cut in 2010-11. My officials will continue to work with Departments over the summer to identify expenditure that can be accelerated from 2010-11.

Mr Hamilton dwelt at length on future cuts by Whitehall. Whether those cuts are made by a Labour Government or a Conservative one, we will have to address them. I note that Mr Attwood gave advice on how we should vote on various proposals that will be made in the House of Commons on wider expenditure issues. However, we will leave our decisions on how we vote as MPs on those proposals until they are presented to Parliament rather than announce our position to Mr Attwood in advance. I am sure that he will understand that.

Fra McCann talked about social housing, which is an issue that he has raised on many occasions. Like him, I believe that additional investment in social housing can have a beneficial effect, and, like him, I want to see investment in maintenance as well as in newbuild programmes, and I have been taking steps to try to make that happen. We should bear in mind that a reduction in the cost of land, building products and builders should help the Department for Social Development's newbuild programme in 2009-2010. There are signs in the economy of some increasing activity in house purchases in the mortgage sector. It is to be hoped that that will result in increased receipts.

Mr Ross talked about issues that affect east Antrim, in particular the Budget. I am sure that the new Minister of Finance and Personnel will have heard the concerns that were expressed about that constituency and will, no doubt, pay particular attention to them.

It is not possible to deal with all the issues, not least because it is difficult to keep track of them as the debate goes on. However, they were raised on previous occasions and have been addressed.

I thank the Chairperson and members of the Finance and Personnel Committee for what they have said about my tenure in office, and for the work that they have carried out in the year that I have been in office as Minister. The Committee has worked extremely constructively. It has never shied away from dealing with difficult issues or from challenging the Department,

and that is exactly what it should do. I thank each and every member for their work and their commitment.

I thank Simon Hamilton, the outgoing Deputy Chairperson, for all his work with the Chairperson, and wish him well as he takes over a Chairman's role in the Assembly. I also welcome Peter Weir as Deputy Chairperson of the Finance Committee, and wish him well. I genuinely thank all of the Members who spoke today for what they have said, some with greater feeling than others.

I think that it was Mr McNarry who said that, at times, we have political battles, and we will continue to have political debates of a strong and passionate nature. However, we should always remember that it is politics, and it is a matter of debate and discussion. It is far better that we have these arguments and debates in the democratically elected Assembly of Northern Ireland, rather than having our disputes and arguments worked out on the streets. We should always remember that the vast majority of people here are elected to serve the people they represent. They want to do that first and foremost, and to do the best for their constituents.

I hasten to add that some of the remarks verged, as I think Mr Weir said, on a eulogy at one's funeral. Despite the wishful thinking of some people, I have not gone away and I have no intention of going away, but I record my sincere thanks to all Members. I am very grateful and honoured to have had the opportunity to serve as Minister of Finance, and previously as Enterprise Minister, in the Northern Ireland Executive and Assembly.

Some Members: Hear, hear.

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

Question put and agreed to.

Resolved (with cross-community support):

That the Budget (No. 2) Bill [NIA 8/08] do now pass.

ASSEMBLY BUSINESS

Mr S Wilson: On a point of order, Mr Deputy Speaker. I would like a ruling on a decision made by the Minister of Education which, in effect, prevents Members of the House from carrying out their business. I had arranged a meeting with a senior official, along with some other Members, in Parliament Buildings today. The Minister of Education has now informed us that, true to her Stalinist style of control over her Department, she requires every meeting with an official to be authorised by her, and she has stopped that meeting from going ahead. Will you rule whether it is in keeping for the Minister to stop Members from doing their business in a legitimate way?

Mr Deputy Speaker: As I am sure you know, that is not a matter for this Assembly. It is not a point of order, but your point has been made.

Mr K Robinson: Further to that point of order, Mr Deputy Speaker. I came to this house some 10 years ago under the impression that I was here to represent the people of Northern Ireland in a devolved Government which would allow me to bring their concerns to the House. Like Mr Wilson and Mr Neeson, who was to join us, I have been prevented from bringing my constituents to speak to an official in the Department of Education because of the Minister's —

Mr Deputy Speaker: I must interrupt you; that is not a point of order. It is not a matter for this House.

EXECUTIVE COMMITTEE BUSINESS

Draft Lands Tribunal (Salaries) Order (Northern Ireland) 2009

Mr Deputy Speaker: I call Mr Mitchel McLaughlin.

Mr McLaughlin: Thank you very much, a LeasCheann Comhairle. The Committee for Finance and Personnel —

Mr Deputy Speaker: I am sorry, I called the wrong name. I call the Minister of Finance and Personnel.

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

That the draft Lands Tribunal (Salaries) Order (Northern Ireland) 2009 be approved.

I thought that, after my last speech, people thought that I had gone already. I thank Members who have been hanging around all day especially for this item of business, because I know that there is a big interest in it.

The Order provides, at article 3, increases in the annual salaries payable to the president and member of the Lands Tribunal for Northern Ireland with retrospective effect from April 1 2009. Following consideration of recommendations made in the thirty-first report of the review body on senior salaries, the Prime Minister confirmed in a written ministerial statement on March 31 that the Government had decided to increase judicial salaries by 1.5%.

The Lands Tribunal is a court of record established under the Lands Tribunal and Compensation Act (Northern Ireland) 1964. I have a list of its varied functions, but I am sure that Members will not be too sad if I do not go into detail about them. However, Members are aware of the important and significant functions that the Lands Tribunal carries out.

The tribunal consists of a president and one member, both of whom are appointed by the Lord Chancellor. Under the 1964 Act, the Department of Finance and Personnel has responsibility for determining their remuneration and appointing staff to assist the tribunal in performing its functions. We also have various rule-making responsibilities. It is proposed that the Order will come into operation tomorrow, and I commend it to the Assembly.

Mr Deputy Speaker: Apologies once again, Minister. I now call Mr Mitchel McLaughlin.

The Chairperson of the Committee for Finance and Personnel (Mr McLaughlin): Go raibh maith agat, a LeasCheann Comhairle. People usually get 15 minutes in the sun, but that did not happen on this occasion.

The Committee for Finance and Personnel considered the proposals for this subordinate legislation at its meeting on April 29. Members subsequently sought confirmation

on the nature of the appointments and clarification on the proposed salary increases. The Minister just set out the details of those, so I will not repeat them.

The Committee received from the Department clarification on the issues about which it was concerned. The president of the Lands Tribunal receives a salary as a Lord Justice of Appeal; he does not receive additional remuneration for work undertaken for the tribunal. The Northern Ireland Court Service is, however, reimbursed by the Department on a pro rata basis. It was also confirmed that the member of the tribunal works for it full time.

Having considered the additional information that was supplied by the Department of Finance and Personnel, and, subsequently, the Order and accompanying report from the Assembly's examiner of statutory rules, the Committee for Finance and Personnel agreed unanimously on June 24 to recommend to the Assembly that the Lands Tribunal (Salaries) Order (Northern Ireland) 2009 be affirmed. Therefore, I support the motion that seeks the Assembly's endorsement of the provisions of the Order.

Question put and agreed to.

Resolved:

That the draft Lands Tribunal (Salaries) Order (Northern Ireland) 2009 be approved.

Adjourned at 6.43 pm.

SOCIAL DEVELOPMENT

Equality Impact Assessment

Published on Friday 3 July 2009

The Minister for Social Development (Ms Ritchie): Further to my statement to the Assembly on 23 April 2009, I wish to update the Assembly on the outcome of the Equality Impact Assessment (EQIA) consultation on the Social Security Agency's Strategic Business Review implementation arrangements.

The findings from the formal EQIA consultation has identified only limited Section 75 impacts.

Having carefully considered all of the responses I am therefore content to proceed with the 'Customer First' initiative, commencing with a pilot in North District which will be operational in April 2010. The pilot will allow all of the proposed changes to be carefully tested and fully evaluated in a controlled manner. Subject to the outcomes of the pilot, I will consider how best to rollout the changes across the rest of the network.

A final report summarising the response to the EQIA on the implementation arrangements for the Strategic Business Review (SBR) within the SSA will be published (at noon) on 8 July 2009, on the Department for Social Development (DSD) internet site and can be accessed at: <http://www.dsdni.gov.uk/index/ssa/sbr/sbr-publications.htm>

I am grateful to all those who contributed to the public consultation and I will provide Assembly colleagues with further updates on the pilot as we progress through the testing of the proposals.

HEALTH, SOCIAL SERVICES AND PUBLIC SAFETY

Swine Flu

Published on Friday 3 July 2009

The Minister of Health, Social Services and Public Safety (Mr McGimpsey): In my statement to the Assembly on Tuesday 30 June I advised members that I would provide a written update following my discussions with other Ministerial colleagues at the Cabinet Office Briefing Rooms (COBR). I would therefore like to take this opportunity to brief members of the decisions taken on changes to the way the UK will now deal with the swine flu pandemic.

As you are aware, the number of confirmed cases throughout the UK continues to grow, with cases doubling every seven days. The vast majority of these cases continue to be generally mild but as we have seen, it is proving severe in a small minority.

There are a total of 7,447 laboratory confirmed cases of Swine Flu in the UK and sadly, three people have died, all of whom had underlying health problems. The Republic of Ireland is also experiencing an increased number, with 51 confirmed cases.

Since the emergence of swine flu, the Public Health Agency, together with GPs and other staff across the health and social care service have been working tirelessly to contain the virus for as long as possible. The response of the Public Health Agency, GPs and other healthcare staff has been tremendous and I very much thank them for their hard work and dedication.

Their efforts have enabled us to curb the spread of swine flu, which has given us valuable time to learn more about the characteristics of this novel virus. This has also allowed us to set in motion plans to develop a vaccine.

It is thanks to many years of planning for a potential pandemic that Northern Ireland, along with the rest of the UK, will be among the first countries in the world to receive vaccine.

The first batch of vaccines is expected to arrive in Northern Ireland by August, and vaccination should start in September. Priority groups, such as those whose medical conditions put them at risk of complications from 'flu along with frontline health service staff, will receive the vaccine first. I want to reassure Members and the general public, that there will be enough vaccine for the entire population over the course of the pandemic.

All of these actions place us in a very strong position to deal with a more serious outbreak, which experts predict is highly likely in the autumn and winter months.

However, while our efforts to limit the spread of the virus have been effective, it was always likely that we would be unable to contain such an infectious virus indefinitely.

We have seen evidence in the UK of the virus spreading more widely within communities. Clusters of cases and widespread community transmission are already prevalent in parts of Scotland, the West Midlands and London.

As I outlined on Tuesday, the present situation in Northern Ireland is different to other parts of the UK. The vast majority of our cases to date continue to be travel related. Although this has been our experience to date, it is prudent for us to plan and prepare for similar clusters here, where a growing proportion of cases will arise from community transmission rather than travel.

Health Ministers across all four Administrations have noted clear scientific advice that the majority of cases in the UK so far have not been severe. Those people who have contracted the virus have generally made a full and rapid recovery – though a small minority of cases have had more serious illness.

Following a series of discussions, the four UK Health Ministers have now agreed that we should now shift our focus to treatment only – in other words treating those people who actually have swine flu.

The move will be a step by step treatment approach, giving clinicians discretion on how best to treat a patient with swine flu. It means that people who contract swine flu will still be offered antivirals but that antivirals will no longer be used as a preventative measure. In addition, the routine testing of suspected cases and the tracing of close contacts of a symptomatic patient will be discontinued.

Ministers have also considered, as we move into the treatment phase, whether we continue to offer antivirals to all patients displaying symptoms or whether a more targeted approach should be adopted, focusing on those most at risk of becoming more seriously ill.

The Scientific Advisory Group in Emergencies (SAGE) has considered this question and reports that on balance the science points towards adopting a targeted approach, but acknowledges that this is a ‘finely balanced’ decision.

Health Ministers are also conscious that, as this is a new virus, it cannot yet with confidence be directly compared to seasonal flu. Given this, we have decided to adopt a safety first, precautionary approach. Antivirals will still be available for treatment of people with swine flu.

Expert advice emphasises the high importance of treatment with antivirals for those in the higher risk groups, such as those with ‘at risk’ medical conditions. So, we will issue clear guidance to doctors to ensure

that those at higher risk get priority access to antivirals, within 48 hours of the onset of symptoms.

In addition antivirals will continue to be available to other people who have contracted swine flu. This will be at the discretion of the GP or clinician who is treating the patient who will make a clinical decision on whether antiviral treatment is necessary.

The fact that many people will recover from swine flu without antivirals means it is important that individuals and GPs are able to make an informed decision about appropriate treatment.

I acknowledge this is a cautious approach, however, as we discover more about the virus and develop a more precise categorisation of risk groups, we are likely to reassess our approach and move to a more targeted use of antivirals. We will keep this matter under review, with advice from SAGE, and will provide an update when this is necessary.

Today’s move to treatment is an important step. It continues to ensure that people with swine flu receive the treatment they need. It also enables local health services to shift their energies to deal with the increased numbers of people who have contracted swine flu, while freeing up the Public Health Agency to continue monitoring the way the virus is behaving.

I would remind members and the public that we cannot do this alone. Everyone must play their part in helping to reduce the impact of this pandemic. Now that schools are closing for the summer and people are going on their holidays, I would reiterate my public health messages and for people to contact their GP when they return home, if they feel unwell. People with symptoms should not attend the GP surgery but instead contact their GP by telephone.

In addition, the public can reduce their chances of catching the virus by following these simple but effective steps. Wash your hands regularly, and cover your mouth and nose with a tissue when you sneeze, then put the tissue in a bin – catch it, bin it, kill it.

We need to be prepared for every eventuality in relation to swine flu to ensure that the public has access to the right treatment – this requires the necessary funding from the Executive. I will be discussing the financial commitment required to manage our response to this emergency situation with executive colleagues today.

Mr Speaker, this Assembly and the people of Northern Ireland can be assured that I will do all in my power to respond to any emerging situation over the summer months and into the autumn and winter.

OFFICE OF THE FIRST MINISTER AND DEPUTY FIRST MINISTER

Westminster Draft Legislative Programme for 2009-2010

Published on 21 August 2009

The First Minister and deputy First Minister (Mr P Robinson and Mr M McGuinness): We wish to draw to the attention of the Assembly correspondence which we have received from the Rt Hon Paul Goggins MP, Minister of State at the Northern Ireland Office. In his letter of 27 July, he advises us of the publication of the UK Government's Draft Legislative Programme, the Bills which it is proposed should apply to Northern Ireland including those which would require provisions to be agreed by the Executive on the recommendation of the relevant Minister and a legislative consent motion to be passed by the Assembly. The Draft Programme can be found at:

http://www.hmg.gov.uk/media/27752/legislative_programme.pdf

The Minister of State has commented:

“Following the publication of the Draft Legislative Programme earlier this month, I thought it would be helpful if I wrote to you setting out which Bills we propose should apply to Northern Ireland and, of those, which would require provisions to be agreed by the Executive on the recommendation of the relevant Minister and a legislative consent motion passed by the Assembly.”

Of course, at this early stage such a list can only be indicative, given that a number of the Bills have yet to be finalised. Three Bills are likely to require legislative consent motions for some or all of their provisions if they are to apply (or continue to apply) to Northern Ireland:

- Child Poverty Bill (introduced on 11 June);
- Digital Economy Bill; and
- Financial Services Bill.

Also, the following four Bills, will apply to Northern Ireland, but are likely to relate only to matters that are at present excepted or reserved:

- Constitutional Reform and Governance Bill (introduced on 20 July);
- Bribery Bill
- Policing, Crime and Private Security Bill; and
- Cluster Munitions Prohibition Bill.

Devolution of responsibility for policing and justice will of course alter the boundary between reserved and

transferred matters and could therefore make it appropriate to seek legislative consent motions in other cases.

I know that your officials (and those of other relevant Departments) and mine will continue to work closely together to ensure that the process of bringing legislative consent motions to the Assembly for decision works as smoothly as possible.”

Copies of the Minister of State's correspondence of 27 July are available in the Assembly Library.

