
Northern Ireland Assembly

Tuesday 8 June 2010

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

Members observed two minutes' silence.

Executive Committee Business

Safeguarding Board Bill: First Stage

The Minister of Health, Social Services and Public Safety (Mr McGimpsey): I beg to introduce the Safeguarding Board Bill [NIA 25/09], which is a Bill to make provision to establish the Safeguarding Board for Northern Ireland; and for connected purposes.

Bill passed First Stage and ordered to be printed.

Mr Deputy Speaker: The Bill will be put on the list of future business until a date for its Second Stage is determined.

Student Loans (Amendment) Bill: Second Stage

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

That the Second Stage of the Student Loans (Amendment) Bill [NIA 22/09] be agreed.

The Bill proposes amendments to the Education (Student Support) (Northern Ireland) Order 1998 by extending the Department's regulation-making powers under the 1998 Order and the Education (Student Loans) (Northern Ireland) Order 1990, to the extent that it exists under savings provisions. That allows provisions to be made to exclude publicly funded student loans from any individual voluntary arrangements (IVAs) in Northern Ireland which borrowers may enter into during the lifetime of their loans.

Student loans are currently excluded by provisions in the Higher Education (Northern Ireland) Order 2005 from bankruptcy debts, so that, upon discharge from bankruptcy, the borrower remains liable to repay his or her student loan. During the passage of the 2005 Order, it was considered whether student loans should be excluded from IVAs. IVAs are a form of insolvency that enables an individual to enter into an arrangement with a creditor or creditors whereby those creditors agree to accept less than the full value of the debt as satisfaction for the whole amount. In 2005, IVAs were relatively uncommon. In line with England, the Department decided not to legislate at that time with respect to IVAs and to keep the situation under review.

At that time, the financial effect on the Student Loans Company, which administers payments and collections, was negligible. The Student Loans Company had dealt with only 11 IVAs in the United Kingdom, covering student loans to the value of £41,000. However, the number of IVAs has increased recently, and, by the close

of 2007, the Student Loans Company had dealt with more than 3,000 IVAs with a value in excess of £17 million. Although the number of IVAs taken out to date by people domiciled in Northern Ireland is significantly lower than the corresponding take-up in England and Wales — so far, they amount to only £11,000 in value — that is likely to increase because the procedure has risen in popularity and a precedent has been set to allow student loan debt to be included in an IVA.

The Department now considers it anomalous to exclude student loans from bankruptcy but not IVAs. Student loans are made on non-commercial terms, including low interest rates and the obligation to repay being linked to a student's income. Additionally, as student loans are paid from and subsidised by public funds, it is not considered appropriate to allow borrowers to reduce or limit their repayment liability by entering into individual voluntary arrangements. Members should also note that the Bill will restore parity with England, where similar provisions have been introduced.

The Department conducted a public consultation on the legislative proposals that lasted more than 13 weeks — from 23 July 2009 to 23 October 2009. The consultation document was circulated to more than 200 organisations, in accordance with guidance from the machinery of government division of OFMDFM and the Department for Employment and Learning's equality scheme. The Department received 13 responses to the consultation, none of which elicited any objection or alternative to the proposals.

Finally, I turn to the Bill's content. The Bill has only one clause, and it amends the Education (Student Support) (Northern Ireland) Order 1998 and the Education (Student Loans) (Northern Ireland) Order 1990 by extending, regulating and making powers to provide that a student loan made to a Northern Ireland borrower who enters into an IVA in Northern Ireland will be exempt from that IVA. I welcome the contribution Members will make to the debate at Second Stage.

The Chairperson of the Committee for Employment and Learning (Mrs D Kelly):

I thank the Minister for his explanation of the Bill. He has gone into some detail, and I do not propose to repeat everything that he said. Members are aware that the Bill's First

Stage was on Tuesday 25 May 2010 and the Committee Stage begins tomorrow, Wednesday 9 June. Committee members considered a draft version of the Bill when they received it on 19 May 2010. Departmental officials will attend the Committee's meeting tomorrow to brief members on the Bill, and I thank the Minister for making those officials available and for his co-operation thus far.

As I indicated, the Committee Stage of the Bill begins tomorrow, and the Committee has considered a draft version of this short, amending Bill. Members have highlighted no initial difficulties around its provisions, and they are aware that there were no objections in response to the Department's consultations on individual voluntary arrangements in respect of student loans, which ran for 13 weeks from July to October last year. However, as should be the case for any Minister awaiting the Committee Stage of a Bill, the outcome should not be taken for granted. The Committee will make full use of Committee Stage to undertake the necessary scrutiny. It has always been the Committee's approach to work closely with the Minister and his Department when possible to ensure that Committee views are heard and respected. Where appropriate, partnership and constructive dialogue will continue to be the Committee's chief aims in its relationships with the Minister and his Department.

Members will be aware that two sorts of student loan to those in higher education are paid from public funds: mortgage-style loans for living costs for students prior to 1998 and income-contingent repayment loans for fees and living costs for students since 1998. Members will also be aware that student loans are, at present, by provision in regulations, excluded from a borrower's bankruptcy debts. That means that, upon discharge from bankruptcy, the borrower remains liable to repay the student loan. Individual voluntary arrangements were created by the Insolvency (Northern Ireland) Order 1989 and are intended to be a more flexible alternative to bankruptcy, avoiding some of the restrictions applied to a bankrupt. Currently, the treatment of student loans under an IVA differs from their treatment under a bankruptcy. The Department considers that to be an anomalous situation.

Members are aware that student loans are made on non-commercial terms, with low interest rates and the obligation to repay being

linked to a borrower's income level. Also, as student loans are paid out of and subsidised by public funds, the Department does not consider it appropriate to allow borrowers to reduce or limit their liability to repay by entering into IVAs.

The Student Loans (Amendment) Bill extends the Department's regulation-making powers under the 1998 Order and the 1990 Order, to the extent to which it exists under savings provisions, to allow provisions to be made to exclude student loans from IVAs. The Department rejected the option of doing nothing. The Bill will ensure the consistency of treatment of student loans under a bankruptcy.

The Bill contains two clauses, with the second setting the short title. The first clause contains the Bill's provisions. It amends the 1998 Order and the 1990 Order by extending regulation-making powers to provide that a student loan made to a borrower who enters an IVA will be treated in a way similar to how it is treated currently under a bankruptcy.

As I have indicated, the Committee will undertake the appropriate scrutiny of the Bill and will report its findings to the Assembly in due course.

The Deputy Chairperson of the Committee for Employment and Learning (Mr Weir):

I support the Bill. We do not have what would be described as a packed Assembly today. I am reminded of the phrase used by my colleague Jim Wells, who, in such circumstances, says that he speaks to a hushed Assembly. Looking across the Chamber, I can see clearly that we are hushed. In many ways, that shows the merits of the Bill and its uncontroversial nature. A year or two ago, if someone had said that a student loans issue would be debated in the Chamber and that it would be uncontroversial and would not provoke a great deal of interest, most people would have thought that they had gone slightly mad.

The broad thrust of the Bill is meritorious. There is a degree of learning for all members of the Committee for Employment and Learning. Indeed, the key phrase is "lifelong learning". A few weeks ago, had I been asked what an IVA was, I would have thought that a new republican splinter group had been set up.

Two key principles are at play. First, there is the protection of public money. The events of the past few weeks and of the weeks to come bring sharply to mind the need to protect public

money and to try to get the best possible value from it, as we have moved into a situation in which there are greater financial pressures on society and on this institution in particular, given the potential budgetary cuts. Protecting public money is appropriate.

Whatever one's views on student loans, it is acknowledged that they have inbuilt safeguards as regards the interest that is paid and when they kick in. Only those who have reached a particular level of earnings have to pay them. Consequently, given that public money is involved, providing additional preferential treatment for a very small group of former students, as would be the case were IVAs to remain exempt, is not good protection of public money.

Secondly, the Bill is about having a level playing field in three aspects. First, all those who are able to obtain student loans, whether they benefit from or are burdened by them, should be on a level playing field. It would be grossly unfair to the vast majority of people who have student loans if one special category that had preferential treatment and terms were to be created. It would create a loophole. I note that the Minister indicated that, when this issue was last considered in 2006, there were about 11 IVAs throughout the UK. That number has now grown to 3,000. Given the impact of recession, bankruptcy and financial pressures, given the increasing number of people who go through the system with student loans and given the fact that, in recent years, we have seen an increase in access to higher education and, consequently, the number of people who have student loans, it is clear that, if the loophole is not closed, it will simply grow and become a practical problem as regards public finances. Therefore, there must be a level playing field.

10.45 am

There must be a level playing field for those who get themselves into financial difficulties. It would be utterly incongruous if, with regard to student loans, we were to distinguish between people who are bankrupt and those who have entered into individual voluntary arrangements. In many ways, this is parity legislation, so we must also take the level playing field into account for arrangements that individuals have with the Student Loans Company. As I understand it, the student loan arrangements will, to some extent, depend on the location of the university. The Minister referred to parity: for

example, two people may live next door to each other, and one will go to a university in England and the other will go to Queen's University or the University of Ulster. If the loophole is not closed, the student who goes to a university in Northern Ireland will be in a different position to the student who goes across the water. That is fundamentally unfair.

We must provide a level playing field for all categories of student. The situation has not been exploited too much, but, where there is a loophole, we must ensure that it is closed off and that there is a level playing field. I look forward to hearing evidence during the Committee Stage, and I hope that the relatively uncontroversial nature of the Bill continues. The Bill's principles are sound, and, therefore, I commend it to the House.

Mr Butler: Go raibh maith agat, a LeasCheann Comhairle. The Chairperson and Deputy Chairperson of the Committee are in broad agreement with what the Minister has brought forward to close the anomalous situation with regard to student loans. Stranmillis University College, Queen's University, the University of Ulster and the student unions agree that consistency is required.

Although the legislation will deal with a loophole, it is worrying that the Student Loans Company dealt with IVAs with a value of more than £17 million in the UK. Here, they amount to only £11,000 in value. Nevertheless, it raises the issue of student loans and of students getting into debt. The Bill does not deal with that situation, but it needs to be examined in other ways.

The Committee will discuss the Bill in more depth tomorrow. However, the loophole should be closed. There is a difference between students who stay here and those who go to Britain. Although the figure here is currently only £11,000, we should consider whether there are underlying reasons why students are increasingly getting into debt.

I welcome the fact that the Minister is examining the situation. I hope that, after the Committee Stage of the Bill, it will be passed in the House.

Mr McCallister: I support the Bill. I welcome the work of the Minister and the Chairperson of the Committee. The Committee will scrutinise the Bill after it passes its Second Stage. Students from Northern Ireland have obtained 17,000

qualifications, and the future benefits to our economy must not be understated.

The main purpose of the Bill is to protect the public purse; that must be achieved. The Minister and Members made effective arguments. To include student loans with other borrowings and debt would be unfair, and it would not be an effective use of our limited public resources. As the Chairperson of the Committee mentioned, student loans attract a lower rate of interest, and there are various mechanisms by which students can pay off those loans when they are more able to do so. It is important that that is recognised.

It is also vital that we have parity with other parts of the UK. The last thing that we want, as Mr Weir mentioned, is for an imbalance to be created between students who choose to stay in Northern Ireland and those who go to England or Wales. It is important that we do not disadvantage either of those groups.

As other Members have said, the principles of the Bill are sound and uncontentious. I am sure that the Committee will give the Bill the scrutiny that it requires, table any amendments that it feels to be appropriate and work with the Minister on the Bill. The Ulster Unionist Party supports the principles of the Bill.

Ms Lo: The Alliance Party also supports the principle of the Bill. It is a reality that the majority of students will need to access students loans and, by the time they graduate, will be in debt of between £12,000 and £20,000. However, many students also recognise that the student loan scheme is a good one that offers a very low rate of interest. Indeed, I remember my oldest son telling me that his student loan had probably the lowest rate of interest that he would ever have on any form of borrowing. Many students also appreciate that they do not need to begin to pay back their student loans until they earn over £15,000 a year.

The money for student loans comes from public funds and must be protected. All debts incurred must be paid back in full so that future students can benefit. Therefore, it is important that we remedy the anomaly of student loans being paid back through bankruptcy but not being paid back through IVAs. It is a matter of fairness to all students. The Alliance Party supports the Bill.

Mr P Ramsey: Like others, the SDLP supports the Bill in principle. Given that student loans

are non-commercial, attract an interest rate that reflects the value of money at the time and use public money, it is appropriate that they should be exempt from individual voluntary arrangements in the same way as they are exempt from bankruptcy proceedings.

I understand that 48 successful IVAs have been taken out in relation to student loans, and I would like to know more about the circumstances of the young people who opted for the IVA route. The term IVA sounds more like an injection than a dissident republican group.

If there are circumstances in which people should not be forced to repay student loans, we should be aware of those. I ask the Minister and his officials to give the Committee further information on why people were forced to go down the route of taking out IVAs. I do not expect that answer to be given today, but it would be useful to have that information as the Bill progresses through Committee Stage.

During Question Time yesterday, the Minister referred to the Russell Group's important recommendations. A change in policy on student loans, as recommended by the Russell Group, will put greater pressure on the public purse and recipients of student loans. That is very pertinent to today's debate. The wider issue of university funding is a debate for a different day.

The SDLP's position is that we need to ensure that universities can continue to produce world-class teaching and research. I will not mention the Magee campus of the University of Ulster, but, given the regional economic imperative, we must continue to provide a collective regional contribution rather than place a greater financial burden on individual students. The Committee looks forward to scrutinising the Bill, and we support the Bill's passing Second Stage.

The Minister for Employment and Learning:

I am grateful to the Member for Foyle for not mentioning Magee. I do not have individual details about what happened to the students who have so far availed themselves of the IVA system in Northern Ireland. Officials will bring to the Committee's attention any information that they can glean at the appropriate stage.

As Members said, the Bill has fairness at its core through its measures to protect the public purse. Members have also drawn attention to the possible anomaly that one student could be able to make an IVA because they were located

here while that student's next-door neighbour would be prevented from doing so because they attended a university in Great Britain. Such an anomaly is not sustainable.

The main points of the Bill are to protect public money and to avoid abuse. Not much abuse currently takes place in Northern Ireland, but that is no reason to say that there is no need for a measure against abuse. Prevention is often as important as chasing down a series of cases. None of us appreciates fully the extent of the straitening economic circumstances into which we are entering, so it is not possible to judge how many people could avail themselves of the opportunity in the future. Another Member said that the amounts of money have been growing in recent years, therefore, combined with the economic circumstances, significant amounts of taxpayers' money could be at risk. As Members said, that money might then not be available for other students to avail themselves of the loans and take forward their career.

The Bill tidies up the law. I hope that, during the Committee's scrutiny, it will feel that that is the correct position. Officials will be available to speak to the Committee in due course if it needs any future assistance. I am grateful to the House for its support for the Second Stage of the Bill, and I look forward to the Bill's proceeding to Committee.

Question put and agreed to.

Resolved:

That the Second Stage of the Student Loans (Amendment) Bill [NIA 22/09] be agreed.

River Bann Navigation Order (Northern Ireland) 2010

The Minister for Regional Development (Mr Murphy): I beg to move

That the River Bann Navigation Order (Northern Ireland) 2010 be affirmed.

In consultation with Coleraine Harbour Commissioners, my Department recognised the need to update the by-laws, particularly to ensure that the Coleraine Harbour Commissioners have adequate powers in the interests of marine safety and for ensuring the efficient operation and maintenance of their harbour. In parallel, we also need to modernise the related confirmation and making procedures for such by-laws to put Coleraine harbour on a similar footing to other harbours here where such legislation is concerned.

11.00 am

The legislative framework under which Coleraine harbour operates dates back to the nineteenth century. It currently requires commissioners' by-laws to be subject to confirmation by a court. All other harbours here, whether they are a local authority harbour or a trust board, have by-laws that are subject to confirmation by the Department. The Order modernises the arrangements for Coleraine harbour by allowing the Department to confirm and make by-laws in line with procedures in sections 91 to 94 of the Local Government Act 1972.

Members may recall that in reply to a question for oral answer from John Dallat on 8 February, I said that it is my intention to consult on the view that, in principle, Coleraine harbour should become a municipal port. That would mean that ownership of the harbour would transfer from Coleraine Harbour Commissioners to Coleraine Borough Council. The change would be achieved by means of a harbour transfer Order that would be made under powers contained in the Harbours Act 1970 and that would be subject to affirmation by the Assembly. However, that is a separate issue, and it does not detract from the importance of the current Order.

The public consultation on the proposal to make the River Bann Navigation Order closed on 26 June 2009, and no substantive comments were received. I am grateful to all consultees who responded and to the Regional Development Committee for its consideration of the proposals.

I am also grateful to the Examiner of Statutory Rules for his consideration of the Order. I therefore recommend that the Assembly affirm the River Bann Navigation Order 2010.

Question put and agreed to.

Resolved:

That the River Bann Navigation Order (Northern Ireland) 2010 be affirmed.

Donaghadee Harbour Order (Northern Ireland) 2010

The Minister for Regional Development (Mr Murphy): I beg to move

That the Donaghadee Harbour Order (Northern Ireland) 2010 be affirmed.

The Department recognises the need to modernise the legislative framework within which Donaghadee harbour operates and to put it on a similar footing to other harbours here. The Harbour Order is part of that process. By-laws are necessary for the safe and efficient operation of harbours, but the legislation that set up the Donaghadee Harbour Commissioners did not contain the necessary legislative powers to make by-laws, nor did it have procedures related to the making and confirmation of by-laws.

The Order will provide by-law-making powers that are similar to those in place at equivalent harbours here. The Order has been subject to public consultation in accordance with the Department's guidelines. The Department is grateful for the responses to the consultation and noted that no objections to the Order were received. I am grateful for the consideration that my Executive colleagues gave to the proposal and for the consideration that the Regional Development Committee gave to the matter. The Examiner of Statutory Rules has also considered the Order and has not had any formal comment to make in his fourteenth report. That has allowed the Order to be brought forward to today's debate for affirmation. The Order will allow Donaghadee Harbour Commissioners to bring forward a set of modern by-laws for the harbour, similar to those in operation at other harbours here, in the interests of the safe and efficient operation of the harbour. I therefore recommend that the Assembly affirm the Donaghadee Harbour Order.

The Deputy Chairperson of the Committee for Regional Development (Miss McIlveen): The motion seeks to affirm the Donaghadee Harbour Order (Northern Ireland) Order 2010. The purpose of the Order is to provide Donaghadee Harbour Commissioners with the power to make by-laws for Donaghadee harbour and to put the harbour on a similar footing to other harbours in Northern Ireland.

On 13 January 2010, the Committee for Regional Development received a briefing on the proposal from officials from the Department for Regional

Development. As a result of that briefing, the Committee was of the view that giving the Harbour Commissioners the ability to make by-laws was to be welcomed. The Committee also welcomed the ability of the harbour master to enforce the by-laws in consultation with the local council.

On 20 January 2010, the Committee considered the proposal as an SL1 and indicated that it was content with the policy merits of the proposal. The Committee further considered the statutory rule on 21 April 2010 and on 26 April 2010 resolved that it be affirmed. The Committee for Regional Development is content that the Assembly affirm the statutory rule.

The Minister for Regional Development: Suffice it to say that I thank the Deputy Chairperson of the Committee for her contribution, and I again thank the Committee for its consideration of the matter. I recommend that the Assembly affirm the Donaghadee Harbour Order.

Question put and agreed to.

Resolved:

That the Donaghadee Harbour Order (Northern Ireland) 2010 be affirmed.

Committee Business

Programme-led Apprenticeships Scheme

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

The Chairperson of the Committee for Employment and Learning (Mrs D Kelly): I beg to move

That this Assembly recognises that the initial programme-led apprenticeships (PLA) scheme was a short-term, crisis response to the economic downturn and the rising number of redundancies amongst apprentices in paid employment; calls on the Minister for Employment and Learning to enter into wide-ranging, round-table discussions with all stakeholders with an interest in the scheme to explore how it can be modified to better meet the needs of both providers and participants and to ensure there is no displacement of those currently in paid apprenticeships with employers; and further calls on the Minister to actively explore the roll-out, on a significant scale, of both PLA and paid apprenticeships within the public sector.

I am glad to see some Members in the Chamber to participate in the debate. Hopefully, some more will be joining us; I think that they may well have been caught on the hop by the timescale this morning. I thank the Minister for Employment and Learning for being present in the Chamber to hear the debate and for responding to the Committee's motion.

I know that the programme-led apprenticeships scheme is of interest to a great number of Members who have tabled questions on the scheme. The Committee decided to bring the issue to the Chamber because Members regard the provision of high-quality and appropriate professional and technical training for our young people as being of paramount importance. At the outset, I want to make clear the Committee's view that employer-led or paid apprenticeships are the preferred way forward. The Committee has undertaken an inquiry into the way forward for apprenticeships and believes that the future of that kind of professional and technical training is through a high-quality, employer-led apprenticeship programme.

The Committee reiterated that view last year, when the Minister announced the programme-led apprenticeships scheme. However, Members understand that the introduction of the PLA scheme was a response to the fact that thousands of young people were about to leave school and, due to the economic downturn, could not get a paid apprenticeship. The Committee does not dispute that there was a need for some kind of emergency scheme, such as the PLAs, to offer those young people some form of skills training. However, the Committee has an issue with the fact that, although the Department had been considering a response for at least a couple of months before the PLA scheme was announced, officials had discussed their plans bilaterally with individual stakeholders only. Additionally, the Committee is not convinced that the Department understood the need to continue talking to stakeholders after the scheme had been launched, particularly considering the opposition to the PLAs that had been voiced.

Over the months following September 2009, when the PLA scheme began, the Committee received a great deal of correspondence from stakeholders indicating that they had issues with the scheme and wished to see greater flexibility with how the scheme operated and a clearer indication of how the PLAs would fit into the wider skills picture, and, most importantly, they wanted an assurance that employers would not make a paid apprentice redundant in order to take on a free PLA. The Committee had sufficient concerns to ask the Minister to make a statement about the PLAs to the Assembly in October 2009 to allow Members to voice their misgivings and to encourage the Department to engage further with stakeholders to allow any issues to be dealt with. Unfortunately, it became clear that the Department was not engaging in the kind of round-table discussions with stakeholders that would allow the PLA scheme to move forward to the benefit of participants and employers.

That issue was ongoing against a backdrop in which 50% of those on the PLA scheme did not have placements with employers. The Committee believed that that situation would force the Department to engage more fully with employers and PLA providers to come to agreed solutions to lessen the problem. However, that did not seem to be the case.

In January of this year, departmental officials came to the Committee to present options to

modify the PLA scheme in order to make it more attractive to employers. The key suggestion was that the length of the weekly work placement be increased to up to three days. That was in response to issues regarding insufficient time to assess work that was carried out on placements, the cost of insuring a PLA apprentice for just one day a week and the amount of training that could be undertaken. The Committee was concerned that that suggestion might encourage employers to believe that a free PLA apprentice would be an attractive option to unscrupulous employers who would displace a paid apprentice in favour of the free option.

Other stakeholders and MLAs were also concerned about that, and the Committee received a further flurry of correspondence expressing concern on the issue. By April 2010, the Committee believed that it had no alternative but to host a round-table discussion on the PLA scheme, to which the Department, employers, colleges and sector skills councils would be invited. Although the Committee acknowledges that the Department spoke to stakeholders in the interim, nothing was undertaken at the round-table discussion. The discussion forum allowed the Committee to hear all issues. The Department and all stakeholders also got to have their say.

The Committee believes that the most positive outcome of the meeting was that the Department finally saw that the round-table format was the only way forward to deal with PLAs. The extremely positive feedback received from stakeholders has convinced the Committee that that is the best way in which to look at how the PLA scheme can be driven forward. In the Committee's motion, its members call on the Minister to ensure that his officials continue to use that discussion-forum approach to remodelling PLAs.

At its meeting on 2 June 2010, the Committee received an update on the scheme from departmental officials. Members were pleased to hear that the Department continues to engage with stakeholder groups and is exploring ideas that have been put forward on the flexibility of the scheme, such as how the scheme will fit into the qualifications and curriculum framework (QCF); how it will not compete with paid apprenticeships; how the Department will guard against the displacement of paid apprentices by employers in favour of PLA apprentices; how

changes to the PLA scheme for September 2010 will differentiate it from apprenticeship schemes; how the scheme will focus on NVQ level 2 skills; and how other issues that affect young people who are not in education, employment or training (NEET) may be dealt with in any new scheme. The Committee believes that there is considerable scope to create a new scheme for September 2010 that will take PLAs in the direction in which they need to go.

Members support stakeholders in seeing the way forward as being a programme that is aimed at NVQ level 2 and that should provide a good professional and technical grounding, allowing a young person to progress to a paid apprenticeship at a higher level. It is also desirable that the programme places emphasis on reinforcement of essential skills and some element of personal and social development. It would also be useful if there were an opportunity to add components to the programme that would attract young people who are NEET, such as personal and social development. That might include team activities, enterprise, environmental work and lifestyle sessions. It might also be appropriate for some team activities to have a sporting context in which communication, team-working and leadership skills could be developed.

The Committee saw that kind of programme work effectively during its recent study visits to Scotland and Wales. As with apprenticeships generally, funding must be applied at the right time. Participants must emerge from the programme with sound technical knowledge and essential and life skills. They must have practical professional skills. It would be desirable if they could also undertake citizenship; voluntary or community work; and health and lifestyle training. They should also have a good grounding in employability and entrepreneurial skills.

The final part of the motion deals with rolling out a significant number of paid apprenticeships and other training in the public sector. The Committee is aware that the Minister has corresponded with Executive colleagues on that and has not really received enthusiastic responses. The Committee understands that a small-scale pilot scheme that involves a dozen young people will be undertaken in the Department for Employment and Learning. The scheme is simply not on a sufficient scale. Considering the high level of unemployment

and our NEET problem, we must demand that the Department step up to the plate to provide apprenticeships and training in a variety of areas. Our neighbouring jurisdictions have forged ahead in that endeavour while we are still casting around to see what can be done.

While in Wales recently, Committee members saw how its Government can make effective use of social clauses in public-procurement contracts to create apprenticeships and opportunities for unemployed people. If they can do it, so can we. To use EU rules as an excuse not to is not acceptable. The Committee believes that where there is a will, there is a way.

The Committee's study visits also highlighted the importance of tracking young people's destinations after they leave school so that it is less likely that they will fall through the cracks. A reworking of the PLA scheme could also serve that purpose.

11.15 am

In conclusion, I say to the Minister that the Committee stands ready to help him in any way it can to create for September 2010 an alternative to programme-led apprenticeships that can serve a wider social purpose and clearly differentiate itself from the ApprenticeshipsNI flagship programme. Once again, I thank in advance those Members who will contribute to the debate.

Mr T Clarke: I support the motion. I think we are all in agreement that the scheme was a welcome response to the economic downturn, which is continuing, and which, I believe, will be with us for the foreseeable future, given what the future holds for us under the Tory/Liberal Government that we now have. Although the idea behind programme-led apprenticeships was a good one, it has in fact failed many apprentices and disappointed many stakeholders. The Department and the Minister failed to consult widely with employers or any other stakeholders when planning for the programme.

Some 50% of apprentices on the scheme failed to secure a placement, and for those who were lucky to get a one-day placement, that has proven to be insufficient to meet the criteria for the qualification. The Minister needs to go back to the drawing board and rethink, review and revise the criteria. It appears that he and his Department threw the programme together in a panic and without much thought

for its consequences. As a result, those who applied and were successful have been let down due to the failures of the Department in preparing the ground. However, I am pleased that, after months of correspondence and meetings involving the Committee in highlighting the problems, the Department is ready to address those problems and work with the stakeholders. In the end, that demonstrates a remarkable success story. However, I reiterate: the problems should have been identified before they occurred, which would have saved a lot of time and hassle.

I support the motion and commend it to the House; however, I seek assurance from the Minister that he and his Department have learned lessons from this, and that they will implement the changes in conjunction with the stakeholders. It is imperative that we build a workforce that is fit for the future and that we have all the skills and training needed to rebuild our economy. I support the motion.

Mr Butler: Go raibh maith agat, a LeasCheann Comhairle. The debate is moving fairly quickly today. Although the motion is broadly supported, there are obviously difficulties. I understand that the Minister brought in the programme-led apprenticeship "intervention measure", as he called it at the time, to try to deal with the ongoing problems relating to the economic recession. In particular, many school leavers are not going along the traditional route of getting an apprenticeship and a work placement in the world of work; working with their employer; and then going to college for whatever training they need to get their apprenticeship. There is need for a work element, especially at NVQ level, to fulfil the requirements of that qualification.

We have all been lobbied by a lot of employers over the last year or so who are critical of the programme-led apprenticeship scheme. It was always brought in as a temporary measure. Unfortunately, I missed the day when the employers were here, because I had other business. Although the scheme needs to be constantly reviewed, and I hope the Minister will say something about that today, we are between a rock and a hard place. On the one hand, we still have high levels of unemployment, particularly in the construction industry, where there are a lot of apprentices training to be bricklayers or electricians. They have been hit the hardest. In the past, there have been economic downturns. Then, when there was

an uplift in the economy, there was a gap in the number of apprentices because the young people had gone off and done other things.

I know that there is also the cost implication of students and apprentices having to do more hours at college. I do not know whether the Minister will address that issue and the fact that some students experience long travel times to college. We must come up with ways and means of addressing that.

The reality is that we are still not out of the recession when we consider the lack of jobs, particularly in the construction industry. We must, therefore, try to keep apprentices interested and involved in training. However, I accept that they need to get into the real world of work. From my experience as a teacher in a further education college, I know that there is only so much that colleges can do to simulate work experience and that kids need to experience real-life situations, such as working on sites, etc.

Today's motion raises concerns about that type of scheme, which many employers do not like. It smacks of the old youth training schemes through which people were trained but were not given work experience. As a result, many people could not get jobs, and apprenticeships were devalued. In response to the present climate, the Minister brought in the programme-led apprenticeships scheme as a temporary measure to hold on to students until the situation improves. However, the scheme must be kept under constant review, and many changes need to be made to it. I hope that the economy will improve by the end of this year and will continue to do so into next year, and that a lot of the people who are currently training will get jobs. I also hope that the Minister responds positively to the motion.

Mr Beggs: The programme-led apprenticeships scheme has provided many benefits for young people since its introduction. However, it is true that there are problems associated with it. The devolved Government must do everything that they can to address the recession and the debts that new Labour has left this country with, and we must try to prepare for the future by investing in young people and their skills. I welcome the fact that the scheme was introduced quickly, but we ought to be open to making improvements to it.

The scheme has helped many thousands of young people who would otherwise have bolstered the

numbers not in education, training or employment to continue with their training in difficult economic circumstances. It is essential that we ensure that critical skills are available so that, when the economy turns the corner, businesses and Northern Ireland plc will be able to use them in order to grow and to take the opportunities that will arise in the future. The Minister's initiative has reduced the benefits bill and increased employability among many young people.

I support the worthy public sector aspect of the motion. If the public sector is capable of assisting with the training of young people at a time of economic recession, it should. I know that the Minister has sought to engage with other Departments to achieve that, and I am interested to learn from him what success has been generated. I understand that other Departments, particularly those with large capital budgets, have a significant opportunity to influence that area. I am, therefore, also interested to learn from the Minister how Departments that issue large capital programmes and contracts, such as the Department for Agriculture and Rural Development (DARD), have been able to assist the programme-led apprenticeships scheme. Furthermore, it would be useful if we could learn what progress has been made in encouraging employers to take on apprentices. It was interesting to hear some of the criticisms of the scheme, such as employers' preference for the old scheme. What progress has been made in encouraging employers to take on such schemes and to take responsibility for apprenticeships?

From experience in my constituency, I know that it is a very difficult time for employers to take on and invest in new employees and, at the same time, protect existing staff. It is easy to wish that employers would take on full-time apprentices. However, my understanding is that that has not been the case; it would be useful to hear whether there have been any changes in the circumstances. Earlier in the week, I spoke to some constituents and learned that apprentices are being paid off midway through their training, which would be devastating for any young person. Other employers, with perhaps more conscience, have, at least, enabled employees to finish their apprenticeship training, which is vital if certain skills are to be available in the future. Therefore, although it is easy to wish that the private sector would

provide more full-time apprenticeship places, the outworking of that is more difficult. It is vital for Northern Ireland's economic recovery that employers do what they can, within the constraints of their budgets, to keep the training cycle going.

It should be noted that the Minister introduced the scheme as a short-term solution to the economic conditions in which we find ourselves. Naturally, that leads to it having limitations. However, it cannot be overstated how beneficial the scheme has been in keeping young people actively engaged in training, much of which happens in a workplace environment, and in minimising the number of young people who feel that they are on the scrapheap. It is important that young people have those opportunities.

The Committee for Employment and Learning is seeking improvements to the scheme. As I am not a member of that Committee —

Mr Deputy Speaker: The Member should draw his remarks to a close.

Mr Beggs: What detailed changes are the Committee proposing? It would be helpful to learn what positive and practical changes, that are achievable within existing constraints, the Committee wants.

Ms Lo: We all acknowledge that the programme-led apprenticeships scheme was an emergency measure in view of the economic downturn, and we have to be realistic in acknowledging that the climate does not allow many opportunities for employer-led apprenticeships. As the Chairperson of the Committee said, it is important that we do not push young people towards being not in education, employment or training.

Programme-led apprenticeships is a new scheme that is obviously evolving. Therefore, it is only right that, in partnership with others, we monitor and evaluate the scheme and make the necessary improvements. At a recent Committee meeting, we spoke to stakeholders about the proposed changes. Employers were very concerned that we might go back to the old Youth Training Programme (YTP) schemes and that that would lead to the displacement of the current paid apprenticeships. Some employers suggested that we should perhaps consider financial incentives for employers to retain or recruit apprentices. We need to think seriously about that. A couple of weeks ago, the Committee also received a welcome

presentation from departmental officials about perhaps having more flexibility in the September monitoring round.

I want to focus on the name of the programme, which, in using the word “apprenticeships”, is misleading for young people and raises false hopes and expectations. To young people, an apprenticeship is learning a skill through working with a tradesman. Therefore, apprentices do not want to spend most of the week in college. They want to gain the skills and experience that, after two or three years of apprenticeship, will lead them into a real job.

Maybe that is why so many dropped out of the current scheme — 640 out of 3,362 in recent months, which is almost 20% of the total number of participants. It was a huge disappointment that only 50% of the cohort got work placements. Even with a placement, apprentices are looking at getting only one day a week's work experience, and that is not enough to gain any NVQ qualification.

11.30 am

Employers and DEL have worked very hard to promote the Northern Ireland apprenticeship brand, and it has been successful. Some of us went to the Apprentice of the Year awards, and we were very impressed with the young people there. It is important to keep the employer-led apprenticeship scheme separate and alive and not to confuse it with the programme-led apprenticeships scheme.

The public sector's input has been very disappointing, to say the least. The public sector has not come forward to provide any placements. I know that DEL is piloting 12 placements, and perhaps that is a start. When I look at other Departments, I see that there are so many different public-led apprenticeship areas, such as health and social care, public services, child development and well-being, administration and agriculture. The list goes on and on. There are so many areas, so surely our public sector can give young people placements to further their training and provide them with experience.

(Mr Speaker in the Chair)

I want to ask the Minister about the voluntary sector. He spoke about a new scheme to offer the long-term unemployed six months' work placement. Can that be extended to include young

people on the next rung of the programme-led apprenticeships scheme, whether or not we call it the programme-led apprenticeships scheme? Perhaps the voluntary sector can provide placements. Most of all, however, we need to involve employers. Employers need to be involved and to consider how they can help with the programme-led apprenticeships scheme.

Mr P Ramsey: I support the motion. The programme-led apprenticeships scheme was discussed at almost every Committee for Employment and Learning meeting in the past few months. The Committee accepts that the scheme was brought forward in an emergency situation, given the downturn in employment and concern across the region that the Department needed to do something. We also accept that the Minister and the Department brought that scheme forward in good faith.

However, we all believe that aspects should and could have been done better. That is illustrated by the mere fact that the Committee took the initiative some months ago by bringing together colleges, employing bodies and the Sector Skills Council in a round-table discussion, which it was led to believe had not happened before. As a result of that kick-start, the Department is taking the lead and convening similar meetings to try to bring forward a rationale and a determination to make those programmes much better.

I say directly to Roy Beggs that there is no criticism of the Minister or the Department. The Committee was looking at a lost generation of young people, and it began an inquiry into young people not in employment, education or training (NEETs), taking those concerns on board. There were concerns about young people, particularly NEETs, whose morale, confidence and motivation were not good. However, it is damn well worse if more than 1,500 young people on a government-led training programme cannot get their NVQ because they cannot get a placement. In those circumstances, the Committee seriously and conscientiously looked at involving the Department. I see departmental officials in the Public Gallery, and I believe that they have taken on board some of the serious concerns that the Committee raised.

There have already been proposed changes to the scheme to make it more important and effective. For example, new guidelines will include checks to ensure that trainees do not displace existing apprentices or those who

have been made redundant recently. That is an obvious measure that should be signed up to. There is concern from the colleges in particular, which are the main training providers and take in almost 60% of those who participate in the scheme.

It is important for the scheme to get a new image and to move away from the programme-led apprenticeships, as we know them. Anna Lo referred to that issue, and the Committee received a briefing from departmental officials on it. However, we need buy-in to that change. The problem, from the outset, was that there was no buy-in or consensus, particularly from the employing bodies. That is why we are getting to the stage where the scheme is, in many regards, seen to be a failure, particularly by a lot of the young people who participated in it.

We need a much more cost effective contribution to address the needs of the 55,000 young people across Northern Ireland who are not in employment, education or training. That is a fundamental aspect of all the programmes, and not just the ones that cater for young people. It is also a fundamental aspect of programmes for adults who, due to the recession, have become unemployed.

It is essential to ensure that trainees get the necessary qualifications. The Minister said that he would look at the circumstances in which young people are going through colleges and are trying to get themselves back into education but cannot reach that extra stage and get an NVQ because they cannot get an employer to take them on. That issue must be examined, because it means that a young person who has left school at 15 or 16 has a window of opportunity to commence a new training programme but is finding that they are a failure again. That has to be a serious concern for the Minister and the departmental officials.

Young people need to be valued, and the qualification at the end of the scheme will facilitate their progression to either further education or further opportunities for work. A one-day-a-week placement, from the employer's perspective, does not provide meaningful work for apprentices. That is why the Department is trying to encourage employers to take apprentices on three-day-a-week placements, which will be more effective and more stimulating for young people, because they will give them active work within the community.

We need to constantly review and renew the training programmes.

Mr Speaker: Will the Member bring his remarks to a close?

Mr P Ramsey: We need to look at the subregional aspects of training programmes. For example, in Derry, more than 60% of young people are given placements. So, the scheme has a higher rate of success there than it does in other places.

The Minister for Employment and Learning (Sir Reg Empey): I thank Members for their contributions to the debate. I want to go back and talk about the situation a year ago, because although the circumstances in which we found ourselves have been alluded to, people sometimes forget them.

The recession came very quickly. In the summer of 2007, Northern Ireland experienced the lowest level of unemployment ever recorded in these islands; about 4.5%. That had never been achieved before. Within 12 months, the financial crisis had come out of the blue, and unemployment began to rise very rapidly.

Although I am conscious of the fact that a number of employers and those who provide training for specific trades have been very active in lobbying the Committee and the Department, part of what provoked our response was the fact that those people, instead of taking on, for example, 40 apprentices a year, cut the number in half or stopped taking them altogether. In addition, some people were very keen to ensure that they maintained their position in a particular sector as the principal provider of training.

Just over a year ago, we could see the trend with respect to the apprenticeships on offer. We could see that even some of the larger employers that we rely on regularly to provide a significant number of apprenticeships either walked away altogether or dramatically reduced the places that they were offering.

There is no argument that the programme-led scheme is the way to go. We fully support that. However, a year ago, we had a dilemma about what to do. We could see the reduction in the numbers of apprenticeships being offered, and we said to ourselves that thousands of young people would have nowhere to go if we stood still. I think that the Committee understands

that. Therefore, we set up the scheme in a very short space of time, and it is inevitable that any scheme, particularly a government scheme, that enters the marketplace in that way will carry a risk. When we introduced the scheme to the House, I said that it was an emergency measure. I also indicated that it would be kept under review continually, and it will.

Nothing would give us greater pleasure than to tell the House that we are now at a stage where we can wind up the scheme and go back to our original proposals. That is where we all want to get to. However, at the end of the day, we did get substantial numbers of applications last autumn, and almost 3,000 young people took up positions. Whatever the scheme's faults — and I fully accept that it has faults — we still have done more good than harm for many thousands of young people. At the end of the day, that is one of the measures that we have to take. Therefore, the dilemma has been, and remains, how to put provision in place to cater for all who need it. That is our objective.

My Department guarantees all 16-year-olds and 17-year-olds a training place if they want it. To deny that guarantee could mean that many more people end up part of the NEETs statistics. I am sure that no one in the House wants that to happen. We may be over-training at present, but we can try to influence young people to make good career choices and try to deliver a provision that allows the best opportunity for all. My departmental colleagues and I are between a rock and a hard place, between the needs of employers and the needs of our young people. However, until the economy recovers and we have more jobs, our social responsibility is clear. We can improve on the current position and go some way towards anticipating employers' needs.

Departmental officials are working to renew the contracts for the delivery of Training for Success and Apprenticeships NI in 2011. We are also close to the timely roll-out of the vocational qualifications reform agenda and, with that, the introduction of the qualifications credit framework. Last year, we had only a short time to act to put in place the recessionary response in the form of the programme-led apprenticeships scheme. The Department's involvement of the sector skills councils and employers could have been greater; there is no doubt about that. However, with the Committee's input on the issue and the close consultation on

re-contracting that has begun in recent months, much progress has been made.

I have been encouraged by the active engagement in the process of the further education colleges, the training organisations, the awarding bodies and the sector skills councils. The work on re-contracting has been progressing to revise the current Training for Success programmes in line with the introduction of the qualifications framework and to improve the flexibility for trainees and training providers. Although there is more work to do, I am actively considering whether thinking is sufficiently advanced to enable me to introduce the level 2 provision early and in time for the September 2010 main intake of school leavers. Training organisations that have been involved in the consultations thus far have indicated that they see that as a positive development.

For its part, the Alliance of Sector Skills Councils agrees that such provision appears to offer a better option than the current programme-led apprenticeships programme. I will make a final decision on that matter before the end of this month. Although the re-contracting is yet to conclude, the longer-term solution will provide a training programme for unemployed people that will sit more easily alongside our flagship programme.

11.45 am

It has been proposed that none of the new Training for Success strands should be given a title that includes the term "apprenticeships". We will look at that closely, having heard what the Committee has had to say.

Members raised a number of issues. The 50% placement issue keeps coming up and is an obvious problem. We have made changes to try to move things forward so that such placements are more attractive for employers. However, we are dependent on employers; we cannot manufacture training places. We approached the public sector and have had a response from Departments. Some 120 places have been offered by various Departments. Ministerial colleagues have responded positively, and although the uptake is comparatively small, we hope that that will open up and progress.

The Committee for Employment and Learning has been exercising its policy development function, alongside the Department and me, as Minister. That is one of the reasons for having

Committees in the first place. I am not sure that everyone was terribly keen on it at the time, but it is an important role. We are listening to what the Committee is saying.

I note the request about the voluntary sector. As Anna Lo pointed out, we already have a major scheme with the voluntary sector that deals with those who have been unemployed for 30 months and more. That will provide an opportunity, over a two-year period, for some 4,000 people to go through that scheme, break the cycle of long-term unemployment and give them up-to-date skills. We will always look to the third sector to determine the options that are open to it.

The cost to colleges was raised by the Member for Lagan Valley. We have addressed that issue; we have been in touch with the colleges and have come to financial arrangements in that regard.

Although, on the surface, it seems sensible to give money directly to employers rather than to organisations to train people, we must take great care in dealing with those matters because we run the risks that are associated with state aid. However, every opportunity must be taken. We said that the programme-led apprenticeships scheme was an emergency measure and that it would be reviewed. It will be reviewed consistently. I look forward to the day — I hope that it comes quickly — when we can say that we no longer require the programme. That will indicate that we are back on track with a scheme that we totally believe in and in which we have confidence, which is employer-led, demand-led and is not something that we have to dream up.

People refer to past employment schemes such as ACE and others. However, there were many times in our constituencies that we were glad of the ACE scheme. It gave people some pride, in that they were wage earners, and it provided things that are not provided today.

Mr McCarthy: The Minister excites me when he talks about the ACE scheme. I am sure that many Members recall being in the Interpoint building in Belfast when the Northern Ireland Forum for Political Dialogue was sitting. We all remember the call — I certainly remember the call — for the powers that be then to bring back the ACE scheme, because it did exactly what the Minister is saying today. A lot of our constituents benefited from that scheme. Will the Minister consider bringing it back?

The Minister for Employment and Learning:

We have all learned something today about how people can get excited in this place. I was merely referring to the scheme as an example of state intervention in order to try to substitute for employment, because it was a substitute process. The truth is that, in those days, the level of unemployment was dramatically higher than it is today: some places had 25% unemployment, and many were well in the high teens. Thank God we are not facing those issues today.

I was trying to make the point that when we were challenged by an emergency, responses had to be made. The ACE scheme was one. It was abused in some cases, and, unfortunately, did not automatically lead to long-term permanent jobs. We are trying to correct those things in the present arrangements. The fact is that we are now in a different circumstance. Having 25% unemployment then, as opposed to 6.5% at the moment, is to deal with two different situations. We are trying to tailor proposals that will result in work. I am unable to give the Member the guarantee that he is seeking, but we have to continually monitor and review what we are doing. We have said that we will do so, and we will continue to do that with this scheme.

I appreciate what the Committee has said. Ideas have been brought forward and consultations have taken place, but we must remember that employers also have responsibilities. I am sure that the Committee understands that. We cannot supply all the placements. A lot of employers have not made the link between training up and helping young people and improving their profits. Many employers are quick to point the finger, but those who have continued to supply placements and to train and invest in young people need to be commended. They have done that in very difficult economic conditions. However, we cannot manufacture placements, outwith trying to open up the public sector, as we have been doing.

I appreciate that too many young people cannot get placements because of the NVQ situation. However, the number of placements is moving up as a percentage, albeit slowly. Ultimately, that is the way ahead for the scheme.

I thank Members for their contributions. We will take what has been said very seriously.

The Deputy Chairperson of the Committee for Employment and Learning (Mr Weir): I

welcome the opportunity to speak in the debate. To pick up on one of the Minister's remarks, although the debate is welcome, programme-led apprenticeships are a response to a particular set of economic circumstances. None of us would have hoped for this particular crisis to happen, and we all hope that it does not continue too long into the future. Consequently, there is an element of regret that we have to have the debate, because we would all like to have a society where this type of programme would not be required in the first place.

We have had a reasonably constructive debate, which was the intention of the Committee. We are trying to be positive and constructive and to see where we can improve on the situation. The wide-ranging debate has even lapsed into excitement for at least one Member. I was listening studiously to all the contributions, and "excitement" was not necessarily the word that came to mind.

The debate turned out to be slightly shorter than planned. I think that a few Members were taken by surprise at the early start of the debate. If they were in a different form of employment, their non-attendance could lead to their wages being docked. However, we have no such punitive system here. I do not know whether a late amendment is going to be tabled in connection with that. Perhaps some of the Members have been let go early by their parties; I do not know. In the same way that a number of apprentices have had difficulties in completing their programmes, perhaps some employers here have intervened to let some people go early.

Mr Beggs: Speak for yourself.

The Deputy Chairperson of the Committee for Employment and Learning: The Member made a comment from a sedentary position, but as can be seen by the fact that I have been here throughout the debate and am now making a winding-up speech, no one decided to let me go early, unfortunately. I am here until the bitter end.

The Chairperson began the debate by setting out the background to the matter, and I know that the Minister also set out the context. A range of Members acknowledged that the process began as an interventionist measure in an emergency-type situation for which swift reaction was needed. Indeed, pretty much all the Members who spoke welcomed that intervention as the right thing to do. Even Mr Trevor Clarke, who was somewhat critical of the

Minister and the Department, welcomed that intervention.

However, it is not surprising that such swift intervention can lead to implementation problems. All Members and, indeed, the Minister acknowledged that not everything was necessarily got right. Given the swiftness of the intervention, it would be more surprising if everything had been got right. The colleges and some employers have raised concerns. One problem was a lack of initial buy-in from some employers and industries, which has dogged the programme somewhat. The rates of dropout and failures of completion have also been highlighted.

There are positives to what has been done, and Roy Beggs in particular indicated a range of benefits. Irrespective of the criticisms, the programme has undoubtedly led to the diversion of many people who would otherwise have become NEETs. The Committee has looked at that in a wider context, and we have added to the number of people with critical skills. The programme has had a positive input in the teeth of a recession.

The Chairperson indicated that one of the key motives behind the programme and, indeed, one of the criticisms of it was the slowness, possibly on the part of the Department, to engage and to get the key players round the table. When the Committee got departmental officials and representatives and employers from the various sector skills councils and colleges round the table, it struck me that there had clearly not been in-depth engagement at an earlier stage.

Concerns were raised, but, on a positive note, it was clear that those could be overcome. Indeed, the remarks that have been made today indicate that the Minister and the Department have taken steps to try to address those concerns in the past few weeks. Although there have been concerns, everyone is essentially in the same ballpark. We in the Chamber are focused on making a positive contribution to the economy and to the lives of the young people who will be involved in the programme.

The Chairperson focused on the impact that the programme could potentially have on NEETs. One of the issues that has been raised is that we need to look more imaginatively at how we better engage with that sector. If there is one lesson to be learned from today about making adjustments for the future, it is that

a discussion forum approach, which seems to have been accepted across the board, should be rolled out. It became very obvious that although everyone has, broadly speaking, bought into the concept, it will work only if it is practically driven and addresses the concerns of colleges, young people and employers. If any side of that triangle breaks down, the scheme will not work as well as it practically should.

Trevor Clarke highlighted some of the problems that stakeholders had raised and problems that had arisen from a practical point of view. He said something that we all agree on: we want something fit for the future.

12.00 noon

Paul Butler said that it was critical that the employer side was got right. He made specific reference to the problems in the construction industry. He also highlighted the need for the views of colleges to be taken into account to ensure that all factors had been considered. He also said that we should not return to old-style solutions such as YTP schemes. There was, however, nostalgia for the ACE programme from Mr McCarthy in his brief contribution.

We must ensure that what we have is fit for the twenty-first century. Several Members — Dolores Kelly, Roy Beggs and the Minister — said that there is scope for a greater public sector role. We need to press Ministers to ensure a degree of roll-out, albeit on a smaller scale, in the public sector.

Roy Beggs stressed the need for positive suggestions, and there is a range of positive suggestions. The Minister said that the colleges proposed a scheme that focused on level 2 NVQ. It may be regarded as semantics, but it is important to draw a distinction between employer apprenticeships and this scheme by way of titling. Something that came across strongly is the need to have a degree of flexibility in the scheme. Different sectors see the issue in different ways. Anna Lo highlighted that the level of placement needs to be addressed to ensure that one size does not fit all.

Pat Ramsey highlighted issues with the new guidelines; we should not have something that just displaces people. Pat Ramsey's message is that we should seek constantly to review and monitor the issue to ensure the best possible solution.

The Minister highlighted the context of this reform and the tight time frame, which meant that things needed to be put in place, and perhaps not everything was got right at the start. I welcome the commitments from the Floor and from the Minister to get the long-term solutions right. The programme outlined in Training for Success and the changes to be brought about in the near future are welcome.

We have had a positive debate. We need to keep monitoring the position to ensure that we get it right, because we must look after the future of our young people, not just for their sake but for the future of our economy. We must ensure that we have the right workforce for the twenty-first century.

Question put and agreed to.

Resolved:

That this Assembly recognises that the initial programme-led apprenticeships (PLA) scheme was a short-term, crisis response to the economic downturn and the rising number of redundancies amongst apprentices in paid employment; calls on the Minister for Employment and Learning to enter into wide-ranging, round-table discussions with all stakeholders with an interest in the scheme to explore how it can be modified to better meet the needs of both providers and participants and to ensure there is no displacement of those currently in paid apprenticeships with employers; and further calls on the Minister to actively explore the roll-out, on a significant scale, of both PLA and paid apprenticeships within the public sector.

Assembly Business

Mr McNarry: On a point of order, Mr Speaker. This morning, the Finance Minister issued a press release on the provisional outturns, 2009-2010, which showed an 8.6% increase in the Executive's expenditure last year. I understand that such information was previously released as a statement to the House, which allowed Members to ask questions. I most certainly do not allege that the Minister is being discourteous to the House on this occasion.

Is it in order for you, Mr Speaker, to ascertain why no statement was made today on this important matter? Perhaps the House can be advised on why statements of this nature seem continually to be given to the press instead of being brought to the proper place for discussion: this House.

Mr Speaker: I appreciate the Member's point of order. He spoke to me outside the Chamber about this issue, and I know that he feels strongly about it. However, the House knows that I do my utmost to encourage Ministers to come to the House to make important statements. I am sure that the Minister will take note of what is said here. It is not the first time that Ministers have made statements to the press before coming to the House. I am sure that the Minister will pick up on this point of order.

The next item of business on the Order Paper is Question Time, which will begin at 3.00 pm. The sitting is, by leave, suspended and will resume at 3.00 pm.

The sitting was suspended at 12.05 pm.

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

3.00 pm

Oral Answers to Questions

Enterprise, Trade and Investment

Mr Deputy Speaker: I have to tell you that questions 2, 3 and 6 have been withdrawn.

Small Businesses: Strangford

1. **Mr McCarthy** asked the Minister of Enterprise, Trade and Investment what support her Department is providing to small businesses in the Strangford area. (AQO 1384/10)

The Minister of Enterprise, Trade and Investment (Mrs Foster): Between April 2005 and March 2010, Invest Northern Ireland made nearly 480 offers of support to its clients in the Strangford constituency. Those offers, to both indigenous and externally owned companies, amounted to more than £11 million of assistance that, when implemented, will leverage total investment in the constituency of £69 million. During the same period, Invest NI also provided support to 694 new business start-ups.

Mr McCarthy: I am grateful to the Minister for her response. She will agree with me that small businesses contribute a lot to the Northern Ireland economy, and we already have a number of small businesses such as Glasy Farm ice cream, Sparky Pac, Castle Hill Candles in Portaferry — the list goes on. However, in my experience, when small entrepreneurs have an idea to create jobs, they find it difficult to get over the threshold to get financial support to get started and progress. Can the Minister comfort such people by telling them that starting a small business could be easier?

The Minister of Enterprise, Trade and Investment: I thank the Member for his question. Issues such as those he referred to are exacerbated in the current economic climate because of the situation with the banks. Therefore, people who take their small business plans to a bank find it more and more difficult to

get the funding to deal with those issues. The important issue from his perspective is that the independent review of economic policy (IREP) report recognised that Northern Ireland's economy is built on small businesses and that that needed to be reflected.

IREP made it clear that it felt that a small business unit should be developed within Invest Northern Ireland, and I am happy to report to the Member that that is proceeding apace. I accept that some small businesses find the bureaucracy at the time that they are starting out a little bit daunting; therefore, they need all the assistance they can get. When I became Minister, I instructed Invest Northern Ireland to ensure that it was open to all businesses, whether multinationals or those one- and two-man companies referred to by Mr McCarthy.

As the Member indicated, Strangford has some very good small businesses: I think of Willowbrook Farm or TG Eakin, which was recently included in a prestigious 100 list as the best small/medium business by the 'Belfast Telegraph'. The company was also recognised in the 'Sunday Times' PricewaterhouseCoopers Profit Track 100. Therefore, small companies are making a real difference to the economy in Strangford and right across Northern Ireland, a contribution that I very much recognise.

Ms McIlveen: Anyone who took advantage of the recent good weather by visiting the premier constituency of Strangford on their tour of the coastal road will have seen the SeaGen project on the lough. What have the benefits of that project been?

The Minister of Enterprise, Trade and Investment: Despite today's weather, that is. Before the Member spoke, I thought that we might miss another Member for Strangford who usually makes those points, but I know that he is in another place today.

The SeaGen project has been a tremendous benefit to Strangford. It is the first of its type in the world. The people of Strangford should be very proud of it. Indeed, last month, I had the privilege and honour of being with His Royal Highness the Prince of Wales when he visited the SeaGen project to see the work that was going on there and to commend the work being done by the Queen's University marine laboratory in Portaferry. A tremendous amount of good research and commercial work is going on in the SeaGen tidal energy project, so it is

internationally significant, and the people of Strangford have a right to be proud.

Ms J McCann: Go raibh maith agat, a LeasCheann Comhairle. The Minister will be aware that small businesses that have been developed through the social economy sector sometimes find it more difficult than small and medium-sized businesses to access financial investment. Will financial investment from credit unions be available to businesses from the social economy sector under the legislation that is going through Westminster?

The Minister of Enterprise, Trade and

Investment: Yes. It is a conversation that I have had many times with the Member in her previous capacity as the Deputy Chairperson of the Committee for Enterprise, Trade and Investment. When the credit union legislation comes forward and we are finally able to use those moneys more proactively, it will be of great benefit to the social economy sector. I had the privilege and pleasure of attending the recent launch of the Sector Matters initiative, which is being taken forward by the Northern Ireland Council for Voluntary Action (NICVA). It will provide services for the whole social economy sector, so, instead of every social economy organisation having to source human resources and legal help, they can look to Sector Matters. That is a tremendous initiative, and I know that the Member will join me in congratulating NICVA on what it has done in that regard.

Mr D Bradley: Go raibh maith agat, a LeasCheann Comhairle. Will the Minister give us an update on her recent discussions with the local banking institutions? Will she tell us of any commitments that she received to increase support to small businesses, which, as she will know, are struggling in the current financial climate?

The Minister of Enterprise, Trade and

Investment: I thank the Member for his question, as it deals with a very important issue for the Executive. As he knows, we continue to engage with the banking sector. There is always a dichotomy between what the banking sector says is happening in individual banks and what we are told at local level by the small business community, although I have been encouraged to see a higher intake of the enterprise finance guarantee. Just yesterday, one of our local businesses — I cannot remember its name — took advantage of European Investment Bank

funding, so there have been positive moves. However, much more could be done by local banks to encourage small industries.

Titanic Quarter

4. **Lord Browne** asked the Minister of Enterprise, Trade and Investment how many international companies have located to the Titanic Quarter of east Belfast in the last five years.

(AQO 1387/10)

The Minister of Enterprise, Trade and

Investment: In the past five years, 11 externally owned international companies have located in the Titanic Quarter, including the world-leading companies Citibank, Fujitsu and Polaris Software. There is no doubt that the Titanic Quarter development could significantly strengthen Northern Ireland's commercial and business infrastructure, particularly through the provision of a wide variety and choice of modern, high-tech office space. That can only benefit Northern Ireland in the long term by offering an attractive investment location that is close to an easily accessible and skilled labour pool.

Lord Browne: I thank the Minister for her answer, and I welcome the continued interest of international companies in the Titanic Quarter. Will the Minister outline what further steps she intends to take to encourage investment? Will she highlight the case for coming to the Titanic Quarter at the forthcoming investment conference in Washington?

The Minister of Enterprise, Trade and

Investment: When I go to America and Asia, I find that the science park and all that goes on in the Titanic Quarter makes it easier for me to sell Northern Ireland and what we can offer international companies. The Northern Ireland science park is just 10 years old, but it makes a real contribution to Northern Ireland in moving forward with technological companies. Some of the best international companies came to the science park initially to set up a small incubator of about 10 people. However, once those were up and running, they came back and invested further in Northern Ireland because they liked what they saw, they liked the talent, and they liked the infrastructure and the lack of attrition. Therefore, the science park and the Titanic Quarter in general are very good selling points for Northern Ireland, and I will continue to use them as such.

Mrs M Bradley: Does the Minister agree that the science park model has been successful, and, if so, is there a case to be made for it to be replicated in other parts of Northern Ireland?

The Minister of Enterprise, Trade and Investment: I am willing to have a discussion about the science park model being replicated. Today, I was at the opening of a joint venture by Queen's University and Seagate, a company from our own part of the world, which is part of a £60 million investment that that company has put into research and development in Northern Ireland. I was very pleased to hear about the 10 research posts that have been appointed in Queen's University. Some of the people in those posts are returners to Northern Ireland. I was told that one of them had left Londonderry to go to a university on the mainland and has now come back to us here. That is tremendously good news and the sort of thing that we want to see happening in our economy. People go away to get experience and a worldwide view, and they come back to Northern Ireland with that experience. We want to see that happening, and I am pleased that it has happened through the work of Seagate and Queen's University.

Mr K Robinson: I thank the Minister for her extensive answer. Is she satisfied that the signature project for the Titanic Quarter will be ready in time for the centenary of the launch of the Titanic? Is she aware of the potential of the location of HMS Caroline, one of the oldest warships in the world? It is currently commissioned in the harbour area, which would add to the critical mass and to the tourist potential of the area.

The Minister of Enterprise, Trade and Investment: I do not know whether the Member has been to the Titanic Quarter recently, but, if he has, he will have seen the signature project coming out of the ground. It is quite an impressive sight. I am pleased to see the work that is going on in the Titanic Quarter in and around the signature project. Obviously, I am very much aware of HMS Caroline and the role that it has played, and I would like to see it retained in its current position. However, there will have to be some discussion about using such a boat for tourism and about how to protect the heritage in and around the boat.

Mr Adams: Go raibh maith agat, a LeasCheann Comhairle. Is the Minister aware that the Titanic Quarter recently told local area partnership

boards that, for every £2 million of public money spent, only one apprentice would be taken on and that, for every £5 million of public money spent in that quarter, only one long-term unemployed person would be taken on? Surely the Minister agrees that that hardly amounts to a real commitment to reaching out to all communities. Does she further accept that there is even greater concern about the emerging pattern of displacement of public and private sector employment from other areas of Belfast to the Titanic Quarter?

The Minister of Enterprise, Trade and Investment: In relation to the last point, that is not the purpose of the Titanic Quarter. The purpose of the Titanic Quarter is to be an international draw and to attract people to the city of Belfast and to Northern Ireland; it is not to displace companies from one area into another area, be they public or private sector companies.

I think that the Member is referring to the social, economic and environmental clauses that were part of the Harcourt construction contract. As I understand it, Belfast City Council and others placed those clauses into the contract as a minimum, so to speak, so that there would be a memorandum of understanding. Given that so much public money was going into the Titanic Quarter, there would be, as a very minimum, clauses for the economically inactive and to encourage training and skills development. However, I accept that it is an issue, and it has been raised with me by a Member for East Belfast, so I am happy to revisit the issue. We are proud of what is going on in the Titanic Quarter. However, if the Titanic Quarter is to work, it must work with the host community so that that little bit of Belfast does not become isolated and so that people in the surrounding communities do not feel that they have no stake in the Titanic Quarter. That is something that I certainly do not want to see happening.

Invest NI: Campsie Leases

5. **Ms Anderson** asked the Minister of Enterprise, Trade and Investment whether Invest NI has succeeded in buying out the second Campsie lease and at what cost; and if she can provide an assurance that the total spend on the two Campsie leases will no longer be considered as part of the total investment by Invest NI in the north-west. (AQO 1388/10)

The Minister of Enterprise, Trade and

Investment: Invest NI has successfully negotiated the surrender of the second Campsie lease at a cost of £225,000, avoiding future financial liability of about £640,000 for both units. In reporting its investment figures for the north-west, Invest NI has never included spend on office accommodation in Campsie.

3.15 pm

Ms Anderson: Go raibh míle maith agat, a LeasCheann Comhairle. I thank the Minister for her answer. What type of regulation has the Department put in place for the £1 billion that was identified as coming out of the Barnett review, on which she said we got a 10% return, to ensure that, while we operate at risk, we also operate with a degree of care and due regard when spending public money? I know that the Minister has identified many of the benefits that have come from that 10%, but I am sure that she has concerns about the remaining 90% not having a return.

The Minister of Enterprise, Trade and

Investment: We covered that subject extensively at the time of the IREP report, and I said then that it was very unhelpful for Members to use that £1 billion in the way that the Member used it again today. Some very misleading figures have been circulated recently, not least about Invest NI's clawback, and there have been some wildly exaggerated claims about Invest NI in the press. I want to set the record straight, because Invest NI failed to claw back only 0.4% of its total planned investment in that period. When we consider the millions, if not billions, of pounds that banks have written down in the past number of months and years, I do not know whether Members will feel that that 0.4% is a bad return. Given everything that has happened in the past number of years, I think that it is a very good write-down.

Since 2005, Invest NI has offered £677 million of support to businesses, and that has resulted in a total planned economic investment of £3.6 billion in Northern Ireland. I am very proud of that. We need to push further and get better value for money, and we will continue to do so.

The PAC has been assiduous in examining Invest NI and my Department. I welcome that, and I realise that the Committee needs to continue to do that. However, we also had a discussion during the period in which the IREP report was published about having and

managing risk. If we are to achieve a step change in Northern Ireland, people must accept that risks will have to be taken. Those risks must be managed — that is the way to do it — but, still and all, they must be taken.

Mr Campbell: Officials from Invest NI and the Department visited last week's meeting of the Committee for Enterprise, Trade and Investment. They were very forthcoming in explaining the write-off equation, and I thank them for that.

Will the Minister assure me and those whom I represent that areas that have experienced recent and very high unemployment will receive the attention that they deserve from Invest NI's spend? I am thinking of the areas affected by the closure of Seagate and areas of Limavady and Coleraine where there have been significant closures, redundancies and unemployment.

The Minister of Enterprise, Trade and

Investment: I am pleased to tell the Member that, over the past year, the Department has spent a considerable amount not only on creating new jobs but on sustaining current jobs. Indeed, through that effort, we have sustained approximately 2,200 jobs that would otherwise not have been sustained. Whenever people look at the number of jobs that have been created here over the past number of years, it is important that they also recognise that jobs have been sustained.

I recognise that some areas in Northern Ireland have strategic employers such as Seagate in Limavady and that when those employers leave, for whatever reason, it has a disproportionate impact on the communities concerned. I very much recognise that. Indeed, one of the reasons why the Department is so engaged in the Quinn Insurance situation in County Fermanagh is that it is such a strategic and important employer. The Department recognises the difficulties that exist in some areas of Northern Ireland, and we will continue to work with local representatives to deal with those issues.

Mr Deputy Speaker: Question 6 has been withdrawn.

Airtricity

7. **Mr Burns** asked the Minister of Enterprise, Trade and Investment for her assessment of the entry of Airtricity into the domestic electricity market and whether the current switch-over

system will need to be overhauled to ensure that consumer demand is met. (AQO 1390/10)

The Minister of Enterprise, Trade and

Investment: The electricity market in Northern Ireland has been fully open to competition since 1 November 2007. The entry of Airtricity to the domestic market is welcome news for householders, who will now be able to compare electricity costs before choosing their electricity supplier. Current customer-switching arrangements limit the number of domestic customer switches to a maximum of 6,000 a month. However, the Utility Regulator and the electricity industry are working towards a solution that will have no upper limit on the numbers of customers who may switch electricity supplier.

Mr Burns: What assurances can the Minister give that Northern Ireland Electricity is fully facilitating the switch-over process, and what monitoring mechanisms are in place to ensure that the process is not being held up in any way?

The Minister of Enterprise, Trade and

Investment: At present, there is unlimited switching capacity in the non-domestic electricity sector. I am sure that the Member is aware that that is the case in the business sector and that, in the domestic electricity sector, there is only partial switching capacity. As I said, the current switching system in the domestic sector allows for only 6,000 customers to switch each month. That monthly limit could be enhanced to facilitate greater switching, and the regulator is monitoring the situation closely to see where the processes can be streamlined and improved and where extra human resources could best be deployed to increase the limit. I recognise that Airtricity has raised that issue. We have had discussions with the regulator on the matter, and I assure the Member that he is monitoring the situation closely.

Mr I McCrea: The Minister will be aware that Airtricity cannot take over customers in domestic houses that have power card meters installed. Can she shed any light on when that will be able to happen? Can she provide an update on the status of the strategic energy framework?

The Minister of Enterprise, Trade and

Investment: I am pleased to report that the Department received some 70 responses to the consultation on the strategic energy framework. Officials have carried out a detailed analysis of

the responses, which has been helpful to me and will be useful in shaping the final document. I aim to have the final version of the SEF to the Executive in the next four to six weeks and, in any event, before the summer recess.

A number of people have raised the issue of prepaid meters. The regulator is keeping his eyes on that subject. As the Member said, Airtricity needs to overcome some technical issues, but I understand that it plans to provide a prepayment keypad system in Northern Ireland by April 2011.

Tourism Ireland: GB Visitors

8. **Mr Ross** asked the Minister of Enterprise, Trade and Investment what campaigns Tourism Ireland is undertaking in the GB market to encourage more visitors to come to Northern Ireland. (AQO 1391/10)

The Minister of Enterprise, Trade and

Investment: In May 2010, I launched an £18 million Tourism Ireland initiative, which is designed to win as much business as possible for the peak season, playing to the later than ever booking trend in Great Britain and other key markets. Key highlights of the peak season marketing drive in Great Britain include silver surfer summer savings, which target the 2 million sightseers and culture seekers in the market who are aged 66 and over; co-operative marketing campaigns with major airlines such as Bmibaby; and car-touring promotions with key ferry operators, encouraging visitors from Great Britain to bring their car. A new value golf blitz is also under way.

Mr Ross: I thank the Minister for her answer. Can she provide some detail on how the global downturn has impacted on visitor numbers to Northern Ireland? Furthermore, she mentioned ferry links in her response. Does she agree that the volcanic ash episode highlights the importance of marketing Northern Ireland's sea links with Scotland and elsewhere, particularly from the port of Larne in my East Antrim constituency?

The Minister of Enterprise, Trade and

Investment: The start to 2010 has been extremely difficult for attracting overseas visitors. A general fall in tourism worldwide is obviously at play, but that was compounded and exacerbated by the volcanic ash issue. Please do not ask me to name the volcano, because I am not going to do

that. Between January and March, the number of visitors from Great Britain to Northern Ireland declined by 8% compared with the same period in 2009. That is very concerning.

The Member then asked about port access. It is becoming clear to us that, although air access is very important for our tourism industry — I continue to have discussions with George Best Belfast City Airport and the International Airport in relation to new routes — we need to look at ferry links between here and the mainland. Belfast's role as a gateway to Northern Ireland and beyond and, indeed, Larne's role as a gateway will be enhanced by Stena Line's plans for the future in relation to the port of Larne and its new port facility at Loch Ryan in Scotland. When it is introduced and fully operational, it will allow newer, larger, modern ferries to travel even faster between here and Scotland. Therefore, we continue to work with all the ferry companies, such as Norfolkline, Stena Line and others, and we hope that we can continue to provide better port access from the mainland.

Mr Cree: The Minister has given a comprehensive response. We all value our tourism industry, and we are concerned about it. The Minister will be aware of the current tourism strategy. The figures in that plan appear bullish, bearing in mind recent achievements. Is the Minister satisfied that the strategy figures can be realised?

The Minister of Enterprise, Trade and Investment: I recall the Member asking me that question when those figures first came out, and I said then that they were challenging figures. I will not take away from the fact that they are very challenging figures, considering the worldwide downturn in tourism and the impact of the volcanic ash on the tourism market. One of the reasons why Tourism Ireland launched a huge marketing campaign and spent £18 million was to target people throughout GB and other key markets who do not book their holiday until the very last minute. We want to ask those people to consider Northern Ireland. We need to get Northern Ireland into their mind as a destination to visit. That is why we have been spending so much money on that marketing campaign.

Mr O'Dowd: Go raibh maith agat, a LeasCheann Comhairle. The Minister will be aware that Craigavon Borough Council is concerned that the Craigavon area does not receive the support from the Tourist Board that it should. Does the

Minister agree that Oxford Island matches the beauty of Lough Erne on any day of the week?

The Minister of Enterprise, Trade and Investment: That is a very controversial question. I will take off my Fermanagh hat and say that Oxford Island has great potential. Craigavon Borough Council holds local government events at Oxford Island, and I have been there on many occasions. Like everything else, we can always do more. I am happy to talk to the Member about any plans that the council may have for that facility.

Mr McGlone: Go raibh maith agat, a LeasCheann Comhairle. The Minister mentioned Oxford Island, which is in a beautiful part of the world. Given its proximity to Donegal and the rest of the island, will the Minister expand on how that potential is being tapped into for the rest of the island, given that there is volcanic ash and a diminished influx of visitors from overseas?

The Minister of Enterprise, Trade and Investment: Geography was never my strong point, but Fermanagh is closer to Donegal than Lough Neagh is. I may be wrong about that, but I always thought that that was the case. Part of the reason why we have not felt the impact of that diminished influx as keenly as we might have is that, as part of our strategy, we have been able to increase the number of visitors from the Republic of Ireland by 32% over the past year. That is tremendous: people who have not visited Northern Ireland for obvious reasons over the past 30 to 40 years are rediscovering Northern Ireland. I am very pleased about that, and it is part of our campaign going forward. I do not want to use the horrible word "staycation", but more and more people are staying at home for their holidays, and we need to ensure that we take advantage of that.

3.30 pm

Motion made:

That the Assembly do now adjourn. — [Mr Deputy Speaker.]

Adjournment

A2: Upgrade

Mr Deputy Speaker: I remind Members that the proposer of the topic will have 15 minutes to speak, and all other Members who wish to speak will have approximately eight minutes.

Mr Neeson: Members will be pleased to learn that I will not be taking 15 minutes to make my speech. The widening and improvement of the A2 is an issue that has gone on for decades. It was a major issue in 1977, when I was first elected to Carrickfergus Borough Council. Even then, there were plans to extend the M5 to Carrickfergus; and, to this day, there is a large, open gap in the Greenisland housing estate that was set aside for the development of the motorway. The Department of the Environment at that time had imposed vesting orders on properties on the Shore Road, which were allowed to lapse. In the past, we have been told that certain influential people on the Shore Road objected to the widening of the road.

During the 1980s and 1990s, Carrickfergus became one of the fastest growing areas in Northern Ireland, with new housing developments, and the traffic situation on the A2 got worse by the year. We experienced traffic gridlock not only at peak times, but on other occasions during the day. Furthermore, it was not only people from Carrickfergus who were affected, but those who resided in Whitehead and Islandmagee.

Following devolution, we appeared to make a breakthrough, and plans were brought forward to improve and widen the road. A preferred plan was put forward and adopted after a public inquiry. Some properties on the Shore Road have had vesting orders placed on them, but nobody seems to know when work will begin. Many of us believed that work would have started.

To its credit, Northern Ireland Railways is making plans to provide extra services on the Larne line when the work begins. Once again, I appeal

to the Department for Regional Development (DRD) to relocate the Roads Service depot at Carrickfergus railway station to provide more park-and-ride facilities there. That would serve not only as a short-term remedy, but as a long-term remedy. Like others in the House, I want to see greater use of public transport, not only in east Antrim, but throughout Northern Ireland.

The current road situation is creating problems for businesses in Carrickfergus. At a recent event of the Northern Ireland Assembly and Business Trust, a local manufacturer complained about the problems that the A2 is creating for his business. It is costing him big money.

Like most people, I believed that the work would have started by now. It is time for the uncertainty about what is happening to be clarified, and I welcome the Minister here today. The situation started a number of decades ago, and it is time that the work started. I hope that clarification about what is happening will be given in this debate. People in the east Antrim area are waiting for a decision to be made and for work on the road to start. I am glad that my fellow Members from East Antrim are in the Chamber to make their contributions.

Mr Hilditch: I welcome today's debate, which has been brought forward by Sean, and I welcome the Minister, who has taken the time to come along this afternoon. If Members are quick enough, and if the Minister is sharp in replying, we could be in the traffic before 4.00 pm, which is when the traffic jams kick in at Jordanstown. I should push on with the debate in that case.

As Sean indicated, this has been a growing and burning issue since the 1970s. The East Antrim constituency thought that some headway had been made around 2006, when the issue was placed on a starting list, and due to the public consultation, which followed shortly in, I think, the following March. Therefore, it has been a burning issue for East Antrim and has been raised repeatedly during the 13 years that I have been an Assembly Member. Time and time again, it has been raised in questions, in Adjournment debates and by various means.

We understand that the build will take around two years to complete: the sooner, the better. We appreciate and are concerned that costs will, unfortunately, be around £60 million, as had been indicated to us in the past. However, that does not take away from the situation in

which commuters find themselves when they travel from the Carrickfergus area. Indeed, the Belfast metropolitan transport plan describes the A2 as a bottleneck in and out of Belfast.

Parts of the 2.35 km stretch of road between Greenisland and Jordanstown have no footpaths. Indeed, where there is a footpath, it is not wide enough to accommodate a pram. We try to encourage people to travel to work by bicycle. However, there are no facilities at all for cyclists on that stretch of road. We are trying to alleviate that.

Problems also arise at junctions on that road. A member of staff who works in one of town's constituency offices told me that, unless they are on Station Road in Greenisland before 7.30 am, they could be sitting there for up to 30 minutes when trying to get out onto the A2. That congestion affects bus services as well as people who travel by car. It has an impact on certain locations on that 2.35 km stretch of road, such as Belfast High School, St Colman's Church, and the Church of the Nazarene. That is notwithstanding increased development in Carrickfergus, Jordanstown and Greenisland, where many homes have been built that have added to traffic and infrastructure problems.

There is a flow of 30,000 vehicular movements on that road each day. Understandably, therefore, the issue will not simply go away. It also affects the B90, which is known locally as "the top road" into Carrickfergus from Newtownabbey, where traffic build-ups are now quite severe. People use that road to try to avoid the situation on the A2. However, that does not alleviate matters at all. As Sean Neeson has stated, clarification is needed with regard to the A2 situation at present.

Many economic development benefits are to be gained from the upgrade. There are opportunities for major industrial estates at the Sloefield, Courtaulds and K Space sites in the town, which are open for business. We want to ensure that they are realised.

In closing, I want to ask what costs have been incurred to date. There are now many derelict properties on that stretch of road. That leads into debate on whether the area of dereliction that has been created on the main road into Carrickfergus will be temporary. Houses and bungalows lie vacant and boarded up on the main arterial route into the town. That gives a terrible impression as one drives into Carrickfergus.

Visitors, in particular, must wonder what to expect as they travel into the town. I understand that DRD and other Departments are trying to move forward with a master plan to benefit the town. However, that stretch of road is now an area of dereliction. I appeal to the Minister to give the House some indication of how much has been spent to date and where the situation will go from here.

From a tourism perspective, let us not forget that that stretch of road is also part of the Causeway coastal route. Therefore, it is important that it creates an impression on the way into the historic borough of Carrickfergus. Anyone who takes the A2 will travel on that small section of road. I appeal to the Minister to provide the information that I seek and for that work to be commenced shortly.

Mr Beggs: The A2 from Jordanstown to Seapark is affected by traffic chaos twice daily due to a traffic bottleneck. The road between Carrickfergus and the M5 virtually entirely consists of two lanes of traffic in each direction, except for the small section around Greenisland, which narrows to one lane in either direction. Naturally, that creates a bottleneck and causes the tailbacks that add approximately 20 minutes or half an hour to people's journey time each morning and evening, and that cause great frustration to commuters and additional unnecessary costs to local businesses.

I know that some people look at alternative routes and take wide diversions to try to get home faster, in some cases going via Ballynure, which is a considerable distance away. The problem is bad when people are willing to travel an extra 10 miles just to try to beat the traffic on occasions when it is particularly bad.

Additional pollution is also caused in the area, as cars and buses tail back and make little progress in their journey. That is not good for those living adjacent. I am aware that Translink is having difficulties with maintaining schedules; how can that be done when there is an unpredictable bottleneck each day? One can estimate roughly how long a bus may be blocked up there, but the problem is unpredictable and it is difficult on occasions for Translink to maintain its schedules. Passengers on that bus route are left standing for unnecessary lengths of time waiting for their bus, and that adds up to a considerable amount of time. If an average person commuting to Belfast who travels

that route 10 times a week is delayed for 20 minutes each day, that adds up to 200 minutes, or three hours 20 minutes, each week. That is a considerable period and, as I said earlier, the problem can be expensive for local businesses.

It is important that other Members who may follow the debate in the Hansard report and, indeed, the Minister, have a better understanding of exactly what we face. Imagine if the road between Belfast and Bangor, which is four lanes in its entirety, had a two-lane section at some point and narrowed to a bottleneck. There would be uproar; it would not be accepted. The main road between Belfast and Newtownards is also four lanes to the main roundabout at Newtownards. Everyone from those areas can imagine what traffic would be like if those roads were narrowed to a single lane in either direction. The bottleneck needs to be removed.

Many people from other areas do not fully appreciate the problem. I remember a consultation with the Ambulance Service for which the officials arrived considerably late because they did not understand the degree of traffic congestion. That was just for a consultation meeting and was not, therefore, critical, but the problem does have implications for the Ambulance Service. The issue is whether, when emergencies arise, there is time for ambulances to get to patients, whether they are in Carrickfergus, Whitehead, or perhaps even further afield in Islandmagee, as the road is frequently used as a route towards Islandmagee. There is a major health implication.

I am aware that in other parts of Northern Ireland road improvements are being instigated to improve travel times to hospital. It is interesting that in the Northern Health and Social Services Board area the figures for response times are not particularly good, and I am sure that this is one of the issues restricting the board's ability to improve journey times to hospital. Significant improvements could result if the bottleneck were taken out. Not so long ago in the Carrickfergus area, the response police officers were re-stationed outside the town, into Newtownabbey. If additional assistance is needed it means additional travel time. Therefore, what we are talking about could affect matters of life and death or an ability to address crime and prevent injury to others.

The traffic backlog on the stretch of the A2 between Jordanstown and Seapark also makes

access to the University of Ulster campus at Jordanstown very difficult at peak times. As others have said, it also makes it difficult to access schools along the route, such as Belfast High School. It also affects local residents, because they frequently have to wait a considerable time before a courteous driver allows them to leave their home and gain access to the road, and vice versa.

3.45 pm

As other Members said, the issue also affects residents in the Greenisland area, because considerable tailbacks occur regularly on Station Road. Residents have to queue on that road for a considerable time — again it is part of a bus route in the area — just to get onto the A2. Therefore an upgrade of the A2 cannot happen too soon.

Given that other Members and I have highlighted the problem for many years, we were pleased that the Belfast metropolitan area plan recognised the route as one of the priority investment areas in the entire Belfast metropolitan area. It has gained planning approval, which is a considerable achievement given the difficulty with other schemes in the past; we now await final departmental and Roads Service approval.

We understand that there will be traffic congestion when the roadworks start; therefore the new trains that are expected on the Larne line in early 2011 — I hope that that is the case — will create a realistic option that encourages a modal switch from roads to rail, which must be another long-term objective. Part of the route is offline and can therefore be commenced at any time in advance of that without affecting traffic. To enable the road works to commence, the Department agreed to consult the community to ensure that difficulties were assessed and that the best plan is put together. The local community is still awaiting the consultation, and I hope that an announcement will be made shortly about its commencement.

Many homeowners in the area cannot sell their properties because of the blight caused by that route.

Mr Deputy Speaker: The Member should draw his remarks to a close.

Mr Beggs: They cannot sell their properties because of the road's impact. I therefore urge that the process be continued and that the

issue be addressed so that normality can return to the lives of people living in the areas affected.

Mr Ross: I congratulate my colleague Sean Neeson on securing today's debate; it is always useful for constituency issues to be raised in this manner. I also thank the Minister for being in attendance to respond to the debate. It is always difficult to say anything particularly novel at this stage of a debate; however, that never stops other Members, so it will not stop me.

Over the years, there has been much discussion about the A8 road, and we are all pleased that progress has been made on it. It is important that we now focus on the Carrickfergus side along the A2. Other Members mentioned the time that the A2 has been an issue — since Mr Neeson was first elected to local government. I read in the local press that Ken Robinson has written about the use of horses and carts on that road. Of course, I am far too young to remember either event. Nevertheless, they both highlight just how long the A2 has been an issue and has needed to be addressed. All MLAs in the area are united in wanting to see progress made on the matter.

My colleague Mr Hilditch mentioned the cost of vesting. I read somewhere that just under £10 million had been spent on vesting properties and land along the A2 route. Since a considerable amount of money has already been spent on the project, we need to push on with it in order to deliver value for money. Members are growing impatient, as are the local council, the public and the business community, which, I think, Mr Neeson mentioned.

Anybody who travels on the A2 will recognise the difficulties that exist, particularly in the morning and during the after-work rush hour. There is also a frustrating delay due to the bottleneck near the University of Ulster, where people can be stuck for up to half an hour.

We want to see progress on this scheme. We know that times are tough financially and that there is pressure on all sorts of schemes. It is important that we recognise that and are realistic. However, this important scheme will make a big difference to the area. Local politicians and local people had thought that if the scheme did not happen at the end of 2010, progress would certainly be made next year. I hope that that can still be the case.

On the A8 scheme, the Department worked closely with local landowners and listened closely to the concerns of local people. Similarly, when the A2 scheme gets the green light, it is important that the Department communicates and works closely with local people and businesses and includes them in any works that it does.

Other Members mentioned that a number of commuters are already trying to find an alternative route on the Upper Road/B90, which, due to a considerable increase in traffic flow, is putting additional pressure on roads such as the Doagh Road and the Monkstown Road. If there were major works on the A2, a lot more traffic would use alternative routes. Therefore, the Department may need to look at making sure that the surge in traffic elsewhere is managed appropriately. Other Members may have their own ideas on what minor works could be done to improve that, and it is important that those ideas are taken note of.

I support the issue that Mr Neeson has highlighted in this Adjournment debate and add my voice to the call for action to be taken as soon as possible.

Mr K Robinson: I thank Sean Neeson for bringing this issue back to the attention of the House. I also thank the Minister for coming to hear our moans yet again.

Alastair Ross referred to my historical connections with the A2. I remind him that King Billy also had problems on his journey between Carrickfergus and Newtownabbey. Some 300 years have passed and we have not yet resolved that particular problem. King Billy also had problems around Newry, and in working to solve the problems in that area, the Minister has set a precedent.

Mr Hilditch: King Billy is back next Saturday.

Mr K Robinson: Then we will have to get to work.

To be serious, sometimes the public do not appreciate the stages that have to be gone through for works to be done. Therefore, I have looked at some of the stages involved. In March 2007, the Department for Regional Development published the draft statutory Orders, and in October 2007, it held a public inquiry. Following that, and having looked at the inspector's report, the Department prepared a statement on the outcome of the inquiry. On 1 October 2008, those documents were

made available following the publication of the statutory notices, the notice to proceed and the direction order. I am informed that Roads Service is continuing with the development of the scheme. The geotechnical investigation along the route was completed in 2009, an archaeological investigation is being carried out, and an economic appraisal will be completed before making the final statutory notice, the vesting order, when — and now comes the chilling statement — funding is available.

That is a worry to all Members from East Antrim. We, along with our constituents and the commuters, have been very patient. The businesses in East Antrim, which are attempting to grow, particularly those around the greater Carrickfergus area, have been extremely patient, too. To some degree, the growth of those businesses has been stunted by the fact that transport links in the area are way behind what they should be. There are commuter and commercial elements to this issue, both of which need to be addressed.

I praise the Department for investing quite a lot of money in the railway system in East Antrim. The delivery of the new C4 trains is, hopefully, imminent, and I remind the Minister, as I have done several times, that we are due the first bite of that cherry. Those trains are a golden opportunity, not only to raise standards for the commuters who already use the rail network but to create a viable, sustainable and attractive alternative for the commuters who will be mightily dislocated when works eventually start on the A2. Perhaps after the works have finished, those road users will continue to commute using the new trains, which are a sustainable form of transport.

Alastair Ross referred to the dislocation on the Doagh Road, the Monkstown Road, the Jordanstown Road and the B90 when a fairly minor scheme was operating on a small section of the Doagh Road recently. So you can understand the dislocation that will be caused to traffic, businesses, bus timetables and all the rest in the area.

There is also the opportunity to improve the quality of life for those who have lived along that road for many years. I speak as someone who many years ago started to walk that stretch of road for health reasons. I had to give up, because the pollution levels were unsustainable. I can tell when a car that just passed me is on unleaded

petrol, leaded petrol or diesel. The fumes are so distinctive and overpowering on that stretch of road. Therefore, not only is the situation destroying the quality of life of those who live along there, it is destroying the environment and adding to the carbon footprint.

I mentioned the Northern Ireland Railways route providing an alternative to the transport problems that may come to the area. There is, as other Members pointed out, also the issue of the junctions at Trooperslane, the junctions in Carrickfergus, the Greenisland junction, and, indeed, the Jordanstown Road junction, which I use day and daily and where traffic flows are now well in excess of 30,000. I was looking through some old literature in my office today, and I first raised this matter when I came to local government in 1985, and still we have not resolved the problem. So we are getting up to King Billy proportions again.

Recently, unfortunately, a serious accident adjoining Belfast High School blocked the A2. The traffic dislocation that was caused there stretched for miles. It hit the A8, Ballynure, Corr's Corner and the M2, and brought the whole of Newtownabbey to a standstill. That shows not only the need for that stretch of road to be developed and completed, but the impact that the construction phase, when we eventually get to it, will cause. That has to be planned. I wrote to the Department some time ago asking it to look at the potential disruption there. I hope that officials will treat my comments seriously, because they seemed to think that they had it in the bag. However, I can assure them that they do not have it in the bag, because the traffic flows are increasing day and daily there.

The situation is not just impacting on Carrickfergus, the commuters who live there, the people along the route and the commercial life of East Antrim. As I think David Hilditch said, we are now promoting the tourist route through Newtownabbey, off the M5, along the Shore Road and heading off to the glens of Antrim and the north coast. Spending half your journey time sitting in a traffic jam between Greenisland and Jordanstown is not a very good advert for Northern Ireland. For all those reasons, I ask the Minister to have a look at the situation. I would also like to know the current costs of the scheme, because I can remember them way back in the days when they were in low single figures. I rather suspect that they are creeping

rather rapidly into higher double figures, and perhaps the Minister can update us on that.

Generally, everyone who spoke hit all the target areas again and again. We are speaking from the heart. If we are to see East Antrim develop in the way that it should, the key is the A2. The A8 Larne road, the strategic route, has a job to carry out and is carrying out that job. We will denigrate and demote the level at which that road can carry traffic if we start to divert an increasing number of commuters off the A2, over the hills and back on at Ballynure and Straid, and all the villages along that route, in an effort to avoid the A2.

Thank you very much, Minister, for your presence. I also thank my colleagues for all the positive things that they said, and I hope that the Minister will give us a very positive answer to all our queries and concerns.

Mr Deputy Speaker: I call the Minister for Regional Development, Mr Conor Murphy, and I am sure, Minister, that you will not mention Billy once. *[Laughter.]*

The Minister for Regional Development

(Mr Murphy): I was going to suggest that if I had known that we could have blocked King Billy, I might have taken action sooner. That could have saved us a lot of problems in later years.

I thank Members for their contributions, and Sean Neeson for securing the debate. It was a useful opportunity for Members to highlight the current and anticipated difficulties relating to the current conditions and the proposed improvement works on the A2 between Belfast and Carrickfergus at Greenisland, and the concerns of the residents on whom the scheme will impact.

The A2 between Belfast and Carrickfergus is an important link between the two urban centres. The route varies considerably in standard and characteristic along its length. However, there is a 2.5 km section of single carriageway at Greenisland between Jordanstown and Seapark, which is inconsistent with the otherwise continuous provision of two lanes in each direction between Carrickfergus and the M5 at Whiteabbey. That section also has limited provision for pedestrians, as has been mentioned, with parts of the footway less than one metre wide. That section of road carries approximately 26,000 vehicles a day and is a

source of significant delays during peak hours in the morning and evening.

The Belfast metropolitan transport plan, which was published in November 2004, identifies the Greenisland section of the A2 as a bottleneck in the strategic network of the Belfast metropolitan area. To address that issue, the regional transport strategy, which was published in 2002, affirms that one of its priorities is the addressing of bottlenecks on strategic highways. To address that, m Roads Service is progressing proposals for a new dual carriageway on the A2 at the Shore Road in Greenisland between the Shore Avenue access to the university at Jordanstown and Seapark. The scheme includes a widening of the existing road between Shore Avenue and Station Road in Greenisland to create an urban dual carriageway, with a new offline dual carriageway from Station Road to Seapark. There will be improved junctions at Shore Avenue, which provides access to the university, as well as at Shorelands, Station Road and Seapark. Access to individual properties will be on a left-in and left-out basis, with turning facilities provided at the new junctions.

4.00 pm

The design of the scheme has been under way since 2005, when consultants were appointed to develop and progress a preferred scheme through the statutory procedures. Members have referred to the consultation. Throughout the scheme's development, my Department has sought to ensure that those who are directly affected — the general public and elected representatives — are kept fully informed of progress.

The stage 1, stage 2 and stage 3 reports, which chart the development phases of the road scheme, have been published. In addition to many informal presentations and meetings with individuals and groups, formal consultation meetings were held at the start of the process in May 2005, with further formal consultations held in March 2006, prior to the selection of the prepared option, and in March 2007, prior to the notice of the intention to make the statutory Orders. Presentations on the details of the scheme have also been given to Carrickfergus Borough Council and Newtownabbey Borough Council, with updates on the scheme included in council reports.

The scheme has consistently generated significant interest. Bearing in mind the number and nature of the opinions that were expressed when my Department published the notice of intention to make statutory Orders, I decided that a public inquiry into the scheme should be held. Ken Robinson referred to some of the stages that have been gone through. The public inquiry was held in October 2007, and the inspector's report into the public inquiry was published in September 2008. Following consideration of the inspector's recommendations, my Department published the direction Order and a notice of intention to proceed in October 2008.

Since then, work has continued on the scheme's development. A detailed geotechnical investigation contract to determine the ground conditions was completed in 2009, and an advanced archaeological investigation contract to uncover and investigate any archaeological sites is in progress. That investigation is centred mainly on the offline section between Station Road and Seapark, and at the historical Castle Lug site. Although there is some evidence in the form of work flints and early pottery, to date there have been no significant archaeological finds.

Consultations with affected landowners to finalise and agree accommodation works is ongoing. My Department is also ready to complete the final statutory Order and the vesting Order as soon as the finance becomes available. I am aware of concerns that have been expressed by landowners and the travelling public about disruption during the construction phase. However, it must be recognised that it is not possible to undertake works of such scale in a tightly constrained corridor without causing some level of disruption, especially when there is no reasonable alternative diversion route to provide a clear site for the construction activities.

Roads Service is considering how the contracts should be conditioned to minimise the impact on the travelling public. It is also considering what associated measures can be implemented to assist road users.

A number of issues were raised during the debate, and I hope that I have addressed some of the broader ones during my contribution. Sean Neeson mentioned the Roads Service depot in Carrickfergus. Roads Service is in negotiations with Translink to facilitate the sale of the depot in Carrickfergus to allow Translink to extend its park-and-ride facility.

David Hilditch mentioned the cost of the scheme, and Ken Robinson asked about the current cost. The current estimated cost of the scheme is £55 million to £60 million, which is probably substantially more than what was originally envisaged. That includes an estimate for land acquisition of around £1.9 million, of which the cost in blight has been just over £10 million.

Alastair Ross and Ken Robinson asked about plans during periods of disruption. I accept Mr Robinson's point that we cannot be blasé or think that we have all the answers. As I said, disruption is inevitable during any construction process. I have faced that when travelling on various roads on which construction work is taking place. However, Roads Service is considering the issues associated with the construction works to minimise the impact of construction activities on road users. It is recognised that the Upper Road on the B90, which runs parallel to the A2, will provide an alternative route for travel. That route is already heavily trafficked and has little capacity to carry additional traffic. Therefore, it is likely that the contract will be conditioned to manage traffic through the works.

Roads Service will continue to develop a temporary traffic management strategy in association with other stakeholders to minimise the impact during the construction phase. However, implementation of any identified measures will depend on available funding and will have to be considered against other proposed works. The opportunity also exists to facilitate a rail-based park-and-ride system at St Brides Street car park in Carrickfergus. As I said earlier, that idea is being considered in association with Translink. Roads Service and I accept entirely that the advancement of the scheme will involve disruption. We can adopt as many measures as possible to prevent disruption, and I am sure that Roads Service officials will be happy to hear any suggestions from elected representatives on how that can be avoided. Nonetheless, disruption is anticipated.

In conclusion, I can confirm that Roads Service is progressing proposals for the improvement of the A2 at Shore Road/Greenisland in line with the actions listed in the public service agreement (PSA) target 13, "Improving the Transport Infrastructure" and the timescale set out in the investment delivery plan for roads. However, Members will be aware — the question was asked — that a caveat of the availability

of finances is attached to all roads schemes. Members will be aware of the new Government in Britain's proposals for constraints on the public purse.

Nonetheless, there is a determination to tackle the bottleneck. It will depend on the outcome of the forthcoming comprehensive spending review, and, therefore, I will not be in a position to confirm the Roads Service programme for the next three years, which is proposed under the envisaged spending of the investment strategy, until the Executive have agreed the Department's budget. However, I intend to bid very strongly for the budget that is necessary for strategic road improvements. If the finances are available, delivery is expected to start in 2011-12, and the project should be completed in 2013.

Adjourned at 4.08 pm.