

# Official Report (Hansard)

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Wilson, Brian (North Down)  
Wilson, Sammy (East Antrim)

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# Northern Ireland Assembly

Monday 25 October 2010

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

*Members observed two minutes' silence.*

## Assembly Business

### Condolences

**Mr Speaker:** Before we move to today's business, on behalf of the whole House, I want to extend our deepest sympathies to the families of Mr John Harrison and Mr Jim Dougal, who passed away recently, and who were very well known to all Members of the House. I also extend our sympathies to the families of the three people who died tragically on Saturday as the result of a helicopter accident in the Mournes. I know that our prayers and thoughts are with all those families this morning.

## Private Members' Business

### Comprehensive Spending Review

**Mr Speaker:** Having been given notice by not less than 30 Members under Standing Order 11, I have summoned the Assembly to meet today for the purpose of debating the motion that appears in the Order Paper. The Business Committee has agreed to allow up to two hours 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. Two amendments have been selected and published on the Marshalled List. The proposer of each amendment will have 10 minutes in which to propose and five minutes in which to make a winding-up speech. All other Members who are called to speak will have five minutes.

**Mr Adams:** I beg to move

*That this Assembly has serious concerns about the impact of the British Government's comprehensive spending review proposals; and calls on the Minister of Finance and Personnel to address these concerns.*

Go raibh maith agat, a Cheann Comhairle. I also pass on our sympathies and solidarity to the families of John Harrison and Jim Dougal.

In proposing the motion, I welcome the amendments that have been tabled by the Democratic Unionist Party and the Ulster Unionist Party. I call upon parties and MLAs to support the amended motion.

We are here to represent our peers and were sent here to show leadership and to advocate the rights of citizens. The Assembly is part of a unique and experimental form of governance that is linked to other institutions, and it acts as a bridge out of conflict. It is also a forum in which opposing views can be articulated as we seek to build a new society. Developing a peace

process and sustainable institutions collectively has been a considerable achievement, but we can, and have to, do more. The Assembly has to deliver for those whom we represent. We have met many challenges in the recent past, but the current crisis may well be the most challenging of all, impacting as it does on the social and economic rights of citizens.

You will not be surprised to hear, a Cheann Comhairle, that Sinn Féin has no truck for British Government involvement in Irish affairs. Others here have an entirely different view. Let us agree to disagree on that this morning. Instead, let us focus on that Government's assault on public services, lower- and middle-income families, people on social welfare and the most vulnerable sections of our community. During the Westminster election, some parties here attached themselves to the Tory bandwagon. Sinn Féin pointed out the danger of another period of Tory governance. Regrettably and unfortunately, our prediction has come true.

As a consequence, the North now faces a reduction of 6.9% in the current expenditure budget and 37% in capital expenditure over the next four years. The Tory Government have also reneged on the St Andrews commitment to £18 billion for infrastructure. That is entirely and absolutely unacceptable, and we need to face up to that. It is worth noting that the Irish Government have kept to their financial commitments. The massive cut in capital expenditure will have a devastating impact on the construction industry, our infrastructure and the upgrade and maintenance of hospitals and schools over the next four years.

The Tories claim that the cut is necessary to get rid of the deficit. However, in truth, it is about the old-fashioned Conservative principle of protecting the rich at the expense of lower- and middle-income earners and the poor. It is wrong, and the Assembly needs to say that it is wrong. Ní ghlacann Sinn Féin leis sin ar chor ar bith. If it really was about the deficit, the Trident system, which will cost billions, would have been scrapped and the banks would have been made to pay for their greed. However, that is not how Conservative politics works. Conservatism, whether in London or Dublin, is not about building communities, sustaining public services or citizens' rights.

The economic and social impact of Tory policies will drive many people into poverty. The

poorest will be hit 10 times harder than the wealthy; those are not my statistics but others'. Public services will be decimated. Among the provisions most likely to be affected are mental health services, which are under pressure already. Last week, in the constituency of West Belfast, four young people are suspected of having taken their own lives. I was at one of the funerals, and I called to each of the wake houses. That is an awful crisis for their families and the communities around them. However, it should also be a crisis for the Assembly. Suicide prevention, which is just one pertinent example, needs an emergency response with appropriate resources. Where is that response? That is what people were asking me on Saturday morning. It will certainly not be forthcoming if the Tories have their way.

Lone parents, the elderly and the sick will suffer the most. The patterns of poverty that have remained unchanged over decades, which affect supporters of the unionist parties, our party and other parties, will be reinforced. Up to 20,000 public sector jobs will go, and another 16,000 private sector jobs will follow.

The outlook is bleak, but it does not have to be like this. There is another way of coming at the problem; there is a better way. Is féidir linn todhchaí níos fear a bheith againn. We need to have a vision of where the Assembly wants to go and what we want to do for those whom we represent. The best way to tackle the recession is through stimulus, investing in jobs, building infrastructure, tackling waste and protecting front line services. Costed proposals by Sinn Féin would realise almost £1.9 billion in combined savings and new revenue. Other political representatives here will have other proposals and suggestions; other shareholders will have other propositions. All the parties here need to explore all those in a spirit of openness and inclusivity. In that respect, therefore, I welcome the Minister of the Environment's statement yesterday that he is prepared to revisit the review of public administration (RPA) and the significant savings that that offers.

Sinn Féin also believes that the political parties in the Assembly, the trade unions, the community and voluntary sector and the business sector must work together. We want to develop and be part of a progressive consensus and to build on the ideas that have been put forward to protect jobs and public services and to help to grow the economy. The Assembly

needs to send a very clear message today that it is firmly opposed to cutting public services. At the same time, of course, there is a need for efficiency in all sectors. People who are very well paid need to have their earnings capped. We believe that MLAs should take the lead and accept a 15% reduction in salary. That should also apply to the top layer of civil servants.

There are other ways to end waste, such as reducing the use of external consultants and getting rid of unnecessary quangos. The Executive could set up a special investment fund to support indigenous small and medium-sized businesses, social enterprise projects, green technology and renewable energy and tourism, and to ensure that EU funding is assessed. An environmental levy on plastic bags, for example, is another effective way of reducing waste and generating revenue. The banks, which were greedy, unregulated and responsible for most of the current crisis, need to play their part in the recovery. We propose that the four major banks in the North should contribute to a development bond of £400 million over the next four years. The credit union movement could also contribute to a social fund. The Housing Executive and our Executive have the power. The Housing Executive could be authorised to borrow money to fund social housing needs.

#### 10.45 am

In my time here, Finance Ministers have acknowledged in the Chamber that the Executive do not have the necessary economic levers to manage our economy efficiently. It is time that that changed. I hear a lot about can-do politics; I hear a lot about the history of this part of the island. Let us not accept that we do not have proper economic levers. Let us lead, and let us seek to get those economic powers devolved.

It also makes sense that the Executive and the Irish Government should agree measures to reduce the duplication of services across the border in health, education, the environment, infrastructure, and much more. We have seen how effective that that can be on the roads network.

It is time for innovation; it is not time for heads to go down. We are here to give leadership, and, as I said earlier, I think that we can send a very clear signal from the Assembly that we are united and we are going to get behind the Executive to bring forward constructive, common

sense propositions to see our way out of this economic crisis. Go raibh míle maith agat.

**Mr P Robinson:** I beg to move amendment No 1: Leave out all after "calls on" and insert

*"the Northern Ireland Executive to collectively address these concerns."*

First, I join with you, Mr Speaker, in the comments that you made in relation to the tragic crash that took place. On behalf of all on these Benches, I express our condolences to the bereaved. Of course, there were two deaths of people who were very close to many of us. We all knew Jim Dougal well; most of us had appeared before him in interviews. We can all testify to his good humour. "Gentleman" was the term used most in relation to Jim, and we deeply mourn his passing.

Most recently, there was the passing of John Harrison. John's death seems so tragic in that he was 11 or 12 years my junior. The deputy First Minister, the Minister of Enterprise, Trade and Investment and the Minister for Employment and Learning shared time with him in Washington until the very end. I had lunch with him before he left for Newark, and the deputy First Minister travelled back with him. His death was a massive shock to us all, and we are all badly reeling from it. We express our sympathy to his wife Mandy, his parents and his children, Peter, Thomas and Catherine.

I welcome this valuable debate and congratulate those who tabled the motion. There is no issue between us and Sinn Féin on the wording of the motion. Our amendment simply recognises that not all the responsibility should fall on our poor friend, the Minister of Finance and Personnel; he should take neither the credit nor the blame for what is to come. What happens will be a collective decision by the Executive.

I was happy that, at its most recent meeting, the Executive unanimously agreed on the way to handle the process and that the Executive Budget review group will sit down together, look at all the propositions and bring recommendations to its Executive colleagues, who will have the final say. Do not forget that the Assembly will be asked to approve that Budget, so it will be a collective act by the Assembly and the Executive.

In the very short time available to me, I want to deal with only one aspect of the situation: how

we can increase our revenue, make savings and do things differently. When people are looking at issues, including RPA, they need to remember that it would be a cost to the Executive in the first three years — the period that is covered by our spending review — of about £130 million. Therefore, if we were to follow that route, we would be looking for more money, although in the long term, if we were to follow the initial proposals of the Minister of the Environment, there would be a saving over the following 20 or 25 years.

I want to touch on one aspect: the breach of commitments. We have not gone into the detail that we need to on those matters. The Assembly and Executive Review Committee might want to look at the nature of the commitments that were given. Along with the Finance Minister, I had the benefit of meeting former Secretary of State for Northern Ireland, Mr Shaun Woodward, this morning. We reminded each other of the backcloth against which decisions were taken and we renewed our memory about the nature of the commitments.

The commitment of £18 billion was made in the context of an Assembly being set up after periods of conflict and division and having certainty about the money that would be available to us so that we would not start up a devolved institution only to face reductions in our budget. We would know where we stood, we would be able to plan ahead, we would have our investment strategy, our Budget and our Programme for Government, and we would know that we could move forward. In that context, it was agreed that £18 billion would be made available to us. That was not a glib remark of the Prime Minister or the then Chancellor; it was a statement made on the steps of 11 Downing Street by the then Chancellor of the Exchequer, who went on to become Prime Minister, Gordon Brown.

Not only did he do that, but he made a statement in the House of Commons, so it is on the record of the House of Commons. In his statement, he specifically indicated that it was a guaranteed settlement, which included £18 billion for capital expenditure.

It seems to have been forgotten by everybody up to now that, at the moment at which £18 billion was guaranteed for capital expenditure, policing and justice was not devolved and there was no prospect of it being devolved. Therefore, the

£18 billion capital was to be made available for the existing Departments, not including policing and justice. It was to be made available from Government resources; it was not to include the reinvestment and reform initiative (RRI) loan capability or money that we would get by way of asset disposal or any other source. We were to get £18 billion over 12 years for our capital expenditure. Indeed, the trajectory of the money that came to us in the years that followed was in line with that commitment, without the add-ins that the Government of today are now attempting to include.

Remember what I said: that was £18 billion for the existing Departments, not including policing and justice. This Government not only include the reinvestment and reform initiative and what we may get by way of capital receipts from the disposal of surplus assets, but they are including the policing and justice capital budget, which should have been on top of the £18 billion because it was never thought of as being part of a capital allocation when the £18 billion was set. Therefore, not only do we have a clear breach of the £18 billion, but they have disappeared the capital money for policing and justice. The settlement on policing and justice gave specific guarantees about certain matters; the police college was one and the prison another. Our allocation was set not only for the £18 billion, but that the capital budget for policing and justice would take account of us at least being able to deliver those specific projects. All of that has gone.

There is also a breach regarding our access to the reserve. Initially, our access had been unqualified; it was simply if there was a large requirement for additional funding that was unforeseen. Now, they have qualified it so that we have to take it out of our own Budget if we are capable of doing so. If money was arising from a spending review, we would have to give that towards the allocation. However, our agreement quite clearly indicated that any money that we had for our original Departments was ring-fenced, policing and justice would stand on their own and any additional requirements would, therefore, come from that source.

Furthermore, there has been a breach in relation to end-year flexibility (EYF). The Government breached that very easily: they have ended EYF. Therefore, from what we have been told, it appears that the commitment that we would have automatic access — not just this year or



next year but into the future — without Treasury approval to our EYF in policing and justice has been removed because they have removed EYF. We will want to speak to the Prime Minister and to ensure that, regardless of what replaces EYF, the policing and justice underspend will be kept in Northern Ireland and we will have automatic access to it.

I have touched on just some of the areas in which there is a breach of the commitment. In the general terms of EYF, we had over £300 million sitting in our EYF stock. The Government are ending EYF; that money is lost to Northern Ireland. That is a huge chunk of money that, by moving it from revenue to capital, could have helped us to deal with some of the reductions that are taking place in that area.

I agree with the previous Member who spoke about the crisis that we now face, the impact that it will have on our community and the need for the Executive to have a united response. This is a major challenge. People do not want grandstanding on this issue.

**Mr Speaker:** I ask the Member to bring his remarks to a close.

**Mr P Robinson:** They want us to be able to deal with these matters and to do so effectively and collectively.

**Some Members:** Hear, hear.

**Mr McNarry:** I beg to move amendment No 2:  
At end insert:

*“, in consultation with the First Minister and deputy First Minister and all other Executive colleagues, to bring forward appropriate and agreed Budget proposals for approval by this Assembly which will address these concerns and protect key front-line services.”*

Unless yesterday's terrorists return to their wicked ways or those still wedded to violence are allowed to flourish, nothing comparable can interfere with the progress that we have made, except, perhaps, our self-inflicted inability to manage new prosperity out of current financial setbacks. Having gone with us, despite the high stakes of delivering peace and normality, our people are depending on the Executive and the Assembly to see them through uncharted economic waters that have not been experienced during most of our lifetimes.

Twelve years after we began in 1998, none of us can hide from or escape the challenges that we face. The truth is that we have not yet established full maturity in seeing people, on the one hand, as Executive colleagues and, on the other, as political opponents; in seeing the merit and validity of each other's argument; or in doing what is best for the country, rather than the party. When it comes to the issue that has provoked the debate, we are already blaming others: blaming others who are no longer in power for promises allegedly being dishonoured by a newly elected coalition Government, and blaming others instead of, until now, accepting responsibility for ourselves. We need to catch ourselves on.

Grandstanding, linked to insidious threats, gives rise to expectations that cannot be met and that will only corrupt the Assembly's integrity. Confusing the public and shaking their confidence in our ability to address and arrest their concerns over a growingly depressed economy is not the message that should be sent out from the debate. People do not want promises, unless they believe that we can keep them; they are not interested in agreements, when all we do is squabble over them; and they are not impressed with who, what and why. Today, they want to hear about how and when we will pull through. Financial filibustering and fighting talk, with handbags at dawn outside or inside Downing Street, impresses no one, least of all those clamouring for quality leadership and positive action.

I do not know what the Minister will say, although I wait with bated breath to hear him. Will he say that, without co-ordinated collective collaboration co-opting Executive co-operation, his hands are tied? Will he say that the Executive have abdicated their moral and legal authority to stay in office and have succeeded only in punching well below their weight? I do not want to hear that from the Minister, but, if that is the case, we in the House and the public need to know about it, and the sooner the better.

The Sinn Féin president reassumed his personal prejudice and exposed his shallow inadequacies when he said that, by indicating how people here should live, the Chancellor had shown the awful ignorance of a Tory Minister. Let me remind him how glad people here, and those in Brighton, Manchester, Canary Wharf and across the United Kingdom, are to be allowed to live. And let me inform him that it was not the

Chancellor who plunged us into massive debt or let the banks play casino, nor, indeed, was it the coalition Government. Was it not Liam Byrne, Labour's Minister, who left the note in the Treasury that said, "there's no money left"? What a way to greet an incoming Government. Perhaps Sinn Féin would have preferred that Labour had stayed in power to bankrupt us? Come to think of it, maybe that is what Sinn Féin is prepared to do. For the rest of us, our debt — a United Kingdom debt — is forcing an economic crisis on us. This is a national emergency in which Northern Ireland must play its role in helping to reduce pressures and to roll back from a decade of reckless borrowing and bank blindness that almost put our nation in the poorhouse. Let us have no more playing to the crowd, because the crowd has clearly lost interest.

National emergencies have a habit of bringing out the best in people. They provide a steep learning curve when old attitudes often have to be abandoned and people have to pull together for the common good. We are in such a situation today: a new spirit of working together, of addressing the very real problems that confront us, could be as important an outcome from this crisis as is restoring our finances and rebalancing our economy. Indeed, the success of achieving the latter can only be ensured by the former.

### 11.00 am

Our success in tackling our financial crisis will be directly related to how successfully we work together as a team. We must, today, go away having become Team Northern Ireland, pulling together for the sake of all our people. That is the real destiny that now lies before us, the real choice that we now have to make and the real test of political maturity and our ability to construct a responsible, responsive and accountable democracy. The people are crying out and looking to us for leadership at this time of crisis. We must not fail them. These are not empty words, for the way in which we face this challenge will be as important as the way in which we solve the crisis. We need to be innovative and consider options that we have never considered before.

The task that we now face is multifaceted: on the one hand, we have to live within our means; on the other, we have to redesign, restructure and rebuild our economy. We need to look at all

the options of revenue-raising, including things that we have refused to consider before. We cannot afford to wait for the commercial market to recover — something that NAMA puts in a 10-year time frame. Until we systematically dispose of surplus assets that we have, we must establish a comprehensive register of the entire portfolio. We need to bring together similar properties, spanning all Departments, that could be packaged up and eventually sold. That will involve a thoroughgoing assessment of the occupancy and usage rates of all government buildings.

We have to get down to agreeing real figures and putting them on the table. It was lamentable and confusing for the public that, last week, there was a discrepancy between DFP figures and Treasury figures, which exercised some people, not least some of our leading journalists, for a number of days. It would appear that that discrepancy may be down to the fact that the Treasury figures had incorporated in the baseline the £370 million of cuts locally levied by our Minister in his recent emergency Budget, while DFP figures had lumped those local cuts in with the spending review cuts. That is probably why the Treasury was talking about a 6.9% cut and DFP was moving towards an 8% cut in current expenditure.

This is all about Executive accountability — no sulks, no solo runs, no promises that we cannot deliver. It is all about protecting jobs and saying to people that things are going to be very tough. We are asking the people to put their trust in us to take them through the worst times that we are going to experience and to have ready and in position the building blocks for better times ahead. That, surely, should be the message that a unanimous Executive can send out to the electorate: we are in for tough times; put your trust in us and we will come out of this and deliver it together. I commend my party's amendment to the House.

**Mr Speaker:** There is a long list of Members who wish to speak. That is understandable, given the motion that is before the House. On the clear understanding that the Minister of Finance and Personnel must be away for 12.30 pm, I ask Members to be brief. In that way, we may be able to give all Members who wish to speak in the debate an opportunity to do so.

**Ms Ritchie:** First, on behalf of the SDLP, I convey my heartfelt sympathies to the families of the three men who so tragically lost their life in the Mourne on Saturday at around 4.00 pm. I also convey our sympathies to the families of the late Jim Dougal and the late John Harrison.

There has been much comment on the recent comprehensive spending review and its possible impact in the North. Disappointingly, although the facts have been well aired, some of the disclosure has been ill informed. Indeed, some of the comment has bordered on delusional. Those who say that we should simply tell London that the settlement is unacceptable and tell the "David and George Show" to try again are not living in the real world. Unfortunately, the Tories were elected to reduce the deficit, and, having announced how they propose to do it, they will not drop it just because we do not like it. We do not like it; let us emphasise that point. It may be possible to secure improvements around the edges of the published settlement and to secure guarantees on policing and security costs, access to end-year flexibility, latitude in how welfare reform is implemented here and more freedom to borrow. For that reason, I fully support plans to engage the Prime Minister on how to improve the settlement for the North.

We have to understand that the comprehensive spending review settlement is in three parts: current expenditure, capital expenditure and, sometimes forgotten, annually managed expenditure, through which we receive our welfare reform benefit payments. On current expenditure, we will face a cut in real terms of 7% by the final year of the CSR. Departments could well be tasked with finding savings of less than 2% per annum overall, and, whilst that will be very difficult, that is the political and financial reality. There could well be voluntary redundancies, whereby people leave and retire. Therefore, we have to look at possible ways to protect those in public sector jobs. It will be difficult, but we have to look at that and adopt a consensual approach to it. Perhaps one way to do so is through a social partnership.

On the capital expenditure side, regardless of what smoke and mirrors the Secretary of State uses to sustain an unsustainable argument, our budgets will take a substantial cut, and that will leave us well short of our expectations. Capital investment will grow our economy, and we will now probably have to do two things. First, the

Executive may have to find sufficient savings in current expenditure to permit a significant transfer from day-to-day spending into capital in order to pump-prime our infrastructure and our capital side, and, secondly, we have to genuinely prioritise capital budgets.

That brings us to annually managed expenditure, where the damage is really being done. In the June Budget, the Government took £11 billion out of welfare benefits, and they took a further £7 billion in this CSR period. Those are Treasury figures. The Northern Ireland share is not far off £500 million. However, what makes this situation iniquitous is that the money does not come out of the Northern Ireland block, where we could all protest about budget cuts. It comes directly out of the pockets and purses of benefit recipients. David Cameron claims that that is fair and that the Government have done the right thing in the right way. I do not think that they have done the right thing in any case, but they most certainly have not done it in the right way. There is unfairness in child benefit. What about snatching the mobility allowance that is payable to people in residential care? Do the Government want people to walk to hospital appointments? Those large-scale welfare cutbacks have little to do with the laudable desire to help people move out of benefit dependency and into the dignity and self-sufficiency of gainful employment.

**Mr Speaker:** The Member should bring her remarks to a close.

**Ms Ritchie:** They represent an old-fashioned onslaught on the poor. All parties in the Chamber need, in some cases, to behave responsibly.

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

**Ms Ritchie:** We, in the SDLP, will behave responsibly. We look to others to do likewise.

**Mr Lyttle:** I start by offering the Alliance Party's condolences to the Harrison and Dougal families and to the families of the three men who were tragically killed in the crash at the weekend.

My party and I are acutely aware of the urgent need for the Assembly and its Executive to respond to the comprehensive spending review collectively. The question that I am receiving from members of the public on this announcement is loud and clear: will the Assembly, particularly its Executive, respond

to the economic challenge with collective responsibility, or will its constituent political parties seek to electioneer? I am glad that we have heard in the debate about a vision for tackling waste, creating jobs and protecting front line services. However, for Sinn Féin to suggest that responsibility for dealing with that challenge lies with the Finance Minister alone was, at best, misleading. To posture as the party against cuts is untenable given the reductions that have been made by Sinn Féin Ministers to the budgets for sustainable transport and community relations in schools.

My party and I recognise that it is important for elected representatives in Northern Ireland to continue to fight our corner and to raise our concerns directly with the UK Government over the pace and depth of cuts. As the First Minister said, that is particularly important with regard to the commitments that were made for £18 billion funding for capital investment in Northern Ireland.

My party shares with other Members concerns about those budgetary reductions. Indeed, my party colleague Naomi Long, who takes her seat on the Opposition Benches in Parliament, was the first Northern Ireland MP to challenge the Chancellor of the Exchequer about the need for special measures in this region to stabilise our economy and stimulate private sector growth. She will continue to make representations at Westminster in the best interests of the people of Northern Ireland.

Nevertheless, it is for the Northern Ireland Executive and Assembly to make decisions on the matter. Like it or not, political posturing has wasted money and opportunities to improve the efficiency of public services in this region. We needed RPA, we need ESA, and we need reform of arm's-length bodies. Without that, we will continue to fail the public, who expect the Assembly to make decisions that will help our society by delivering improved opportunities for education, jobs, health and support for the most vulnerable people.

We believe that there are ways to create a more sustainable and competitive Northern Ireland. The Executive have to make efficiency savings and improve productivity throughout the public sector. With effective planning, cutting spending does not have to mean cutting services. We must ensure that every penny of taxpayers' money secures value.

The Alliance Party would prioritise actions that will find savings through building a shared future. In the context of real financial pressure, the luxury of wasting money on maintaining a divided society cannot be tolerated, and, although it will take time to realise those savings, it is critical that we make a start now. The Alliance Party estimates that addressing the cost of division can lead to savings of around £1 billion a year. Specifically, there are considerable economic and social benefits to be achieved through the sharing of education.

My party has long championed the reform of political institutions, and the rationalisation of Departments would result in more joined-up government and real financial savings. We support a reduction in the number of MLAs. Alliance is also prepared to accept that some additional revenue raising in Northern Ireland may be required and that no Government would seek to address our local challenge through savings alone. We also agree that the larger than expected reduction in capital expenditure means that we must find ways to reallocate money from revenue funding to strategically important capital projects that will support our construction industry and create infrastructure for growth. Tough decisions will be required on reducing future expenditure on salaries and safeguarding jobs. If a decision is taken to reduce public sector pay, protecting the low-paid must be a priority.

As we have heard today, those are all decisions that need to be made collectively by the Executive. We call on the Executive to send out a message that they are ready to work together to deliver decisive action.

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

**Mr Lyttle:** It is vital that the Executive provide leadership on that issue to deliver first-class modern public services, safeguard jobs and deliver a shared and better future for this region.

#### **11.15 am**

**Mr Poots:** At the outset, I apologise for being unable to stay for the entirety of the debate. I intend to attend the funeral of John Harrison, who was a good friend to all of us.

I was surprised by the wording of the motion. It is stupid, to say the least, in that it identifies the Minister of Finance as being solely responsible for addressing the concerns. I am

surprised at Dr McDonnell for adding his name to a motion worded in such a way.

In respect of the collective responsibility that we have to address, let us be absolutely clear about the circumstances in which we find ourselves: the cuts to Northern Ireland are serious, they will have great significance, and there is nothing pleasant about them. People will lose their jobs, and they will be put into poverty as a consequence of the decisions of the coalition Government. Therefore, the people who supported the election of the coalition Government — those to my right in the Ulster Unionist Party and those in the Alliance Party, which was a sister party of the Liberal Democrats right up until the formation of the Government — wanted to disassociate themselves from that Government when the bad news came out. When the Alliance Party had to take real decisions of government, it ran away from the circumstances. However, the public will take a hammering from its sister party and from the wedded party to my right.

The circumstances in which we find ourselves are that we will be left holding the poisoned chalice. Although I agree that we need to go to David Cameron and discuss issues around EYF, policing and justice and so forth and seek better arrangements, it would be foolhardy for Members to pass the message on to the public in Northern Ireland that we might achieve something in which no cuts will take place here. Let us face reality: cuts will take place whether we like it or not. However, we have a responsibility to mitigate those cuts as far as we can. Therefore, we all need to start looking at the difficult decisions that we have to take.

We cannot keep pushing the snowball in front of us. We have to address the issues. Our party is prepared to do that. Our Finance Minister has indicated to the public that difficult decisions have to take place, and it is incumbent on all of us — that includes Sinn Féin — to step up to the mark and deliver on the issue. People need to know the bottom line. Uncertainty and insecurity will be as damaging to Northern Ireland as the cuts. Therefore, we need to provide clarity and certainty to the Northern Ireland public to allow the economy not to suffer any more than is absolutely necessary.

The capital budget has the potential to have a devastating impact on our construction industry. When I refer to the capital budget, I refer not

only to that in Northern Ireland being cut by 37% but to the capital budget in Scotland being cut by 38%. Many of our larger construction companies carry out public construction work in Scotland, and the cut in that budget will have a huge and devastating impact on Northern Ireland.

We have to make really difficult decisions about revenue raising and about whether we engage in PPPs and in a whole range of issues as to whether we take money out of revenue and place it in capital. As Minister of the Environment, I had to find 12% in-year last year in our budget. It was painful, but the world did not stop.

As regards current funding, we can find a lot without causing real pain to front line services if we act collectively and responsibly and seek to address issues early. A recruitment freeze is not a total solution. We have trained young nurses and none of them has been able to get a job in Northern Ireland. We have paid to bring all those young people through training, qualified them for positions, yet they all have to go elsewhere to find jobs. Therefore, my plea to the House is this: let us work together and let us seek to mitigate the damage from the Budget to the people of Northern Ireland.

**Mr McLaughlin:** Go raibh maith agat, a Cheann Comhairle. I want to associate myself with your remarks on the deaths of two highly respected journalists and the tragedy that occurred at the weekend. I also want to make it clear that I support the motion and the amendments.

Last week, the British Government set out the outcome of the comprehensive spending review. It has become obvious that Maggie Thatcher's Tory party is back. In the event that some people have carelessly forgotten the swingeing programme of public cutbacks that it introduced, we see that that philosophy is still very much alive.

The spending review sets out a four-year programme of savage cuts in vital public services. We need to remember the context of that announcement. The Tories are insisting on a four-year crusade to pay off a deficit that was caused, in the first place, by banks and financial institutions. Why would they choose four years when the issue that needs to be tackled could be addressed over a much longer period in a way that gave Assemblies such as this one the opportunity to protect, defend and develop

public services, particularly essential front line services?

**Mr Beggs:** Is the Member aware that, during the summer, DFP officials told Northern Ireland's community and voluntary sector that the former Chancellor was living beyond his means prior to the banking crisis and that, in fact, the Labour Government were spending way beyond what they could afford before that crisis happened?

**Mr McLaughlin:** I am just trying to figure out the usefulness of that interjection. What would you expect the Tories to say about the outgoing Government? I do not dispute the performance of the outgoing Government any more than I applaud the performance of the current Government. We have to deal with the consequences. I will come to that.

Consider that, practically during the same announcement, the Tory/Liberal Democrat coalition actually excused massive, hugely wealthy and successful businesses of significant sums of unpaid tax. For example, Vodafone was pardoned of a £6 billion tax bill, which is equivalent to the cut that was made to welfare payments. Consider that banks that were on the verge of bankruptcy until public money was used to bail them out are now preparing to divvy out among themselves £7 billion of bonuses this autumn. That is the context in which the Assembly and others must consider the announcement that has been made. Instead of repaying their debts to the public, those people are back to their bad old habits. It appears that they have drawn no lessons from the crisis that they caused.

Members may agree or disagree with that opinion. However, the Assembly cannot afford to disagree on the need to prepare measures and to work together across party lines to respond to the betrayal of the commitments and expectations of our community. We are engaged in a historic and extremely difficult journey. The process of transition has thrown up many challenges. Last week's announcement has actually compounded that difficulty. It could be argued that it has, perhaps, thrown up some insurmountable challenges. Let us see what we can do to rise to those challenges.

Sinn Féin has set out its proposals. It has also invited other parties to submit and share their ideas. We look forward to that engagement. I want to express some disappointment that that engagement has not been more proactive.

**Mr McDevitt:** I thank Mr McLaughlin. I appreciate his giving way. Does he agree that we need to take partnership and working together beyond the Chamber and that it is, in fact, time for a formal social partnership that brings employers, trade unions, the voluntary sector, Churches and politicians around the table to agree a regional recovery programme?

**Mr Speaker:** Order. Interventions should be sharp and to the point. If long interventions are taken, not every Member will get a chance to speak. Members on all sides of the House must understand that. Mr McLaughlin has an extra minute added to his time.

**Mr McLaughlin:** Thank you very much, Mr Speaker. Do I not get two minutes?

I will deal with Mr McDevitt's point briefly: the Assembly must consider all the ideas that come from the parties. We also have to study the experiences of social partnerships elsewhere, including the difficulties and the broken commitments made by Governments that undermined what might have been a progressive idea. The experience is not all rosy; however, we should be prepared to consider all ideas.

We should accept it as an imperative that we must address the impact of the removal of part of the block grant. That engagement will continue, and Members should bear it in mind that in a couple of weeks the British Government are due to come forward with their proposals to rebalance the economy and help grow the private sector. We must engage beforehand to ensure that we get the best possible and most substantial deal out of the British Government in that regard. We must factor that into our discussions on the Budget.

In the meantime, as political parties, we should come together on the agenda of opposing those cuts. We do not have to accept them at face value. We can bring forward revenue-raising ideas and ideas for efficiencies, particularly with regard to quangos and arm's-length bodies.

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

**Mr McLaughlin:** Perhaps the Finance Minister will take the opportunity in his remarks to withdraw his criticism of those who peacefully demonstrated their opposition to what the Government are doing?

**Mr Newton:** The fact that the Assembly has been recalled indicates that this is one of the most serious debates that it has entered into. It is certainly one of the most relevant, and people want to see outcomes and positive actions from it.

During the introduction of the comprehensive spending review in Westminster, the behaviour of the MPs sitting behind George Osborne as he made his remarks and the laughter, cheering, jeering, goading and backslapping of those MPs congratulating him was totally insensitive, unbecoming and tasteless. It was so because of the serious cutbacks that George Osborne was talking about: the cutbacks to benefits and the potential for huge unemployment. The boorish behaviour of those politicians was disgusting. It was politics in the extreme. It seems obvious to me that the attitude and ethos of the Tories have not changed. Shame on the Liberal Democrats for joining them in that. They are as uncaring for the poor today as they ever were. Those at the sharper end of things need to be afraid, very afraid, of this Government.

I was not going to mention the attitude of the Alliance Party. However, its Members are attempting to distance themselves from the cuts. The Alliance Party is the sister party of the Liberal Democrats. I was going to congratulate Mr Farry on his analysis of the financial situation, but he has not made one comment about those who are going to be affected by these cuts. To try to distance themselves from the cuts, Members of the Alliance Party say that their MP sits on the Opposition Benches, but that is not acceptable and is hypocritical in the extreme.

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

**Mr Newton:** I will not give way; I have only five minutes in which to speak.

The coalition Government need to face the reality that things are different in Northern Ireland, which has a history like that of no other part of the UK. Rather than savage cuts to our Budget, we need a balm applied to the situation here and support, as we make a transition from a serious conflict situation into peace. The economy of Northern Ireland is not even out of recession. Other parts of the UK may be out of it, but Northern Ireland is not.

The outcome of the Chancellor's decision will be like having a bucket of cold water thrown over the career and job prospects of many people in

Northern Ireland. My colleague, Minister Poots, referred to the situation of nurses.

### 11.30 am

The scale of what the Chancellor delivered was largely predicted by the Finance Minister. It was virtually what Sammy Wilson was talking about during the summer. We know the situation that all political parties are now in: they need to wake up and smell the coffee. It is a serious time for politics, not a time for pretending to be in Opposition.

We are not yet out of recession. It is estimated that unemployment will rise by around 30,000. Those are people; they are not statistics. They are mothers, fathers, sons and daughters. The prospect of a long recession, from which we will recover only slowly, is now imminent. However, the electorate expects politicians to do all that is necessary to protect it. In his opening remarks, Mr Adams made a comment about positive leadership. The people expect positive leadership; they expect leadership that is in touch with reality, and they expect good management of the situation. They also expect engagement around the Executive table, and they expect Ministers to meet with and commit to the Finance Minister. They want to see partnerships with business leaders, the community and voluntary sectors and, indeed, the trade unions, who have a part to play.

**Mr Speaker:** The Member should bring his remarks to a close.

**Mr Newton:** The people expect departmental plans, the Executive Programme for Government to be agreed and a Budget that makes good sense.

**Mr Elliott:** On behalf of the Ulster Unionist Party, I want to be associated with the remarks regarding the deaths of John Harrison and Jim Dougal, two very professional and respected members of the media, and those about the County Down helicopter tragedy. I also offer condolences to the family of Captain Bill Henderson, a former Member of this House, who died at the weekend.

I do not think that anybody in this House supports cuts. Nobody in this House supports the increasing level of fuel duty. Probably nobody in the House supports the increase in VAT from 17.5% to 20%. However, as some Members explained, that is the reality and something that

we must grapple with over the coming months and years.

I totally support the Executive and the First Minister and deputy First Minister going to lobby the UK Government on the issues that they outlined here this morning and over the past number of days. However, that alone will not resolve our problems. We need to take political responsibility. That is what we in the House were elected to do. I have heard people criticise the UK coalition Government. I also criticise the Labour Government and those who kept them in power for so long. They did the damage for years and put the UK into its current financial position, and they have questions to answer as well.

In taking this forward, I have concerns about Sinn Féin and how reliable it will be in showing co-operation in the Executive. I hope that, over the coming weeks, we will see co-operation from all parties in the Executive in bringing forward an agreed Budget. If that does not happen, how will we progress this Province? How will we progress the public sector? Failure to agree a Budget will mean that those who they are saying the cuts will damage will be the very people who will suffer. The Health Department alone employs 70,000 people. Those people have to get paid, and there must be front line services —

**Mr McGimpsey:** I thank Mr Elliott for giving way. I agree strongly with him that we must have a Budget. There can be no question of any party playing fast and loose on this issue. It is crucial that we have a Budget and that it is agreed sooner rather than later. It is also crucial that the Budget protects those who are sick and vulnerable — the weak, frail and elderly. There is still enough money in the pot to do that.

**Mr Speaker:** The Member has an extra minute in which to speak.

**Mr Elliott:** Thank you, Mr Speaker. I also thank the Member for the intervention. Clearly, a Budget is needed for those front line services and to move the process forward. That is the case not only for the Health Department but for the Department of Education, the Department of the Environment, DCAL and other areas.

The 37% reduction in capital will have serious consequences for the Province. I heard about the reduction in capital for Scotland and mainland GB. Those are areas from which people, particularly those in the construction

industry, get a lot of work for the public in Northern Ireland.

I am keen to hear from the Minister of Finance and Personnel. I support his mature attitude to the proposals so far. *[Interruption.]* Perhaps that will change in an hour's time, but I am willing to give him a fair wind at this stage. The Minister can also expect a mature approach from the Ulster Unionist party in the Executive in bringing forward a Budget that will help the people of this Province.

I also look forward to hearing the figures from the Minister. There has been a lot of confusion about the figures during the past number of days, particularly about the £4 billion deficit, with some economists giving a much reduced figure. There is also confusion around the 37% cut in the capital budget, with some suggesting that it is actually over 40%.

I look forward to hearing from the Minister of Finance and Personnel. The Ulster Unionist Party will do what it can to create a Budget and to secure additional finance.

**Mr O'Loan:** I have great pleasure in speaking in this critical debate. At the outset, I want to make it clear that the SDLP accepts the amendments.

The debate and what lies behind it present a major challenge to the Assembly. We are not saying that we should simply accept the CSR, hook, line and sinker, but, nonetheless, we know that we are faced with a very difficult situation. The Assembly needs to rise to the occasion. That is what the public, those who voted for us, want from us today. They hope that out of this meeting will emerge a united voice to say that we will co-operate to address the difficult situation in the interests of all our people.

**Mr McGlone:** My point has already been touched on in the Chamber today. Does the Member agree that many of those who work in the construction industry and the public sector and, consequently, those in the retail sector, look to the Assembly today for stability and leadership so that they can have confidence in the way forward?

**Mr O'Loan:** I could not agree more with the Member, and I thank him for his comment.

The motion calls on the Minister and the amendments call on the Executive to address concerns. What are we talking about when we say that? What we and the public are looking



for is real collective working in the Executive. We know very well that the structures of the Good Friday Agreement are in place, but we have not had the spirit of that agreement, and the outcome has been poor delivery for our people. Those structures are good if they are worked well and very poor if they are not. The challenge before us is now such that the only right thing to do is to use those structures well. I call on the Minister and the entire Executive to do that.

The Minister of Finance and Personnel will have a key role in putting together a Budget that should be agreed by all in the Assembly. Let the Minister do his job, bring everyone around the table and show that he is a listening Minister who will attempt to build the consensus that we need. When he brings us around the table, the SDLP will argue for the protection of the weak and for measures that will build up our economy and protect our front line services. I hope that the Minister will listen to the arguments that we will put forward.

All of that can be done despite the financial stringencies that we face. We can deliver our services better, and there is scope for tangible improvement in how we deliver our services. One thing that we must not do is devolve the cuts to a lower level in the system and pretend that we have not imposed the pain. Of course, it will not all be pain-free, and I heard the Minister say publicly that it will not be slash and burn. I welcome that comment, but he needs to turn that into reality. What exactly do we mean? Hard decisions will have to be made.

The question is: how do we endure that pain and maintain social cohesion? We do not want to create further disadvantage and a more embittered section of our society. As was articulated clearly by the party leader and by Conall McDevitt in his intervention, the SDLP's way of addressing that is through social partnership. We need partnership in here and the bigger social partnership of the business sector, the trade union sector and the community and voluntary sector all working together.

I must refer to our public sector workers, because the debate about what is about to happen and whether we need freezes or pay cuts at certain salary levels could easily turn into an assault on our public sector and could demoralise the very sector that we need to deliver the services that we want. We need to bring public sector workers on board. There is

much goodwill and commitment in our public sector. We need to engage with that and show that we are willing to build a coalition of all in the community to address the challenge that we face.

The Assembly needs new mechanisms in respect of how we carry out our politics, and I repeat that there is a need for a budget committee. I support the efforts of the First Minister and deputy First Minister on the capital side, which have been referred to by the First Minister and others. As indicated on page 25 of the Treasury's spending review document, considerable capital investment is being made in Scotland and Wales. That investment is coming directly from Westminster money and not out of those countries' devolved settlements. However, those projects, such as the building of aircraft carriers in Glasgow and Rosyth, do not apply to Northern Ireland.

As we know, the welfare cuts are very substantial. There will be further welfare cuts of £200 million here. I endorse Robin Newton's remarks in deploring the conduct of Members of the House of Commons who welcomed those cuts. The cuts are a major loss to those affected, and a huge sum of money will come out of our economy. We will have the Barnett consequential of the fairness premium. We will have a proportion of the £7.2 billion that has been spent in England hidden in our money. Let us make sure that that money is used fairly and that it goes to the disadvantaged pupils in our schools.

I will address briefly the point about whether we should accept the settlement. The settlement has to go through Parliament. Our MPs will be there to challenge the measures that are not appropriate. We have heard Simon Hughes say that a particular benefit will not carry the support of Parliament. There is work to be done, and our parliamentarians will be there to do it.

**The Chairperson of the Committee for Finance and Personnel (Ms J McCann):** Go raibh maith agat, a Cheann Comhairle. I heard what the First Minister said about the Committee initiating an inquiry into the reneging on the commitments on £18 billion capital spend and the Executive's access to end-year flexibility stocks. Hopefully, the Committee will discuss that.

I will now make some comments as a Member. For some time, we have listened to various individuals, organisations and, in particular,

British politicians telling us that the cuts are based on economic necessity and that everyone must take the pain. Both of those statements are false. First, lessons from other economies around the world show that it is, in fact, investment that helps economic recovery. Cuts have had no such success anywhere. Indeed, many leading economists have warned that the cuts may plunge the economy even further into recession and result in mass unemployment.

The second falsehood that we hear continually is that we all have to take some of the pain. That is totally untrue: the poorest 10% of households and families will be hit 15 times harder than the richest 10%. Households with incomes below £11,000 a year will suffer most from the loss of public services. It is worth remembering that the decisions that all of us should take the pain are made by a coalition Cabinet of millionaires that has no mandate here in the North. Those people are making decisions that will destroy people's lives.

Members have said that we have to wake up and smell the coffee and show positive leadership. I agree that we need to show some positive leadership. However, that simply will not happen if we do only what we have always done and do not sit down together and show the type of leadership that my two party colleagues outlined.

#### 11.45 am

Our colleagues have put forward proposals to find immediate and viable solutions and to map out a way forward that will defend front line services, promote sustainable economic growth and protect the most disadvantaged and vulnerable. That is what we need to look at when we talk about smelling the coffee; we should not merely implement the cuts. If we do nothing more than simply implement the cuts, the human cost will be that even more people will lose their job. Many people will lose their home, and those who are on benefits, including the disabled, the sick and the elderly, will find it even more difficult to make ends meet. Families and households that are already living in poverty will spiral even further into despair.

There is a social and moral responsibility on all of us that says that we have to protect those who are vulnerable. Regardless of a person's economic or social position in life, their age or their background, they are entitled to a decent quality of life. Everybody is entitled to access

services such as health and education; they are entitled to have a job; they are entitled to have a house and enough food on their table to eat, so that their children do not go out to school in the mornings hungry; and they are entitled to have heat in their home. To do nothing but implement the cuts is not the right thing to do. We have to explore other options, as outlined by our party, because implementing the cuts is not an option for people in our communities, and it should not be an option for Members.

**Mr Speaker:** I call Dawn Purvis. *[Interruption.]* Order. Order in the Public Gallery, or I will have it cleared.

**Ms Purvis:** I express my condolences to the families of Jim Dougal and John Harrison, who were outstanding journalists, and to the families of those who lost their life in the air crash at the weekend.

I support the motion and the amendments, and I am pleased that we are back here today to discuss these important issues. Since the onset of this recession, it has been clear that we face a profoundly difficult economic situation, which is, possibly, unlike any other in history. We have known that difficult choices were on the horizon, and there is no denying that the time has come for those choices to be made. I recognise that a number of the problems that we are discussing today are to do with decisions made in London, and, like others, I take issue with those decisions. I think that several of them are plain wrong. You do not stimulate private sector growth by cutting public services.

I bristle at the hypocrisy of the coalition Government in describing their approach to budgeting as fair. It is clearly an indictment of the most vulnerable for the crime of being poor, while it preserves a golden amnesty for the most well off. Although problems for the people of Northern Ireland may be created elsewhere, solutions have to be found here. I have three recommendations, not only for our Finance Minister but for the Executive. First, I ask them to co-operate. Ministers and Departments that work together in the planning and commissioning of services deliver better programmes, better government, bigger savings and better value for money. Ministers have to get out of their silos and stop protecting pet projects that feed ideologies or special interest groups and begin to work together across Departments to plan their programmes and

their budgets. The past behaviour of Executive Ministers does not leave us optimistic that co-operation can be easily achieved. If joint planning cannot take place on a voluntary or comprehensive basis, the Assembly should pursue, in this legislative session, a statutory duty on Ministers to co-operate.

Secondly, we have to redefine “fair” to fit the Northern Ireland context. Although some in London have grown weary of hearing it, Northern Ireland is a special case. It has a small economy that is struggling for growth, and the cuts are not fair. Living standards here are about 80% of the UK average; employment is below the UK average; and a higher proportion of those of working age here have no academic qualifications. Furthermore, the employment that we do have tends to be in sectors that have moderate or lower wages. Our population relies more on welfare benefits; our housing stock is in worse shape than that in the rest of the UK; and we experience higher levels of fuel poverty. We are at a very different starting point for the introduction of these cuts. Therefore, fair budgeting has to look very different in Northern Ireland from how it looks in the rest of the UK. If the dictionaries at Eton have left its graduates devoid of an accurate understanding of the meaning of “fair”, we will have to demonstrate it for them.

It is critical that Executive Ministers employ the highest possible levels of flexibility and creativity to protect our most vulnerable citizens. I implore Ministers to be strategic and innovative in their approach to change and to use the capacities of their Departments with as much invention as possible. This is no time for conventional thinking.

We need to find ways to keep people connected to work and the workforce to redistribute and rework Con-Dem's sharpest cuts to make them more considered and less blunt and to keep the value of mental, as well as physical, health in mind.

Finally, I ask that Ministers support the home team. We may have a more challenging starting point than other regions in the United Kingdom, but we also have some of the greatest opportunities to make a difference locally. There is a lot that is good in Northern Ireland. I encourage Ministers to support local innovators and local homeowners. It is time that we did more to help those people to create local initiatives and businesses, even if they will not have the chance to export. Northern Ireland is a small country and, in among the big

players, there have always been a large number of high-quality small businesses and even microbusinesses that have kept our economy alive through thick and thin. As much as we need large exporters, we also need the local initiative and stability that comes with smaller businesses. More than ever, local, organic, smaller businesses deserve our support.

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

**Ms Purvis:** There is much more to be done, and, whatever happens in this period, the real value for the people of Northern Ireland will come with whatever choices our Executive make working together.

**Mr Hamilton:** I am looking up to the Public Gallery for my cheer, but it does not appear to be coming. We will see if it comes at the end of my speech.

I very much welcome today's debate and the dawning of reality that it represents for some in the House. I appreciate why the reality is now hitting people: the full effects of the £4 billion of cuts — a remarkably bad deal for Northern Ireland — are unfolding before all our eyes. Those effects will have a negative impact on our ability to recover economically and generate new jobs, they will attack some of the most vulnerable in our society, and they will decimate a construction industry that has already shed thousands of jobs over the past number of years. The construction industry will be impacted on by 40% reductions in the capital budget. Those reductions were cheered by the Secretary of State last week as the Chancellor wielded his axe.

As the Tory-Liberal Government embark on a cuts programme that was condemned roundly by several Nobel prize-winning economists over the weekend, the impact on Northern Ireland is becoming perfectly clear. We should oppose the cuts and state our opposition to them loudly and clearly, although it baffles me why anyone would have wanted to canvass for votes in Ulster alongside David Cameron back in May knowing that this is exactly what his party wanted to do. It baffles me that anybody in this House would want to say that he or she belongs to a sister party of one half of the coalition Government. Those people have to answer to the people in Northern Ireland for what they have done in the past and what they continue to do.

What we need to do now is what the people elected us to do: take the tough decisions. There are tough decisions ahead, but they can be grasped or grappled with if we show responsible leadership.

Over the past number of weeks, I have been surprised by the findings of some research done by the Consumer Council into the reactions of people to the Budget process. That research has unveiled a new vulnerable group, and it does not comprise the people that one would expect. The people most worried about the future in Northern Ireland are not the elderly or the middle-aged, who may have experienced recession before and be worried about their job or their family; it is the generation of people aged 25 to 34. Thirty-two per cent of that grouping fear for the future and are having difficulty paying their finances.

That generation that should have been full of hope and least impacted by the Troubles. They should have had most potential to grasp hold of peace and prosperity, but instead they fear for the future in Northern Ireland. It is easy to understand why. Many of them are mortgaged to the hilt, some are in negative equity, and some of them cannot find a mortgage at all. They tend to have young families, so there may only be one income coming into the house.

They are also, by and large, very well educated, but there is a dearth of graduate jobs. Many of them are shackled with student debt. Those people and others should be at the forefront of our minds as we grapple with the difficult decisions ahead of us, and so, too, should the businesses across Northern Ireland, which need certainty about their contracts and the business that they want to do, and the community and voluntary groups that work with the vulnerable right across Northern Ireland. We should think of them and their need to have certainty about their work going forward.

There is a need for even more reality to dawn on some Members and other people outside the House. People in this country are ahead of their politicians. They understand that the cuts are coming and realise that we have tough times ahead. Many of them have gone through tough times in their life because of the loss of a job or their inability to get on to the property ladder. Like us, they are annoyed and upset. They are unsure about the future that is ahead of them. They do not want us to bicker, fight and row;

they want us to knuckle down and do the job that they elected us to do. They do not want us to grandstand or defend our ideology or dogma.

**Mr Campbell:** On the point about knuckling down, does the Member agree that not only do we need to see the Executive acting in a co-ordinated fashion but, once we analyse the extent of the problem with which we are faced, we need the First Minister and deputy First Minister to go to their Welsh and Scottish counterparts to take the argument to Downing Street and Westminster, which is where the battle will be won or lost?

**Mr Speaker:** The Member has an extra minute in which to speak.

**Mr Hamilton:** Thank you. I will not use it all, Mr Speaker, because I know that you are under time pressure.

I agree with the Member. People do not want us to raise false hope. They want us to talk in real terms, spell out exactly what will happen and knuckle down to the business ahead. They want all of us in the House — not just the Finance Minister — to get down to work, defend front line services as best we can and ask difficult questions about how those services should be delivered in future and by whom. It is by that responsible, positive political leadership that we will make the best of what is a very bad deal — not, as the Secretary of State said, a great deal.

#### **The Minister of Finance and Personnel**

**(Mr S Wilson):** I welcome the debate and the fact that the Assembly collectively deemed this to be an important enough issue to come back in recess to debate it and demand collective action. That is what has been singularly missing up to now.

We are in a difficult situation. Whether we like it or not, 90% of our funding comes from Westminster, and 10% is generated by activities that we deal with. We have now received an allocation of spending. It is very much what I predicted around June or July anyhow, but we have an allocation of spending from Westminster, which is the headline figure against which we will have to operate. I know that there are those who say that we should not roll over and accept it but should resist it. I do not know what we do in the meantime. We have had those calls even this morning in the debate. Nobody has specified what they mean by resistance — *[Interruption.]* Sorry. *[Laughter.]*

That is the first person to get knocked on the head. There will be a few more before the debate is over. Just stay clear, because it could get worse.

I am still not too sure about what people mean by resistance. The one thing that I do know is that, even if there is an opportunity to negotiate some changes with Westminster, they will be around the periphery. The First Minister outlined some of those this morning: the commitment to the £18 billion and the money that was committed to policing and justice. Of course we should talk to the Government about those issues: promises were made and should be honoured. Nevertheless, the core of our Budget has been determined by a formula that we did not negotiate and for which the Secretary of State had no responsibility. Once other Departments had their spending set, that formula fed a certain sum of money to Northern Ireland.

### 12.00 noon

If anyone really thinks that the whole of the United Kingdom's spending is going to be looked at again by the Chancellor, who said that he made his announcement last week to calm the money markets and to make sure that we do not get into the same situation as Greece and Ireland, he or she is living in cloud cuckoo land. The Chancellor will not do that; he will not even hint at doing it, because that would send the money markets, which he has been trying to calm, into a flurry. For that reason, we have to live with reality.

What is the reality of the situation? Some Members asked about figures, a lot of which have been bandied around. The Secretary of State gave one set of figures, and the Department of Finance and Personnel (DFP) gave another, so let me explain them. First, if we were to deliver every year for the next four years the services, capital spending, and so on, that we have delivered this year, how much money would we need, allowing for the fact that over those four years there will also be inflation? According to our calculations — and these are rough figures, which will add up to about £60 million short of £4 billion, because, off the top of my head, I do not have exact figures — next year, we would need about £580 million more. The year after, we would need £850 million more. The following year, we would need £1,100 million more. In the final year, we would need £1,400 million more.

That adds up to about £4 billion. So, the cumulative impact of the reductions, taking account of how much extra we would need every year to deliver the same services as we delivered this year, will be £4 billion. The cut in the final year will be £1.4 billion.

Where, then, is the discrepancy between the Secretary of State's figure that current spending has fallen by 6.8% and my figure of 8%? It arises from the fact that the baseline from which we are working, which I assume is from where the Secretary of State took his figure, has already been reduced as result of the cuts that we took in June. In addition, there were technical adjustments for non-recurring items of expenditure. The discrepancy in reduced current spending arises, therefore, because the baseline figure that we used was different from the one that the Secretary of State used.

The same applies to capital spending, which, as many Members pointed out, will be a worse problem for us, because, over the next four years, capital spend will be 40% below what we anticipated being able to do. We believed that the £18 billion settlement was agreed by the Government that were in power when devolution happened and that it would be honoured and available to us throughout a ten-year period. That money was to be used to build up infrastructure and for the Executive's plan to rebalance the economy by placing greater emphasis on the private sector. Those are the figures, and no doubt the Committee for Finance and Personnel will want to talk to me and my officials to drill down into them and to explain exact figures. That is where we are.

Although the First Minister and deputy First Minister need to talk to the Prime Minister about the commitments that even the existing Government gave, especially around policing and justice and our access to end-year flexibility and the contingency reserve fund, we must, nevertheless, get on with settling on a Budget. A number of Members said that the cuts are not fair, because the banks, not us, are responsible. In fact, that is not quite true, because, of course, the deficit is not only due to the banking crisis; it is due to the fact that, over the past 10 years, the Labour Government spent more than they brought in, so the deficit increased significantly. Of course, the Assembly and the people of Northern Ireland benefited from that borrowing, because, for years, we had an increase of

around 6% or 7% in the Budget. Now, however, we have to look at how it is paid for.

Members have, quite rightly, been critical about the Government's approach. I sat, as did some other Members, in the House of Commons last week, when the Chancellor was making his statement. I am totally aware of the impact that the decisions that we are going to have to make will have on the lives of ordinary people. That is why this matter should be a burden on all here today. People fear for their jobs or whether they will have access to doctors and to operations that they need. They fear that they will lose their houses. These are serious matters, but whether the scenes that were witnessed in the House of Commons last week were necessary is not an issue for this House. We have to simply accept what has been handed down to us. However, one thing that was not necessary was the kind of triumphal waving that signified, somehow or other, that what had been done was a great deed. It is a serious matter that we have had to deal with.

**Mr McDevitt:** Given the charade that was passed off in the House of Commons last week, does the Minister agree that we should lead by showing a better and a different way, and that it is now time for an imaginative social partnership to emerge from this region that is capable of showing that this place does things differently and that we can get trade unionists, employers and politicians around the table and agree on a contract for renewal?

**The Minister of Finance and Personnel:** That is one of the reasons why I have been saying that we ought to be behaving in a responsible way towards this matter. We owe that to the people, as Members have already said. I will talk about the implications of not dealing with the situation collectively and quickly in a moment or two.

The Assembly must use the hand that has been dealt to it in the best possible way that it can. I have listened to some Members, and, perhaps, some of what they had to say was well-intentioned. There have been some specific proposals, which I will come to in a moment. However, we are still talking in clichés, such as, "Now is not the time for conventional thinking" or, "Support the home team." What do those mean? I do not know. Others say, "There is another or a better way" or, "We have to consider the options and consider things that we have not considered before".

That is great, but I want to know specifically what Members of the Assembly and Executive Ministers are prepared to support. That is what people want to know. They want to know what impact those decisions will have on their lives. They want to know what we are prepared to walk through the Lobbies for when it comes to the Budget. The one thing that I want is to be able to present the Budget to the Assembly for consideration as quickly as possible. I have tried to inform myself since June. I have spoken to as many and as wide a range of people as possible outside the Assembly and, sometimes rather futilely, to some Ministers, about what we may do about the way forward.

Let me deal, then, with some of the points that have been made. I noticed that Sinn Féin put up its economic guru, Mr Adams the Member for West Belfast, as its first contributor. He is well known for his economic prowess. I loved his start: he said that they will have no truck with British Government involvement in Northern Ireland affairs. That is, apart from the £7,500 million that comes in this direction from Westminster. *[Interruption.]*

**Mr Speaker:** Order.

**The Minister of Finance and Personnel:** He then went on to say that Sinn Féin had presented costed proposals that would bring in £1.8 billion over the four-year period. I took the time over the weekend, sad person that I am, to have a look at some of those proposals.

Let us look at the proposals. The document says that £400 million could be saved if Edwin Poots introduced the review of public administration (RPA). Actually, £400 million might be saved over 25 years, but that will not help us too much over the next four years, and it will cost £128 million initially. Another proposal is for a phone-mast tax, which would generate £160 million over the next four years. Apart from the fact that we do not have the power to do that, the Sinn Féin document says that such a tax would be an incentive for phone companies to share masts to benefit environmental and public health. What is that tax meant to do?

**Mr O'Dowd:** Will the Minister give way?

**The Minister of Finance and Personnel:** I will give way in a minute or two; let me finish the point, for goodness' sake. Is that tax to raise money or to reduce the number of masts?

If we reduce the number of masts, I have to inform Sinn Féin that we will get less money. Therefore, what is the point? Given that the impact will be unequal, I am sure that the Minister of Education, who loves equality impact assessments, has asked for one to be done on that proposal. She must have asked for an equality impact assessment on how it will affect children, because, after all, children and young people are the most frequent users of mobile phones. Does anyone for a moment think that the telephone companies would not pass that £160 million tax on to the consumer?

**Mr O'Dowd:** Today's debate is on a very serious matter. Does the Finance Minister seriously believe that his performance over the past five minutes will enable consensus around the Executive table on how we, as a society — *[Interruption.]*

**Mr Speaker:** Order.

**Mr O'Dowd:** — deal with the financial crisis that faces us? His behaviour over the past five minutes towards the second largest party in the Assembly has been disgraceful.

**The Minister of Finance and Personnel:** I thought that the intervention would be a substantial point. I thought that the whole idea — *[Interruption.]*

**Mr Speaker:** Order.

**The Minister of Finance and Personnel:** I thought that the debate was to consider realistic ways forward. I found another proposal that I loved in the document and which Mr Adams mentioned in his speech.

**Ms J McCann:** Will the Minister give way?

**The Minister of Finance and Personnel:** I will not. If the intervention is as relevant as the previous one, it is hardly worth my while.

Mr Adams said that we should set aside an investment fund for tourism. I am sure that that will come as a great idea to the Minister of Enterprise, Trade and Investment who, up to now, has spent £300 million on tourism infrastructure. It is as if the Executive have done nothing. How about this proposal for originality: we should have greater sharing of services across Departments, including in financial accounting and HR. I do not know whether Sinn Féin has ever heard of HR Connect — its members ask me plenty of questions about it.

That is exactly what it does: shares services so that we do not have an HR department —

**Ms J McCann:** Will the Minister give way?

**The Minister of Finance and Personnel:** No; I will not give way. And so the document goes on. If we make suggestions about better ways, we have at least to make sure that they are realistic; we should not fall back on platitudes or introduce ideas that will not be of benefit.

A number of Members said that we must deal with the issue collectively. That is important, as is addressing the matter quickly and seriously. Mr McNarry said that we should not blame others. We cannot get away from that, and there is no point in going back over old ground. I just hope that that message gets through to the Health Minister, who seems very keen to blame others and to don the cloth cap in public protests.

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

**The Minister of Finance and Personnel:** No; I want to get through this.

**Mr McNarry:** Did you hear our leader give that commitment?

**The Minister of Finance and Personnel:** I did and was pleased by it. The leader of the SDLP introduced a note of realism in her speech and recognised that, whether her party likes it or not — it attends the House of Commons where it can give its views on those issues — we have to recognise that we can deal with this only around the periphery. The representative from the Alliance Party made similar remarks, even though that party has denied any family connection with the Liberal Democrats.

It is a fairly dysfunctional family that Mr Lyttle belongs to. It is a sister party in the good times, but does not really want to know it in the bad times. Nevertheless, he made a number of points on what could be done. In the past, Mr Farry has been upfront in indicating that there is a need for us to consider revenue-raising proposals, and, indeed, the Alliance Party has been specific on those issues and taken a responsible attitude to them.

**12.15 pm**

Mr McLaughlin talked about opposing the cuts, and he also asked me to withdraw criticism of those who protested at the weekend. I did

not criticise those who protested. In fact, in all of my interviews, I said that one of the great things about a democracy is that we can protest and that people can express their anger and their opposition to various things. I questioned whether protesting in that way and sending a message to the Assembly to resist the cuts was a constructive way forward. I do not believe that it is, and I do not believe that that approach will deliver.

We have a grave responsibility. The one thing that I have found as I have gone around speaking to people who work in the social sector and the voluntary sector and to businessmen, heads of trusts and boards of governors is that people want to know what will happen to their budget next year. That is why we need to have a Budget in place, debated and through the Assembly by January at the latest. That means that the Executive have to agree a Budget in the next couple of weeks, get it through the statutory process of consultation and get it here on the Floor of the Assembly for debate and decision. If we do not do that, we will be failing in our duty. It is good that we get ideas from people, and that they are quickly put into —

**Mr Speaker:** The Minister must draw his remarks to a close.

**The Minister of Finance and Personnel:** The first stab at the Budget might not be the one that is accepted, but let us get it out into the public so that we can meet the deadline and give those who will be affected by the reductions good warning for the next financial year.

**Mr Kennedy:** I am grateful for the opportunity to speak to the Ulster Unionist Party amendment, and I am also glad to hear the indications of widespread political support following this important debate. It is clear that the eyes of Northern Ireland are upon us, and we hope that that is the case, given recent disclosures about public attitudes to the Assembly. It is important that the Assembly reasserts itself as a proper Assembly and Executive working for and on behalf of the people here. People are looking to the Assembly for leadership, and we must not fail them in that. The comprehensive spending review presents us with not only possibly the greatest economic challenge that we will face but an opportunity to demonstrate how devolved government can work collectively, energetically, effectively and imaginatively to meet that

challenge. That challenge is a make or break challenge for the Assembly.

I want to register my concerns and those of my party about the impacts that the potential cuts could have on the people of Northern Ireland, particularly on those who find themselves in challenging economic circumstances. The debate is no substitute for action, but it is important for us to show solidarity with the people who feel threatened and concerned by the scale of what is happening. However, there needs to be more than simply an expression of concern. Therefore, we need to focus on action and how that action can be enabled so that we can confront the situation effectively.

In my view, that process is as important as the outcome. The crisis will test the capability of our devolved Administration and this form of government; it should also force us to explore and build new ways of doing things as we face those problems together.

I come now to some of the contributions. In many ways, the opening statement by the mover of the motion, Mr Adams, gave a mixed message, and there have been mixed messages coming from Sinn Féin on these matters. That was rightly highlighted by the Minister. Mr Adams advocated working together, having objected to the British taxpayer funding his political activity for many years, and launched a broadside at the banks. It appears that the banks will be raided again. *[Laughter.]* There also appears to be an indication that some Sinn Féin Members want to operate street politics — we heard a “man the barricades” speech from Jennifer McCann. Sinn Féin had better make up its mind whether it wants to be part of a collective, responsible Government playing its part in dealing with the issues or whether it wants to live in a simple, different world.

I agree with the First Minister that all parties in the Executive agree on some issues and that we should return those to the Treasury. However, we need to avoid grandstanding; we need to get on with the business in hand.

Some of the contributions from DUP Members in particular concentrated more on criticism of the new coalition Government rather than on the previous Labour Government, which spent its way into this crisis. Of course, there were occasions when that Labour Government was propped up by the DUP. Likewise, the Alliance Party cannot escape criticism. We need to work



together, concentrate and develop a common approach. The eyes of the people of Northern Ireland are upon us, and we must not be seen to fail.

**Mr McCausland:** I welcome this important debate. I also welcome the fact that the proposer has accepted the amendments. For several days, most Members have been extremely angry about the announcement that was made at Westminster, and that anger is shared by most people in Northern Ireland. People in the Chamber and across the Province have a right to be angry.

Peter Robinson, in proposing our amendment, rightly highlighted the breach of commitments that were made by the Labour Government, which was previously headed by Gordon Brown, and which were endorsed by the Tories and by David Cameron. The Tory/Liberal Coalition has now reneged on those commitments, particularly in relation to the £18 billion for capital over 12 years.

We need to engage with Westminster. I am sure that those who are involved in that engagement will be robust, but we need to be realistic. There is no contradiction in those two things. We need to be robust in putting our case, but, at the same time, we need to be realistic in what we hope to achieve. We would do ourselves a disservice by raising unrealistic hopes and expectations.

David McNarry acknowledged that there would be tough times ahead. Margaret Ritchie said that we would be delusional to imagine that there would be no cuts. Moreover, Edwin Poots highlighted the impact of cuts in Scotland on buildings firms in Northern Ireland. Therefore, we need to take the twin-track approach that was identified by Peter Robinson and put our case on a range of issues. They may be peripheral; nevertheless, they are important as regards what can be achieved.

However, that alone will not suffice. At present, Northern Ireland needs what Peter Robinson identified as collective and effective decision making. Edwin Poots commented, quite rightly, on the motion's putting responsibility solely on the shoulders of the Minister of Finance and Personnel. The issue must be addressed collectively by the entire Executive and Assembly. That is why I welcome the proposers accepting the two amendments.

**Ms Purvis:** I thank the Member for giving way. Much has been made of the Executive's collective responsibility. Does he agree that if there is unwillingness to work collectively, the First Minister and the deputy First Minister or, indeed, the Minister of Finance, should consider proposing to the House a statutory duty on all members of the Executive to co-operate?

**Mr Speaker:** The Member will have an extra minute added to his time.

**Mr McCausland:** I hope — and I emphasise the word “hope” — that, on what I have heard in the debate, people are willing to act collectively. It is always unwise to jump the gun on such matters; it is much better to put the onus on people to behave collectively to address issues.

David McNarry said that there must be no sulks nor solo runs. I certainly agree. I did not understand totally the point that Chris Lyttle made when, although he acknowledged that a challenge exists, he said that cutting spending does not mean cutting services. Yes, we will be able to economise in certain areas; in some areas, we can do better. However, it is unwise to suggest to people that there will not be some reduction in services, because that is what is being imposed.

Robin Newton, quite rightly, expressed anger and disgust at the behaviour of some in the Westminster Parliament. The Tories, in effect, cheered the cuts. It was not simply the fact that they did so, but that they thoroughly enjoyed it. I believe that most people here found that utterly appalling.

Northern Ireland is a society in transition; it is emerging from 40-odd years of terrorism; it is on the periphery of the United Kingdom; and it is slower to emerge from recession. Therefore, the Assembly needs to be careful. Westminster needs to show considerable sympathy towards Northern Ireland.

Tom Elliott spoke of the need for maturity in the Executive. I welcome that. Declan O'Loan said that DFP has a key role. It has. However, all Departments and Ministers have a role to play as the Assembly seeks to build the economy. Sammy Wilson spoke about the impact of the cuts; he said that there is a need to address them collectively, and every Member in the debate said that Ministers cannot ignore that. It is incumbent on every Minister, not just on some, to play his or her full part.

Although it was probably not picked up by the rest of the House, Lord Morrow, who is sitting beside me, said that some of the Sinn Féin proposals are the stuff of 'Alice in Wonderland'. It is important that all Northern Ireland's representatives be at Westminster to argue its case.

**Dr McDonnell:** I am extremely pleased to make the winding-up speech on the motion. I am happy that the Assembly has managed — probably for the first and, hopefully, not the last time — to achieve broad agreement on the cuts. The amendments will be integrated into the substantive motion.

I thank all colleagues who spoke in the debate and those who wanted to but who did not get the chance. The debate has been substantial and mature, and consensus was reached on many issues. I thank those Members because people on the streets and byways of Northern Ireland want guidance; they want help, leadership and clarity. They look to the Assembly for those things. They will not thank us if we use the crisis as a political football or a cudgel with which to beat one another over the head.

### 12.30 pm

People worry about whether they will be able to celebrate this Christmas or whether they will be able to afford another one; they worry that they will be unable to provide adequately for their children. The cuts' savage attack on welfare is unjustified and unacceptable; it must be opposed today, tomorrow and next year. We can make clear our opposition without losing touch with reality.

The Tory Party of the rich and the millionaires is not too worried about those on the margins — particularly in Northern Ireland — the deprived or the poor. I share the anger of the First Minister and the deputy First Minister that the £18 billion of commitments made at St Andrews may be reneged on. We are all deeply unhappy at the severity of the cuts, and that has been reflected in the debate. We are all deeply disturbed and angered at the savagery of the cuts and particularly that aspects of welfare and social security have been selected for particular attention. We are equally unhappy at the savagery of the capital spend cut of some 37.5% or 38%. It will permanently damage the construction industry, which has been the backbone of much employment here for generations. A generation of people, not just

hands-on skilled construction workers, but those in the supporting industries of engineering and architecture, will be affected. I spoke to someone over the weekend who told me that not only are there no jobs for graduates, but there are no placements for undergraduates in engineering, architecture and associated sectors. We are losing, and we cannot allow it to happen. We must do all in our power to be creative.

Another worrying aspect to the cuts is that the thrust of much of the spending review is to further marginalise women, part-time and low-paid workers. That is coming through loud and clear. Despite our differing views, which are legitimate and healthy up to a point, we must as far as possible attempt to establish maximum agreement in the Assembly and consensus across the parties. That has emerged, and the public watching this afternoon will be pleased that we have achieved that. However, we need consensus not just in the Chamber; we need the widest possible partnership and consensus to tackle the challenge. We need a united front that is much wider than the political parties in the Assembly. We need a full social partnership to include employers, trades unions, voluntary sector workers and civic society. We need to bring everyone on board to create a united front,

*"All for one, and one for all",*

Otherwise damage will be done.

The SDLP has views on how those challenges should be tackled, and we put them on the table in a document some 18 months ago. We are happy to look at them again, retune and streamline them for today's situations. We will look with others at improving the efficiency and effectiveness of the public service, create better value for money, confront waste, improve performance, generate savings, and create jobs.

**Mr McGlone:** I thank the Member for giving way. Does he agree that part of that will include how the senior management of the Civil Service performs? We have a performance and efficiency delivery unit. Does he agree that that unit must be efficiency-tested? We need to know what it has been doing, what efficiencies have been realised and where they were allocated.

**Dr McDonnell:** I thank the Member for his intervention. I agree fully with him. The problem is that, all too often when we discuss efficiencies, we look to those at the bottom of the employment

pyramid in the Civil Service. Quite honestly, we must start looking at those who are providing leadership and ensure that they are providing the leadership that they get paid for. All too often, people at the bottom of the pile who feel very vulnerable feel that they are being attacked and got at and that the key people on the large salaries are not called to account.

To get back to my point: although we can disagree on party political points, today's argument is between all of us in the Chamber and the Government and the line that they have taken. We should unite behind the Executive and the First Minister and deputy First Minister in any negotiations that they have with the Prime Minister and the Chancellor. They should demand that we get what was agreed and get fair play.

It is clear that the Government have reneged on solemn commitments. We cannot and should not roll over meekly. We must ensure that all our potential is realised. However, we must create alternatives by investing in and building a new economy. It is not enough just to resist and be angry about the cuts. Even with those cuts and the difficulties that they create, we must ensure that we invest for the future.

I want to return to the cuts in capital investment, because they are particularly damaging. They will absolutely flatten the construction industry. That industry, which was the backbone of our employment, has already lost in excess of 40% of its employees. I believe that, if capital spend is cut as radically as has been suggested, the construction industry will be decimated. We need capital spend on construction and infrastructure.

There has never been a greater need for leadership in this community and in this Assembly. We need that leadership to create a much bigger and better form of consensus and the social partnership that I mentioned. However, we also need that to extend into and to create sanity around, for example, the review of public administration and the establishment of the education and skills authority. Those are the sort of challenges that the public believe that we are failing them on and not moving on. People are sceptical.

I believe that, and I know that others agree with me, there is a need for a special committee of the Assembly to monitor our capital spend and to interrogate every Department about their

failures to invest in infrastructure. We need that because we do not have joined-up government with the various Departments. Some are making efforts and others are not. We also need to stimulate the economy and take advantage of the opportunities that are out there. We need to plan for the recovery, and, in doing that, we need to upskill our workforce and put greater focus on renewable energy, for example, where we have an opportunity to grow, develop and generate economic wealth. We need to find resources to stimulate tourism and the other aspects of our economy that will rise as a result.

I am pleased and privileged to make the winding-up speech, and I fully support the motion and amendments.

**Mr Speaker:** Order. Before I put the question on amendment No 1, I advise Members that, regardless of whether it is made, the question on amendment No 2 can still be put.

*Question, That amendment No 1 be made, put and agreed to.*

*Question, That amendment No 2 be made, put and agreed to.*

*Main Question, as amended, put and agreed to.*

**Resolved:**

*That this Assembly has serious concerns about the impact of the British Government's comprehensive spending review proposals; and calls on the Northern Ireland Executive to collectively address these concerns, in consultation with the First Minister and deputy First Minister and all other Executive colleagues, to bring forward appropriate and agreed Budget proposals for approval by this Assembly which will address these concerns and protect key front-line services.*

**Mr Speaker:** In accordance with Standing Order 11(3), the business to be transacted today having been disposed of, the Assembly will stand adjourned until Monday 1 November 2010.

*Adjourned at 12.39 pm.*







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