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# NORTHERN IRELAND ASSEMBLY

Tuesday 23 June 2009

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

*Members observed two minutes' silence.*

## EXECUTIVE COMMITTEE BUSINESS

### Housing (Amendment) Bill

#### Second Stage

**The Minister for Social Development (Ms Ritchie):** I beg to move

That the Second Stage of the Housing (Amendment) Bill [NIA 7/08] be agreed.

The Bill aims to enhance and clarify housing law in a number of ways. Some of its most important provisions deal with homelessness and are commitments that I made in including the homeless, which is a strategy for improving the social inclusion of homeless people. That strategy was produced following wide consultation, and I am grateful to many stakeholders in the voluntary and statutory sectors for their support in developing the proposals in the Bill. The Bill will ensure that tackling homelessness remains a top priority by placing a duty on the Housing Executive to produce a homelessness strategy every five years and by ensuring that other Government agencies take that strategy into account when delivering their functions. The Bill also offers homeless applicants new rights of review and appeal, and it makes the Housing Executive's procedures for dealing with homelessness more transparent and accountable.

The provisions relating to registered housing associations are needed to ensure that my Department can regulate those associations in a sensible and cost-effective way and, if required to do so, has the ability to take early and appropriate action to safeguard the interests of tenants and public funds.

The Housing (Amendment) Bill also aims to clarify existing legislation, with the intention of making its implementation more effective. For example, social landlords will be provided with the tools to regain possession more quickly of certain houses that have been

abandoned and to take effective action against tenants who use their homes for illegal and immoral purposes.

The proposed change to the definition of a house in multiple occupation (HMO) is designed to clarify the existing law and to ensure that only those homes that are truly HMOs will be subject to the full rigours of the law. It is clear from a judge's comments at a judicial review that the current definition fails to recognise that members of an extended family who are living under the same roof can comprise a single household. That means that a couple who take in an elderly aunt or a lodger can suddenly find their home classed as a house in multiple occupation, and expensive obligations will be placed on them to bring their home up to a certain standard. That was never the intention, and I am keen to ensure that the resources that I have made available for enforcing HMO standards are properly focused on real HMOs where there are significant risks to the well-being of the occupants.

I also propose to increase in law the number of statutory nominations from the Housing Council to the board of the Housing Executive from three to four. That change, which has taken place administratively, ensures fuller representation of district councils on the Housing Executive board.

The Committee for Social Development has also raised with me its desire to see a change in the law, which would give my Department powers in relation to rent increases for the 1,000 statutory tenancies in the private-rented sector. Most of those are older homes where rent control applies. The proposed change would enable the Department to raise rents for fit properties without having to do likewise for the small number of properties that do not meet the fitness standard. I support that change and am minded to seek a Government amendment to the Bill on the issue.

The Human Rights Commission has proposed a change to clause 3 to ensure that written notification to unsuccessful housing assistance applicants also includes information on their rights and access to further advice. I support that change and am minded to seek a Government amendment to the Bill.

The Housing (Amendment) Bill would help the Housing Executive and registered social landlords to carry out their housing management functions, deliver a higher standard of service to tenants and homeless people and give local government a stronger voice in housing matters. On that basis, it is hoped that all parties will support the proposals.

**The Deputy Chairperson of the Committee for Social Development (Mr Hilditch):** As part of its pre-legislative consultation, the Committee for Social Development has considered the principles underpinning the Housing (Amendment) Bill. The Bill contains many elements: some are technical and straightforward; others

are fundamental and contentious. Regardless of their type, the Committee intends to scrutinise all elements of the Bill in detail at Committee Stage.

I will summarise the key principles of the Bill and the Committee's initial views on them. The Bill will introduce a statutory requirement on the Housing Executive to produce a homeless strategy; provide related services, advice and information; and allow a right of review of homelessness decisions. Demographic, social and family changes in Northern Ireland have led to increasing housing stress and homelessness. The Simon Community estimates that about 19,000 households presented as homeless in 2007-08. The part of the Bill that is relevant to that issue is, therefore, of great interest to the Committee and is, in principle, welcome.

The Committee looks forward to a further exploration of the obligations on the Housing Executive with respect to the homeless strategy, and we will also seek assurances on the nature of the related advice and information. The right of appeal will also be carefully reviewed.

The Bill will require the Housing Executive to publish its policies and procedures on antisocial behaviour. The unwelcome actions of a few individuals or families can be of serious concern to everyone in a community. Consequently, that subject is of concern to many members of the Committee.

The Committee welcomes that aspect of the Bill, but it will ask questions around the extension of that requirement to housing associations. Members have already indicated their desire for statutory standardisation of policies and procedures on antisocial behaviour across the Housing Executive and the housing associations.

The Bill also includes measures to strengthen the Department's regulatory role in respect of housing associations, and it is understood that those measures were brought forward in response to events in other jurisdictions. The Committee recognises the need for a robust but balanced regulation of housing associations to maintain confidence and transparency in those important organisations, but it has yet to express a strong view on that element of the Bill.

The Bill also contains provisions that relate to changes in the definition of a privately rented house in multiple occupation, and it is understood that those provisions were brought forward in response to a court ruling. The Committee is agreed that, as a general rule, the Department must respond to legal documents and adapt its procedures and policies accordingly.

However, the issues that relate to HMOs, such as their number, their definition and their regulation, are contentious, and some members of the Committee have already expressed concerns about the inclusion of HMO provisions in the Bill without a prior, wider public consultation. That matter will no doubt be discussed

further during the Committee Stage of the Bill, and possibly during the consultation on the private-rented sector later this year.

The Committee has also considered issues that relate to registered rents. Those issues involve privately rented properties, some of which fail the fitness standards and to which rent controls are applied. Although extensive provisions on registered rents are not included in the Bill, the Committee is greatly encouraged by the Department's indication that it may consider amendments in line with Committee suggestions on the issue.

There is much to commend in the Bill, particularly the provision that relates to homelessness. The Committee looks forward to further debate on that and other more contentious aspects of the Bill during its Committee Stage.

From the Committee's initial deliberations on the Bill, it has become evident that there may be some difficulty in separating the principles at issue in the Bill from subsequent planned legislation on the private-rented sector. The Committee also looks forward to exploring and resolving those difficulties with the Department.

In conclusion, I thank the Department for the information that it has conveyed to the Committee during various briefing sessions. Those sessions have been particularly valuable and have enhanced members' understanding of the principles that underpin the Bill. I am heartened by the Department's engagement with the Committee to date, and I encourage the Department to continue to communicate fully with the Committee and other stakeholders as the Bill progresses.

**Mr F McCann:** Go raibh maith agat, a Cheann Comhairle agus a chairde. I welcome the opportunity to speak on the Bill, and I endorse everything that the Deputy Chairperson of the Committee for Social Development has said. I also thank the Minister for introducing the Bill.

In discussions during Committee meetings, a number of issues were raised, and the Department, which I do not often praise, has been very helpful. However, I have been told that the Bill is not a major Bill but is designed to tidy up outstanding issues that were not dealt with in previous legislation. If that is the case, I would be concerned, because we will have lost an opportunity to resolve some outstanding problems that it could take many years to return to. Hopefully, the Minister will point us in the right direction and advise what can and cannot be included in the Bill.

Antisocial activity has already been mentioned during today's debate, particularly the high levels of vandalism that occur in many estates. That is a major issue, and leadership and some form of legislation are required to tackle that increasingly worsening situation. Thousands, if not millions, of pounds are lost each year

through vandalism, and many residents believe that they have been abandoned and left to tackle that problem alone. Indeed, with some exceptions, that is the case: most residents are too frightened to confront those vandals, and it is grossly unfair to expect them to do so.

10.45 am

The parents of many antisocial young people totally ignore local communities that raise the issue of their children's behaviour, and the Housing Executive and housing associations expect local residents to stand up and identify antisocial people and give evidence against them. That is far removed from reality, because residents —

**Mr McCarthy:** I am grateful to the Member for giving way. Does he agree that, in times of distress and antisocial behaviour, the Housing Executive seems to find it very difficult to remove its tenants who continually disturb their neighbours with loud music at all hours of the night? The Housing Executive seems powerless to do anything about such behaviour. As a result, ordinary decent people who want to get on with their work and get a night's sleep are completely prevented from doing so.

**Mr F McCann:** I certainly agree with that. That tale is one that all Members, including the Minister, have probably experienced in their constituencies. We are constantly put under pressure to do something about it. That is what I am talking about. Hopefully, consideration of the Bill will allow us to examine ways to help residents to tackle such behaviour.

Residents have been attacked for taking a stand. I ask the Minister whether we have an opportunity to use this Bill to strengthen the hands of local residents in their fight to reclaim their areas from thugs.

For example, when problem families become an issue for local residents to the point where agitation occurs and families are removed, those problem families claim that they need to be rehoused due to intimidation. That instantly gives them priority status, and they are placed far ahead of law-abiding people, who have to wait their turn on the housing list. Furthermore, those antisocial families are then housed in a neighbouring estate, where they continue their objectionable behaviour. That merry-go-round must stop. When the local community complains to the housing authorities, it is told that the authorities have a duty of care to the applicant. What about the duty of care to the residents?

The area that I live in and represent has suffered greatly at the hands of such people, so I can testify to the reality of the situation. We need a new approach that is embedded in legislation and that will give confidence to local residents to fight back against antisocial thugs.

When I raised the issue of the housing selection scheme with two former direct rule Ministers, I was promised that change would happen, but, of course, I am still waiting, and they are away. I also raised the issue with the Minister for Social Development. The housing selection scheme puts many of my constituents at a disadvantage and, in many ways, discriminates against them. Although that scheme was brought in to replace the old priority system, it does not work in areas of high demand.

In areas of high demand, such as many nationalist areas of Belfast and Derry, people require a minimum of 180 points to be considered for housing. In other areas, people require far fewer points to be rehoused, and that flags up an obvious disparity. I have been told that resolving the issue will require legislation, and the Bill presents us with a golden opportunity to rectify that injustice.

A number of issues can be dealt with, one of which is the opportunity to put more firmly into legislation the role of residents' associations. If properly resourced, residents' associations can play an active role in bringing some sort of order or future to many of the constituents with whom we deal.

Members have spoken about rent and the private-rented sector. I do not know whether that matter will be dealt with in the current consultation, but private landlords in many working-class areas charge exorbitant rents that are far above the levels of housing benefit. Also, illegal evictions are widespread in the private-rented sector.

I hope that we can deal with a number of issues. Rather than having a selective Bill, albeit one that deals with many important points, we can deal with additional issues and provide a firm footing for local residents and their representatives to deal effectively with the important issues that impact greatly on their areas at present.

**Mr McCallister:** I thank the Minister for moving the Bill's Second Stage. I will focus primarily on the aspects of the Bill that deal with setting the legislative framework for the Housing Executive to deliver a homelessness strategy every five years.

I welcome the production of a homelessness strategy; however, it will work only if the political commitment exists to provide the resources and the legislative and policy reforms necessary to actually reduce homelessness in Northern Ireland.

Since the Minister came into office, we have had numerous studies, strategies and incentives to reduce the plight of homelessness and its effect on families and children across Northern Ireland. The legislation requires the Housing Executive to ensure that those who are homeless or in danger of being made homeless are provided with accommodation. Such a request in

the current economic climate appears to be an extreme bout of wishful thinking.

In July 2007, we welcomed the Minister's holistic strategy, *Including the Homeless*, which correctly set about tackling homelessness from a social, economic and cyclical point of view. Although the progress of the strategy has been slower than some would have liked, the relevant bodies and Departments have set about their tasks.

Equally, we all welcomed the Semple Review into affordable housing, which outlined some of the steps that must be taken to reduce housing stress and homelessness in Northern Ireland. Recently, respected economists put the case for the economic benefits of building social housing. However, we have abjectly failed to deliver for three reasons: the lack of political ambition; the lack of political commitment; and current circumstances. However, if the third reason were removed, the first two would ensure that we would still fail to meet our housing targets and to reduce homelessness in Northern Ireland.

Sir John Semple's review stated:

"If the Government's cross-cutting anti-poverty strategy is to mean anything, the provision of a decent home for the poorest in our community must be a priority."

With the social housing targets in the Executive's Programme for Government, it became clear that the anti-poverty strategy was virtually meaningless. We have been told that to meet demand, we must build between 2,500 and 3,500 new social homes each year just to stand still. We have been promised 1,500 social and affordable homes, but, due to circumstances, we will struggle to meet that target.

We have not seen the political will to finance our commitments, nor have we seen the political will to make the necessary policy reforms. We procrastinated until the Department of Finance and Personnel's pot ran dry, and we did not make the reforms to facilitate change even when enough money was available.

What must we do to ensure that the Housing Executive's strategy is not a further drain on taxpayers' resources? First, we must find a way of injecting some money into social housing as the economic and social benefits are there for all to see. I urge the new Minister of Finance and Personnel to look favourably on social housing in the next monitoring round. Recently, many parties in the House wrangled over who was to blame for what; such division does not help the homeless, nor does it help the construction industry. We must start to work together quickly to secure the best outcomes.

Secondly, we need to start mainstreaming social housing into more developments. Developers are crying out to build social housing, although they were not so forthcoming when times were good. The Semple Review pointed out that we must reform PPS

12 and ensure that developers are obliged to build a suitable percentage of all developments as social housing: at no extra cost to them I might add. Mixed-use housing is the best way of ensuring that fewer people will be homeless, and it will also produce a more cohesive and shared society. The rest of the United Kingdom, the Republic of Ireland and Europe are ahead of us on those issues. The recession gives us an opportunity to ensure that, when the recovery comes, we can catch up with them.

Any Housing Executive homelessness strategy must exist within the broader framework, or else, like all other words that we have expended on the issue, it will remain just that.

The only technical comment that I will make is that, rather than the strategy being delivered every five years, it might be more useful if it were to span each comprehensive spending review (CSR) period; that would give it a more realistic and up-to-date feel. However, that debate is for another day. I support the motion.

**Mr Burns:** I welcome the Housing (Amendment) Bill, mainly because it will help some of the most helpless people in our society: the homeless. The Minister's commitment to helping the most vulnerable cannot be doubted, and it is shared by me, the SDLP, and, I am sure, every Member.

The new laws will require the Housing Executive to publish a homelessness strategy every five years and will give better rights to homeless people. We will make sure that tackling homelessness remains one of the top priorities of the Housing Executive. We must do all that we can to prevent people becoming homeless; to get homeless people back into houses; and to make sure that they do not become homeless again.

The Housing (Amendment) Bill covers other issues, such as antisocial behaviour — and other Members have today related how serious that is in many developments — houses in multiple occupation, and rent control. I am sure that the Minister will be happy to answer any questions that Members may have in relation to those aspects.

I welcome the Bill, and strongly recommend it to the House.

**Ms Lo:** I thank the Minister for moving the Second Stage of the Bill. I support the majority of the recommendations that have been included in the Bill, but I have concerns about some issues. I particularly welcome the requirement on the Housing Executive to produce a homelessness strategy. That is well overdue and has been called for by the housing sector for a long time: the promoting social inclusion working group, in particular, made it a key recommendation some years ago.

My concern is that, like so many other strategies, it may be difficult to achieve the buy-in of other Departments.

I hope that the Minister will have better luck than she had when trying to achieve the buy-in of other Departments on the neighbourhood renewal strategy. It makes things difficult for the Department for Social Development as the lead Department if there is not that buy-in.

The Bill contains several good aspects with respect to homelessness. I also welcome the proposed requirement for the Housing Executive to make its decision-making process much more transparent to the communities. There will be a right of appeal, and if a person is turned down and deemed ineligible, the grounds for that decision will be made known to the applicant. That is very important. I also welcome the requirement for the Housing Executive to advise people, and to not only deal with homelessness but to try to prevent it. Sometimes, a lot of young people drift into homelessness when that could be prevented, rather than us simply dealing with the consequences.

I also welcome the clauses of the Bill that deal with antisocial behaviour. Those will make things easier for social landlords and other landlords to make more efficient use of the grounds for possession when there is unacceptable and antisocial behaviour.

I have particular concerns about the HMOs, some of which were mentioned by the Deputy Chairperson of the Committee.

With the judicial review hearing of 2005 we have to redefine houses in multiple occupation. In future, legislation on HMOs cannot be applied to extended families, which will mean that extended families can live together but will not be subject to regulation. It is a concern for residents and landlords alike that that could lead to overcrowding, and, without regulation, that could have health and safety implications. Those are my major concerns, and those issues must be considered in future.

11.00 am

**The Minister for Social Development:** I thank the Members who contributed to the debate on the Second Stage of the Housing (Amendment) Bill, which dealt with the general principles of the Bill. The Bill is an important step forward in dealing with homelessness; it places a clear strategic focus on tackling homelessness and on improving existing homelessness services. The Bill also ensures that existing housing law is clear and effective and that it achieves its intended purposes in a number of important areas. The changes that I have proposed will allow my Department and social landlords to make more effective use of our resources by providing us with appropriate powers to carry out the full range of our responsibilities.

I ask for the House's support to agree the Second Stage of the Bill and to send it to the Committee for Social Development for more detailed scrutiny. I was

glad that the Deputy Chairperson of the Committee, David Hilditch, said that the Committee would do that. That is one of the Committee's functions, and it should be enabled and allowed to undertake that.

The Deputy Chairperson of the Committee rightly asked why the Bill will not require registered housing associations to publish their policies and procedures on antisocial behaviour. I agree that registered housing associations should do so, and although it is appropriate that the duties of a statutory body such as the Housing Executive should be set out in legislation, we sometimes forget that housing associations are voluntary organisations. My Department already has powers to regulate the affairs of registered housing associations, and I will ask my officials to ensure that the associations publish their policies and procedures in that area.

The Deputy Chairperson also raised the issue of houses in multiple occupation and expressed concerns about the possible adverse effect of the change in definition and about the consultation process that the Department uses. The proposed change is important, and it will remove from the HMO banner a number of properties that were never intended to be classed as HMOs. That is the right thing to do, and it will enable the Housing Executive to focus its resources on registering and enforcing appropriate standards on real HMOs, where there is a risk to the well-being of occupants.

In fact, officials in the housing division conducted a targeted consultation on the proposed change, and that process identified no evidence of an adverse impact. I remain willing to reconsider the issue if any tangible evidence emerges.

Fra McCann and Kieran McCarthy raised the issue of antisocial behaviour. I am sure that Members of the House will agree that a multidisciplinary approach is required to deal with antisocial behaviour. That involves housing, which is a significant component; health; education; and, above all, the Northern Ireland Office and policing.

Mindsets must be changed and attitudes challenged. People must be brought round to the idea that antisocial behaviour such as putting others out of their homes, such as the Romanians last week, and subjecting others and the community in general to intimidation, harassment and any form of terror is wrong and must stop immediately. If Members have evidence of any such behaviour that relates to housing, I will gladly listen to it. We must all remember, however, that a multidisciplinary approach is required. I do not think that any Member of the House would resile from that viewpoint.

Mr McCann also raised the issue of the housing selection scheme. He suggested that it does not operate properly in areas of high demand and asked me to look at the issue. I have been concerned — perhaps “concerned”

is not the right word. I have given the issue some thought. Sometimes, the science of defining and assessing need is not necessarily reflected in the provision of the social housing development programme. I come to that view after considerable thought, reflection and research. I have already asked officials to carry out research into housing need, which they are currently doing, in order to ensure that the allocation of social housing takes account of all relevant issues. If necessary, I will invite the Housing Executive to amend the selection scheme. However, that does not have to be part of the Bill; it can be separate and run parallel to it.

**Mr F McCann:** I appreciate the Minister's comments. I am not arguing for a complete change to the Bill, but it needs to be tweaked in order to reflect the serious difficulties that are out there. I am sure that, like me, the Minister and other Members have dealt with cases in which people in one area get a house if they have 100 points, whereas people in another area may have to wait years and need 180 or 190 points to get houses. That is unfair. It happens mostly in nationalist areas where there is severe demand for housing.

**The Minister for Social Development:** I thank Mr McCann for that information. I fully appreciate his point. He and other Members from across the House have raised that issue with me. I am able to provide personal illustrations of that from my constituency experience. That is why I have instructed officials to carry out a review of all of that in order to ensure that there is a more balanced approach to the housing selection scheme that brings about and enables fairness.

The most important thing in all of this, however — and it was raised by John McCallister — is that housing must be put on a sound financial footing in order for homes to be provided. Professor Mike Smyth and Dr Mark Bailey tell us that housing is a significant economic multiplier. It can stimulate the economy. I agree. That is why I commissioned those gentlemen, along with others such as Richard Ramsey, Alan Bridle and John Simpson, to be independent assessors. All of those men are economists; some are bankers. They all say similar things. Therefore, the science is not new: it is simply stating the obvious. However, we need to do it as an Executive to give the local economy that stimulus.

Mainstreaming houses was also mentioned. I agree fully with having social houses among private-sector houses. We need mixed tenures and mixed incomes. There is nothing new in that. Most importantly, through all of that provision, we must build a shared society.

My colleague Thomas Burns asked why the Housing Executive is required to publish a homelessness strategy, given that it has published such a strategy already. A statutory requirement to publish a homelessness strategy would help to ensure that dealing with homelessness remains one of the Housing Executive's top priorities.

The requirement for other bodies to assist with the formulation of that strategy and to take account of it in the exercise of their functions would contribute to a joined-up approach.

John McCallister also said that a homelessness strategy should be produced every three years, in line with the comprehensive spending review periods. I am happy to look at that.

Anna Lo expressed concern that other Departments may not buy into the homelessness strategy. The whole purpose of the homelessness strategy, which I launched on 7 July 2007, was to ensure that we had the buy-in, not only of my own Department and the Housing Executive, but of all other Departments, such as Health, Education, and Employment and Learning. In fact, a multidisciplinary committee was established as a result of that. The kernel and central pivot of that was inclusion: we must include everyone, get the views of everyone and provide comfort and solace to those most vulnerable in society. This Bill requires key Departments and public bodies to take the strategy into account in the exercise of their functions. That therefore becomes a statutory requirement.

I appreciate that a number of other questions have been raised which I have not had the time to address. I am happy to write to Members on those issues. I am grateful to Members from all parties who contributed to a helpful debate on this important piece of legislation. My officials and I look forward to conducting further debate with the Social Development Committee when it does its rightful duty of analysing and scrutinising the Bill line-by-line, as it is required to do. I am grateful to everyone and I commend this Bill to the House for its approval.

*Question put and agreed to.*

*Resolved:*

That the Second Stage of the Housing (Amendment) Bill [NIA 7/08] be agreed.

## EXECUTIVE COMMITTEE BUSINESS

### Budget (No. 2) Bill

#### Consideration Stage

**Mr Speaker:** No amendments have been tabled to the Bill. I propose therefore, by leave of the Assembly, to group the seven clauses of the Bill for the Question on stand part, followed by the three schedules and the long title.

*Clauses 1 to 7 ordered to stand part of the Bill.*

*Schedules 1 to 3 agreed to.*

*Long title agreed to.*

**Mr Speaker:** That concludes the Consideration Stage of the Budget (No. 2) Bill. The Bill stands referred to the Speaker.

### Insolvency (Fees) (Amendment) Order (Northern Ireland) 2009

**The Minister of Enterprise, Trade and Investment (Mrs Foster):** I beg to move

That the Insolvency (Fees) (Amendment) Order (Northern Ireland) 2009 be affirmed.

The Order amends the Insolvency (Fees) Order (Northern Ireland) 2006. It brings up to date the nature and level of fees to be applied by the Northern Ireland Insolvency Service and brings them into line with actual costs.

First, it increases the fees payable to insolvency practitioners appointed by the court to produce reports on debtors' affairs from £310 to £345 for each report submitted. Secondly, it increases the official receiver's case administration fee on a winding-up by the court from £1,495 to £1,615. Thirdly, it reduces the fee for registering an individual voluntary arrangement from £35 to £15. Lastly, it reduces the overall ceiling on the Department's administration fee that can be charged on a single case from £100,000 to £80,000.

In 2008, the Insolvency Service undertook a comprehensive review of its costs and calculated a contemporary set of fees on a full cost recovery basis, following guidelines laid down by the Department of Finance and Personnel (DFP).

The proposed amendments to the fees have been agreed with DFP. There is no statutory requirement to consult on those proposals; however, on 26 March, my officials wrote to local insolvency practitioners and recognised professional bodies to inform them of the proposed changes in the fees to be applied and give them an opportunity to comment. They received no comments in response.

**The Chairperson of the Committee for Enterprise, Trade and Investment (Mr Durkan):** The Committee for Enterprise, Trade and Investment considered the measures at SL1 stage and statutory rule stage. The Committee has no issues with the Order and is content for it to be affirmed by the Assembly.

*11.15 am*

**The Minister of Enterprise, Trade and Investment:** I am grateful to the Committee and its Chairperson for their indication that they are content with the statutory rule. I commend the provisions of the Order to the House.

*Question put and agreed to.*

*Resolved:*

That the Insolvency (Fees) (Amendment) Order (Northern Ireland) 2009 be affirmed.

### Insolvency (Amendment) Regulations (Northern Ireland) 2009

**The Minister of Enterprise, Trade and Investment (Mrs Foster):** I beg to move

That the Insolvency (Amendment) Regulations (Northern Ireland) 2009 be affirmed.

I am seeking the Assembly's affirmation of the Insolvency (Amendment) Regulations (Northern Ireland) 2009. The regulations amend the current legislation concerning payments into the insolvency account and the remuneration of the official receiver and his officers. They introduce new measures to allow insolvency practitioners to pay into the insolvency account moneys that represent unclaimed dividends or unpaid wages to former employees of dissolved companies that they are unable to pay out to creditors, particularly where the company has been in administration or administrative receivership.

The regulations also update the hourly rates for the remuneration of the official receiver and his staff. The changes are aimed at maintaining full cost recovery of the case administration functions. The regulations bring the rates to be paid into line with similar rates that are applied in England and Wales.

The policy in Northern Ireland regarding insolvency law is, where appropriate, to maintain parity with similar legislation made in England and Wales. The proposed amendments to the fees have been agreed with DFP. As before, while there is no statutory requirement to consult on those proposals, on 26 March officials wrote to local insolvency practitioners and recognised professional bodies. They received no comments in response.

**The Chairperson of the Committee for Enterprise, Trade and Investment (Mr Durkan):** It is a case of ditto. The Committee for Enterprise, Trade

and Investment considered the regulations that the Minister has ably outlined. We have no issue with the proposed regulations, and we noted that the Examiner of Statutory Rules made no comment on them. The Committee is, therefore, content for the regulations to be affirmed by the Assembly.

**The Minister of Enterprise, Trade and Investment:** Again, I thank the Chairperson and the Committee for their consideration of the statutory rule; I am pleased to note the broad support for it.

*Question put and agreed to.*

*Resolved:*

That the Insolvency (Amendment) Regulations (Northern Ireland) 2009 be affirmed.

## COMMITTEE BUSINESS

### **Report on the Northern Ireland Assembly Code of Conduct and the Guide to the Rules Relating to the Conduct of Members**

**Mr Speaker:** The Business Committee has allocated up to two hours for the debate. In accordance with the Business Committee's agreement to allocate additional time to Committee Chairpersons when moving and winding up on a motion on a Committee report, the Chairperson of the Committee on Standards and Privileges will be allowed up to 15 minutes to propose the motion and 15 minutes to make her winding-up speech. All other Members will have five minutes in which to speak.

**The Chairperson of the Committee on Standards and Privileges (Mrs Hanna):** I beg to move

That this Assembly approves the Report of the Committee on Standards and Privileges (NIA 136/08-09), and agrees the Northern Ireland Assembly Code of Conduct and the Guide to the Rules Relating to the Conduct of Members, included at Annex A of that Report.

It has never been more important to ensure that the public have trust and confidence in the integrity of elected representatives. Revelations from Westminster about duck ponds, moat-cleaning, house-flipping and other abuses have understandably shaken public confidence in the political system.

The behaviour of some MPs has been disgraceful, and it does not matter that those stories are not about the Assembly. What matters is that the public have lost faith in many politicians; and we need to do something about it. We need to show that we are listening to those concerns, that we understand the frustrations that exist and that we will take decisive action. Only then can we begin to rebuild public confidence and ensure that the integrity of the Assembly is upheld.

The Assembly is taking action. The engagement strategy and the success of the recent roadshows demonstrate how we can interact with the public and address concerns in a meaningful way that strengthens the democratic process. My Committee has already called for an urgent review of the rules, and we are pleased that the Assembly Commission has begun that important work and will publish more details about MLAs' individual claims. It is right that we acknowledge that work, and your role, Mr Speaker, in addressing those issues. However, those measures alone are not enough, and that is why we are proposing a new code of conduct for the Assembly today. The code is the culmination of much hard work, and the Committee began work on it long before the current crisis at Westminster. Its scope goes beyond expenses. The code covers all aspects of Members' conduct in a way that takes account of the many issues that have been



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raised with the Committee. Therefore, I thank all those who responded to the Committee's consultation. Conflicting views from different consultees mean that we cannot adopt all the proposals that we received. However, all responses were considered carefully and helped to steer us towards the new code.

The Committee on Standards and Privileges believes that the new code will provide a more transparent system to ensure that MLAs put public interests first. The code will establish openness and accountability as key elements and will maintain the integrity of the Assembly by holding Members to the highest standards expected of them by everyone.

Our report into the new code makes several recommendations, which I will discuss in turn. I will begin with the issue of double-jobbing, not only in relation to dual mandates. Double-jobbing can refer to any job that a Member holds outside the Assembly. The Committee on Standards and Privileges is not saying that Members should not be able to have jobs outside the Assembly; outside experience can inform debates and help to make decisions. However, the Committee is saying that if Members have outside jobs, openness and transparency must be increased.

Until now, most Members have simply had to register the source of outside earnings and nothing else. We propose that, under the new code, Members will have to register how much they earn from outside interests. That is important, because the value of an outside interest can demonstrate its significance. Moreover, Members will have to register how much time they spend on outside interests. That is crucial. When the public elect a full-time MLA, they have a right to know how much time that Member spends on other paid interests.

Another big issue for the public is family members who benefit from Assembly allowances, whether through employment or the rental of offices. Although there are often good reasons why family members are the right people to employ on a value-for-money basis, we do not live in the real world if we cannot appreciate the public perception of the situation. That is why there must be openness and accountability. The issue of family members who benefit from Assembly allowances has already been brought before the Committee, and we were concerned about the absence of guidelines on that and other expenses issues. Therefore, we have called for an urgent review of office cost allowance.

As I said at the beginning, we are pleased that the Assembly Commission has begun this work, and we look forward to more clarity. Therefore, the Committee's remarks today are entirely without prejudice to the outcome of the review and what it might say about family members.

In the meantime, the Committee believes that there must be transparency about who benefits from Assembly Members' allowances. Therefore, under the new code, Members will be required to register family members who benefit directly or indirectly, in any way, from Assembly Members' allowances. We recommend that the Assembly Commission should publish job descriptions and salary bands for family members who are employed as staff under the Assembly office cost allowance. In that way, everyone will be able to see exactly how the allowance is being used.

Of course, it would not matter what went into the code of conduct if it was not clearly enforceable. Therefore, the Committee believes that there should be a range of sanctions open to the Assembly where a Member is found to have breached the code. Of those, the most important is the ability to suspend a Member without salary. Such a sanction will give the code real teeth and will show the public that we are absolutely serious when it comes to regulating Members' conduct. We recommend that Standing Orders be amended to facilitate that and, if necessary, to allow for the relevant determination to be made on Members' salaries.

There is a number of other amendments to the code, and we have clarified the scope of those. The code covers the conduct of Members with respect to anything that Members say or do in their capacity as Members; it does not cover their conduct in their private and family life. We have said that the code covers the conduct of Members in what they say, but we also make it clear that Members are legally entitled to express any opinion that they hold. That is a fundamental right in a democratic society. However, the report states that although Members must be entitled to express their opinions, we are all, as public representatives, responsible for the manner in which we do that. Members will be expected not to express opinions in a manner that is manifestly in conflict with the principles of conduct.

The Committee also considered the application of the code to Ministers and agreed that the code and guide should continue to apply to Ministers. We had to think about how to manage complaints that also fall within the scope of the ministerial code of conduct, and that is set out in the new code. In considering that issue, we recognised that no mechanism currently exists for investigating alleged breaches of the ministerial code of conduct. There is a clear need for such a mechanism, and we have written to the Office of the First Minister and deputy First Minister (OFMDFM) about that.

The new code sets out the duty of Members to comply with an investigation by the Assembly Commissioner for Standards. On behalf of the Committee, I record our gratitude to the Interim Commissioner, Mr Tom Frawley, and his assistant, John MacQuarrie, for their

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hard work and for the support that they gave to the Committee.

The Committee agrees that the code will have to be reviewed sooner rather than later. We must examine the lessons to be learned from the current situation at Westminster, and we want to be in a position in which we can end the current dual reporting that is required between us and the Electoral Commission. As well as improving transparency and openness, we also want to make the reporting of interests as straightforward as possible for Members. A number of other amendments is set out in the code, particularly concerning the registration of interests. Those will improve openness but in doing so, will create a greater responsibility for Members. Members must respond to that; the public expects no less. Members who have concerns or queries about what should be registered should speak to the Assembly Commissioner for Standards, who will be happy to give advice.

I thank the Committee Clerk and his staff for their assistance. The Committee will continue to keep the issue of Members' conduct under review. We will not hesitate to take whatever steps are necessary to ensure that the public can have confidence in the integrity of the Assembly and its Members. That is a work in progress, and the new code is an important first step. I commend it to the Assembly.

**Mr Ross:** I thank the Chairperson of the Committee on Standards and Privileges for comprehensively outlining the detail of the new code, which she did very well. I also thank the Committee staff, who put in a lot of effort in the past few months and put up with a lot of debate about the content of the Committee's report, some of which may have seemed menial.

I thank previous Committee staff: there was a reshuffle of Committee staff, and I wish to thank past and present staff members who helped with our inquiry. I thank the legal advisers and the Interim Assembly Commissioner for Standards and his assistant for their help.

11.30 am

As the Committee Chairperson said, the debate is taking place against the backdrop of the ongoing expenses scandal at Westminster. That has put all of us in a bad light regardless of the Chamber that we attend or the people whom we represent, and that is very significant. There are two important points to state at the outset. First, most of the expenses scandals have centred on the second-home allowances, which are not available to us. Secondly, the piece of work that the Committee on Standards and Privileges has conducted was initiated long before any of this happened. We have been working on the matter since the beginning of this Assembly mandate, and that work has been ongoing

for some time. Nonetheless, all politicians have been tainted with the same brush.

I watched the newly elected Speaker of the House of Commons state in his opening address that politics and all politicians had been damaged, and that it is important that we all move towards a system of openness and transparency. He believes that politicians in the House of Commons are not there to feather their own nests but to represent the people to the best of their ability. The same is true for Members of the Northern Ireland Assembly, but we need to ensure that we are more open and transparent to ensure that the public recognise what we do and do not think that we are here out of self-interest.

Last night, some of the news outlets stated that the new Speaker of the House of Commons would be going out to meet people around the country. I think that we should pay tribute to you, Mr Speaker, for having already done so in Northern Ireland, because that has been very beneficial.

When I joined the Committee, I was told that it would not be meeting very often and that there would not be much public interest. That has proven untrue, given the workload of public complaints that we have had. Some of the complaints have been fairly spurious; nonetheless, the public are clearly interested in what we say and do, and how we conduct ourselves. We must bear that in mind.

During the past two years, the Committee has met its counterparts in the House of Commons and in the Standards and Public Appointments Committee in Scotland. We have also consulted widely among the public, and statutory and non-statutory bodies. It was important to have a thorough consultation if we were to have a new code, and that has been done fairly well. It is also important that we recognise, when there is increased public interest, that the code does not exist just to make it easier for members of the public to complain about Assembly Members. It is also there to help Assembly Members and to give them guidance on how they should be conducting themselves: to steer them, to a degree. That is what the new code does.

As the Committee Chairperson said, the code states clearly the remit of our Committee. It is just as important to state what we do not cover as what we do. During the course of complaints and our review of the old code, some issues that are not within the remit of our Committee came up. It is important to state that instead of saying that those issues had nothing to do with the Committee, we were proactive in writing to the relevant Assembly bodies to highlight those issues. For example, in the case of the ministerial code, we wrote to the Office of the First Minister and deputy First Minister. My view is that the ministerial code is a

separate code enforced by the courts, as we have seen over the past six months.

Issues have been raised with the Assembly Commission and the Finance Office. When issues arose, the Committee was proactive in writing to both to raise concerns. We have also dealt with the complaints procedure and penalties that we can impose on Members. That is beneficial, as is the new rectification process, because there are times when a Member will genuinely make an error by forgetting to make a declaration of interest, or when circumstances have changed. It is important to have a rectification process in place, so that if a Member were to make a genuine error, he or she would be able to rectify it without incurring a penalty.

The Committee Chairperson has outlined the main points of the review, about family members and outside earnings. She made an important point that the code must be kept up to date. We are aware that there will be changes at Westminster and elsewhere. There may be some radical proposals made around those codes of conduct.

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

**Mr Ross:** It is important that, as an Assembly, we keep up to date and keep reviewing our code to reflect those changes.

**Mr Brolly:** Go raibh maith agat. I want to be associated with Members' remarks commending the new Committee Clerk, Paul Gill, and the previous Committee Clerk, Dr Kevin Pelan, who spent a long time with the Committee. I hope that he is doing well wherever he is now. I also commend the Committee Chairperson, who did a very good job. There were hairy moments now and again, but the Chairperson did very well and deserved our complete support.

I have difficulty with the ministerial code of conduct. I made that quite clear to the Committee, though I am afraid that I did not prevail in my arguments. Ministers should be subject to the same scrutiny as any Member; that is the scrutiny of the Committee on Standards and Privileges. If a Minister comes before the Committee and is found to have breached the code of conduct, then, as the saying goes, the bigger they are, the harder they fall.

That is where the matter should begin. I have a suspicion about ministerial codes. I suspect that such a code was, somewhere in history, a device created by Ministers who were, perhaps, untouchables in years past.

**Mr Ross:** In case there is any confusion, the code of conduct allows for the Committee on Standards and Privileges to investigate a Minister who may have breached that code. There is a differential when the Minister has broken the ministerial code of conduct, which is outside the Committee's remit. When the new,

revised code of conduct is published, the Committee will be able to investigate Ministers if they are acting in their capacity as MLAs.

**Mr Brolly:** I completely appreciate the Member's point.

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

**Mr Brolly:** Thank you, Mr Speaker, but I will not need it. There should not be that differential, but just a straight scrutiny by the Committee on Standards and Privileges, and sanctions should be imposed in accordance with the fact that a person is a Minister and should know better than we ordinary mortals on the Benches.

As the Chairperson said, however, the code of conduct is still a work in progress, and I would like to think that that issue could be considered in due course. However, I still have a suspicion that the ministerial code of conduct gives Ministers, who, historically, were untouchables, the opportunity, when something goes wrong among them, to circle the wagons and say: "Don't let those people in on us, we will look after this matter ourselves." Therefore, I am not entirely happy about how that matter was resolved, although I am consoled by the fact that, as I understand it, the Chairperson said that the code of conduct is a work in progress.

It is vital that the code of conduct is as watertight as possible and has no grey areas. It must be party-political-proofed for the Committee on Standards and Privileges. It would be very difficult for any of us to see a Member of our own party come before the Committee to be examined and a report compiled by the Assembly Commissioner for Standards. If the Committee has to make a decision, it would be much better that the code of conduct is so tight that there is no room for manoeuvre in making a decision and that the code tells Committee members what to do: that is it, end of story, this man is guilty or not guilty.

**Rev Dr Robert Coulter:** I, too, join other Members in congratulating the Committee staff for their excellent work in putting together the code of conduct. This has been a long, drawn-out process that goes back over many years, and many Committee staff members were involved with it. Over the past few months, however, it has been particularly difficult and onerous for Committee staff, and I praise the Committee Clerk, Paul Gill, the Assistant Assembly Clerk, Hilary Bogle, and their staff for their excellent work. Committee members sometimes caused awkward problems for them, but nothing seemed to be too much of a burden, and they went into matters in great detail in order that we got the code of conduct right.

I congratulate Carmel Hanna, who has been an excellent Chairperson of the Committee. As another Member said, it has not always been an easy Committee

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to manage, but Carmel has managed it extremely well. This lengthy piece of work has taken up a lot of her time over the past months. Members of the Committee appreciate the friendship that Carmel showed and her open and excellent handling of meetings. All the Committee members worked extremely well, and they, too, deserve the praise of the House.

The code of conduct deserves to be granted the acceptance of the House. As other Members mentioned, the public have lost confidence in the parliamentary system and, more particularly, in parliamentarians. The House and its Members have an opportunity to take on board a standard of conduct and to be guided in the practice of that conduct. That will enable Members to be open and transparent before the public. The good conduct of Members, in accordance with the code, will give the public confidence that they can come to the House to receive help with their problems and concerns. Furthermore, the public will be able to look on the House as a place where people are honest and upright in the giving of that help.

This is an opportunity for the House to establish itself in the eyes of the world. If we can get it right in Northern Ireland, despite the problems that we have had, and if our Members can behave in an open and transparent manner, the world can look upon us as an example to follow. I commend everyone who was involved in putting the code together, and I commend it to the House. It is up to Members to accept the code, practise it honestly and, therefore, take forward the standards and reputation of the House.

**Mr B Wilson:** I, too, thank the Committee staff and the Chairperson for the all the work that was done in the preparation of the code. As some Members indicated, the timing of the code is appropriate. Anyone who canvassed in the recent European elections will no doubt confirm that public trust and confidence in the integrity of politicians is at an all-time low.

It is essential that we move from a culture of secrecy to a culture of complete openness and accountability. There must be greater transparency, and the implementation of the code will help to gradually restore the public's confidence in its elected politicians. Rules must be tightened to ensure that Members cannot claim that an unacceptable practice falls within the rules. The public are particularly concerned about the renting of constituency offices, Members' remuneration outside the Assembly and the employment of family members. I declare an interest in that I employ my son as a personal assistant. The new code will ensure that all Members declare such interests, and failure to do so will result in a breach of the code of conduct.

I generally welcome the code, but I have one concern. The Committee recommends that the scope of the Assembly's code should be interpreted more broadly

than is the case in England and Scotland. In the House of Commons and the Scottish Parliament, investigations tend to be limited to complaints about financial impropriety, Members' interests and adherence to specific rules. Complaints about the views and opinions that Members express fall outside the scope of their code of conduct. However, the Assembly Committee has considered and, on one occasion, upheld complaints relating to views and opinions that were expressed by Members.

My concern is that the broader interpretation will unnecessarily restrict the way in which Members express their opinions. Members must be free to express their political opinion in whatever way they choose within the parameters of the law. We should not seek to prevent or limit any political opinion being expressed legally. However, I recognise that that can allow Members to make comments that are offensive to a large section of the community, and, indeed, in the past year, that has happened. Nevertheless, to restrict such speech would be contrary to the principles of a democratic society.

11.45 am

Much as I abhor the views of the British National Party (BNP), I feel that we can fight the party only through the political system. To try to gag the BNP would be ineffective and counterproductive. Westminster and the Scottish Parliament restrict the scope of their codes to the seven principles set out by the Nolan Committee. However, after public consultation, the Assembly's Committee on Standards and Privileges has agreed to introduce four additional principles: respect, equality, working relations and promoting good relations.

Although I agree that, in an ideal society, we should all act in accordance with those principles, I am not convinced that they should be added to our code. The addition of those four principles will politicise the Committee and lead to a significant increase in the number of complaints being referred to it. Respect is a very subjective issue. For example, how does one equate the failure —

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

**Mr B Wilson:** No, I am running out of time.

For example, how does one equate failure to respect Her Majesty The Queen with refusal to respect the republican dead? Respect can mean a lot of things to different people. It could lead to referrals to the Committee and, in so doing, it would open a can of worms and create future problems, which would be likely to be divided along political lines.

I am already concerned about the number of issues that have been decided by party political voting in the past year, and I have no doubt that that will increase if we include the four new principles in our code. I do

not believe that the Committee should take on the role of judging such statements or actions. Members' actions or comments on political issues should not be subject to the Committee's scrutiny. Members are subject to the law of the land, for example, to the Prevention of Incitement to Hatred Act (Northern Ireland) 1970, and they are finally accountable to the electorate. Some comments may be offensive, but it is the price that we pay for free speech in a democratic society. Indeed, the use of direct action to highlight a political cause has been central to our progress over many generations from the Chartists to the suffragettes and the civil rights movement.

I welcome the code. Its strict enforcement should help to improve public confidence in politicians, but I feel that we could look again at the impact of broadening the scope to include the four new principles.

**Mr Bresland:** I, too, congratulate the Committee Clerk and staff for the way that they carried out their work. I also congratulate the Chairperson for the way in which she handled the meetings.

The report recommends that a new code of conduct replace the current version of October 2009. The new code will introduce a number of new principles of conduct, including equality. It will also clarify a number of areas, including the registration of interests of Members and their families and the registration of Members' earnings outside the Assembly. Members will also be required to register any family members who will benefit directly or indirectly from Assembly Members' allowances.

With the current criticism of Members' expenses and double-jobbing, the recommendations have come at a good time, and, as such, they should be adopted by the Assembly. The Committee also recommends that the Assembly should have the powers to impose sanctions, such as suspension without pay, on Members found to be in breach of the code.

As the report recommends, modifications and additions will improve and strengthen the code. I support the motion.

**Mr P Maskey:** Go raibh maith agat, a Cheann Comhairle, a Chomhaltaí agus a chairde.

I thank the Speaker and the Committee Chairperson for going through the report.

It would be remiss of me to forget about all the hard work that the Committee Clerks and entire Committee staff put into compiling the code of conduct. It is an important piece of work, and I hope that it will demonstrate that we are leading the field in that respect. I must point out, as was mentioned earlier, that the code of conduct should remain constantly under review, because changes will have to be made to elements of it

from time to time. The Committee on Standards and Privileges must carry out that important work.

The purpose of the code of conduct is:

“to assist Members in the discharge of their obligations to the Assembly, their constituents and the public at large.”

Bearing that in mind, it is important to note that everyone in the Committee agreed with the code, including Brian Wilson, although he raised some new issues today. All members of the Committee worked hard, and we worked through any issues on which we did not initially agree. The code of conduct is about public duty and covers a range of qualities: selflessness; integrity; objectivity; accountability; openness; honesty; leadership; equality; and promoting good relations and respect.

I hope that, under the code of conduct, Members can effect change in various areas. Everyone saw what happened recently in Westminster, where MPs also work to a code of conduct and under a particular system. Every MP who was caught out on expenses said that they were merely following the system; in fact, they made that system work for them. In compiling a code of conduct, we must ensure that that cannot happen here and is a thing of the past. If Members adhere to the list of qualities that are outlined in the code of conduct, we should be able to move forward and, in contrast to what happened in Westminster, lead by example.

I must also highlight the Commission's ongoing review of the Members' financial services handbook. That will also be of interest, and it is in addition to the code. The code and the review, when complete, should make the Assembly a stringently regulated and highly accountable body.

In the past, Members have been removed from the Chamber for breaching the code and not behaving in a parliamentary fashion. That issue must be examined; at least one Member has been thrown out of the Chamber on at least two occasions only to return the following day, because of the lack of accountability. If we are to lead by example, we must demonstrate that sanctions have been put place. At present, it is too easy for someone to make, for example, homophobic remarks. That has also happened outside the Chamber and is a breach of the code.

**Mr Ross:** To avoid confusion, it is important to state that the Speaker has exclusive responsibility for dealing with Members' actions in the Chamber. Unless the Member is proposing a change to that system, the code deals with the behaviour of Members outside the Chamber. It is important to make that distinction.

**Mr Speaker:** The Member has one additional minute in which to speak.

**Mr P Maskey:** Go raibh maith agat, a Cheann Comhairle. I take the Member's point, but it is a matter of drawing comparisons with others and learning from

past mistakes. Three, or possibly four, Members have been thrown out of the Chamber but faced no sanctions. A Member can be removed from the Chamber only to return the next day, when he or she can repeat the offence and be removed again. The lack of sanctions makes it far too easy for Members, even in the Chamber, to behave in that way.

The code of conduct is intended to ensure that changes are made. It includes the possibility of a financial sanction on Members in the form of a cut in wages. That is important because, if there is one sanction that will stop Members from making silly comments in the Chamber, it is taking a financial hit.

Importantly, the code also deals with the remuneration of Members. Even if Members are not elected to any other position, they must be held accountable for any other job that they do. That must also be kept to the fore in the code, because it will allow account to be taken of the time that Members spend working in outside bodies or engaged in other employment.

Members are elected to and salaried by the Assembly; they must ensure that they spend most of their time here, representing their constituents and fully fulfilling their obligations to the Assembly. That is an important issue —

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

**Mr P Maskey:** The community and our constituents want assurances that that will happen urgently.

**Mr Hilditch:** I welcome the delivery to the House of the report on the review of the Northern Ireland Assembly code of conduct and the guide to the rules relating to the conduct of Members. I fully support and commend the report.

I join other Members in thanking staff for their work and considerable effort in the report's production. There have been significant personnel changes during the more than two years that it took to complete the report. Therefore, I thank everyone who was involved, from the start under Committee Clerk, Dr Kevin Pelan, to completion with Paul Gill and his staff at the helm. I also extend many thanks to people who took the time and trouble to contribute by appearing before the Committee or by submitting written evidence.

Two years may seem a long time; however, like other Members, I believe that the report could not be timelier. The current code is almost 10 years old and, despite its amendment in 2001, the issue must be kept on the front foot. The report must certainly not be allowed to gather dust on forgotten shelves. The revised code is, or probably should be, one of the most read documents by all Members. We must ensure public confidence and trust in the integrity of Members, which is a well-highlighted theme of the report.

The report is timely mainly due to situations that have arisen in other places recently, which have given headline writers plenty of material to choose from. The Committee visited some of those other places during its review and while compiling the report; however, I am confident that it was interested only in good practice, which the Committee has included or adopted for the purpose of its review.

In particular, the experience gained by studying the practices of the Scottish Parliament has been highly beneficial. We have had the advantage of being able to pick, choose — and, hopefully — deliver an Assembly code of conduct that is fit for modern purposes. Helpfully, the Committee also has the power to periodically recommend any modifications that are deemed necessary to that code of conduct.

Members can quickly grasp the changes by reading the summary of recommendations at pages 2 and 3 of the report. The Committee Chairperson has adequately outlined all of those changes. There are 23 recommendations, which are further developed and explained in the report. The recommendations range from the introduction of new measures to slightly amending existing requirements of Members. I welcome and support all 23 recommendations.

As a member of the Committee who debated and supported the recommendations, I do not feel that it is necessary to speak for much longer. I wish to hear other Members' views on the matters before the House. I hope that any queries that are raised will be answered during the winding-up of the debate. However, I was interested to hear what Mr Brian Wilson said. Despite not taking an intervention from my colleague Mr Alistair Ross, Mr Wilson presented views that he had not expressed during the Committee's deliberations.

In supporting the report, I hope that a lot of clarity is brought to the code not only for Members, but for the public so that they understand that it is they who hold the Assembly and its Members to account.

**Mr Savage:** As a member of the Committee on Standards and Privileges, I welcome the report and endorse its approval.

The report could not be more timely. Due to the Westminster expenses scandal and other local incidents, public confidence in elected representatives is, regrettably, at an all-time low. The misdemeanours of a few have tarnished us all. For that reason, this is an excellent and opportune time for the report to be published, approved by the House, and implemented. Its publication shows the public and the electorate that we mean business, that we take these matters seriously and that we are getting our House in order.

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12.00 noon

An Assembly code of conduct was adopted in December 1999 and amended in October 2001. In 2002, a review was conducted and consulted on. However, due to the suspension of the institutions later that year, the recommendations of that report were not acted upon. In December 2007, following the restoration of devolution in May 2007, the Committee on Standards and Privileges began a review of the Members' code of conduct. It should be noted that that review commenced before the recent scandal about parliamentary expenses at Westminster. It should also be noted that, in this House, Members' expenses and allowances are being considered separately by the Assembly Commission.

The proposed code of conduct outlines four key principles that are the minimum requirement for Members' conduct: respect; equality; the promotion of good relations; and good working relationships. Those four points form the bedrock of the new code of conduct, and, if we are to take the first steps on the long journey of restoring public confidence, it is essential that we approve the new code.

I urge Members on all sides of the House, from all parties and from none, to give the new proposed code of conduct their full and unqualified support. As a member of the Committee on Standards and Privileges, I endorse its report wholeheartedly, and I recommend to the House the Northern Ireland Assembly code of conduct and the guide to the rules that relate to it, which is included at annex A in the report. I also endorse my colleague's remarks to the Committee Chairperson and to the Committee staff about their hard work to put all that in place. I commend the report to the House.

**Mr O'Loan:** I welcome the statement that the Chairperson of the Committee on Standards and Privileges made. Elected representatives must command public trust, and presently, that trust must be regained, because it has been damaged seriously as a result of events in this Assembly and, more particularly, in Westminster. It is a great pity that the hard and good work of Members from all parties has been damaged seriously and devalued in the eyes of the public by improper conduct and the suggestion of improper conduct. Therefore, undoubtedly, work must be done to regain ground and to create a climate of total transparency, clarity and accountability. In that light, I welcome and support the code of conduct and its accompanying guide.

I do not think that the public will be hugely struck or impressed by the code; they may seek more, and more must be done that is outside the realms of such a code. Therefore, I will refer to other matters later. Nevertheless, I support the code. The report's key recommendations for the new code are: a requirement for Members to register remuneration from outside the Assembly and the amount of time that they spend on

those pursuits; a requirement to register family members who benefit directly or indirectly from Members' allowances; and the creation of sanctions in the code. I welcome those measures.

Of course, the code does not go far enough; there are other important and significant issues to consider. I have been involved in making certain complaints, which have, in part, exposed some significant weaknesses in our system with respect to expenses and the ministerial code. However, compared with the Westminster expenses system, it must be said that, in general, the Assembly's scheme does not offer the same potential for abuse. Nonetheless, there must be propriety in the Assembly's system.

I welcome the fact that the Assembly Commission is reviewing aspects of the office cost allowance; and, in particular, matters concerning the rental of premises that are possible under the rules. Those include the possibility of renting property from one's party or a family member; the setting up of a scheme whereby property is, in effect, purchased for a party or a family member using public funds; and the employment of a rent level with no independent verification and that, on occasion, appears to be outrageously high. All of those are possible under the current rules, which is a scandal and an abuse that needs to be dealt with.

I do not know whether the Assembly Commission is also looking at the employment of family members, which is referred to in the code of conduct simply in terms of registration. It would be good if the Commission were to look at that issue along with proper systems of, and procedures for, employment; verification that the person employed, whether a family member or not, has the appropriate qualifications for the post; and assurance that the person is fulfilling the post in the terms for which they are earning public money. All of that needs to be done.

There are issues concerning travel allowances and claims that are not subject to verification at present. I wonder whether a different system needs to be introduced for that.

My final point, which I stress as being of great importance, relates to the ministerial code. I regard it to be an appalling situation that there is a detailed code of conduct for Ministers but absolutely no mechanism for complaint or investigation. I have complained to the Office of the First Minister and the deputy First Minister — if any Department has responsibility for the code, it is that one — and it has said clearly that it does not investigate or adjudicate. It is a scandal that no mechanism exists and that that Department, having seen the gap, has not created such a mechanism.

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

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

**Mr Craig:** That was a very timely intervention.

I support the report. I commend the staff, and especially the Committee Chairperson, for their hard work. It has been a long drawn-out affair. I do not know how I ended up sitting on the Committee on Standards and Privileges, but I was parachuted in approximately one year ago, and the report was well under way then. The project has been ongoing for some time.

The report seems to have raised a lot of confusion among Members. I thought that the role and remit of the Committee on Standards and Privileges were well defined; the Committee looks into the life and standards of Members outside the Chamber. It is the role of the Speaker to deal with behaviour within the Chamber. I have no wish to question that role; it is the Speaker's privilege and it needs to remain as such. I find it alarming that Members are talking about issues outside the Chamber for which the Committee has no remit or role. When Members refer to expenses or mileage claims, those are the responsibility of the Assembly Commission. If people have issues or complaints about those matters, they need to approach the Commission.

**Mr O'Loan:** Does the Member accept that abuse of the rules, either current or new, is a matter for the Committee on Standards and Privileges?

**Mr Speaker:** A minute will be added to the Member's time.

**Mr Craig:** That is where the confusion arises. When issues around those matters have arisen, as they have done several times, the Committee has always given people their place. The Committee has written to the Assembly Commission several times. It has also written to the Speaker about internal issues on a number of occasions. However, we are not here to debate those issues; we are here to debate the new procedures relating to Members' behaviour outside the Chamber that we have come up with.

**Mr Ross:** Some of Mr O'Loan's comments related to issues that are outside the remit of the Assembly, but he also said something that was fundamentally not correct. He said that there was no mechanism in relation to the ministerial code. Does the Member agree that there is a mechanism to enforce the ministerial code; that that mechanism is the court system; and that Mr O'Loan should know that, because a member of his party was brought to the courts over a breach of the ministerial code? There is a mechanism there, and it has worked.

**Mr Craig:** There is a very clear mechanism. It is a complex and costly mechanism, but it was agreed in the same agreement that brought this body into being.

It is important to get back to the subject that we are debating, namely our remit and the new code of conduct that is being introduced. All Members have

signed up to and agreed the code of conduct relating to Members' behaviour outside the Chamber. There have been several breaches of that code in the past, some of which have proved to be clear breaches.

It was interesting to listen to another Member talk about the right to freedom of speech. We all have a right to freedom of speech, but all freedoms are limited. There is even a limit to what can be said in the Chamber, as the Speaker well knows. He has, unfortunately, had to exclude some Members because they went beyond those limits.

The right to freedom of speech is also limited outside the Chamber. Any Member who makes a racist or hate-motivated speech outside the Chamber will be brought to book. Therefore, all freedoms are limited. This code relates to Members' conduct when they move outside the accepted boundaries of what is agreed as normal within the code of conduct. It is in that area that the Committee, unfortunately, finds itself sitting in judgement on other Members.

There have been several spurious cases brought before the Committee. People have tried to use the rule book to persecute individuals in the Chamber for political reasons. That is wrong. However, I am sure that the new code of conduct will help Members. They need to read it and find out the limits that apply to their conduct outside the Chamber. It does not stray into their personal and private lives, and has no intention of doing so.

**Mr Paisley Jnr:** It is a pleasure to follow a Member who has given a considered view of the new rules. That is important. As my colleagues have done, I welcome this morning's discussion and welcome the work that the Committee has done on the code. I look forward to its publication, availability and implementation. That is important.

It is important that Members have the right to freedom of expression, and the code states that it is not the Members' beliefs that are important but how they talk about them. That is the craft of politicians. They should be able to get round those issues and comment meaningfully without impinging on their own freedom to hold certain beliefs, which, by the nature of a debating chamber, will be different and opposite to people on other sides and in other corners of the House. The establishment of that principle is important, and that is one of the most commendable pieces of action that has been taken by the Committee on Standards and Privileges. I commend all members of the Committee for recognising that.

The report also shows that as long as a Member does not actively encourage people to break the law, the new rules are for him or her. However, if a Member does actively encourage people to break the law, he or she will be punished by the rules. There have been instances in which Members have been questioned on



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whether they have breached the law. In one instance, it was found that a Member had breached the law, and appropriate action was taken. Stiffer penalties may apply under the new code of conduct, and that is important.

12.15 pm

Speaking personally, I have been somewhat of a case study for the Committee over the last two years, as some five or seven complaints have been launched against me by Members. Most of those complaints were repetitive and they all collapsed but, most importantly, they all cost the Assembly credibility as well as a considerable amount of money.

**Mr O'Loan:** Will the Member give way?

**Mr Paisley Jnr:** No. The Member who wants me to give way has launched several complaints against me, the last of which cost the taxpayer almost £10,000 to investigate, according to a letter that I received from the Northern Ireland Ombudsman. That £10,000 was spent investigating information that was all in the public record already. The complaint served only to call the House into disrepute, just for the sake of it.

Indeed, when Mr Tom Frawley gave evidence to the Committee on 4 June 2008 he stated that:

“the Committee does not want to become a referee in a game... which is about people scoring points. Inevitably, when complaints are being made, the opportunity arises to score points, so it is important that Members be constrained from discussing a complaint in public during an investigation.”

He went on to say:

“Constraints are not only appropriate, but necessary”

Those comments are recorded in the Committee's report.

It is a damned pity that those constraints did not apply for the last two years. We have had people's reputations dragged through the mud for one reason only: to make the cheapest, lowest, dirtiest, meanest, nastiest complaints possible against Members and their character, and for what? Is it for a couple of cheap votes? Those are a couple of cheap votes that the Members making the complaints will never, ever get. The House has been done a great service by the Committee's report, and that service will go a long way.

Like most Members of this House, I believe, to echo the words of the new Speaker of the House of Commons, that most Members come to the House to do one thing, and that is to serve the people. By golly, we may disagree with each other, and there is nothing wrong with that. However, we are here by virtue of the fact that we want to serve our people, and to have one's character questioned because of that is the lowest, nastiest, cheapest activity, which Members of the House should, quite frankly, be above. I hope that the new code of conduct helps those Members to rise above their own self-righteousness rather than being suffocated by it.

**The Deputy Chairperson of the Committee on Standards and Privileges (Mr W Clarke):** Go raibh maith agat, a Cheann Comhairle. I must declare an interest as a member of Down District Council.

I thank all those Members who have contributed to the debate. The issue of the integrity of the Assembly and the conduct of its Members is absolutely crucial in ensuring that there is public confidence in the political system. That public confidence is necessary if democracy is to be seen as effective. We cannot afford to be removed from the issues and concerns of the public. That is why the report on the new code of conduct is so important, and it is heartening that so many Members have recognised that.

As the Chairperson of the Committee has said, the report recognises that public confidence in politicians is low. It is unfortunate that the expenses scandal at Westminster has lowered the public's regard for all politicians. However, that has happened, and it is important that the Assembly responds by providing the reassurance that is required. The new code seeks to provide that reassurance by increasing openness and accountability in the different ways that Members have discussed.

The Chairperson also spoke about the issue of double-jobbing, and it is important to emphasise that that refers to any employment outside the Assembly, and not only to the issue of dual mandates. The new code will continue to require Members to register any outside employment but in addition, it will require them to register how much time they spend in that employment and how much they earn from it.

The Chairperson also spoke about family members benefiting from Members' allowances. I reiterate just how important it is that our new code addresses that. There must be openness and transparency about the circumstances in which family members benefit from Assembly allowances, whether through employment, the rental of offices or whatever.

The Committee is aware that the Assembly Commission is reviewing the guidelines on office cost allowances, and we all look forward to the outcome of that review. A recommendation on registering family members is, therefore, entirely without prejudice to anything that the Commission might decide to do about family members and expenses. However, in the meantime, for the sake of public confidence, there must be openness about what is happening and what arrangements exist. The public have a right to know how their money is being spent.

Another key issue raised by the Chairperson was that of sanctions, which gets right to the heart of accountability. The Committee believes that a range of sanctions should be open to the Assembly if a Member is found to have breached the code, the most important

of which is the ability to suspend a Member without pay: to hit him or her in the pocket. The public need to know that we are serious about holding Members to the high standards expected of them, and only through tough sanctions can they have that assurance.

Turning to the points raised by other Members, Alastair Ross made the important point that the majority of MLAs are dedicated, hard-working and honest. I concur entirely with that. The majority of Members are neither on the gravy train, nor are they feathering their own nests; they are here because they enjoy working for the community that they represent. It is important that that is recognised, and the best way of doing so is to have as much openness and transparency as possible. Openness and transparency are the key themes that underpin the code.

Francie Broly raised the issue of the application of the code to Ministers. Let me make it absolutely clear, the Assembly's code continues to apply to Ministers, even in circumstances in which it overlaps the ministerial code of conduct. However, there is a point about complaints against Ministers that fall exclusively within the ministerial code of conduct. There is no mechanism for having such complaints investigated, except through the court system. The Committee recognises that that is an issue, and that is why it has raised the matter with OFMDFM.

**Mr Broly:** I wish to make a point about the genesis of the ministerial code and my suspicions of it. It is important to realise that, elsewhere, Ministers generally come from the same party. Our circumstances are different here, and we should consider whether we should take on a code that may have had its genesis in a circling of the wagons by important members of one party in Westminster.

**The Deputy Chairperson of the Committee on Standards and Privileges:** Thank you for that intervention, Francie.

Rev Dr Robert Coulter spoke about public confidence, which is crucial to what we are doing here. Public trust and confidence are at an all time low. That is why the new code is so timely.

Brian Wilson spoke about the way in which Members express political opinions. That was an important issue for the Committee, which spent considerable time discussing it. We agreed that Members must be free to express political opinions; there can be no question about that. However, we agreed that Members must consider their conduct and the manner in which opinions are expressed. There was unanimous agreement at the time that new principles should be introduced.

Paul Maskey spoke about the events at Westminster and the way in which the system there has failed. That goes to show how important it is that, in devising our own tailored code, we should learn from other places,

but, ultimately, we must show leadership ourselves and take action where we see that it needs to be taken. That is what the Assembly is doing.

I thank Allan Bresland for welcoming the code. David Hilditch made an excellent point that the code and guide should be among Members' most read documents. That is absolutely right. The code of conduct covers Members in all their activities, and, therefore, Members must continually ask themselves whether they need to register or declare an interest.

The public can have confidence in the Assembly only if there is such openness and transparency. The code of conduct and guide should not gather dust; rather, they should be working, living documents.

Declan O'Loan supported the report, and he pointed out that further work could be done. He also pointed out, rightly, that the expenses of the Assembly are not open to the same abuse as elsewhere. Nevertheless, that is not to say that they do not need to be reviewed. That is why the Committee called for an urgent review to address some of the specific issues that were raised by Mr O'Loan. He will be aware that the Commission has agreed to carry out a review that will address those issues, along with others. We all look forward to the outcome of that review.

Jonathan Craig referred to the role of the Assembly Commission, and it is clear that, on occasions, issues will develop as a result of the overlap in the Committee's and the Commission's remits. When that happens, the Committee will work closely with the Commission. After all, we all want to achieve the same goal, which is to improve public confidence through openness and transparency.

Ian Paisley Jnr raised the issue of the complaints against him, and the Committee's position on those complaints is set out in a previous report, which is also on the website.

The public are looking to the Assembly —

**Mr Ross:** The Member has been going through some of the comments made by Members. I do not know whether he deliberately skipped over what Mr Brian Wilson said, but is the Deputy Chairperson as surprised as I am that Mr Wilson was able to come out with a number of problems that he had with the code, yet during the past two years he did not raise any of those problems in the Committee meetings?

**The Deputy Chairperson of the Committee on Standards and Privileges:** I agree, although I cannot speak for the Member. Nevertheless, he had the opportunity to do so. As other Members said, the meetings were well chaired, and the Committee took a couple of years to draft the report. Maybe the Member wants to say a few words, and I will be happy to give way.

**Mr B Wilson:** Obviously, the point that I was making I made on a number of occasions about particular cases during the year, which I felt that we should not have dealt with because of the political content. I do not feel that it is a major issue as far as the code of conduct is concerned, so I was happy to let it go. However, when we were discussing cases, I did, in principle, make the point that we should not be dealing with those particular cases.

**The Deputy Chairperson of the Committee on Standards and Privileges:** I hope that that clarifies the situation for Members.

The public want the Assembly to show that it understands the concerns that exist and to demonstrate that it will take the necessary robust action to address those concerns. The new code of conduct, with its twin focus on increased openness and accountability, is a hugely significant step towards addressing those concerns. The Committee believes that the new code will provide a more transparent system, which will ensure that Members put the interests of the public ahead of their private interests, and it will also improve public confidence and trust in the Assembly. The Committee urges the Assembly to adopt the report's recommendations and agree the new code of conduct.

Finally, I thank everyone who helped to draft the report, including former and current staff, and who put a lot of effort and true diligence into putting it together. It was a large piece of work and it took a considerable time. However, I am sure that Members will agree that it was worth doing it right. The staff included Kevin Pelan, Paul Gill, Eleanor Murphy, Hilary Bogle, Carla Campbell and many others. I would end up sounding like Barry McGuigan if I were to continue. I thank all those who played a role in producing the report. I must also mention the interim commissioner and his deputy, who played a massive role in shaping the document. I thank the Chairperson and all the Committee members who worked well together, sometimes in difficult circumstances. It is hard to leave the baggage outside the door. Nevertheless, the Committee was mature in coming together, and it has produced a robust report. All Members must make themselves au fait with the document, look at it continually and check whether they have to register or do things differently.

12.30 pm

We must all understand that it is a living document. It must not be thrown in the corner of a constituency office and left to lie there, or be used to prop up a table. The document's purpose is to keep Members' right.

*Question put and agreed to.*

*Resolved:*

That this Assembly approves the Report of the Committee on Standards and Privileges (NIA 136/08-09), and agrees the Northern Ireland Assembly Code of Conduct and the Guide to the Rules Relating to the Conduct of Members, included at Annex A of that Report.

## COMMITTEE BUSINESS

### Impact of Economic Downturn on Businesses in Northern Ireland

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

**The Chairperson of the Committee for Enterprise, Trade and Investment (Mr Durkan):** I beg to move

That this Assembly takes note of the issues raised by the Committee for Enterprise, Trade and Investment's scrutiny of the economic downturn, particularly the impact of the downturn on business and the local economy and the ideas submitted by the business sector on how Government can assist business and the economy during this time.

Over the past number of months, the Committee for Enterprise, Trade and Investment has been taking evidence from key stakeholders on the impact of the economic downturn on the wider business sector here. I thank those businesspeople who took time to host visits by the Committee, and all who attended Committee meetings to provide evidence, for giving their valuable time during what is a very difficult period for the business community. I also thank all those people from organisations that represent the interests of business, the social economy, workers and consumers for taking the time to come before the Committee to provide evidence on the difficulties faced by their sectors in the current climate.

The information provided by businesspeople and organisations representing them has given the Committee a good insight into the problems faced by business and the issues of concern to business at this time. The Committee is also grateful to those organisations within Government or attached to Government that provided information and evidence, as well as to the members and staff of other Statutory Committees who took time to respond.

The Committee is due to meet representatives of the banks today. They are in the Building waiting for us; it is not good for us to keep bankers waiting, even in these times, so some of us will attend to them during the lunchtime suspension.

Throughout the scrutiny exercise, business representatives have explained to the Committee where they now find themselves as a result of the downturn. They have told us where they need to be to survive and prosper and what support they need from Government and the Assembly in order to get there. Those are people who represent businesses that, prior to the recession,

were prospering, and which are often recognised as leaders in their fields. They are mostly businesses that continue to work well, despite current conditions. However, they ask us to recognise that their continued success is often dependent on the success of others and on the support that they and others receive from Government.

They are not just asking for handouts or subsidies; they are asking for a realistic approach from Government, agencies, and all of us in the public-policy arena, to assist them in practical ways in order to ensure that our economy is supported through this difficult time to a more prosperous upturn in the future.

Through all that feedback, businesses are telling us in the Assembly of the problems and issues that they now face: problems with cash flow and liquidity; banking and finance; utilities; legislation; and Government support and processes. However, they are not only telling us their problems, some have been commending Government for some initiatives and delivery, and are offering constructive ideas for further solutions or better implementation of them.

They have made suggestions about public-sector capital construction and maintenance projects to secure jobs, about skills retention and development, and about economy proofing of various Government decisions, including planning, public procurement and payment of Government invoices. They have also offered suggestions about Assembly and Executive decisions, research and development, funding and investment in business, and facilitating businesses to support each other. They have made a number of proposals on how to support specific sectors, such as tourism, retail and the social economy.

It is evident from what the business sector is telling us that the solutions to the problems that it now faces do not lie solely within the remit of any one Department. It is also evident that neither the Department of Enterprise, Trade and Investment (DETI) nor any other Department can work in isolation to resolve the problems of business and the economy. Devolved Administrations cannot work in isolation from wider Government and European intervention. That is further recognised in the evidence that other Committees have provided. All Statutory Committees provided evidence as part of our scrutiny, and that demonstrates that the solutions to the problems that are faced by business touch on the responsibilities of all Departments.

We detected strong, positive anticipation of the forthcoming Barnett review. We sensed a strong welcome from a number of the organisations from which we took evidence for the remit and terms of reference of the review that the Minister of Enterprise, Trade and Investment has established. People hope to see some

positive ideas and some well-meshed implementation flowing from that.

The business sector is telling us that Government must help now, during the downturn, through initiatives such as the bringing forward of public-sector capital projects to provide employment and to maintain and upgrade the skills base of the workforce; providing support and encouragement for innovation and research and development; investing in energy efficiency, renewable energy and renewable technologies; encouraging mentoring support for small and medium-sized enterprises from larger, successful businesses; and intervening with the banks on behalf of business to ensure that the banking needs of the business sector are better understood and properly met.

A further simple initiative is to ensure that Government invoices are paid within the 10-day target, and we shared with the other Statutory Committees the statistics on the payment of Government invoices that the Minister of Finance and Personnel provided. We have now shared those statistics with all Members, and we encourage all the other Committees to follow up on that to ensure that all Departments meet that target.

Businesses have told us that they not only need support to get through the downturn but that they need support from Government now to help them to reach a position whereby they will be able to take full advantage of the upturn when it comes. Recently, we have heard some in the media say that the worst of the downturn is behind us and that an upturn can be expected towards the end of 2009 or the beginning of 2010. Other reports suggest that we will go through further pain next year; some talk of a jobless recovery in some sectors before long-term sustainable recovery in the economy is achieved.

The only certainty is that we do not yet know for certain when the upturn will come. No Member will deny that the Assembly has a responsibility to ensure that, when the recovery does come, we are poised to take full advantage of it for the benefit of the local economy. The business sector is giving a clear message that not only does it need our support now to get through difficult times but that it wants to know that there is a clear framework for initiative and intervention for the future.

When the upturn comes, the business sector wants us to be ready to attract more long-term sustainable foreign direct investment and to support our indigenous businesses of all sizes to maintain and grow their markets, their levels of employment and, where appropriate, their export markets. It wants us to be ready with a skilled and motivated workforce in all sectors of the economy and to be ready to support business financially to maintain cash flow and liquidity to help survival and, beyond that, growth. It wants Government to be

ready with appropriate infrastructure in place for planning, utilities, communication and IT networks.

The business sector is telling us that it requires increased efficiency and effectiveness from Government to cut through unnecessary red tape and bureaucracy and to ensure that more of the initiatives that are announced by the Government in London are better co-ordinated with the devolved authorities and with better liaison with the banks here so that initiatives are better understood and can be picked up on. Business wants to ensure that, where the Government are involved, services to businesses are delivered where and when they are needed, whether those are services to directly support business, to regulate business or to carry out some other enforcement activity.

I ask the Assembly to note the issues that have been raised in the report and to use the debate to reflect on the interest that the House and all its Committees have in the various sectors of business and the positive support that they have shown. As Assembly Members, we want to make it clear to businesses that we are behind them and we get their message about how they want us to help and support them.

I want to take this opportunity to inform the House that I will step aside as Chairperson and member of the Committee for Enterprise, Trade and Investment. I thank my fellow members for their good work and effort during my time on the Committee, although I acknowledge that that work did not involve a lot of travel. I thank the Committee staff: the Committee Clerk and the Assistant Assembly Clerk and the previous Committee Clerk and Assistant Assembly Clerk. I also thank the Assembly's Research and Library Service and all the Committee support in the Assembly.

**Mr Hamilton:** I begin by acknowledging the Chairperson's comments. Opening the debate may be one of his final public duties in that role. On behalf of my colleagues, I acknowledge and thank him for his chairmanship during the past two years.

In the 10 minutes that the Chairperson had to make his opening remarks, it would have been difficult to do justice to the hours upon hours of evidence that the Committee has taken during the past number of months and the reams and reams of papers that were produced as a result. In such a short time, it would be difficult to do justice to the many points that were raised. In the time that is available to me, I want to talk about the Assembly's preparation for economic recovery rather than about the recession.

So much evidence has been taken, and Members have so much knowledge from their own experiences, that it would be easy to wallow in collective self-pity about what has gone wrong over the past number of months. However, now is the time to turn our attention to recovery and to prepare for the inevitable upswing.

In saying that, I do not want to be misinterpreted as having my head in the sand. From the evidence that the Committee has taken and from personal contact with business in my own area and beyond, I understand that times are tough and that businesses face challenges.

However, to look back at what went wrong and caused the economic downturn is no way to recover from it and to set Northern Ireland up for the future. The Assembly must acknowledge that through us, as elected representatives, and through the Departments and Ministers, action can be taken to correct problems and improve the situation for the future so that Northern Ireland can take advantage of the recovery when it happens.

I want to focus on three broad areas that are germane to the Department of Enterprise, Trade and Investment. The Chairperson is correct when he says that no Department is immune from the subject: so broad is the remit of economic development that every Department has its role to play.

The first of the three specific areas that is relevant to the Department of Enterprise, Trade and Investment is energy. During the past number of years, we have become used to talking about fluctuating energy prices and how they present problems for business in general and, particularly, for businesses in Northern Ireland. Northern Ireland imports 99% of its energy and is, therefore, dependent on energy from elsewhere. That comes with consequential costs.

I am aware that consultation on the strategic energy framework is ongoing. That presents an opportunity for a bold move forward for energy in Northern Ireland. I have been an unashamed and unabashed advocate of such measures as expanding the natural-gas network and opening up existing licensed areas to much better competition. I have also supported improving and making smarter the electricity-grid infrastructure, not only because it creates efficiencies that can be passed on to businesses but because it allows the undoubted renewables potential in Northern Ireland to be tapped into. That is a necessary step towards achieving the Assembly's goal. It brings with it job creation, safer and more secure supply, and, hopefully, competition in prices in the longer term.

The second area is telecommunications. I welcome the coming ashore of the Project Kelvin cable. The Minister and the Chairperson will be glad that I will not dwell on where the cable has come ashore, or where it will eventually end up; that does not matter. What matters is that soon Northern Ireland will, for the first time ever, have direct connectivity internationally.

*12.45 pm*

That is the important point. It is good to see that happening in tandem with the likes of next generation broadband access, and BT will roll that out in the

Balmoral exchange area. There is a fund of £15 million for next generation access and a £1.9 million fund for rural broadband access. We usually talk about infrastructure as bricks and mortar and cement and tarmac on the ground, as I did last week in the Budget debate. However, given that our economy must compete globally, giving remote areas the direct connectivity of next generation access is every bit as important — if not more so — as having a good road infrastructure.

In the limited time left to me, I will talk briefly about tourism. There was worrying evidence of a drop of as much as 40% in North American guided-tour visitors. Northern Ireland has massive tourist potential, and I am glad to see the Titanic project moving forward. There was good news about the Giant's Causeway visitors' centre, and there have been improvements in our marketing and branding strategy for Northern Ireland. It is good to see that, even in an economic downturn, visitors from the Republic of Ireland increased by 14% in the past year.

There are actions that the Department can and should take. Those are three broad areas in which I would like to see continued work.

**Mr Butler:** Go raibh maith agat, a Cheann Comhairle. Tá mé sásta go bhfuil cead agam labhairt ar an díospóireacht seo inniu.

I wish the Chairperson of the Committee all the best, whatever his future intentions may be. He did not tell us where he is going. I thank him for all his work over the past year and in particular for this motion. I have not been a member of the Committee from the outset of the inquiry into the economic downturn; however, we have received a strong sense of it from written and oral evidence. We travelled to Northwest Marketing, in Mark Durkan's constituency, and listened to representatives of business, including the CBI and the Institute of Directors. That gave us a clear sense of how the economic downturn affects many small and medium-sized businesses and how they are trying to weather the storm and get through the crisis.

We should also recognise that the Executive and the Assembly have come in for criticism. We may not have the powers to deal with the issues that affect us in the economic downturn, but decisions have been made on public-sector construction schemes, industrial rates have been capped, and regional rates have been frozen. The Minister announced recently the short-term aid scheme to help businesses. Moreover, as has been said, dealing with the economic downturn is not the responsibility of just one Department or Committee — even though it was the DETI Committee that tabled the motion.

I am also a member of the Committee for Employment and Learning and have seen how the economic downturn has affected apprenticeships. That Committee's report, which was debated in the Chamber yesterday, contained

evidence that the Committee had gathered from Bombardier Shorts, NIE, Phoenix Natural Gas Ltd and the construction industry. It gave Members a sense of how the economic downturn has affected apprenticeships. I hope that the scheme announced by the Minister for Employment and Learning will benefit apprenticeships. On public procurement policy, the report suggests that quotas should be set so that those entering apprenticeships can get a fair chance. We are attempting to change the perception of apprenticeships so that they have equal status to other career paths such as those through university.

The Chairperson and Simon Hamilton touched on the growth areas of telecommunications and the energy industry. The Committee has discussed the issue of the single energy market and how to get it up and running, because it would be hugely beneficial to all. The Minister should also consider the use of renewables, given the recent evidence on the role that that can play in job creation.

The Chairperson mentioned that some Committee members will meet representatives from the banks later today. Small and medium-sized enterprises in particular are still being squeezed by the banks through lending restrictions. Representatives from the Northern Ireland Manufacturing Group told us how difficult it is for small and medium-sized enterprises to secure loans and overdraft facilities. The group also said that people are losing their jobs because of the banks' approach to the matter. I hope that the banks will play their part in dealing with the issue.

**Mr Speaker:** The Members should draw his remarks to a close.

**Mr Butler:** Go raibh maith agat.

**Mr Cree:** I also thank the Chairperson for securing today's debate and for steering the Committee through the investigative process. I, too, am surprised and a little disappointed to learn that he has been recycled.

Like those in the rest of the UK and in the Republic of Ireland, Northern Ireland's economy has been hit hard by the credit crunch and the resultant recession. Despite some reports of green shoots of growth, we are still very much in the grip of the downturn. The most recent quarterly review confirms that fact, as unemployment now sits at 6.2% for the period from February 2009 to April 2009. The most recent claimant count, which measures the number of people who claim unemployment benefits, stood at 48,000 in May 2009, and the number of claimants is continuing to rise significantly.

Given the mountain of debt in which the Labour Government have placed the United Kingdom, there is the ever-present danger that further squeezes on public spending will result in job losses in the public sector, on which Northern Ireland relies heavily.

The conclusion that can be drawn from the Committee's research is that the Department of Enterprise, Trade and Investment and much of the Executive, contrary to what the Minister said in January, can and should be doing much more to help businesses in Northern Ireland.

The two areas on which we should focus with more energy are first, helping small and medium-sized businesses to stay afloat, and secondly, helping to lay the foundations for them so that they and emerging businesses can take advantage of up-and-coming opportunities. As the Chairperson said, cash flow is the biggest single problem that faces small businesses in Northern Ireland. Despite the taxpayers' unprecedented recapitalisation of the banking system, banks in Northern Ireland are largely failing to facilitate local businesses adequately and, therefore, our economy. Failure in that area is costing jobs.

Interest rates are down, but banking costs are not. Thirty-three per cent of members of the Federation of Small Businesses have said that bank-imposed changes to their financial arrangements have made them less well off. Additionally, credit insurers are often refusing to cover those otherwise good businesses, forcing them to go back to the banks because they cannot get credit elsewhere. That allows the banks to increase their margins and to squeeze those of our businesses.

On top of that, some significant reports suggest that although the availability of credit in Great Britain is easing, banks here are taking a different approach. It is a disgrace that it can even be suggested that banks are taking advantage of a situation that they and their parent companies were responsible for making. I urge the Minister to outline the steps that she has taken to ensure that that does not remain the position of the banking sector in Northern Ireland.

The second area on which the Minister should focus is facilitating businesses to make the most of emerging opportunities. The main vehicle for that process is Invest Northern Ireland. The evidence that we have accumulated confirmed what many of us have known for some time; that is, Invest Northern Ireland is too formulaic, too process heavy, too risk averse and too biased towards large organisations.

The Minister's current review of Invest Northern Ireland and her Department is, perhaps, too little too late for many businesses, and its remit is too narrow to address adequately the inherent problems in that body. However, I ask the Minister to provide an update on progress so far.

I have not had time to address many other matters, most notably the problems of public procurement and the limitations of the Northern Ireland Tourist Board. However, I welcome the Committee's work, I commend

it to the House, and I look forward to the Minister's response.

**Mr Speaker:** The Business Committee has arranged to meet immediately upon the lunchtime suspension. Therefore, I propose, by leave of the Assembly, to suspend the sitting until 2.00 pm, when the next Member to speak will be Mr Sean Farry.

*The sitting was suspended at 12.55 pm.*

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

2.00 pm

**Mr Neeson:** I welcome the motion. The Enterprise, Trade and Investment (ETI) Committee has been very active in trying to address the issues that have arisen because of the economic downturn. Although this is a take-note debate, the Committee has no firm proposals to put to the House at this time. The Committee will, however, meet the Minister of Enterprise, Trade and Investment on Thursday to deal with those and other issues.

Although unemployment is increasing, I can recall that, in the early 1980s, when I was a Member of the Assembly that existed then, unemployment was running at more than 20%. I am glad that Jim Wells is here today, because it is somewhat ironic that on this date, 23 June, in 1986, the 1982 Assembly collapsed. Jim and I are just two of the survivors from that time; after it collapsed, unfortunately, I went on the dole for 18 months, so I can understand how the unemployed feel.

However, I believe that there are opportunities for the Executive to intervene, particularly in the construction industry. Recently, Mike Smyth and Dr Mark Bailey put forward a very strong case for increased investment in social housing. In their report, entitled ‘Addressing the Economic Downturn: The Case for Increased Investment in Social Housing’, they state:

“Housing projects produce a “local economic multiplier effect” — creating local employment opportunities and retaining investment in the local and regional economy. The “local economic multiplier effect” encompasses further economic activity (jobs, expenditure or income) associated with additional local income, local supplier purchases and longer term development effects.”

I very much support Minister Margaret Ritchie’s attempt to get greater investment in social development. However, it is not all negative. I welcome the developments at Bombardier in particular. Recently, new orders have come in for the C Series aircraft, and planning permission has been granted for a new building at the Bombardier site. Realistically, however, the banks in particular have a major responsibility to release funds. That has created big problems for local companies in Northern Ireland and for the housing market.

From a local perspective, I am concerned about the downturn in global motor car production, which has affected local companies such as Ryobi Ltd and Schrader Electronics. To counter that, there are major opportunities to develop the green economy in Northern Ireland. We only have to look at how Harland and Wolff and other companies have taken advantage of that.

As I said, the ETI Committee has been very active in addressing the issue of the economic downturn. It is important to note that the Committee has received a number of submissions. If we are to move forward, the

Committee and the Department of Enterprise, Trade and Investment (DETI) must take heed of what businesses in Northern Ireland are saying. I support the motion.

**Mr Shannon:** I support the motion. The issue is important, because the economy is the key to the future prosperity of the Province. The BBC states that the number of people out of work increased by 1,900 in May, bringing the total number of people unemployed in Northern Ireland to 48,000. That indicates the economic problems that are being faced. The unemployment rate gives people an idea of the problems in the economy.

Our unemployment rate is higher than it has been for a long time. Although the rise of 1,900 was the smallest in the past seven months, the previous month’s rise was similar, at 2,000. In the 12 months to May 2009, the unemployment figure increased by 23,010. That is slightly higher than the UK increase, but just over half of the annual increase in Northern Ireland has occurred in the past six months.

It is not simply a Northern Ireland problem, it is a global one. My colleague the Enterprise Minister, Arlene Foster, stated that:

“Global markets are continuing to adjust to the impact of the current downturn and we are still experiencing its negative effects.”

There is a saying that I do not particularly like, but it is true and it applies to the economic issues that we are involved in: when America sneezes, we are the next to catch the cold. That applies to many. America’s recession has affected the rest of the world, and it will undoubtedly take us some time to rebalance our economy. It also illustrates that the problem started in a place that was beyond our control.

We must not forget that the Northern Ireland unemployment rate remained below the UK average of 7.2%; was lower than the European Union rate of 8.3%; and was lower than the Republic of Ireland’s rate of 10.6% — those figures are all as of March 2009. Our unemployment rate is lower than other regions in the rest of the world. I suggest that it is not all doom and gloom. According to the Ulster Bank, less dramatic increases in job losses suggest that many of our local sectors that were hit by the downturn reacted by cutting jobs early in the economic cycle. The manufacturing and construction sectors, for example, shed excess jobs very quickly when demand started to waiver. That data suggests that the rate of economic contraction is deteriorating at local and national levels.

A report from the Ulster Bank stated that business activity in Northern Ireland fell by almost 2% in March, with the sharpest decline being in the construction industry. We feel that particularly harshly in the Strangford area, which I represent, where the construction industry employs many people. The economist Richard Ramsey said that although the economy was still in recession, the rate of decline had eased. Northern Ireland firms



continued to reduce their staffing levels at a rapid rate in March, and the pace of decline was more marked in the UK, albeit marginally, for the first time in 16 months. Richard Ramsey also predicted that unemployment in Northern Ireland will rise above 8% by the end of 2009, and will average 9% in 2010. However, he said one thing that I think gives us all hope; that unemployment will fall back moderately in the second half of next year as economic recovery takes hold. He also believes that the worst of the recession could have passed. His words were:

“It is our belief that the very worst of the downturn is behind us and, while the Northern Ireland economy will experience a deep contraction of around 4 per cent this year, we expect it to return to modest growth in 2010.”

There is hope for the future. The facts and figures tell us that, slowly, there is economic hope, and that now is the time for the Assembly to initiate a rebuild through our Minister and through DETI. I have every confidence in our Minister’s ability to do that and to initiate a programme in which we will see new growth.

There are opportunities for fish processing in my constituency, and in south Down. There are opportunities in farming for further food processing, and Willowbrook Foods has recently employed another 50 people. There are opportunities. There are also opportunities in tourism and in the construction industry, where I believe social housing will play a very clear part. We debated social housing yesterday, and there is no doubt that the construction industry, and social housing in particular, can afford our economy a much-needed boost at this time. I am sickened by people having to sign on for employment support allowance when they want to work. They want opportunities, and social housing newbuilds will provide opportunities for many people across the Province, particularly in my constituency. If all Departments focus on that, and if DETI continues its efforts, I believe that we can and will succeed.

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

**Mr Shannon:** We must listen to the Committee and take on board its recommendations. I have every faith in the Minister to do just that.

**The Chairperson of the Committee for Finance and Personnel (Mr McLaughlin):** Go raibh maith agat, a LeasCheann Comhairle. I welcome the report and the debate, and thank the Committee for its work and the opportunity for us to explore these important issues.

I would like to set out the relevant issues on which the Committee for Finance and Personnel has been focusing. I noted several familiar themes among the suggestions that the business sector presented to the Committee for Enterprise, Trade and Investment on how Government can assist business during the downturn.

Those include the need to bring forward capital-investment projects to support the construction sector and that plans for those projects should be communicated effectively to the sector; the important role that local banks can play in increasing lending capacity to small and medium-sized enterprises (SMEs); the need to boost the availability of loan finance to the social-economy sector; the need to ensure that Departments meet targets for prompt payment of suppliers, and the wider role that public procurement can play in supporting local enterprise; and the need for Committees to challenge and monitor Departments’ progress in delivering the Programme for Government, with its primary focus on the economy.

I want to highlight recent and planned work by my Committee to examine those important areas. With regard to the construction industry and DFP’s role as sponsor Department, the Committee heard evidence from the Construction Industry Forum for Northern Ireland about the forum’s role in helping to alleviate the slowdown in the industry. The first evidence session was held on 24 September 2008, and another on 29 April 2009. The Committee received evidence that focused on the recommendations of the interim report of the forum’s procurement task group.

The Committee also took evidence from DFP officials on progress in 2008-09 on the Department’s investment delivery plan. On 1 April 2009, the Committee took evidence from departmental officials and from the chief executive of the Strategic Investment Board on options available for financing the Executive’s investment strategy, which will have a major impact on the construction industry. In the wider economic context, my Committee has continued to monitor the development of a regional economic strategy, for which DFP has lead responsibility, and the implications that the strategic reviews that are being taken forward by other Departments will have on that.

My Committee has also been scrutinising the local banks and mortgage lenders. Although financial services are a reserved matter and the Assembly does not have the power to legislate on them, the Committee decided to challenge and monitor what local banks and building societies are doing to help their customers to weather the storm of the recession. The Committee’s role in that respect is to shine a light on what local financial institutions should be doing and to apply political pressure in a very public way to encourage them to do so.

The Committee held initial evidence sessions in January with the four local banks and the British Bankers’ Association, and last week the focus was again on the local picture when the Committee held hearings with the Bank of Ireland, First Trust and Ulster Bank as well as with local mortgage lenders including Abbey, Halifax and Nationwide. Those

discussions included the availability of mortgages locally, including to first-time buyers — an issue that is also important to the construction sector; passing on base-rate cuts to mortgage lenders; the level of fees and charges; mortgage difficulties and repossessions; the availability and cost of loans and overdrafts; the calling in of loans from businesses; and the progress of recent initiatives to stimulate lending and to support borrowing. Last week's session also discussed the proposal from the Ulster Community Investment Trust for local banks to support the availability of loan finance to the social-economy sector.

It became clear in January of this year that, although there was no shortage of anecdotal evidence, there was a lack of hard data on the realities of what it is like to try to borrow money here. In advance of last week's session, the Committee took steps to get the local picture. We received a briefing from the Institute of Directors that showed that bank lending conditions for businesses have worsened since the start of the year and that despite the Bank of England's interest rate cuts businesses are still paying higher interest rates because of a change in how the banks lend. In addition, businesses are finding that arrangement fees and operating charges are more expensive. There is also evidence that the North is falling further and further behind in the uptake of Government-sponsored schemes.

Those were just some of the issues that my Committee raised with local banks and mortgage lenders. Last week's session was part of an ongoing engagement with local financial institutions to encourage them to show flexibility in meeting the needs of the local economy during the downturn. My Committee intends to support the Executive in their efforts to ensure greater interaction and mutual support between the financial services sector and the Executive.

2.15 pm

**Mr Wells:** It is appropriate at this stage to pay tribute to the outgoing Chairperson of the Committee for Enterprise, Trade and Investment. I have sat under Mr Durkan's chairmanship for a year and have found it very enjoyable. No doubt, he is grooming himself for a higher position. *[Laughter.]* At least he has the option of being the nominating officer for his party. All three DUP Committee members are also leaving, but I assure Mr Durkan that we are not leaving in sympathy or out of panic at the prospect of working with his successor. He can take comfort from the fact that his Committee is seen as a step to higher things; although, for some of us, it is not a step to anything too high.

Dealing with the difficult period in the economic cycle has made it an interesting time for the Committee, but we should not be entirely pessimistic. During my year in the Committee, we visited companies that were weathering the storm remarkably well, such as Irwin's

Bakery in Portadown. It employs 500 people and has lost only a couple of staff during the recession. It has battened down the hatches and found new products and new markets. It was very encouraging to find that that company was doing remarkably well given the conditions. In my constituency, B/E Aerospace, which manufactures aircraft seats, has managed to retain all its employees in 2009. There are storm clouds ahead for the aviation industry but given the downturn in the profits of most major airlines, it is remarkable that B/E Aerospace has managed to retain its workforce.

The news is not entirely bad but, realistically, certain issues are causing major problems. Many of us are trying to identify quick fixes. There is a recession and mass unemployment, particularly in the construction sector. Indeed, I understand that 11,200 people in the construction sector are unemployed; those are mostly men. In Kilkeel, in my constituency, that is evident in simple things such as the number of men who turn up at primary school gates to bring their children home. That is not something that would have been happening three or four years ago, but those are men in the building trade who simply have no work. I dealt with one man who has worked as a plasterer for 38 years and who had never signed on the dole in his life. He said that his walk to the jobs and benefits office on Newry Street in Kilkeel was the longest 50 yards that he ever walked in his entire 38 years of adulthood.

One or two issues could be tackled immediately to provide quick fixes. We must bring forward every infrastructure project that is on the stocks of every Department. Nothing would prime the economy quicker than undertaking infrastructure projects and getting the building trade back on an even keel. There is a huge multiplier effect in the building industry, and we must tap into that as quickly as possible.

I also draw the Minister's attention to the iniquitous position that many companies find themselves in when dealing with the banks. The official bank interest rate is currently 0.25%, and the London interbank offered rate is 1.25%. Why, then, are banks in Northern Ireland charging between 6.25% and 8.75% to ordinary companies that have a good capital base and that have been paying bills and making monthly repayments on a regular basis? Why are those companies being hit with interest rates that are up to 40 times higher than the base rate? Somebody somewhere is making a fortune in the margins between what they are paying for the money and the rate at which they are lending it.

Another issue is worrying me considerably. My daughter is buying a home and is trying to get a mortgage. Needless to say, she is reassured that her own father will underwrite whatever loan is made. However, it has been interesting to see how difficult it has been for her to obtain a loan. If young people have difficulty obtaining

loans, that will have a knock-on effect on the construction trade.

One broker told me that an enormous number of lenders has pulled out of the Northern Ireland mortgage market. Those lenders are perfectly content to take our savings, but they are not prepared to lend back to the community in the form of mortgages. There are only four or five active players in the market. We must address the issue, because lenders cannot be allowed to take our money —

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

**Mr Wells:** Lenders cannot be allowed to take our money but then refuse to lend it back to strong folk who are guaranteed to repay.

**Mr Deputy Speaker:** I am delighted to hear that someone can get money out of you.

**Mr McFarland:** I thank the Chairperson of the Committee for bringing forward the debate. My party colleague Leslie Cree was right to suggest that even in the middle of a downturn, measures can still be taken to solve the situation, to keep businesses solvent, to keep people employed and to come out the other end of a recession looking stronger.

I wish to focus on the various Government finance schemes on offer to businesses across the UK. It appears that, like many other matters, Northern Ireland is a place apart on that issue. The Executive have been sluggish in ensuring that such schemes are being delivered effectively in Northern Ireland. The CBI stated to the Committee that there is difficulty understanding the various finance schemes throughout the UK, and there is a feeling that more services are announced than are actually made available in the end. Similar concerns are shared by the Institute of Directors and the Federation of Small Businesses (FSB). However, I welcome the Department of Enterprise, Trade and Investment's MATRIX report of what support is available, and I hope that it goes some way to helping local businesses. The FSB stated to the Committee that less than 3% of small businesses say that their banks are making the enterprise financial guarantee scheme available to them. It also informed us that one third of small businesses say that their banks are less helpful now than they were before the credit crunch. Taking into consideration that reduced cash flow can, and does, cost jobs, those reports are extremely worrying.

The Bank of Ireland, the Northern Bank and the Ulster Bank are listed as official providers of the enterprise guarantee scheme, and I ask the Minister what steps she has taken to ensure that they are fully delivering the scheme to Northern Ireland businesses. This morning, the Committee for Enterprise, Trade and Investment had a meeting with the banks, and it is interesting that they confirmed that their priority is to

ensure the stability of the institutions, so that the banking world is secure and stable. That comes ahead of them providing for businesses, which might explain some of the issues around high interest rates.

Another area that causes some concern is the Departments' inability to deliver on their commitments that public sector invoices will be paid within 10 days. Regardless of the political parties from which the Ministers of all Departments come, surely the Departments must improve in that area. What, if any, assistance has the Department of Finance and Personnel, and, particularly, the performance and efficiency delivery unit, given in that area to ensure that the invoices are paid on time?

The euro exchange rate against the pound is an ideal situation for our tourism industry. People in the UK will wish to stay at home because they cannot afford to go to Europe, and Northern Ireland is a good place for them to visit as tourists. Equally, people in the European Union, either from the Republic or from Europe, will be encouraged to come here because of the strong euro. However, it is most unfortunate that there have been a series of attacks in the past week. I listened to the radio this morning and heard that there is anecdotal evidence to suggest that tourists are driving up from Dublin and going to Scotland rather than staying here, because they are concerned about the potential violence and the pressure of the past week. Therefore, it is a serious situation. We had an opportunity to develop our tourism industry, but it is going to be damaged by people behaving badly, and we need to find some way to deal with that.

We have made progress in certain areas, and I welcome that, but we must not become complacent. I hope that the Minister will take the report on board. It will be of use to her and her Executive colleagues. I support the motion.

**Mr O'Loan:** We know that we are in the midst of a global recession. Many people said that they expected 2009 to be the most difficult year, and we are hopeful of matters improving as we move into 2010. We are already half way through 2009, and there has been a lot of pain. I am not oblivious to the fact that there have been major job losses in some firms, as well as heavy job losses in the construction industry. Having said that, we are getting through, and we are managing. A lot of good business is still being done, and investments are being made. Companies are thinking of and planning for the future.

There has been much talk about whether the recession will be V-shaped, U-shaped, or W-shaped with a double dip. I hope that we do not enter that final scenario. Although we must not be complacent, we must look for the positives.

I want to make a few remarks on some unrelated but, I hope, valid points. I have heard good reports about Invest Northern Ireland. It is fairly common to hear critical reports about Invest Northern Ireland (INI), but it has done very good work with its seminars on the credit crunch, and the follow-ups that provide diagnostic assistance to companies. The companies that have availed themselves of that assistance know how beneficial it has been. We should recognise that non-client companies have been included in that. Even before the recent announcement, INI was providing training support to keep people in work and improve the competitiveness of companies.

Comparisons have been made between INI and the IDA in the South, where the situation is now very different. Nonetheless, I have little doubt that the good times will come again. The IDA has been described as a world-class organisation of its type, and, therefore, the comparisons between it and INI must be taken seriously. The Assembly has heard the view of Peter Robinson and others that we are, inevitably, in competition with the South. That view must be challenged. Separate organisations have not been set up to attract business to County Derry and County Antrim just because a firm cannot locate in both areas. The thesis that separate organisations are inevitably necessary for the two jurisdictions does not stand up. As a minimum, a lot more co-operation at a very high level is needed. I wonder whether, as a small region, we can sustain the large international network that is required. In many ways, that network is out of proportion. It is a major challenge for a small region to maintain as many as 13 international offices. That provides food of thought and the potential for work to be done.

After two years, there is still no regional economic strategy, and that is not a good situation. We have three economic policy units; surely, somewhere out of that we should have produced an economic development strategy that looks to the future.

Tourism is an area that has huge growth potential. Despite the Minister's recent announcements on favouring economic development, I simply despair of the situation involving tourism and the Planning Service.

The Committee for Finance and Personnel is, necessarily, holding an inquiry on procurement, because of the opportunities it can offer to SMEs and their high level of dissatisfaction.

I detect a very variable performance by the banks. At least one bank is extremely proactive in creating schemes for companies that are experiencing difficulties. However, that is not true of all banks.

I noticed evidence in the report from the Ulster Community Investment Trust (UCIT), which provides finance to the social-economy sector. UCIT impresses me greatly as an organisation.

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

**Mr O'Loan:** I would like the Assembly and the banking system do more to help UCIT.

**Mr McHugh:** As a member of the Committee for Enterprise, Trade and Investment, I also support the motion. I thank Mark Durkan for his tremendous effort as Chairperson of that Committee. He helped the Committee in many instances.

I support everything that other Members have said, particularly about our Committee and the Committee for Finance and Personnel having a scrutiny role. As was mentioned, the Committees must keep watch over the banks on behalf of the consumers. Whatever we do must centre on, and be dedicated to, scrutiny.

2.30 pm

We are often looked on as part of a Government or system that does not care an awful lot for the many people who are suffering. We can talk about upturns, but two years into the recession, we are being told that we are now officially out of it. However, when will people know that it is behind them enough to see jobs or something of benefit appear on the horizon? I can tell Members that nothing of that nature is in the short-term offing.

I have many things to say about the matter, but I will try to concentrate on a few issues. If any positives have emerged from the recession, one relates to jobs — the loss thereof and the need to reskill. An immense amount has been learned in the North and the South, as can be seen from the pace and speed at which building is done. We can see how quickly people are able to do things. For example, roads are now built in a matter of months instead of years. That is a tremendous advantage, despite the many negatives.

The emergence of a better society is another benefit that may come from the collapse of the fast economy. People may return to living within or near their means, rather than in a debt-driven economy such as that which was seen in the Republic — or the South, as we would call it — where the economy had a 6% year-on-year growth that was based entirely on the building industry. Banks and other businesses that followed the same flow now tell us that no one saw the recession coming. Economists who had predicted for two or three years that this was where we would finish up were ignored and talked down.

My main question concerns the ordinary people in the street. Who is working for them? Consumer prices for goods such as food are way too high. The consumer seems happy enough to pay those prices, but they are far too high. Farmers know that the price that they are paid for milk compared with what it is sold for in

shops is completely ridiculous. However, that seems to be the situation.

The consumer must also pay very high prices for utilities, for example. NIE drove forward considerable increases in its prices without returning them to any decent level. Utility prices seem to have been driven up, regardless of the fact that we are in a downturn in which people should be considering cuts. Certainly, the private sector seeks cuts all the way, yet our utility companies and Government organisations are quite happy to raise prices to whatever levels they like.

Members have heard of people walking into a dole office after 38 years of employment. Many such people went to a dole office to find out that their employers of the past two or three years had not paid their National Insurance stamps or anything else to do with their pensions or unemployment benefit. Those people now have nothing. Many of them who have accumulated a small amount of money are now told that they must spend it before they can receive any benefits. Therefore, the situation is leaving people in dire hardship and under pressure from many sources.

Perhaps those employers should be investigated. How were they able to operate for two or three years without bothering to pay the National Insurance contributions that they took from their employees while using it for their own gains?

**The Minister of Enterprise, Trade and Investment (Mrs Foster):** I welcome the debate, which comes at a hugely important time for our economy. I commend the work of the Committee and its Chairperson, Mr Durkan. I pay tribute to the Chairperson as he steps down, and I look forward to working with his colleague Mr Alban Maginness as he takes on that role. I do not mean to embarrass Mr Durkan, but I hope that Mr Maginness and I will have as good a working relationship as the outgoing Chairperson and I had in the Department and in the Committee. Our relationship could be robust at times, but it was always taken in the spirit in which it was intended, and I believe that we had a good working relationship. I wish Mr Durkan well. If he did not get the chance to travel with the Committee, I hope that he will get that opportunity now.

As with other regions in the UK —

**Mr Wells:** The Minister might be interested to hear that there was an Assembly question about how much each Committee had spent on travel. While other Committees had gone to Colorado and Singapore, the Chairman of the Committee for Enterprise, Trade and Investment was able to reply that, in two years, the total expenditure on travel for that Committee came to the grand sum of £200, which accounts for one visit to a science park, not in Antrim but in Belfast. The Chairman must have some Scots-Presbyterian blood.

### **The Minister of Enterprise, Trade and**

**Investment:** I will let the Chairman answer for himself on that last issue.

As with other regions in the UK, local businesses in many sectors throughout Northern Ireland continue to experience the impact of the global economic downturn. In my capacity as Enterprise Minister, I continue to hear at first hand, as the Committee heard during its evidence sessions, of the pressures that many local businesses face, particularly with respect to reduced sales, output and, of necessity, employment. Mr Wells told us about a gentleman from south Down, and I thank him for bringing a human face to those unemployment statistics.

The number of redundancies continues to rise, albeit at a reduced rate, and, as Members will be acutely aware, in the past year, claimant-count unemployment has increased dramatically. Furthermore, economic forecasts indicate that the local economy will contract significantly this year, before marginal growth returns in 2010. At this stage, I congratulate Mr Shannon for finding a positive remark from Mr Ramsey. That was well done, and it obviously involved many hours of research.

I recognise that businesses are looking to the Assembly and the Executive to take the necessary steps to help with the downturn. Consequently, I and my Executive colleagues outlined the December package of measures, which was in addition to the substantial £1.2 billion of public-sector construction schemes that are currently on site. A number of Members, including Mr Wells, pointed out the importance of having public infrastructure construction schemes in place and on site. Those measures are further supplemented by other steps, and they represent a quick and, I would argue, focused response by the Executive to the downturn.

For my part, in my Department, I have been able to take some important short-term steps. Last month, in the House, I announced details of a £15 million short-term aid scheme, and Members will recall that that scheme provides eligible businesses with financial assistance to enable them to retain skilled labour, restructure where necessary, and prepare for the upturn.

That scheme comes on top of other measures. For example, quite early on, when I came into this position, I asked Invest NI to be proactive in its response to the downturn, and I must say that I have been pleased by its response, including its £5 million accelerated support fund, which has helped clients. In addition, it has run credit-crunch seminars, to which Mr O'Loan referred and which have been hugely successful and, indeed, replicated by other business bodies across Northern Ireland.

In the report, as Mr Cree pointed out, Invest NI came in for criticism from a number of people, some of it justified and some not. That was probably because

a lot of the evidence to the Committee was retrospective. I welcome Mr O'Loan's point that Invest NI is changing and becoming more proactive in dealing with clients. In that respect, I want to point out that although larger cases for assistance — for more than £100,000 — take, on average, 63 days to turn round, which is down from the previous average of 111 days, the average net processing time for casework in 2008-09 is 19 days, down from 29 days in the previous year. So, Invest Northern Ireland is quickening up. Although I appreciate that Members will wish to highlight criticisms, and obviously they are entitled to do so, it is important to acknowledge changes when they have been made, and they have been made.

**The Chairperson of the Committee for Enterprise, Trade and Investment:** Recently, the chairman and chief executive of Invest NI presented to the Committee precisely that sort of information about its performance and response, and the Committee was impressed by evidence of better working and thinking by INI than some of the standard commentators give it credit for.

**The Minister of Enterprise, Trade and Investment:** I thank the Chairperson for those comments. Indeed, the report contained comments about Invest NI being less risk averse.

Again, that poses a challenge to us as politicians. If Invest NI takes the position that it will be less risk averse, as politicians we need to continue with that because it is public money. Saying that we want Invest NI to be less risk averse has consequences for us as politicians; in particular, the scrutiny of Invest Northern Ireland when it is dealing with those firms. I hope that that issue is addressed in the Barnett review of Invest Northern Ireland's economic development policy, and I think that it will be.

Last Thursday, in my capacity as chairperson of the Economic Development Forum (EDF), I took receipt of a range of proposals to help the exporting and manufacturing sectors. I think that everyone agreed that it was a very useful meeting. The proposals represent the culmination of several weeks' work from people in the private and public sectors to assess what further actions can be taken at present. The Chairperson recognised the number of people who gave evidence to the Committee for Enterprise, Trade and Investment, and I want to put on record my thanks to those people who spent time in the subcommittees producing proposals to deal with the way forward. I am looking at those proposals and will discuss them with ministerial colleagues. I hope that I will then take back to the EDF ways in which we can move forward.

The economic subgroup reported to me in February 2009 with a list of proposals on what could be done to support the economy. Of the proposals submitted, 18

were prioritised. I am happy to report that 14 of the proposals are being or will be implemented; three cannot be implemented without additional resources; and one is being taken forward by the private sector. That is a good indication that we are listening to the business sector and trying to work with it.

From a budgetary point of view, there is no doubt that things will become more stringent. Mr Cree made the point that there will be further squeezes in the public sector. That will be the case, especially if a Conservative Government are returned to Westminster, as is predicted. We will have to deal with that when it happens. One of my colleagues often says that you have to take the bullet whatever way it is thrown at you. That is one of the issues that we will have to address in coming years.

Local banks, which have received a lot of attention, became a focus for the report. It is right that we have engaged with local banks at Committee and ministerial level. Questions have been asked about what I am doing about the enterprise finance guarantee scheme in particular. I indicated to the House recently that I wanted to speak to the local banks about the scheme. Yesterday, I met with the Ulster Bank and the Northern Bank to encourage them further in the promotion of the enterprise finance guarantee scheme and to try to understand why Northern Ireland is the region with the lowest uptake of that scheme. I have meetings scheduled with HSBC, Bank of Ireland and First Trust Bank, at which we will not only be discussing the enterprise finance guarantee scheme but the key issues of cash flow, credit and investment, and also the margin issue that Mr Wells mentioned.

Tourism is a key area for us, as acknowledged in the Committee's report. Mr McFarland said that we need to take advantage of the euro/sterling differential, not only with colleagues in the Republic of Ireland but across the euro zone on mainland Europe. I am happy to report to the House that we are doing that and are concentrating on it. To that end, Tourism Ireland launched a campaign in GB two weeks ago about the benefits of sterling for people who come to Northern Ireland on holiday.

I agree with Mr McFarland wholeheartedly that recent attacks should be condemned. A tour bus was attacked, and there were also the most dreadful attacks on immigrant communities in Dungannon and Belfast. Such attacks damage the reputation of Northern Ireland as a place to visit. Yet, a survey pointed out that Northern Ireland is one of the friendliest places in the United Kingdom to visit. It is very difficult to square that circle at present. However, we know that the people who perpetrate those crimes are a small minority, and they must be brought to justice for us to move forward on tourism.

2.45 pm

**Mr Shannon:** Will the Minister acknowledge that Esther Rantzen's comments were unhelpful and that they tarnished the reputation of Northern Ireland?

**The Minister of Enterprise, Trade and Investment:** I do not know whether she made those comments from a position of ignorance, or why she made them, but they were unhelpful. She tarred the whole of Northern Ireland with the same brush. The comments were hurtful to a lot of the community here in Northern Ireland.

I recognise the significant impact that the downturn is having on many sectors, businesses and individuals throughout Northern Ireland and, as I outlined today and on previous occasions, we are taking whatever steps we can to help. However, as I said in my opening remarks — and I think that this is what Mr Cree was referring to when he spoke about my January remarks — we are in a global downturn, and action needs to be taken on a global and national scale. For that reason, some of the measures taken at national level are to be supported. National support for the banking sector is bearing some fruit. I recognise that there are continuing difficulties with the banking sector, but it seems that it is stabilising to a greater degree than it was.

Businesses welcomed a number of schemes that were put in place but, given the complexity of the times, there was a need to bring together those schemes and to give some information to the business sector. That is why we brought together MATRIX, which is now up and running. I have shared that information with the business community through the Economic Development Forum. As Mr McFarland said, CBI and IOD mentioned the difficulties that are being faced with the take-up of those schemes and, therefore, it was necessary for us to give that information back. MATRIX is updated regularly, and I informed the banks of that yesterday. I also informed them that we are happy to use any information that they have in our MATRIX.

It is important to recognise and support local businesses through the short-term pressures that they are facing as a result of the global downturn, but it is also essential that we keep focused on the upturn. I think that it was Simon Hamilton who referred to the upturn, and anticipating recovery. That is where our research and development schemes are crucial. If we are looking to the upturn, we must be ready to deal with the issues that face us when it comes.

As Members know, we have ambitious goals for the economy and, owing to the downturn, we will have to be patient and work through the difficulties that we face. I am committed to doing all that I can as Minister of Enterprise, Trade and Investment. That is one of the reasons why, last December, I announced the review of economic development policy, which the Committee

Chairperson referred to as the Barnett review. As Members will be aware, the overall aim of the review is to determine whether existing DETI and Invest Northern Ireland policies, programmes and resources contribute optimally to the delivery of productivity goal that is contained in the Programme for Government. To date, the review panel has completed its call for evidence and analysis, and it is developing its recommendations with a view to reporting to me during the summer months. I am grateful for the in-depth and wide-ranging consultation that the review panel has undertaken in recent months. I have met the panel on a number of occasions, and I am looking forward to taking receipt of its report and recommendations.

Our shared aim is to do all that we can to help the local economy to take advantage of the upturn. We have looked to the past; it is time to look to the future, and it is hoped that the review helps us to concentrate our minds in that way.

I thank the Committee for the report; it will be useful to me as we move forward. I thank the Committee members for their work, time and effort.

**The Deputy Chairperson of the Committee for Enterprise, Trade and Investment (Ms J McCann):** Go raibh maith agat, a LeasCheann Comhairle. In my capacity of Deputy Chairperson of the Committee for Enterprise, Trade and Investment, I thank the outgoing Chairperson for the good work that he has done on behalf of the Committee and for the support that he has provided in that role to members and Committee staff.

I restate the Committee's appreciation to everyone who contributed to its scrutiny of the impact of the economic downturn on businesses. This is a difficult time for business, and when businesses go through difficult times, the negative impact on employment and prosperity affects communities and families. It also has a knock-on effect on other local businesses, especially in the retail sector. Without intervention to support businesses, that can create a downward spiral.

The Committee has welcomed the initiatives that have been announced to provide much-needed support, especially the recent announcement in relation to the short-term aid scheme that was announced by the Minister. That scheme can help businesses of all sizes to retain key staff. The Skillsafe scheme, which was announced by the Minister of Employment and Learning, can also help businesses of all sizes to retain apprenticeships and ensure that the skills are available that businesses will require when the economy recovers. Indeed, that was also discussed in the debate that was held yesterday on the way forward for apprenticeships.

Some of those who contributed to the Committee's scrutiny highlighted the difficulties faced by SMEs, and Members concentrated heavily on that sector during today's debate. Those witnesses requested support and assistance for small- and medium-sized

enterprises to help them to survive the current downturn and to prepare for the future upturn.

Some Members spoke about the Ulster Community Investment Trust (UCIT), which made constructive suggestions on how Government can assist the social economy through bank loan schemes. Similar schemes already operate in the South of Ireland, in Britain and in the United States. UCIT sees its key challenge as ensuring that sufficient capital comes into the social-economy sector to enable it to respond to the current economic climate and continue to create jobs and wealth in our most deprived communities.

The social-economy sector is vibrant and growing and any support that it receives can only help the wider economy. That sector and UCIT will welcome the £2.5 million programme announced by the Minister yesterday, and I look forward to hearing more about that programme when the Minister appears before the Committee on 25 June 2009. As I said before, the social economy creates employment, which in turn creates spending, particularly in disadvantaged areas. Therefore, it is essential that the social-economy sector be given support.

I will move on to Members' comments. First, I apologise for not being here at the beginning of the debate when Mark Durkan highlighted the problems faced by business and the many constructive suggestions that business made on how Government can help at this difficult time. One of the suggestions was the bringing forward of public-sector capital builds projects to provide employment and to maintain and upgrade the skills base of the workforce. Further suggestions included the provision of support and encouragement for innovation and research and the development and investment in energy efficiency and renewable energy. Mr Durkan also suggested that Government should intervene with the banks to ensure that the banking needs of the business sector are met.

Simon Hamilton spoke about how the economy could be helped through self-sufficiency in energy, improved telecommunications and by examining our tourism potential. Some Members referred to the recent racist attacks on the Romanian community and how they will be viewed in a negative manner by potential tourists. On behalf of Sinn Féin, I, like other Members, condemn those attacks. I also hope that ventures such as the cultural and community-based tourism projects that some local community organisations have devised will be considered by the Tourist Board when it examines the resourcing and financing of all tourism projects.

My party colleague Paul Butler referred to the impact of the downturn on SMEs. He also mentioned the good work of the Assembly and the Executive in that regard.

Leslie Cree spoke about the increase in unemployment and about the potential for public-sector job losses. He also mentioned the need to do more, especially for SMEs, and he detailed the help that that sector requires.

Sean Neeson highlighted the opportunities that exist for the Executive in investing in social housing, a point that was also made by Jim Shannon. At recent meetings with the Committee, the credit unions said that if they could they would invest up to £100 million in social housing. That must be welcomed, because we hear constantly about the need for social housing. There is a great need for such housing, and an increase in its construction would help people. I hope that we can examine the potential of such investment for people.

My colleague Mitchel McLaughlin also thought that there will be an eventual upturn in the economy, and he viewed the current downturn as an opportunity for all of us to explore some of the issues.

He spoke of the need to support the construction industry, lending, the social economy and local enterprise; he highlighted the recent work of the Committee for Finance and Personnel and its recent meeting with the banks' representatives. The Committee for Enterprise, Trade and Investment will also hold such meetings to discuss the issue.

Jim Wells mentioned the companies that are doing well in the current climate and said that there is positive news; he spoke also of the problems in the construction sector. Alan McFarland focused on Government finance schemes and the need to ensure that they are available, understood and delivered where they are needed.

A recent report by the Institute of Directors said that some businesses, particularly small and medium-sized businesses, were unaware of those schemes and what they offer. There was a view that the banks and Invest NI should, perhaps, be more proactive in informing businesses of those schemes.

Declan O'Loan said that much good business was still being done, and he mentioned the need to look for the positives; he touched upon the need for an economic development strategy and he mentioned public procurement. At the risk of repeating myself, the opportunities for public procurement, particularly for small and medium-sized local businesses and the social-economy sector, must be recognised and must be driven in the necessary ways.

The Committee for Finance and Personnel is conducting an inquiry into public procurement policy, and it is essential that public procurement policy have social clauses embedded from the start of a project to its delivery to ensure that small and medium-sized businesses and the social-economy sector can get a foot on the ladder to compete for contracts and that disadvantaged areas can benefit. That is essential.



Gerry McHugh spoke of the need to work on behalf of the consumer and the need to re-skill our workforce to provide jobs and help communities. He touched upon inflation, increases in utility prices and the rising cost of food. Only yesterday, I was with representatives of the Consumer Council who said that although some prices are coming down, food — an essential, basic commodity — does not seem to be coming down in price; rather, it is increasing. We should be concerned about that increase, particularly its effect on families, elderly people and those with disabilities on low income.

The Minister of Enterprise, Trade and Investment spoke of the pressures on business and the need to take the appropriate steps to help. She spoke about the measures being taken by the Executive in response to the downturn, including the short-term aid scheme, the work of the accelerated support fund and improvements in Invest NI's performance.

The Minister spoke about the review of economic development policy; we look forward to its outcome and hope that it will conclude quickly. She said that further pressures on public finances are inevitable and that they will have to be dealt with.

On behalf of the Committee for Enterprise, Trade and Investment, I welcome the news that, like the Committee, the Minister is encouraging the banks to help business where they can. Most people must see that the Assembly and the Executive, through their Committees and Ministers, are trying their hardest to deal with the banks to increase the much-needed cash flow to businesses.

In addition —

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

**The Deputy Chairperson of the Committee for Enterprise, Trade and Investment:** She highlighted the need to focus on the upturn and the hope for the future.

I wish to thank everybody who contributed to this important debate and thank again the outgoing Chairperson.

*Question put and agreed to.*

*Resolved:*

That this Assembly takes note of the issues raised by the Committee for Enterprise, Trade and Investment's scrutiny of the economic downturn, particularly the impact of the downturn on business and the local economy and the ideas submitted by the business sector on how Government can assist business and the economy during this time.

**Mr Deputy Speaker:** Questions to the Minister of Enterprise, Trade and Investment begin at 3.00 pm, so I ask Members to take their ease until that time.

3.00 pm

## Oral Answers to Questions

### ENTERPRISE, TRADE AND INVESTMENT

#### US/NI Investment Conference

1. **Mr Neeson** asked the Minister of Enterprise, Trade and Investment to provide details of the follow-up work carried out by her Department after last year's US investment conference. (AQO 3039/09)

**The Minister of Enterprise, Trade and Investment (Mrs Foster):** Since the conference, we have been engaged in a comprehensive and ongoing follow-up campaign, with Invest Northern Ireland (INI) receiving over 40 expressions of interest to date from companies interested in exploring further what Northern Ireland has to offer.

A series of follow-up meetings was held with companies in the United States, London and Dublin during the latter half of 2008. The First Minister and the deputy First Minister visited the US in December 2008 and March 2009. During those visits they met the then President Bush and took part in separate meetings with the Mayor of New York and the New York City Comptroller to discuss the potential investment of pension funds in projects in Northern Ireland.

As part of my own efforts, I travelled to both the east and west coasts of the United States in October 2008 and met potential investors and conference attendees. I will visit North America again next week, and my schedule will include meetings with a number of companies that attended the conference last year. Although we have seen initial positive investment announcements from companies that attended the conference, such as CyberSource, Bytemobile and NYSE Euronext, it should be noted that the project sales cycle for inward investment can take 18 to 24 months to complete. Invest Northern Ireland is therefore confident that we will continue to see further benefits in the medium to long term. For instance, the agency is working with several companies in the financial services sector and, despite the downturn, expects to see up to five projects emerge by 2011.

**Mr Neeson:** I thank the Minister for her reply, and I thank her Department for sending me a written reply to the same question last week. Bearing in mind the global downturn, does the Minister anticipate any investments from outside the US?

**The Minister of Enterprise, Trade and**

**Investment:** Yes; obviously, we continue to work with foreign direct investment (FDI) prospects in the United States, but I am going to Canada early next week to talk not only to potential investors but to large companies who work here in Northern Ireland, such as Nortel and Bombardier, and I know that the Member will be specifically interested in that. When I talk about foreign direct investment, I hear Members on all sides of the House tell me that they are concerned that I maintain the jobs that are in Northern Ireland at the moment. Therefore, I will speak to Bombardier and Nortel about those issues.

We will continue to push out into other sectors and markets. As the Member knows, I was in the Netherlands earlier this year at a very successful trade mission, and I will continue to push into the other areas where we have offices and where we plan trade missions for the rest of the year.

**Mr Shannon:** Obviously the United States holds opportunities for us, as does the Netherlands. How does the Minister see the future environment for FDI over the next 12 to 18 months? It is important for us to know what the future holds.

**The Minister of Enterprise, Trade and**

**Investment:** I have said on several occasions that, undoubtedly, there are difficulties with the pipeline of FDI moving forward. Invest Northern Ireland is seeing continued uncertainty and caution in the markets. Understandably, companies continue to tighten their belts. We are focusing on cost containment, and that trend is likely to continue for some time and will impact on decision-making cycles and the scale of investment. Despite that, we keep pushing ahead and selling Northern Ireland as a competitive place in which to do business. We hope to attract more research and development into Northern Ireland and, if we do, we hope to bring in longer-term investment.

## Regional Tourism Partnerships

2. **Mr Hilditch** asked the Minister of Enterprise, Trade and Investment for her assessment of how the role of regional tourism partnerships will change following the review of public administration (RPA).  
(AQO 3040/09)

**The Minister of Enterprise, Trade and**

**Investment:** As part of the review of public administration, the Department of Enterprise, Trade and Investment (DETI) will transfer £1.33 million to local councils to build on the tourism activities that councils undertake already.

Given the proposed enhanced role of local councils, coupled with the ongoing development of a new tourism strategy, I have asked officials to develop

proposals for regional delivery structures that will be implemented following the review of public administration. It is too early at this point to give a firm assessment of how the role of regional tourism partnerships (RTPs) will change. The new tourism strategy is due to be issued for consultation in late summer 2009.

**Mr Hilditch:** I declare an interest as a director of the Causeway Coast and Glens Regional Tourism Partnership. Will the Minister update the House on the current funding for RTPs?

**The Minister of Enterprise, Trade and**

**Investment:** At present, the RTP about which the Member is concerned takes advantage of the funding. My Department funds two RTPs: one is that of which he is a member, the Causeway Coast and Glens Regional Tourism Partnership; and the second is the Western Regional Tourism Partnership. They both receive funding of around £70,000 per annum, which is subject to delivery on an annual service level agreement.

The Department also previously funded the Armagh and Down Regional Tourism Partnership; however, following the withdrawal of funding from a number of local authorities in that area, it was felt that it was no longer sustainable. Indeed, I have been advised that it will cease operations by the end of this month.

**Mr Gallagher:** Does the Minister agree that, whatever the new structure for local tourism initiatives will be after the implementation of the RPA, there should be a clear commitment from Government to provide adequate resources to support RTPs? If that were the case, the costs would not be borne by the new councils, which, in effect, means ratepayers.

**The Minister of Enterprise, Trade and**

**Investment:** I agree with the Member. The form should follow the function, and the money should follow the function. That is why I said that £1.33 million will go to the local councils. I have asked the review group to look at the structures for local government post 2011 and to then look at tourism delivery in that context. I want the work to be carried out in the context of the RPA. Therefore, it would be foolish if the appropriate money were not given to those local councils to work in partnership with whatever delivery mechanism is put in place. I do not want to pre-empt the tourism strategy review. I am looking forward to the results of the work that is going on, and I hope that we can improve our delivery.

There are some very good RTPs that work very well. However, that work is patchy, and we need to up our tourism delivery game if we are to make the step change in tourism that we all desire.

### Local Government: Tourism

3. **Mr Savage** asked the Minister of Enterprise, Trade and Investment what plans are under way for the development of a strategic tourism project for the 11 new councils, following the review of public administration. (AQO 3041/09)

**The Minister of Enterprise, Trade and Investment:** The development of a new tourism strategy for Northern Ireland is under way, and it will issue for consultation in late summer 2009. It will outline future tourism development priorities for Northern Ireland. The aim of the new tourism strategy for Northern Ireland will be to provide a clear and inspiring vision and action plan for the development of Northern Ireland's tourism experience to the year 2020. It will follow on from the current 'Strategic Framework for Action for Tourism', which was published in 2004. In partnership with the Department, the Northern Ireland Tourist Board has established a steering group to lead the process and to oversee the development of the strategy. There will be wider industry and Government engagement to inform that process in the summer months.

**Mr Savage:** Does the Minister accept that the structures for managing tourism in Northern Ireland are often rigid and bland? Will she endeavour to take the necessary steps to devolve sufficient power to local government so that new enterprises can be developed locally?

**The Minister of Enterprise, Trade and Investment:** I could give a very short answer to that question. I very much want to see local government involved in the delivery of tourism, and the suite of activities for funding that will transfer from DETI to local government remains the same as it was when I was Minister of the Environment. Those activities are: local product development, including support for small scale tourist accommodation; visitor servicing; and business support. Those functions are being transferred to local government, but I want to see a partnership developed between local government and whatever the delivery mechanism is after the review.

It is concerned with moving forward towards joined-up delivery. I agree with the Member that we do not currently have that, and I want to see that happening.

**Mr Hamilton:** Whatever happens with tourism at a local government level, Northern Ireland will still need to be marketed at a regional level. Will the Minister concur that, in the past, Tourism Ireland has been fairly criticised over its work in marketing Northern Ireland, particularly to the GB market? What is Tourism Ireland currently doing to market Northern Ireland better to that key tourism market?

**The Minister of Enterprise, Trade and Investment:** Since I took up the position of Minister of Enterprise, Trade and Investment, I have been working alongside the chief executive of Tourism Ireland to give Northern Ireland the help that it so needs to bring about a step change.

I pay tribute to Paul O'Toole, who has left his position as the chief executive of Tourism Ireland, and I welcome the new chief executive, who continues the work of Tourism Ireland on those areas. It was with him that I announced a short time ago the new Tourism Ireland initiative to attract visitors to Northern Ireland. I referred to that initiative in the debate on the economic downturn, just before Question Time. It involves the distribution of over 1 million inserts in national and regional newspapers in Great Britain, including 'The Independent', 'The Daily Telegraph', 'The Sunday Telegraph' and 'The Scotsman', to highlight the very good value for money that is available for holidaymakers in Northern Ireland this summer. We must take advantage of our current competitive advantage, and if we get people to come to Northern Ireland for their holidays, they will come back.

**Mr O'Loan:** The councils have increased scope to be involved in tourism, and the new councils will have much greater planning responsibilities in the areas of development plans and development control. Can those responsibilities be put together, and will councils have sufficient freedom to develop tourist potential in their area?

**The Minister of Enterprise, Trade and Investment:** During the debate on the impact of the economic downturn, I listened carefully to the Member's comments on tourism and planning. I should have addressed his points during that debate, and I now have an opportunity to do so. As he has been, I have been concerned about the interface between tourism development and planning over the past while. I am pleased to say that the planning policy statement (PPS) 16 on tourism will, I hope, be sent out for consultation over the summer months. I hope that that will provide a more definitive view on the issue of need, which seems to be the problem area.

I hope that, when the power goes to the councils, they will play their role in planning tourism in their localities in a way that is sympathetic to the environment and which provides people who come to visit Northern Ireland with the product that they need. I look forward to the publication of PPS 16 by the Planning Service.

**Mr McLaughlin:** Given the focus on tourism because of its importance to the regional economy at this time, why did the Northern Ireland Tourist Board release money in the June monitoring round?

**The Minister of Enterprise, Trade and Investment:** The Member's supplementary question

was originally intended to be covered by question 14, but he is obviously acting pre-emptively as he thinks that he will not have the chance to ask that question.

In the June monitoring round, the Northern Ireland Tourist Board declared reduced requirements. Those were due to £1.6 million of slippage in projects, and £3 million of reduced requirements as a result of a lower contribution from Government being forecast for the Giant's Causeway visitors' centre than had been anticipated in the Budget of 2007. The Member will understand why I see that as a good news story. There is no point in the Northern Ireland Tourist Board holding on to that money if it can be brought back into the centre and used elsewhere.

**Mr Deputy Speaker:** Question 4 has been withdrawn, and Mr Ford is not in his place to ask question 5.

### Natural Gas Pipeline

6. **Mr W Clarke** asked the Minister of Enterprise, Trade and Investment for an update on the expansion of the natural gas pipeline. (AQO 3044/09)

**The Minister of Enterprise, Trade and**

**Investment:** The Department, in conjunction with the Utility Regulator, has tendered for a study to determine the feasibility of bringing natural gas to towns in the west and north-west of Northern Ireland. The plan is to appoint consultants in July and to have a report by the end of 2009. The study will also inform the Department about how natural gas may be provided to other areas of Northern Ireland such as east Down.

**Mr W Clarke:** Go raibh maith agat, a LeasCheann Comhairle.

I welcome the Minister's response. Will the study be expanded to south-east Down to include Downpatrick, Newcastle and Ballynahinch? There are large conurbations in that area.

Also, with your indulgence, a LeasCheann Comhairle, I ask whether dedicated resources for renewable energy will be directed towards areas where it is not viable to expand the gas pipeline.

3.15 pm

**The Minister of Enterprise, Trade and**

**Investment:** That decision has not been taken because I await the outcome of the gas pipeline study. When I receive that study, I will be able to make decisions on the gas pipeline. It is important that we try to roll out the gas network. I am committed to doing that; however, the economics of that must be examined, and that is being done. As a Member from the west of the Province, I very much look forward to the outcome of the study. I am sure that the Member also looks forward to it from his constituency's point of view.

**Mr I McCrea:** What steps are being taken to expand the pipeline to cover areas such as Mid-Ulster? The Minister referred to her constituency, but my constituency is another area that the pipeline does not reach.

**The Minister of Enterprise, Trade and**

**Investment:** Mid-Ulster is one area that is being considered in the study. I am acutely aware of the fact that a considerable amount of industry in Mid-Ulster could make use of the gas pipeline if it were to go to that area. Therefore, Mid-Ulster is on the map; the Member would expect me to say that in any event.

**Mr D Bradley:** Go raibh maith agat, a LeasCheann Comhairle. Does the Minister agree that the SDLP's proposals to establish and fund a £12 million programme to kick-start the process of facilitating maximum penetration of natural gas will allow more customers to access natural gas throughout Northern Ireland and will thereby provide major energy benefits as well as employment for a significant number of gas installers and heating technicians?

**The Minister of Enterprise, Trade and**

**Investment:** Unfortunately, I am not familiar enough with the SDLP's proposals to simply agree to them on the hoof.

**Mr D Bradley:** Go on, Minister.

**The Minister of Enterprise, Trade and**

**Investment:** Ah, go on. I can, however, agree with the Member that diversification of the energy supply would bring great benefits. Certain suppliers now offer dual supplies, which presents the opportunity for customers to move from using electricity only to using electricity and gas. Giving customers that diversity is something that the Department is very keen on.

The strategic energy framework, which relates to all of that, will, I hope, be open for consultation during the summer. In the framework, the Department will set a number of targets. I hope that all Members take the opportunity to read the framework, which is a significant piece of work. In this place, we, as politicians, tend to work from one election to the next. However, I must say that the time frames that are involved in energy are much longer. Therefore, I ask Members to take off their political hats and look to the future.

### Go for It Programme

7. **Mr McFarland** asked the Minister of Enterprise, Trade and Investment to outline the uptake of the Go for It programme. (AQO 3045/09)

**The Minister of Enterprise, Trade and**

**Investment:** The enterprise development programme, which encompasses both the new Go for It and Growth programmes, began formally operating on 1 April 2009, with various components being rolled out on a phased basis.

Although it is still early days, initial performance statistics for the new programme have been highly encouraging. During its first two months, the Go for It advertising campaign generated over 2,200 calls, which have resulted in almost 1,000 follow-up Go for It appointments. During April and May 2009, around 1,600 meetings took place with new clients. The high interest that has been engendered so far is expected to continue.

**Mr McFarland:** I thank the Minister for her answer. Given the current economic conditions, does she have any intention of reintroducing direct grants for start-up businesses? If she is so minded, should those grants be larger and the qualifying criteria more rigorous?

**The Minister of Enterprise, Trade and Investment:** I take it that the Member refers to the £400 grant that used to be available on the Go for It — Start a Business programme. Clearly, the Department looked at that closely before it embarked on the new Go for It programme. A review was carried out and a decision was taken to remove the offer of a grant to the programme's participants.

That followed an independent evaluation of the £400 grant. The results of the survey showed that 75% of those who participated in the old scheme would have completed the programme and started their businesses even if no grant had been offered. Therefore, we had to ask ourselves whether we were getting good value for the £400.

The money for those grants remains in the programme: it has not been removed but is being used for different things. The initial findings that caused us to remove the grant from the Start a Business programme were reinforced by the review that we carried out in January 2009. That review established that the impact of the removal of the grant from the programme was not sufficiently significant for us to reintroduce it. Therefore, the answer to the Member's question is that we will not be reintroducing the grant in the foreseeable future.

**Mrs M Bradley:** Will the Minister outline what actions are being taken to encourage business start-up and growth in the west and, in particular, actions in support of SMEs?

**The Minister of Enterprise, Trade and Investment:** When I became Minister of Enterprise, Trade and Investment, I was aware of the work of the regional offices, and I visited all of them because I wanted to give them their place. They do a tremendous job, sometimes in difficult circumstances. I encouraged them, and that has resulted in their being more proactive with local councils and local enterprise centres. They get out into the community and make people aware of what they have to offer.

There is still work to do in relation to that; not just with this programme but with a lot of others. However,

the regional offices have put their best foot forward. If we in the Assembly keep pushing them in relation to that through local accountability, we will see the results. I hope we do.

## Invest NI: Client Companies

8. **Mr B McCrea** asked the Minister of Enterprise, Trade and Investment how much was paid to Invest NI client companies in the financial year 2008-09 and how this compares with 2007-08. (AQO 3046/09)

**The Minister of Enterprise, Trade and Investment:** Despite the prevailing economic climate, Invest Northern Ireland's performance during 2008-09 showed that offer activity to its clients had increased. During the year, Invest Northern Ireland made 2,593 offers of assistance, amounting to £153 million of support. That compares with 2,264 offers, worth £115 million in 2007-08. Invest Northern Ireland's initial budget for 2008-09 was £161 million, and during the year that was reduced by £26 million to £135 million. Those adjustments related in the main to a reduction in the budget for selective financial assistance, as client companies began to scale back their investment plans, reducing the amount of financial assistance required in-year.

**Mr B McCrea:** I thank the Minister for her answer. I wish to pick up on the theme of scaling back. Will the Minister inform the Assembly how much money from Invest NI for capacity development has been matched by equal funding from client companies in the past year.

**The Minister of Enterprise, Trade and Investment:** I do not have the ratio to hand. However, it is a high ratio and I am happy to write to the Member about the money that companies have invested compared to that which Invest Northern Ireland has invested. I will leave a copy of the letter in the Library.

**Mr Durkan:** As well as appraising Invest Northern Ireland's support for clients further, will the Minister task the agency with providing some assessment of the performance and practice of banks in Northern Ireland as regards their support for business? That intelligence might then be used to inform the banking subgroup of the Executive, so that, in turn, information and suggestions can be made to the UK lending panel, which does not seem to take a direct or active interest in what is happening with banks here.

**The Minister of Enterprise, Trade and Investment:** As I indicated to the Member during the debate, I had a meeting with the Northern Bank and the Ulster Bank yesterday in relation, principally, to the enterprise finance guarantee scheme but to other issues as well. At that meeting there was a representative of Invest Northern Ireland, which has been engaging with the banks at client level and trying to find out where difficulties lie with lending, credit,

cash flow and all those issues we talked about during the debate. Therefore, I have no difficulty in speaking again to Invest Northern Ireland about its engagement with the local banks.

It seems to me that there is an increased level of engagement with local banks, through Invest NI, me, the Member's Committee, the Finance and Personnel Committee, and other Ministers. The Member's point is about how we collate that information.

**Mr Bresland:** Will the Minister comment on Invest Northern Ireland's performance in 2008-09?

**The Minister of Enterprise, Trade and Investment:** Surreally, some people may think that 2008-09 was a good year for Invest Northern Ireland, given that almost 2,600 offers were made to clients, which will result in a total investment of £1,178 million, the promotion of 6,500 new jobs and the safeguarding of 848 existing jobs. As I said earlier, it is important that we not only promote new jobs but safeguard existing ones.

We also saw new programmes come on line. A number of firms welcomed the fact that the new research and development programme cuts down on bureaucracy, which Members talked about earlier, thereby making it easier for them to apply. I, too welcome that fact. We also kept bureaucracy to a minimum in the new short-term aid scheme by setting a target of 20 working days from application to turnout. We are working, and will continue to work, with Invest Northern Ireland to achieve that.

**Ms Anderson:** Go raibh maith agat. There are indications that Arntz Belting is to close two factories, and we are concerned about the future of its Pennyburn plant. The company has been in receipt of sizeable funding from Invest NI; what measures are in place to claw back that funding? Can money be clawed back from companies that have been in receipt of financial assistance from Invest NI? I am aware that the Minister may not be able to answer my specific question about Arntz Belting today.

**The Minister of Enterprise, Trade and Investment:** I do not have any particular details in relation to that company. When companies default on specific projects in which Invest Northern Ireland has invested money, we follow that up and invoke the clawback section in their letters of offer. I am happy to come back to the Member in relation to the specific issue that she raised.

## Credit Unions

9. **Ms J McCann** asked the Minister of Enterprise, Trade and Investment to outline the current position on the legislative review of the credit unions.

(AQO 3047/09)

**The Minister of Enterprise, Trade and Investment:** Members will be aware that the Committee for Enterprise, Trade and Investment recently published a report on its inquiry into the role and potential of credit unions in Northern Ireland. I acknowledge the interest that the Committee has taken in the role of credit unions in Northern Ireland and thank the Committee, the Chairman and, indeed, the Deputy Chairman for their work.

On 6 April 2009, I formally responded to the recommendations included in the report. Members will also be aware that in addition to the inquiry that the Committee instituted, Her Majesty's Treasury, in its 2008 pre-Budget report, announced its intention to review the legislative framework for credit unions and the industrial and provident societies. The review team appointed by the Treasury has consulted widely with stakeholders, and it is expected that its report will be published by the end of this month.

While the Department awaits the outcome of the Treasury review and its recommendations, and although I do not wish to pre-empt the findings, a team has been established in the Department to carry out an initial scrutiny of the current Northern Ireland legislation governing credit unions. That is aimed at identifying and separating those parts of the current legislation that need to be retained to support the registration process, which the report recommended should remain within the remit of the Department, as well as those parts that require changes to bring Northern Ireland into line with Great Britain legislation. The scrutiny, which will dictate the future work of the team, is at a very early stage and is progressing satisfactorily.

**Ms J McCann:** I thank the Minister for her answer. Given the potential for credit unions to invest in projects such as social housing, which was mentioned earlier, does the Minister agree that it is essential for the Executive and the Assembly to see that as a priority and to look at opportunities for potential investment?

**The Minister of Enterprise, Trade and Investment:** The Irish League of Credit Unions mentioned its proposal to me at a recent meeting. I indicated that it should take the matter up with the Minister responsible in order to take the issue forward. I hope that it has done so.

Money is available; the problem is how to get it into social housing. The Irish League of Credit Unions indicated to me that that is its desire, and I am happy to have a further discussion with that group, if necessary. However, if someone offers money, we should not look a gift horse in the mouth.

3.30 pm

## PRIVATE MEMBERS' BUSINESS

### PSNI Full-Time Reserve

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

**Mr Paisley Jnr:** I beg to move

That this Assembly expresses concern at the impact that the loss of the full-time Reserve would have on front-line policing; and calls for no decision to be taken on the long-term future of the full-time Reserve until a new Chief Constable has the opportunity to conduct a full assessment of current and future needs.

Given the current circumstances that face the police and the necessity for an urgent decision, I welcome the fact that the Business Committee has found time for this motion. The motion has not been brought before the House as a partisan, party political measure. Everyone in the House should be concerned about the issues in the motion, namely the effectiveness and efficiency of policing on the ground. The Chief Constable is about to make an operational decision on the issue that we strongly feel is flawed.

We do not say that in a callous or casual way. We say it because we genuinely believe that, in the current climate, to rush that decision or to put a full stop at the end of the service of the full-time Reserve is, frankly, wrong. Every Member of the House, whether from the unionist or nationalist side, should recognise that we have an awesome responsibility to secure an effective and efficient police service that serves every section of the community. The motion seeks to ensure that the Police Service is practically furnished with officers, even at Reserve level, who are capable of doing the necessary job.

Police officers in the full-time Reserve currently carry out more than 200 key security jobs. I have been told that if those posts are removed, they will be replaced by regular raw-recruit officers. That is not the way for a new recruit to learn the skill and craft of a police officer. Furthermore, the removal of the full-time Reserve will automatically create 60 vacancies in security duties in custody holding centres. Those jobs will be replaced within days by a revolving-door scenario that consists of a full-time Reserve officer one day, a civilian the next, and the next day someone will return as a civilian jailer.

Most people do not see the sense in a revolving-door policy. If the full-time Reserve is fully equipped and fully trained, it should be allowed to carry on its job of securing custody holding centres in Northern Ireland. Moreover, the great expense of removing the full-time Reserve will not be felt on a security level, but on a community level. I welcome the great cry from people who want more community police officers who are accessible and acceptable in their area. Removing the element of the police that does the heavy lifting of security duty will place a burden on officers involved in community policing. Those roles will have to be filled, because the Police Service's first priority is to protect and serve. Protection comes first, and, consequently, community policing will automatically lose out. Members should bear that in mind.

I read some newspaper comments on the matter from certain commentators. We may hear a cry to the effect that — I do not know; I do not want to prejudge the debate — we should keep our noses out of the matter and, if the Chief Constable has made an operational decision, the House should not debate it at all.

I have read and listened carefully to SDLP Members' comments, but they are wrong to use that argument. If that is their marker — that if a Chief Constable makes an operational decision it can, without question, never be challenged — it means that decisions about APBs, Taser, restocking the Glock pistols that police officers carry, or calling in the military reconnaissance unit, will not be challenged in future. No Member believes that we can so tether people that they cannot challenge decisions and ask for an explanation. After all, examining such issues fairly is what an open and fair society is about.

I hope that I do not hear the cry that, because the removal of the full-time Reserve is in Patten, it has to happen. It is not in Patten. Recommendation 103 of the Patten Report called for the eventual removal of all Reserve police officers, but said that that should happen only if the security circumstances were right. That is possibly the most telling line. Looking at recent events, most of us believe that the security circumstances are not right.

Since 1972, some 7,400 men and women have served in the full-time Reserve. Terrorists murdered 49 serving full-time Reserve officers and five officers who had left the service. I salute the gallantry of those men and women who have served the entire community of Northern Ireland, whether from the Catholic tradition, the Protestant tradition or no tradition. It is important that their gallantry be saluted; it is important to ensure that their service, with 102 Reserve officers, full-time and part-time, murdered and injured, is never forgotten.

No other police organisation on these islands has to deal with such a threat from armed terrorist groups.

The Real IRA, dissident groups, the CIRA and INLA and others across all sections of the community believe that it is OK to shoot at and kill police officers.

Everyone knows that, given the increased activity of those murderous groups and their murderous threat, as emphasised by the Chief Constable himself, it would be a great folly to accept hook, line and sinker the view that the Chief Constable has made an operational decision to remove the full-time Reserve.

Dissident republican groups are capable of murder. We have already had to walk behind the coffin of one gallant officer in recent months, and soldiers have been murdered. The Chief Constable's decision to phase out the full-time Reserve in such circumstances would be wrong. Recent evidence suggests that community tensions are easily provoked into violence, as witnessed most recently in the terrible murder of Kevin McDaid in Coleraine. The tactical support group (TSG) that travelled to Coleraine that night to assist the police operation there did not come from Coleraine, nor did it come from Ballymena; it had to travel from Newry to offer assistance. Surely that tells its own story. If we are serious about protecting the community, we must ensure that the police continue to have those officers available to them.

The full-time Reserve represents approximately 9% of the operational strength at constable rank. We should take a bold decision this evening to make a strong statement to the Chief Constable that he has the permission of this community to use the full-time Reserve to provide security for all sections of this community.

All sections of this community are under threat. We witness that, and we have to ensure that the Police Service has the strength in numbers and in its rank and file to do the job. Some people have said that, at the end of the day, we are talking about only a couple of hundred officers; why do we not just get rid of them? That would be the wrong decision.

My colleagues will go on to highlight particular areas of concern. I received a letter from the Chief Constable just last week about F district, which includes the Member for Fermanagh and South Tyrone's constituency. F district relies particularly on the full-time Reserve. We know that if those numbers of additional full-time Reserves were not available, there would be even greater pressures in that area.

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

**Mr Paisley Jnr:** I commend the motion to the House. I trust that all Members can bring themselves to support it, not in the interests of party, but in the interests of this country.

**Mr A Maskey:** Go raibh maith agat, a LeasCheann Comhairle. I reject the motion on behalf of my party. I

say that not in the interest of party, but in the interests of good policing and in the interests of the wider community.

Some of Mr Paisley Jnr's remarks were, to some extent, bemusing. Ian Jnr talked about the operational independence argument, which he was right to raise. My party has taken exception on that matter at Policing Board meetings, as he will be aware, not least on the question of Tasers. My party and others took exception to the interpretation of the Chief Constable's independence on operational grounds, as opposed to the authority of the Board, according to section 6 of the Police Act 2000. We believe that a measure such as the deployment of Tasers was rightly a policy matter, which was more for the Policing Board than the Chief Constable to ultimately take.

We lost that argument. We were told in no uncertain terms, by people like Ian Jnr, that we had no business in trying to tell the Chief Constable how to do his job. The recent controversy over the introduction of the so-called reconnaissance unit was another case in point. We argued that such matters have a wide public importance, and should not be made simply on an operational basis. Again, we were told in no uncertain terms by certain parties to mind our own business and that it was a matter for the Chief Constable only.

There are times when my party will take issue with matters that we believe are not solely for the Chief Constable, but should be the wider responsibility of the Policing Board. I make that point to remind Ian Jnr that he and his party colleagues need to bear in mind that they cannot have their cake and eat it. They need to decide that people have the right to challenge decisions at some point in the future, or even now, as he wishes to avail of that opportunity on behalf of his own party. So be it.

We oppose the motion on very simple grounds. I take comfort from the report that the Chief Constable gave to the Policing Board. All parties were in attendance and received the same presentation. The Chief Constable told us that not only he, but his entire management team, had gone through every single post and member of the Reserve; what they were doing and whether they would be needed. We were told unreservedly by the Chief Constable and his entire team that the decision to phase out the full-time Reserve, as planned, would go ahead unhindered and did not need to be changed, and that all of that could be accommodated, notwithstanding any particular security threats that may occur. I clarified that with him on the day, and after that meeting.

We should be encouraged if we believe what the Chief Constable said when he made that presentation to the board. No one took issue with it; no one was effectively able to because we are told that many of



those officers are spending 61% of their time guarding stations, a number of which are redundant — closed — and not even in public use. It is quite ridiculous for Members to tell the general public that we need those people so much that they are “defending” closed stations.

3.45 pm

We need to concentrate the mind of the Police Service on the fact that, yes, we all want a fully effective and efficient Police Service that is available to the general community. We are constantly reminded of the need for a full-time complement of police officers to be available to the wider community, not least in recent weeks in Coleraine or south Belfast.

Therefore, our opposition to the motion is rooted simply in the fact that we do not need that complement of officers in the Reserve. The project is well advanced. The party that proposed the motion is responding more to the backlash from the Police Federation than to the reality of modern policing needs. Sinn Féin firmly believes that we should have in place the officers who can provide a full-time service. The difficulty for us and other Policing Board members is in ensuring that maximum use is made of all the personnel that we have.

We have a Police Service that has far more officers per head of population than any other police service. Therefore, we must ensure that the full-time service of well-trained and well-paid officers get on with the job better by delivering that service with more effective use of their time and resources.

**Mr Cree:** I thank the Members who secured this important debate for doing so. Throughout the Troubles, 303 members of the RUC made the ultimate sacrifice to protect the public in Northern Ireland. Many of those were members of the full-time Reserve. The Chief Constable has, rightly, recognised the important service that the Reserve has delivered and our debt of gratitude for its members' commitment.

Patten stated that for the full-time Reserve to be stood down, the security situation must not have deteriorated significantly from the situation that existed at that time. Although it is true that routine and widespread terrorist acts are no longer a daily reality for our society, the past year has seen an upsurge in dissident activity. That was seen particularly in the murders of Sapper Mark Quinsey and Sapper Patrick Azimkar and in the subsequent murder of Constable Carroll in Craigavon. The challenges of policing divided communities were also highlighted by the brutal murder of Kevin McDaid.

It is, therefore, unsurprising that the Chief Constable recently said that the dissident threat is at the highest that it has been in the past seven years. The most recent Independent Monitoring Commission report concluded that with regard to dissident republican groups:

“there has been a continuing high level of serious violent activity, often with the express intention of killing, or making possible the killing, of members of the PSNI and other security personnel, and often doing so by imperilling the lives of members of the general public”.

I accept that the disbandment of the full-time Reserve is an operational matter. However, with an imminent change at the top of the Police Service, it is the Ulster Unionist Party's view that it is imperative that a full-time Reserve is kept in place to allow the new Chief Constable to evaluate the matter for him or herself. This cannot be a matter of ideology or partisanship about policing a society threatened by terrorist organisations, and, as recent events in Belfast show, threatened by thuggery. We need police officers on the ground; we need the full-time Reserve. I support the motion.

**Mrs D Kelly:** The SDLP will be opposing the motion. I am afraid that I cannot accept Mr Paisley Jnr's argument that it is not a partisan motion. I believe that it is, because if it were not he could have asked other members of the Policing Board and Assembly Members and parties to co-sign the motion.

**Mr Weir:** Given the fact that the motion was lodged with the Business Committee as a no-day-named-motion, there was absolutely nothing to stop anyone from signing it. Therefore, I am at a slight loss to understand why the Member seems to think that people were somehow excluded from signing the motion.

**Mrs D Kelly:** I thought that a no-day-named motion is what it says on the tin. It is always nice to be asked, but we were not.

We are opposed to the motion because the Chief Constable has made it clear that he consulted widely with his senior management team. This is not just the decision of the Chief Constable — it has the full backing of all the assistant chief constables. Many police reservists also welcome the decision because they have other plans; indeed, 90 of them are undertaking a pre-retirement training programme. Some police reservists wish to leave before March 2010, and the decision facilitates their wishes.

The SDLP makes no apology for supporting the Patten recommendations. Phasing out the full-time Reserve is Patten recommendation 103, and it is somewhat dependent on the security situation. The Chief Constable is best placed to make a decision in that regard, given all the information that is available to him. As Mr Maskey indicated, Policing Board members sought the Chief Constable's assurance that the security needs resulting from security threats would be met. Another consequence of the phasing out of the full-time Reserve is more officers being moved out from behind desks. More posts will be civilianised, and more people will get to do the job that they want

to do, that they joined the service to do and that they are paid to do.

The SDLP wishes to be sensitive on this matter. We acknowledge the fact that the police Reserve has paid a greater price than other sections of the wider police family. Over the years, proportionately more police reservists than officers were murdered. We acknowledge the pain and suffering of many people who stood against terrorism over the years. However, the Chief Constable made it clear that the issue was not on the agenda of any of the meetings that he had with the Police Federation over the past year. The issue was only raised when the decision was being made, and Sir Hugh Orde is making the decision that he is paid to make.

**Mrs Foster:** Will the Member recognise that the Chief Constable has a legal obligation to consult with the Police Federation? It is not for the Police Federation to put an issue on the agenda; it is for the Chief Constable to consult with the Police Federation.

**Mrs D Kelly:** I acknowledge that the Police Federation has played a role, but it has played a role in running to the media despite the ongoing sensitive discussions that it was having with the Chief Constable. Many police officers are looking forward to retirement and are reskilling for new careers. They want some level of certainty, and it is not right for an outgoing member of staff to leave all the difficult decisions for a new entrant to the job.

There is a lot of discussion about how public money is being spent. The Chief Constable is simply doing his job and ensuring that we get best value for money. Civilianisation of posts is critical. The community demands more front line policing, and the Chief Constable has told us that he is going to move more staff out from behind desks and onto the front line. We are right to demand a greater emphasis on neighbourhood policing. Thus far, the police have not delivered the level of neighbourhood and community policing that we and many others across the community want.

Mr Paisley Jnr said that the decision on the Reserve was not an operational decision. Along with the Chief Constable and others, we will challenge differing views on whether such decisions are related to policy or are operational. The phasing out of the Reserve is not a surprise to the public, the political parties or the Police Federation. The decision has been delayed by some months due to the heightened security threat. The Chief Constable is right to make an informed decision rather than play political football with police reservists, which is what some people want to do.

We welcome the Chief Constable's decision and the moves to put more police on the front line. We will be judging and monitoring how the police perform in the coming months.

**Dr Farry:** The Alliance Party supports the motion, but we are not entirely without our reservations about the way forward. A lot has been made about the issue being an operational matter for the Chief Constable. Any decision should be governed by policing, rather than political, considerations. However, that should not mean that the police are not immune to a legitimate debate on these important issues being held here or on the Policing Board.

The essential reason for our supporting the motion is the uncertainty over the current security situation. Sadly, a police officer may lose their life in the line of duty somewhere on these islands tonight. If that were to happen, it would be likely that the officer concerned would have been caught up in circumstances where a crime was being committed. By contrast, Northern Ireland is perhaps the only place on these islands, and, indeed, in Europe, where a police officer may have been targeted and have lost their life for the sole reason that they were a police officer. That creates a particular set of circumstances that we have to address in Northern Ireland, and it is something that police officers have to face. When police officers are deployed, a proper health and safety risk assessment must be carried out. That is fundamental for those who manage the Police Service.

Without going into too much detail, it is worth bearing in mind that even when Constable Stephen Carroll's life was taken in Craigavon, that deployment had been risk assessed, with "risk" being the key word. That shows that there can never be certainty in that respect.

The murders of the soldiers and the police officer in March have changed the context in Northern Ireland significantly. Although there have been a number of terrorist incidents over the past decade, a member of the PSNI actually lost his life in very tragic and unfortunate circumstances, and we must be extremely mindful of that.

There have been other incidents in which police officers could have lost their lives in the run-up to those murders, and it was only through luck that there were not more fatalities. Therefore, there is an obligation on us all, as the leaders of this community, as well as on senior officers, to be mindful of that.

There is also a wider threat from loyalists, and we are still waiting to see exactly how many weapons have been decommissioned. There is also uncertainty about the summer's public-order situation. Ultimately, it is important that whatever happens in Northern Ireland is handled by locally recruited police. I would not want to see a situation whereby the Army was brought back on to the streets. It is important that we have a local solution to a local problem.

That said, I have some reservations about this matter, and I made those points directly to the Police Federation. The key issue to bear in mind is the overall resourcing of policing, not the precise detail of how it should be spent or deployed. Flexibility is important, particularly bearing in mind the current pressures on the policing budget. We are all conscious of the need to have more visible policing on the streets, and that is something about which we all hear regularly from our constituents. Perhaps I am being slightly counter-intuitive, but it is possible to have more visible policing with fewer human resources. If we do things properly, resources can be used more efficiently and effectively. We need to address the distortions that occur from too many redundant police stations being guarded. In some senses, police stations provide more symbolic than practical security for people. We also need to address civilianisation. Many tasks do not require highly trained, warranted police officers.

We must also address the bureaucracy in the criminal justice system. For example, numerous police officers sit around all day in court waiting to be called. That is because the courts are run on the basis of what suits the judges as opposed to what suits the many professionals who are there trying to support the system. Therefore, there must be flexibility in policing in the longer run. However, ultimately, we have to discuss getting a pattern in what is happening with the security situation. For that reason, the decision to disband the full-time Reserve is premature.

4.00 pm

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

**Dr Farry:** Perhaps a better, more rounded decision could be taken in six months' time.

**Mr Spratt:** I welcome the opportunity to speak in the debate. I want to dispel some of the myths being repeated around the Chamber about the use to which the officers are being put. They have been portrayed as guarding police stations, but that is not the case. They carry out front line duties as part of tactical support groups (TSGs) similar to the one that assisted at the scene of the murder of Kevin McDaid in Coleraine and that had to come from Newry. The vast majority of officers in the full-time Reserve serve in such groups. Others are prisoner escorts or work in other areas in which fully trained police officers will have to be deployed to take up their posts.

Of the 504 officers, 100 are training for civilian careers with the Police Retraining and Rehabilitation Trust. A further 380 are providing front line policing and interfacing with the community day in, day out. They are not guarding stations, most of which are now guarded electronically or, in some case, by civilians. Let us, therefore, dispel that myth.

The Members opposite are always talking about community policing, but this decision removes officers from the front line. Ian Paisley Jnr was right. When Patten recommended the disbandment of the full-time Reserve, he included two caveats: the first was that the peace process should not have collapsed, and it clearly has not; the second was that the security situation should not have deteriorated, but it clearly has.

Discussion on the full-time Reserve has been subject to spin, even by the Chief Constable. On the one hand, he says that the threat is severe; on the other hand he says that officers can be removed from the front line. The Chief Constable went to the Policing Board saying that he had the full support of his senior team. I assume that that senior team includes his commanders who are on the ground daily providing policing in the various districts.

A letter was sent to the Chief Constable by the Superintendents' Association of Northern Ireland and was signed by its president, Chief Superintendent Michael Skuce. It said:

"If there is a decision to completely phase out the FTR, the Association does find it difficult to reconcile the 'severe' threat with a reduction in, firstly, the number of officers on the front-line and secondly, the reduction in experience that their going would create."

He goes on to say:

"As far as can be envisaged the phasing out of the FTR is likely to involve the redistribution of regular officers, to a significant degree, away from front-line policing. In particular, it may impact adversely on the delivery of neighbourhood policing at a time when it is both central to the PSNI Reassurance and public confidence strategy and to the CONTEST (Protect) strategy to prevent radicalisation and recruitment to terrorist organisations.

The Association understands that retention of the FTR gives no guarantee that there will not be further attacks. As is often said the terrorist needs only to be lucky once but we need to be lucky all the time."

He continues to say that if full retention is "not a possibility", retention of an element of the full-time Reserve should be considered.

That is a direct quotation from a police commander in F district. Therefore, the Chief Constable and others speak with forked tongues, and that is disgraceful to this community.

**Mr Deputy Speaker:** I call Ms Martina Purd — Anderson. Ms Anderson. *[Laughter.]*

**Ms Anderson:** Go raibh maith agat, a LeasCheann Comhairle. In opposing the motion, I make it clear that as a member of the Policing Board, I see the removal of the full-time Reserve from the policing equation as another fundamental step on the path to achieving an accountable and civic policing service.

The full implementation of the Patten recommendations, including the removal of the full-time Reserve, is an essential part of the road map that is laid

down to take us from the policing failures of the past into a new policing era. That must happen, no matter who is Chief Constable; it should have happened a long time ago.

I particularly want to talk about scaremongering. The Members who tabled the motion and the Police Federation would have us believe that removing the full-time Reserve will reduce front line services. The Chief Constable has already made it abundantly clear that that is not the case and that it will not affect the PSNI's job of delivering front line services for the local community.

The problem is that the PSNI is a nine-to-five organisation; that must change, as must the fact that fewer than 25% of its officers are response officers. Sinn Féin is all for increasing front line services. Members who sit on the Policing Board with us know that that is the case, and we must know that the nine-to-five organisational framework will be tackled. There are far more effective ways of doing that than by just retaining what we regard as a discredited force.

The argument to phase out the full-time Reserve is well-founded and consistent. Like it or not, the historic connections between the Reserve and the various unionist paramilitary groups are well known. It was, and is, the nationalist/republican community that bore, and bears, the brunt of that collusion.

**Mrs Foster:** Do not let facts get in the way.

**Ms Anderson:** The Member wants facts: former RUC officer John Weir gave a sworn affidavit detailing the collusion of RUC reservists with unionist paramilitaries in the Armagh area, including in a number of sectarian murders. The Cory Report into the Robert Hamill murder accuses a full-time Reserve constable, whose name I will not mention, of indulging in the most flagrant collusion with the killers.

**Mr Paisley Jnr:** Given her comments, if she really believes them, is the Member telling us that Martin McGuinness, Michelle Gildernew and Conor Murphy were wrong to stand where she is and to take an oath in the House to support and uphold the Police Service of Northern Ireland? Is she telling us that her leader is wrong?

**Ms Anderson:** The Member knows exactly what my position is. We are dealing with a discredited force; we are dealing with a full-time Reserve that is an overwhelmingly Protestant force that should have been phased out long ago.

If Patten had been implemented as intended, we would not be having this debate today. Throughout the conflict, the full-time Reserve has been little more than a unionist militia; it has been to the forefront of attacks on the nationalist community. That is why Patten said that it should be done away with within three years.

Two years ago, Hugh Orde bowed to the kind of pressure that we are seeing now from the Members who tabled the motion, and he agreed to retain the full-time Reserve. That decision was wrong; it was in direct contravention of the Patten recommendations, and any further extension would be equally wrong now. The Patten proposals are about delivering good community policing, and any attempt to retain the Reserve directly contravenes those recommendations.

The Reserve should not still be in place 10 years after Patten, and Sinn Féin will robustly oppose any and every attempt to secure a further extension. Therefore, I say to those still opposed to the necessary implementation of the Patten recommendations and to changes in the PSNI: stop fighting lost battles and concentrate on the job of creating confidence across, throughout and within our entire community and on building the new policing structures that this society deserves. Go raibh míle maith agat.

**Mrs Foster:** I am glad to follow that Member's outrageous comments about the RUC and the Police Service of Northern Ireland. In the past number of days, I listened to comments about the Romanians who have been forced out of their homes. When I was eight years of age, I was forced out of my home by the IRA. Why? Because my father was an auxiliary constable in the Royal Ulster Constabulary; a man of whom, to this day, I am hugely proud. Therefore, I will not take any lectures from that lady about this matter.

My friend the Member for South Belfast Jimmy Spratt quoted from Chief Superintendent Skuce's letter about the difficulties that the changes will cause, particularly in my area of Fermanagh. I am not surprised that Chief Superintendent Skuce raised those concerns about the full-time Reserve, because, in Fermanagh, it provides a cadre of officers of which the House should be very proud. They undertake a range of tasks, not least of which is neighbourhood policing. Those of us in Fermanagh have some experience of being told that officers will be available and that front line services will not be affected.

Some time ago, a wide range of police stations in Fermanagh were closed — I put this point to Dolores Kelly — and we were told then that we would have a full police cadre that would provide much more policing on the ground. Did that happen? No, ladies and gentlemen, it did not happen. She said that she would monitor the situation after the full-time Reserve goes.

**Mr Deputy Speaker:** The Member should speak through the Chair.

**Mrs Foster:** The reality is that the Police Service in Fermanagh is decimated, and if the full-time Reserve is taken away, the community in Fermanagh will be decimated. Mrs Kelly should look to her party's Member for Fermanagh and South Tyrone and to the

people who vote for her party there, because people there want more policing on the ground.

If the proposals go ahead, south-east Fermanagh will become a no-go area for the police and, indeed, for most of the community in County Fermanagh, because the dissident threat there is huge. If people do not believe me, they should ask Chief Superintendent Michael Skuce where his police officers can and cannot go in County Fermanagh. It pains me that people sit in the House and say that they know better for the people of County Fermanagh, when I know that the people there will be put under severe threat and risk. If there is an injury or a death in County Fermanagh, I will come back to the House to ask the Members who vote against the motion where they stand, just as I will ask the Chief Constable where he stands on this matter —

**Mr Spratt:** And the Policing Board.

**Mrs Foster:** Indeed, and the Policing Board.

Why is the Chief Constable not leaving this decision to his successor? There must be a reason. Is it a political decision? Let him answer that question. Today, we heard that the Superintendents' Association of Northern Ireland has brought forward serious concerns, which have not been addressed. Today, we heard a lot about Patten. We all know that Patten is subject to there not being a change in the security situation, but there has been a change in the security situation. We are told that it would cost a considerable amount of money to retain the full-time Reserve, but did the Chief Constable ask for additional money? I understand that he did not ask for more money. Therefore, that excuse is a misnomer and a red herring.

On 7 May 2009, my colleague Ian Paisley Jnr received an answer to his question about the amount of resources that have been put into F district to deal with the dissident threat. The first line of that answer stated that a number of additional full-time Reserve members were allocated to F district. We are told that those reservists will be replaced by officers who come out from behind desks. How many desks does Sir Hugh Orde have, because I have heard that argument so many times in County Fermanagh that I am fed up listening to it?

**Mr Spratt:** Does the Member agree that if the Chief Constable had all those officers, he should have had them on the ground a considerable time ago? It indicates almost mismanagement by senior management in the Police Service.

4.15 pm

**Mrs Foster:** There are questions to be answered about that.

I wish the federation well in looking into its legal challenge. I will support it in any way that I can, because,

despite what Dolores Kelly said, the federation was not consulted in the proper and appropriate way. The men and women who work in the full-time Reserve have been hung out to dry by the Policing Board members: shame on them.

**Mr Kennedy:** I thank those who moved the motion. It is an important motion, and I want to indicate clearly that the Ulster Unionist Party will back it. At the outset, I pay tribute to the service and sacrifice of the members of the police Reserve, both RUC and present-day; particularly, the sacrifices made by so many as RUC full-time and part-time reservists.

I was depressed and offended by yet another contribution in the Chamber from the Member for Foyle Ms Anderson. It is deeply offensive to listen to such a tirade of abuse. It beggars belief that someone who represents her party's Front Bench can have such a jaundiced view.

It is clear that Patten recommended that there should be no change to the use of the police Reserve if there was a change in the security situation. Let me remind the House of current events, including those in my constituency of Newry and Armagh. There is a severe threat from republicans of one band or another. Orange Halls have been attacked and destroyed. Only last night, I was alerted to the fact that there is serious concern about an Orange Hall in my constituency. The police informed the trustees of that hall that they were concerned about its security. Recently, there was even an attack on the home of a Government Minister, a colleague of Ms Anderson. There have been subsequent attacks on Members of the House, principally on members of Sinn Féin. Viable devices have also been located and have had to be dealt with.

In my constituency, and in border areas generally, the police Reserve was used, and continues to be used, in large measure to provide adequate policing. Let me nail another false claim that Martina Anderson made, which was that the police Reserve was a Dolly Parton nine-to-five force: it is not and never has been. We need to clarify that misrepresentation. Reservists have been used traditionally as important backup, even to community policing, and they have played a significant role in maintaining peace and order on the streets of Northern Ireland.

I welcome the support indicated by the Alliance Party today: that is a good move, tactically, given the speculation about who may succeed on policing and justice. Nonetheless, it is welcome support, and it is recognition of the important role of the police Reserve in the ongoing security situation.

The Chief Constable is to move on to another post shortly. Obviously, we wish him well personally in that. However, we do not want him to leave a legacy that would make it difficult to provide adequate and

effective policing in Northern Ireland. It is my view and my party's view that it is essential that the police Reserve contracts be extended for a further period. We support the motion.

**Mr A Maginness:** Unfortunately, there has been a lot of political emotion and heat brought into the debate, and that is something to be deplored, because the one thing that we all want is to move the policing question on to a non-partisan, non-party-political basis. We want to respect the Police Service, which commands the full support of the House. *[Interruption.]*

DUP Members may point at Ms Anderson. She has made points with which I disagree, but some DUP Members have expressed views that, I believe, are wrong and bordering on the intemperate. It is important to approach the subject of the police as calmly as possible and to give our support to the police, who are dealing with a difficult situation.

It is wrong, particularly for a Minister, to impugn the decision of the Chief Constable and say that it was political. The Chief Constable made an operational decision in relation to the full-time Reserve. He did so in consultation with the full senior management in the PSNI. I have confidence in the ability of those people to make decisions on a non-political basis, and I believe that the decision was made in accordance with good operational criteria. Therefore, it is wrong for Members to criticise the Chief Constable on a political basis. It is evident that DUP Members disagree with the Chief Constable's decision, but to import political considerations is unfortunate.

The ending of the full-time Reserve was envisaged in the Patten Report; that is the policy context in which the matter has moved. The Chief Constable has decided that it should be completely phased out in two years' time. That is a considered position. The Chief Constable has made his decision; it should not be altered or halted now and given to the new Chief Constable for revision.

It is important that Members are supportive of the leadership of the PSNI. However, by their intemperate language and their imputing of political motives, some Members are undermining the credibility and authority of the Chief Constable.

**Mr Storey:** All of a sudden, the Member comes to the House and lectures this side of the House about using intemperate language and about the importance of supporting the police and not importing political issues. If the SDLP had not secured the removal of the name of the Royal Ulster Constabulary in the Patten Report, would it have signed up to Patten? Was that not intemperate, illogical and political? Now Alban Maginness is trying to judge the DUP against a yardstick against which he himself was not prepared to live.

**Mr A Maginness:** That is nonsense. The SDLP signed up to Patten and accepted it, unlike Sinn Féin. In fact, through our work on the Policing Board, we saw through almost 90% of the reforms, which provides us with a police service that is regarded as being impartial, professional and fit for purpose. That depoliticised the politicisation of the police, and that is important.

Finally, we on these Benches pay tribute to the 102 reservists who paid the supreme price with their lives. We all should acknowledge that. Yes, the SDLP has criticised the RUC and the RUC Reserve in the past, but, at the same time, we must acknowledge the sacrifice that those men made. It is important to respect that.

However, turning to security, only 90 of the current reservists perform front line duties, and that does not represent a very large or significant section of the Police Service.

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

**Mr A Maginness:** On that basis alone, the arguments that have been produced are flawed.

**Mr Foster:** On a point of order, Mr Deputy Speaker. I have been speaking from the Back Benches, and I would have thought that it was quite clear that I was speaking as a Member for Fermanagh and South Tyrone, not as a Minister. I ask the Member to reflect that in his remarks.

**Mr Deputy Speaker:** Indeed. The Member was called as Mrs Arlene Foster, not as the Minister of Enterprise, Trade and Investment.

**Mr McKay:** Go raibh maith agat, a LeasCheann Comhairle. I join my party colleagues in opposing the motion, so no surprises there.

The motion calls for no decision to be taken on the future of the full-time Reserve, but that in itself neglects the fact that the Patten Commission recommended the complete disbandment of the full-time Reserve, which at one time had 3,500 members. The Reserve now has fewer than 400 members, all of whose posts will be phased out by 2011. That is to be welcomed, and it is another example of progress in policing, and another necessary step on the path to an accountable and civic policing service.

The full-time Reserve is a symbol of the policing failures of the past, and I agree with Hugh Orde's comments that its abolition is non-negotiable. Indeed, at the Policing Board's meeting last week, the Chief Constable was asked whether any district commanders had any issues with the withdrawal of the full-time Reserve. In his reply, the Chief Constable assured board members that any such issues that had been raised had been addressed.

However, even if the full-time Reserve were retained, at least half of them — *[Interruption.]*

You can take that up with the Chief Constable.

**Mr Deputy Speaker:** Order. All remarks should be made through the Chair, and not directly across the Chamber.

**Mr Paisley Jnr:** At this early point in your speech, can you clarify whether you are in the Alex Maskey wing of the Policing Board team, which claims to be fully supportive of the Chief Constable —

**Mr Deputy Speaker:** Order. Mr Paisley, all remarks should be made through the Chair.

**Mr Paisley Jnr:** Forgive me. Through the Chair, will Mr McKay reflect on whether he is in the Alex Maskey wing of his party's Policing Board team, or in the dissident wing with Martina Anderson? Alex Maskey has stated that he fully supports the operational decision of the Chief Constable, whereas Martina Anderson's comments suggest that the police seem to be the biggest reprobates to ever walk the earth. Perhaps he will take the opportunity to tell the House in which wing of his party he sits, and stop teasing us.

I am sure that he will also reflect that he was very glad to see the RUC Reserve in Dunclug when he was recently, and wrongly, attacked.

**Mr Deputy Speaker:** It is usual for interventions to be short and sweet.

**Mr McKay:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Member for his intervention. There are no wings in Sinn Féin. We all sing from one political hymn sheet. We are all united, and republicanism is — *[Interruption.]*

**Mr Deputy Speaker:** Order.

**Mr McKay:** Republicanism is in a very strong state at the moment; unlike unionism.

However, to continue, hopefully without interruption, even if the full-time Reserve were retained, at least half of the reservists would leave anyway, because individual officers have already made alternative plans. Therefore, the perceived benefit would be somewhat limited.

4.30 pm

The motion states that the loss of the full-time Reserve would have an impact on front line policing; but that, in my opinion, will not be the case. The Policing Board has been told that other police forces serving a similar population, as Alex Maskey outlined earlier, have fewer police officers per head of population than we have. Therefore, based on that well-known fact, the human resources needed to provide community policing here are already over quota. The police and the Policing Board now need to

ensure that the PSNI is less inflated at the higher ranks and has more officers to engage in community policing. The PSNI needs to make the best and most effective use of its resources, and it is not doing that at present. That has been recognised universally at the Policing Board.

Dolores Kelly mentioned the onus on the police to provide value for money, and Martina Anderson said that the PSNI needs to have less of a nine-to-five attitude and have more officers available at peak times, such as night-time and the weekends. It is a matter of the right resources being used in the right places at the right time. We hope that the new police top team, when it is finally appointed, will adopt that approach.

In conclusion, a LeasCheann Comhairle, the Policing Board has been assured that the withdrawal of the full-time Reserve will not have a negative effect on service delivery to the community.

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

**Mrs D Kelly:** Does the Member acknowledge that the British Treasury supplied an additional £27 million, which is being spent on overtime across the district, particularly in areas that will be most vulnerable when the full-time Reserve stands down?

**Mr McKay:** Sorry, what was that?

**Mrs D Kelly:** An additional £27 million was provided so that the police could face down the dissident threat.

**Mr McKay:** I thank the Member for her intervention.

Sinn Féin welcomes the fact that the full-time Reserve is, at last, on course to be scrapped by 2011. However, as other Members have said, that should have been done long ago. Any further postponement of the matter will be totally unacceptable. Go raibh maith agat, a LeasCheann Comhairle.

**Mr Buchanan:** I support the motion, and I remind Mr Alban Maginness, although I see that he has left the Chamber, that we on this side of the House have always fully supported the RUC, and the PSNI that came after it, and we will continue to do so. We brought the motion to the House because we believe that reducing the full-time Reserve will have a detrimental effect on front line policing in Northern Ireland.

The Chief Constable's most recent announcement that he will proceed with the abolition of the full-time Reserve, two months before he is due to leave his post, is simply ludicrous. It comes at a time when the dissident threat is greater than ever. It will do the House good today to sit back and take cognisance of what the Chief Constable has said in recent weeks and months.

**Mr Storey:** Can we add to that list, not only the dissident threat, but the pressure that republicans put on the PSNI by their activities and their continued

opposition to parades, despite McGuinness's attempt, at the weekend, to wash his hands clean? The attitude that Sinn Féin adopts to parades in my constituency costs the police budget thousands of pounds, because it does not have the decency to do what it always should have done, which is to walk away from the issue of parades.

**Mr Buchanan:** Absolutely. I thank the Member for his intervention.

What do we hear Sir Hugh Orde say about the current security situation? Quite simply, he says that the dissident republican threat is at its highest since he took up the post of Chief Constable seven years ago. Therefore, is it not premature of Mr Orde, in such a situation, to continue to weaken, rather than strengthen, the service to tackle the threat? There is no doubt in any Member's mind that Northern Ireland is facing a serious threat from dissident republican terrorists who are intent on dragging us back to the days of violence and mayhem on our streets. Therefore, an effective, experienced police service is vital in tackling that threat, just as it was when we stood against terrorism previously.

My constituency of West Tyrone and my neighbouring constituency of Fermanagh and South Tyrone are in F district. The full-time Reserve officers in those areas form the backbone of policing and make up around 50% of the constables available for deployment in an area where dissident terrorists have shown the threat that they pose to the community. At present, F district does not have sufficient personnel to adequately police those areas against the threat posed in them. If that situation continues, we will, again, be left with no-go areas in some parts of Fermanagh, as Arlene Foster said.

To build confidence and reassure the community, the public must see a visible police service that has the ability and the manpower to deliver. However, due to the lack of resources, people living in rural areas feel vulnerable and isolated, with no protection from the PSNI simply because there are not enough resources available.

The Chief Constable continually states that his overall objective is to make Northern Ireland a safer place and that he can remove 500 full-time Reserve officers and replace them with officers from behind desks without creating a negative impact on front line policing. I do not believe that we have 500 officers behind desks. Perhaps Mr Orde could explain why, throughout his seven-years as Chief Constable, he has delayed in moving those alleged 500 officers behind desks into front line policing. Why is he now saying that he has 500 officers who he can move forward? I believe that that decision is wrong and, if carried through, it would have detrimental consequences for front line policing. The decision should be delayed

until the new Chief Constable has the opportunity to reassess the security situation and make a decision on the future of the full-time Reserve.

At the last meeting of the Policing Board, members received up-to-date figures on the Police Service's tackling crime performance and discovered that the number of crimes a day in Northern Ireland has increased by 4.5, with 1.75 of those crimes classified as domestic burglaries. People living in isolated rural areas do not see any visible on-the-ground policing to act as a deterrent to the people who are carrying out those crimes and who, therefore, seem to have a free hand. People in those communities are concerned that the required level of police is not there, yet the Chief Constable is saying that he will remove 500 officers who are delivering that service in our constituencies.

Dolores Kelly welcomed that decision, and she talked about measuring the performance —

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

**Mr Buchanan:** How will she be able to measure performance when the Police Service has been diminished?

I support the motion.

**Mr Elliott:** I thank the Members who proposed the motion. It is extremely unfortunate that we have to debate the issue. I am very concerned about some of the remarks coming from the other side of the Chamber. I cannot understand why people want a reduction in police resources; they are effectively asking for a reduction in what is already an overstretched police resource in the Province.

Arlene Foster was absolutely right in her remarks about Fermanagh and South Tyrone. People say that they want to get rid of the police Reserve, but have they said why? Is it because of some type of sectarian conviction? If it is about policing resources, I cannot figure out why they are asking for it. We only have to consider the simple example of what took place in Enniskillen 10 days ago during a parade, when a skeleton staff of police officers had to carry out community policing, police reaction and traffic control.

There was an incident a couple of miles down the road at Lisnaragh, and police officers had to rush to that, leaving no one there to man the parade but the marshals. There was a huge traffic jam in the middle of Enniskillen because there were no police officers there to man the parade. Had it not been for the good sense of those on parade and the motorists, it could have been a very serious situation.

I absolutely deplore what, in my view, is a political-puppet decision by the Chief Constable before he leaves office. Let us be blunt about it; I cannot see any other reason for making such a decision just before he



leaves office, especially given the history of the police and the full-time Reserve in the Province. We have heard of the commitment and the sacrifice that was given. Member after Member has spoken of the more than 100 members who lost their lives in the conflict. I would have thought that at least the current Chief Constable would have some respect for that organisation, but no. He has driven a knife straight through it. That is a very sad situation.

We have heard some very unsatisfactory remarks, to put it mildly; remarks that, I believe, should not be made in the Chamber. Let us go back to the issue of resources. Is there anyone here who wants to stand up and say that there are too many police resources in the Province? I have heard the argument about other parts of the United Kingdom being better resourced in policing numbers than Northern Ireland. Do we want to be faced with the situation of other parts of these islands, in which, when there is a report of a burglary, the police do not react for three days? Is that the type of policing that we want in the Province? It is not the type of policing that I want. I want to see a police force that is able to react and attend those incidents without any delay.

There are crimes going unanswered in Northern Ireland. We heard some of the statistics earlier. If we get rid of the police Reserve, there will be more unanswered crimes. We have heard that, in many cases, the police Reserve may have to do the work of the community officers. However, in many incidences in Northern Ireland, the full-time reservists are the community officers. They are on the ground, they know exactly what is happening, and they are the eyes and ears of the Police Service and of us, the citizens of the Province.

To get rid of the police Reserve at this time would be a despicable act. I know that the situation in Northern Ireland has changed dramatically over the last number of years, but there is a huge threat at the moment, particularly in some areas of the Province. We do not want to escalate that threat. At times when there are incidents, senior police officers, when they are honest, will say privately that they do not have the numbers or resources to cope. That is the situation.

**Mr Attwood:** I apologise to Members for not being present during the early part of the debate because of other commitments. I will respond to what Mr Elliott said, in rather elaborate language, about the view of the SDLP on the full-time Reserve perhaps being sectarian. I remember meeting a full-time reservist at a meeting a few years ago; this story confirms what Mr Elliott said, and no one can dispute it. That full-time reservist told me that, when he was in the RUC, before it became the PSNI, he was stationed in Crossmaglen. He told me the story not because he wanted to boast about being a full-time reservist in the RUC, but

because he wanted to convey how he saw his job as a police officer.

He said that, in the early hours of the morning, there was a knock at the front gate of Crossmaglen barracks and it was a man whose wife was in the last stages of labour in the back of the car. That officer told me that he went out and delivered the child. I tell that story because we must acknowledge that, whatever our differences about the full-time Reserve per se, and about the Patten recommendation on the full-time Reserve, I do not deny that there were those in that organisation who suffered horribly and disproportionately compared with the full-time RUC, as some Members have mentioned.

I do not wish to say anything to take away from the good officers who were in the police and who did that sort of policing over the years of conflict. The SDLP's attitude is not sectarian; we have a difference of view based on many factors to do with the nature of the training of the full-time Reserve, its membership, its culture and so on. However, we are missing the wood for the trees.

4.45 pm

**Mr Elliott:** I am pleased to hear the Member's comments. Does he accept that the full-time Reserve is a very professional organisation that has provided a very effective service throughout the Province?

**Mr Attwood:** I refer the Member to the relevant recommendation of the Patten Report. The report outlined why the full-time Reserve, as an organisational part of the RUC, was different from the full-time membership of the RUC. That is why, in the transition from the RUC to the representative, accountable, civilianised, trained and professional policing organisation that we were trying to create with the PSNI, the full-time Reserve as an entity sat uncomfortably with that new character and new culture. I do not deny the individual contributions of members of the full-time Reserve, but there were evidence-based reasons why its character and culture was different from those of a new and professional policing service called the PSNI.

However, as I said, the debate has missed the wood for the trees. The real issue should not be the 300 or 400 members of the full-time Reserve; the real issue should be why we do not have the numbers on the ground that we should have. The reason is that the single place of greatest resistance in the PSNI to the full outworking of the Patten Report is in its human resources strategy. That is why the first Policing Board spent a disproportionate amount of time creating, despite that resistance, two human resource plans to deal with all the human resource issues, of which the full-time Reserve was one element in 10. If the other nine elements are not dealt with, the issues of police response and police numbers on the ground will not be dealt with.

That remains the single most unaddressed issue within the PSNI. The need for a human resources plan to be rolled out for all aspects, including the full-time Reserve; civilianisation; the make-up of officers and more senior staff; and the balance between officers behind desks and those out on the ground — must be addressed, but it remains unaddressed.

We also missed the wood for the trees in that the strategic threat to policing does not come from whether there are 400 or 500 Reserve officers but from the proposal that sees the potential for police numbers to reduce to 6,200 by 2011. Why have OFMDFM and the British Government yet to publish their budgetary proposals on the devolution of justice? I suspect that, buried in the debate, is the issue of whether the British Government will have their way and reduce police numbers to 6,200. Staff costs account for 85% of the policing budget. If we are not much more mindful of that issue than the understandable concerns that people have about the full-time Reserve, we will miss the wood for the trees.

I do not often quote Ian Blair, and he may be discredited to some degree. However, he told the Policing Board conference two or three years ago that the best response to the terrorist threat in London was intelligence-led policing through the community backing the police. That is the answer in County Fermanagh; the answer is for people to have the confidence to give information to the police, rather than having increased police numbers.

**Mr Weir:** I echo the remarks of Tom Elliott that although we are glad to have had the opportunity to debate the issue, it is, in many ways, extremely disappointing that the situation has arisen in which the full-time Reserve is potentially threatened, forcing us to have the debate.

Although, at times, the debate has been passionate, I disagree fundamentally with Alban Maginness, who said that it had been intemperate, that is, with the exception of one contributor, to whom I shall refer later.

**Mr Buchanan:** Name her.

**Mr Weir:** Her name will appear later.

A number of the debate's contributors, including Ian Paisley Jnr, spoke of the debt that is owed to the full-time Reserve. It has been mentioned that during the Troubles, 303 police officers were murdered by terrorists. Full-time reservists were targeted specifically, I believe, because they were, at times, vulnerable in the community. The fact that they suffered has been acknowledged throughout the Chamber, even by Dolores Kelly, among others, who mentioned that attacks on the Reserve were disproportionate. Along with other Members, I salute the Reserve's efforts, throughout the years, which enabled people such as me

to lead as normal a life as possible during the Troubles, and to protect many of us at night.

Ian Paisley Jnr and, indeed, Leslie Cree referred to the nonsense of the proposals that lay before us as, only a couple of months ago, the Chief Constable indicated that the dissident threat is the highest that it has been for seven years. To potentially cutback police numbers and to phase out the full-time Reserve in light of that high level of dissident threat strikes me as madness.

**Mr I McCrea:** Does the Member agree that the threat from dissidents is such that to get rid of full-time Reserve officers, whose experience on the ground means that they are fully aware of dissidents' identities, would be more than detrimental at this stage?

**Mr Weir:** I agree completely with the Member. The fact is, as Ian Paisley Jnr pointed out, that the matter goes beyond the sheer number of 500 officers because of the much greater operational strength and organisational knowledge that they possess, particularly in border areas. We are not simply talking about a cross-section of police officers; we are talking about people who, generally, have years of experience. Even if their numbers were made up with recruits, with the best will in the world, those recruits cannot bring the same experience and knowledge as that which exists in the full-time Reserve.

**Mr S Wilson:** Will the Member give way?

**Mr Weir:** I want to make a number of points. My time is somewhat limited.

In many ways, to take that step now is to take a gamble, particularly in border areas where it is being focused. That was mentioned by a number of Members. I agree with one point that Alex Maskey made in his contribution. He talked about the need to maximise the use of resources in the police. That point was echoed by other Members. If we want to maximise resources, why would we start to reduce the resources that are available? Again, it is madness.

Officers should be freed up. However, the idea that a vast army of new policemen and policewomen can be brought out from behind desks is mythical. It beggars belief. Jimmy Spratt made the point clearly that if that untapped potential exists, the fact that it has not been used previously indicates criminal negligence by police commanders. I suspect that the reason it has not been used previously is because, in practice, it does not exist; certainly, not in the numbers that have been suggested.

Alex Maskey also mentioned that there are more officers per head of the population in Northern Ireland than elsewhere in the United Kingdom. That is, undoubtedly, true. However, let us face it; from terrorism downwards, Northern Ireland has different

and much more severe problems than those of other parts of the UK.

I want to turn to Dolores Kelly's remarks. In many ways, it seems as though her nose has been put out of joint because she had not been asked to sign the motion. She went from that silly, preposterous position to highlight that many police reservists have made other plans. The fact is that those officers face redundancy because the idea has been trailed around for some time. It would be foolhardy of those men and women not to make other plans. It is a position into which many of them have been forced.

A slavish devotion to the holy writ of the Patten Report seems to emerge from the SDLP and, indeed, those Sinn Féin Members who have all the zeal of the convert in their commitment to it. However, even in the Patten Report, the position of reservists was predicated upon the existence of a stable security situation. The dissident threats mean that the loss of the full-time Reserve leaves certain areas vulnerable to attack.

As Arlene Foster, Tom Buchanan, Danny Kennedy and Tom Elliott pointed out, the impact of that loss will be particularly severe on border communities. The removal of the full-time Reserve will have an impact throughout Northern Ireland. If gaps appear in border communities, there will clearly be a reallocation of police resources across Northern Ireland.

I welcome the Alliance Party's support for the motion. As happens on many occasions, that support comes not without reservation. However, they fell on the right side of the fence on this occasion.

Ms Anderson gave her usual temperate analysis of the situation, and it beggars belief that she was considered as outreach officer to the unionist community. I will perhaps correct my colleague Ian Paisley Jnr, who talked about the two separate wings of Sinn Féin. He talked about the complete belief in the Chief Constable's statement that there would be no reduction in front line services. I must say that I find the 100% acceptance of anything that the Chief Constable says very touching. However, someone having such complete faith in the words of the Chief Constable, even if that person is Ms Anderson, shows that this country has moved on.

Arlene Foster mentioned the current security situation and highlighted the fact that, with regard to providing greater resources, the Chief Constable did not even ask for more money.

Alban Maginness mentioned the support of the senior police management for the matter. However, Jimmy Spratt and others highlighted the reality of the situation. Mr Kennedy compared the policing to Dolly Patten — *[Laughter.]*

I am sorry; I meant to say Dolly Parton. The one analogy that can be drawn is that the police command structure is somewhat top-heavy.

Mr Spratt pointed out clearly that whatever is said at the top of the organisation, from the Police Superintendents' Association down to the Police Federation for Northern Ireland, the key message that comes from the coalface, as it were, and from those who police day in, day out, is that this is at best premature and utterly ill-judged in current circumstances.

Mr McKay steered a neat path between the positions of Mr Alex Maskey and Ms Anderson. He was very much the Boyzone tribute act of Sinn Féin, because he was somewhat 'Flying without Wings' in that regard. *[Laughter.]*

**Mr Ian Paisley Jnr:** That was a Westlife song.

**Mr Weir:** Was it Westlife who sang that song? I stand corrected in my knowledge of pop culture. That is the last time that I will listen to my colleagues about such matters.

Again, resources were referred to, and they must be borne in mind. Tom Buchanan highlighted the threat that exists to both border communities and the rural community. As Tom Elliott indicated, those who oppose the motion say that, in effect, we need fewer policemen and policewomen on the ground. That is madness. Leaving aside the politics, the community is clearly crying out for more police personnel, not fewer. As Tom Elliott, Jimmy Spratt and others pointed out, the duties that the full-time police Reserve carry out by are a vital cog in the wheel of policing. The reality is that this is ill-judged and ill-timed.

I leave Members with a final question to consider. Members on the opposite Benches tell us that this is purely an operational decision and something on which the entire police leadership will agree. If that is the case, what have they to fear by waiting a few months and letting a new Chief Constable make that decision? As it is, the present Chief Constable will make the decision, exit stage left, and leave the rest of us to pick up the pieces.

I support the motion.

5.00 pm

*Question put.*

*The Assembly divided: Ayes 42; Noes 37.*

AYES

*Mr Beggs, Mr Bresland, Mr Buchanan, Mr T Clarke, Mr Cree, Mr Donaldson, Mr Elliott, Sir Reg Empey, Dr Farry, Mr Ford, Mrs Foster, Mr Gardiner, Mr Hamilton, Mr Hilditch, Mr Irwin, Mr Kennedy, Mr Kenahan, Mr Kinahan, Mr McCallister,*

*Mr McCausland, Mr B McCrea, Mr I McCrea,  
Dr W McCrea, Mr McFarland, Miss McIlveen,  
Mr McQuillan, Mr Moutray, Mr Newton, Mr Paisley  
Jnr, Mr Poots, Mr G Robinson, Mr K Robinson,  
Mr P Robinson, Mr Ross, Mr Savage, Mr Shannon,  
Mr Simpson, Mr Spratt, Mr Storey, Mr Weir, Mr Wells,  
Mr B Wilson, Mr S Wilson.*

*Tellers for the Ayes: Mr Kennedy and Mr Spratt.*

#### NOES

*Ms Anderson, Mr Attwood, Mr Boylan, Mr D Bradley,  
Mrs M Bradley, Mr P J Bradley, Mr Brolly, Mr Burns,  
Mr Butler, Mr W Clarke, Mr Dallat, Mr Doherty,  
Mr Durkan, Mr Gallagher, Ms Gildernew, Mrs Hanna,  
Mrs D Kelly, Mr G Kelly, Mr F McCann,  
Ms J McCann, Mr McCartney, Dr McDonnell,  
Mrs McGill, Mr McGlone, Mr M McGuinness,  
Mr McKay, Mr McLaughlin, Mr A Maginness,  
Mr A Maskey, Mr P Maskey, Mr O'Dowd, Mr O'Loan,  
Mrs O'Neill, Mr P Ramsey, Ms S Ramsey, Ms Ritchie,  
Ms Ruane.*

*Tellers for the Noes: Ms Anderson and Mrs D Kelly.*

*Question accordingly agreed to.*

*Resolved:*

That this Assembly expresses concern at the impact that the loss of the full-time Reserve would have on front-line policing; and calls for no decision to be taken on the long-term future of the full-time Reserve until a new Chief Constable has the opportunity to conduct a full assessment of current and future needs.

*Motion made:*

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

## ADJOURNMENT

### Special Education in Foyle

**Mr Deputy Speaker:** I remind Members that the proposer of the topic for the Adjournment debate will have 15 minutes in which to speak. All other Members who wish to speak will have approximately 10 minutes.

**Mr P Ramsey:** I apologise for Mark Durkan's absence, Mr Deputy Speaker. He had intended to speak in the debate, but has been called to an urgent meeting.

I want to draw attention to the provision of special needs education in the Foyle constituency and to outline the rationale for this Adjournment debate. Recently, constituents of mine who are the parents of a child with a moderate learning disability told me that the child's eligibility for reading centre support had been withdrawn. My constituents were given various conflicting explanations for that and, in January 2009, they wrote to the Western Education and Library Board to ask for an explanation and for a reconsideration of the case. Some weeks later, when no reply had been forthcoming after a number of letters had been written, I wrote to the board on their behalf. I wrote again in March, and again two weeks ago.

That family has still received no answer to their questions from the board. I understand that their experience is far from unique. In the end, the family removed their child from the Northern education system and she is now in school in Letterkenny, County Donegal, where she is getting the help that she needs. However, her parents now have to make a twice-daily 40-mile round trip. Parents who show that kind of commitment to their child should have received an answer to straightforward questions.

As a result of their experience, I have looked more closely at how special education needs are being delivered by the Western Education and Library Board. I am concerned that there are serious gaps in provision and, as I mentioned, in the way in which the board communicates with parents. I do not expect the Minister to respond on individual cases, but I will make a number of points to which I will expect her to respond.

The Comptroller and Auditor General's 2006 report, 'Improving Literacy and Numeracy in Schools' stated:

"in 2004-05 nearly a quarter (23 per cent) of children — around 2,000 girls and 3,500 boys — still leave the primary sector with literacy skills below the standard Level 4 and are, therefore, likely to struggle with the literacy demands of the post-primary curriculum."

In 2007 the Audit Office reported that almost 50% of year 12 pupils do not achieve GCSEs at grades A\* to C in English and Mathematics.

How can children who cannot read progress through second-level education, where they need to be able to read in order to learn? For those children, even at primary level, education becomes a totally demoralising and alienating process. It should not be that; it should be joyful, enriching and inclusive. There is no doubt that the majority of the children that I referred to are well within the normal IQ range, but if we are serious about having a positive effect on their lives, we must change what we are doing.

There is a serious deficit in educational psychology services. The Minister knows that one third of educational psychology positions in the Western Board area are vacant and have not been filled. I am aware that educational psychologists are currently being trained, but it will take many years to complete that training. Therefore, we need interim measures and solutions.

5.15 pm

It is difficult to measure the number of children who are missing out. Due to the lack of educational psychology resources, school principals are prioritising children who are most in need of educational psychology assessment. Other children who need that assessment are not being put on the waiting list.

I spoke to a post-primary school principal recently who told me that the percentage of statemented children in her school has been reduced by 50% in recent years; not because of any change in the ability of the children in her school, but because of the shortage of educational psychologists. Therefore, those children are not getting the intervention that they need because additional resources are dependent on the educational psychology assessment.

In the absence of an adequate number of educational psychologists, children are being referred to psychology assistants. The only remedy open to the psychology assistants is to refer those children to the reading centre. The reading centre does superb work — excellent work — with children, but its waiting list is too long and it is unlikely that many of the children on that list will be seen. Delay at that age is detrimental to children's long-term education prospects.

I recently asked the Minister about the reading centre waiting list. The Minister's response was:

"The chief executive of the Western Education and Library Board has informed me that 156 children in the Derry city area are currently awaiting support from the Reading Centre, with an additional 107 in the wider Co Derry area. However, these children should be taught in their own school in a way that addresses their literacy difficulties."

I was appalled at the Minister's answer. It was a cop-out. If schools were able to deal with the specific

reading difficulties of those children, they would not need support from the reading centre. However, schools do not have the resources in terms either of expertise or time, and those children need intensive and specialist one-to-one and small-group support that is not available in schools.

While there is a deficit of educational psychology services, schools need to be given adequate resources so that they can carry out their own assessments and provide children with the help they need in-house. Each school should be resourced to employ at least one full-time special needs co-ordinator, and additional teachers and classroom assistants to provide children with mild and moderate learning difficulties with the help they need. Most schools currently have a special needs co-ordinator working part time. Part time is not enough in the present circumstances to do the job properly and effectively, and to give the early intervention that is so important.

Speech, language and communication therapies are managed by the Department of Health, but are integral to the education system. A few years ago, there was an unacceptable waiting list for speech and language assessment in the west. That problem was solved by employing more speech and language therapists and technical assistants, some on temporary contracts, to carry out assessments. There is a growing list of people who have been assessed and need therapy, but who are waiting too long for their therapy blocks, as they call them, to take place. The Minister of Education needs to review speech, language and communication provision with her counterparts in the Health Service to improve access to speech and language therapy in Foyle and the Western Education and Library Board Area, because it is affecting educational outcomes.

Special schools need to be better funded, and special-school principals need to have more control over the use of resources, similar to the control enjoyed by mainstream school principals. Special schools in some areas received notice of their budget allocations only last week. Can the Minister explain the delay in informing special-school principals of their budget allocations?

Special schools have a great depth of expertise that can be shared with mainstream schools on an outreach basis. However, to get the full benefit to the children who need it, special schools need to be better funded.

On leaving special schools, young adults in the west, who do not have access to the opportunities enjoyed by other school-leavers, are being denied access to training centres for people with any disability because the centres are full, thereby denying them the right to education. Although that is the responsibility of the Department for Employment and Learning, there

is not joined-up thinking when it comes to adulthood for those who have special needs.

The Minister and her departmental officials will, of course, argue that the resources are not available to tackle the problems. Resources are an issue, but how efficiently and effectively are they used? I understand that in Northern Ireland 58% of education funding goes to schools, with the rest spent on administration. In England and Wales, 88% to 92% goes directly to schools. That efficiency level should be our target.

There are major opportunities to change the system. At the same time, we have hundreds of teachers unemployed and primary schoolchildren in classes of 30. The Executive should set a target of achieving primary-school classes of 15 children within 10 years. That would have a massive impact on the children, produce widespread educational excellence and transform society in the space of one generation.

We look forward to the setting up of the education and skills authority, which has the potential to reduce bureaucracy and get resources to schools. I understand, however, that there are no teaching practitioners or parent representatives on the transitional board. Will the Minister confirm whether that is the case, and, if so, whether she is minded to explain and change that?

The Minister must find solutions to the education psychology service's funding deficit, and to provide schools with additional resources so that they can provide the additional support that would otherwise follow education psychology service reports. The Minister should insist as a standard that an average-size primary school should have at least one full-time special needs co-ordinator, and schools should be funded to provide that.

The Minister and the Executive should commit to a radical reduction in class sizes. The Minister needs to work more closely with principals, particularly the principals of special schools, to give them more authority to make the best and right decisions for their pupils. The Minister needs to ensure that speech and language therapy is provided in a timely and adequate fashion, and not, as we know all too well in Derry, by postcode lottery.

To achieve those things as a first step in improving resources, the Minister needs to ensure that much more of the money that is invested in education ends up in the schools and is not tied up in bureaucracy. The Minister can be assured of the support of the SDLP in her work if she achieves those goals.

**Ms Anderson:** Go raibh maith agat, a LeasCheann Comhairle. I appreciate the opportunity to speak in the debate, and I commend my fellow Foyle MLA Pat Ramsey for securing the Adjournment topic.

I begin by paying tribute to the teachers and staff who are doing such a marvellous job in providing special needs education in Derry, often in difficult and challenging circumstances. I have visited schools such as Belmont House and Foyle View on a number of occasions. The first thing that strikes one is the sheer dedication of those who work there. For people such as Mickey Dobbins, it is not a job; it is a vocation, and the people of Derry owe them a debt of gratitude.

However, as well as all the other challenges that staff, families and teachers are facing, other significant problems are affecting the delivery of special needs education in Derry. The lack of speech and language therapists, for instance, to which Pat Ramsey referred, is a huge and well-documented problem in Derry, and is having a serious detrimental impact on the ability to provide the sort of services that special needs children require and to which they are entitled.

The ability to recruit additional speech and language services is also hampered by the fact that lower rates of pay are often offered in the Western Health and Social Care Trust area than in other parts of the North. The Stand Up for Derry campaign finds that unacceptable. I am conscious that the Health Minister is not in the Chamber for the debate, but he needs to address that issue.

The lack of speech and language therapists also demonstrates that special needs education, like many other issues, is a cross-departmental matter. If there is to be real delivery for those who need it, a holistic approach must be taken by all Departments and all parties. Almost everyone accepts that much more needs to be done to ensure that the 60,000 children with special educational needs, 18.6% of all our children, are given the opportunity to achieve at school. Unfortunately, one party in the Assembly does not seem to share that belief: that party is the DUP.

For reasons known only to itself, the DUP has continually opposed the Education Minister's proposals that emerged from the review of special educational needs and inclusion. Those proposals, which would be accommodated by £25 million of ring-fenced funding, would add significantly to the £188 million that the Minister already spends on children with special needs. However, the DUP has routinely blocked the Executive's proposals. Last month, when Sinn Féin tabled a motion that called for the proposals to be issued for consultation, the DUP opposed it. Shame on the DUP; that is an incredible and unforgivable position. The DUP must explain to the parents of children with special needs why it chooses to rob them of their rights and entitlements.

The review of special educational needs and inclusion was carried out by some of the most eminent experts in the field. It is eagerly anticipated across the

education sector and will inject funding that is desperately needed to modernise the way that children with special education needs are dealt with. Publication of that important review has already been delayed for several months but the DUP continues to block its going out for consultation. The DUP is effectively preventing the families and teachers of children with special educational needs and others from having their say on the report. The DUP is blatantly censoring public opinion on a very important document.

What does the DUP fear? Why was the DUP the only party to vote against the motion and delay the money going into the system? That money was referred to during the debate on that motion and Mr Ramsey mentioned it again today. What makes the DUP think that it knows more about special educational needs than the experts who wrote the report? Only the DUP can answer those questions, and it is up to that party to explain to parents, teachers and, indeed, all of us with an interest in education why it is delaying progress on a vital issue. I thank Mr Ramsey for securing this adjournment debate and I appreciate the opportunity to have contributed to it. Go raibh míle maith agat.

**Mr McCartney:** Go raibh maith agat, a LeasCheann Comhairle. Ba mhaith liom cúpla focal a rá ar an ábhar seo. I commend Pat Ramsey for bringing the issue to the Floor of the Assembly. It goes without saying that the subject has been well-aired and well-articulated in the local media. I join Pat Ramsey and Martina Anderson in complimenting the people who work in the field of special needs education. Michael Dobbins was mentioned, and all the Foyle MLAs know him well. Recently, he received a prestigious award both for himself and for Foyle View School. He talked about the school's team approach when accepting that award. I am fortunate that a family member of mine works in that school and I appreciate the work that its staff put in; they see themselves as working as a team rather than as individuals.

As Pat Ramsey and Martina Anderson have also said, special needs education poses particular challenges. The people who work in special needs education see those challenges on a daily basis and regard them as part of what they do. Those people should be reassured that they have a Minister who continues to show her commitment to the sector

Whatever we do, we should ensure that staff have the support, the expertise and the resources to make that possible.

5.30 pm

Pat Ramsey and Martina Anderson spoke about the lack of speech therapists, and that issue has been widely discussed in the Foyle constituency. It is not a matter for one Department; it is a cross-departmental

issue. The wage structure for speech therapists in the trust in which Derry is situated is lower than in other parts of the North; therefore, it is not just a regional issue, but an equality one. Not being able to attract speech therapists to Derry has a wider impact that needs to be addressed immediately.

I attended the debate on the special educational needs review and the definition of special needs. The most important factor in that issue is that £25 million is being blocked from going into the sector. I listened to the arguments why the issue should not be progressed and found them very weak, because, rather than narrowing the definition of special needs or accepting the status quo, the Minister seeks to widen it, not just for the sake of changing the definition but to bring in extra resources.

It is a pity that other Members are not present for the debate. I accept that it is a constituency matter, but there should be no blockages to this important sector for whatever reason. Getting that money into the system would have an effect across the whole sector, not just in Foyle.

I agree with Pat Ramsey that there is a need to raise standards generally and not just in special educational needs. The statistics are often trotted out, but it is a scandal for all public representatives that too many of our children leave school without proper qualifications because of the way that the system is designed. The Minister has shown leadership in that respect, and we will see the benefit of that in the years ahead. We must ensure that in three or five years' time, we will not repeat those statistics. We must improve not just special needs education but all types of education. We should support the Minister in all that she does to achieve that.

Pat Ramsey said that all special needs education provision should be housed in a school with the aid of a co-ordinator. I do not think that anyone disagrees with that in principle, but people whom I represent have told me that even a specialist unit outside a school can have an effect. A specialist unit takes the child outside the school environment away from the scrutiny of other children who know that those children are going into a special room or class. There could be a combination of provision. However, I agree with the principle that the Minister, the Departments and the boards should have more resources to ensure that special needs education flourishes in that sector and across other education sectors.

I commend Pat Ramsey for securing the Adjournment debate. I also commend the Minister and will ensure that she has continued support in all that she does. Go raibh maith agat.

**Mrs M Bradley:** I commend and thank my colleague Pat Ramsey for bringing the topic to the Floor of the House. I declare an interest as a governor of a school.

There are constant complaints pertaining to the difficulties in securing an appropriate assessment and, more important, a timely one. Before the Minister tells us that she has ploughed additional funds into reducing the backlog of assessments pending, I want to make it clear to the House that the process has by no means improved the situation. If anything, it is now even more frustrating for parents, as their children are kept on lengthy waiting lists for reading centres and equally long lists for appropriate classroom intervention.

Interventions are not made early enough and, in some cases, not at all. A situation seems to be developing whereby those who are being assessed for additional funding are not receiving sufficiently high assessments to warrant an intervention. As a result, teachers are being left in untenable and, in some instances, downright unsafe situations. At present, children who are put forward for assessment must wait for a few academic years. They must wait for a further two or more academic years after that before receiving a paltry few hours of help.

Although the Special Educational Needs and Disability (Order) 2005 (SENDO) is liberating and highly commendable, it has opened up huge holes in the system. The contents of the Order are equality driven and were born out of anti-discriminatory laws. Sadly, that equality seems to have disappeared in a huge cloud. A child may have to move from the environment of a special school, in which there may be a ratio of three pupils to one teacher, to the classroom of a mainstream school, in which there may be as many as 26 or 28 pupils to one teacher. At that stage, the situation hits home. There is little or no intervention, or even suitable assistance, in that new environment. Where is the equality for that pupil with special needs? Where is the anti-discrimination ethos when education boards are exonerated from their duty to supply all that is required to adhere to SENDO?

The Minister constantly asks the Assembly to work with her. Today, I ask her to work with us by insisting that her Department works with, and not against, the schools. For the benefit of everyone, she must ensure that her Department complies with SENDO. A complete overhaul of special educational needs is needed, and that must focus on classroom-based requirements.

Some parents are lucky to be in a strong financial position to pay for private interventions. However, given the current economic climate, that number is dwindling fast. The one person in Foyle who had helped children out of hours has now retired. Now, therefore, parents in that area cannot even pay for that bit of help for their children.

I never fail to be appalled at, and amazed by, the stories that people relay to me in schools and in their homes. The Assembly faces huge pressures to implement action on the basis that it represents a better option than direct rule and can deliver what was promised by the First Minister and deputy First Minister: a better future for all. Unfortunately, they forgot to tell Members that the provision of special needs education was an omitted addendum to their statement.

The situation needs to change so that children can avail themselves of early and effective intervention, rather than being expected to wait until they arrive on the doorstep of their post-primary school. By that stage, they lack confidence, and life is simply becoming more and more difficult for them: shame on us, for allowing that to happen to those children. I support Pat in today's Adjournment debate and I am delighted that he chose that subject.

**The Minister of Education (Ms Ruane):** I, too, thank Pat Ramsey for today's topic for debate. It provides me with an opportunity to highlight how the special education framework provides for the assessment and identification of special educational needs that enable the education and library boards to make special education provision.

I also want to highlight the work of the Western Education and Library Board (WELB) on the provision of special education in the Foyle constituency, and my plans for the arrangements for the provision of special education.

Before doing so, however, I will respond to a couple of points made in the debate. The education and skills authority (ESA) is coming into being. At present, one of the issues facing the Department is the unequal provision for children with special educational needs across the five board areas. I share the concern expressed about funding that is being invested in the administration of education. That is why the RPA exists and why ESA is being created. I look forward to the SDLP's support on the collapsing of the administrative arrangements.

The task force on literacy and numeracy is also doing some extremely good work. Its report is, as I understand it, almost complete and will soon be on its way to me.

My Department is carrying out one of the most radical overhauls of the education system ever to take place. Transfer 2010 will probably make one of the single biggest differences to children with special needs. At present, many children are disadvantaged, and Members spoke about the number who are struggling with literacy and numeracy, and that is unacceptable. However, children with special educational needs have been particularly affected by the previous selection arrangements, the distortion of



the primary curriculum and the admissions arrangements that applied to them.

Fortunately, those arrangements no longer operate and those grammar schools cannot discriminate against or deny entry to special needs children as in the past.

Ón tús, ba mhaith liom a rá gur caitheadh timpeall ar £185 milliún ar riachtanais speisialta oideachais sa bhliain acadúil 2007-08. Tá sé tábhachtach go mbaintear an úsáid is éifeachtaí as an gcaiteachas suntasach seo le freastal ar riachtanais na bpáistí seo.

At the outset, I emphasise that some £185 million was spent on special education needs in 2007-08. It is important that such significant expenditure is used as effectively as possible to meet the needs of our special needs children.

At present, 60,529, that is 18.67% of our children and young people, have a special educational need; 13,271 of them, that is 4.1%, have such significant needs that a statement is required to ensure that those needs are addressed. I am keenly focused on special education provision.

Special education provision is matched to the individual needs of the child. Provision may be made in special schools; special units attached to mainstream schools; in mainstream classes; through home or hospital tuition; preschool support; or placements outside the North of Ireland.

Like Pat Ramsey, I believe that it is very important that parents can access education on either side of the border. We must work at a North/South level, and I am seeking to ensure that there is much more co-operation across Donegal and Derry and along the entire border area, and my Department will work with its counterpart in the South of Ireland to make sure of that. Now that we are in the EU, we cannot allow our children to be denied education on either side of the border because of archaic laws in the North of Ireland. European law takes precedence.

Under special education legislation, statutory responsibility for securing special education provision for pupils with special educational needs rests with the education and library boards and schools. The chief executive of the Western Education and Library Board has advised me that the board provides a comprehensive range of services, support and provision to meet the needs of children and young people with special educational needs in the Foyle constituency. That includes preschool support through the board's early-years support service, which can be accessed in the family home for children too young to access preschool placements.

Access to the service is based on multidisciplinary assessments by child development clinics. Those arrangements, which have operated since September

2008, have diminished the waiting times between early identification of need and access to early-years special needs support. Specialist preschool provision can also be accessed through the nursery class that is attached to Belmont House special school, and through the class at Foyle View school that meets the needs of children with more complex difficulties. Pupils who are enrolled in primary schools access support for board services through the board's education psychology services.

In the Western Education and Library Board, the assessment model used by the education psychology service, which applies to children at stage 3 of the code of practice, is managed through a time-allocation framework. It is based on consultation with schools and advice on key issues as well as the assessment of children on the basis of a school's priorities.

The education psychology service provides professional advice as part of the statutory assessment process to facilitate the identification of need and the specificity of the recommendations that are required to meet the needs of children with special educational needs. Due to the statutory requirement of that work, it has taken precedence so that the board can comply with its statutory duty to meet the needs of children and young people in its area. Despite difficulties in recruiting staff, the chief executive assures me that that aspect of the education psychology service's work has continued to be delivered within the agreed time frames.

Tá £500,000 sa bhreis curtha ar fáil agam don bhliain 2009-2010 le gur féidir leis na boird aghaidh a thabhairt ar liostaí feithimh do shíceolaíocht oideachais agus do thacaíocht disléisce.

5.45 pm

Indeed, for 2009-2010, I have made available an additional £500,000 in earmarked funding to enable the boards to address waiting lists for educational psychology and dyslexia support. The Western Education and Library Board hopes to address its waiting times for dyslexia provision through the use of that additional funding. I understand that a comprehensive range of services is provided to primary schools in the Foyle area, including services such as specific literacy difficulties advice: support, training and teaching from a centrally based specific literacy difficulty service; language outreach; moderate learning difficulties outreach; direct advice, support and training from the centrally based autism advisory, training and intervention service; and sensory support for children with visual or hearing impairments.

I recognise that, historically, the Foyle area has had high numbers of children with dyslexia. In addition to the comprehensive ranges of services that I have outlined already, I can advise that the WELB has proactively addressed the matter of dyslexia support by employing three psychology assistants to introduce a

literacy-screening service in order to refer children directly to literacy services. That has successfully reduced the number of children who are unnecessarily waiting for a detailed education psychologist's assessment, and it ensures that children are referred much more quickly to support services.

The vast majority of schools have had staff awareness training to develop a dyslexia-friendly learning environment. In addition, seven schools in the WELB area have obtained, or are working towards, the Dyslexia Association's Kitemark for dyslexia-friendly status. Members will also know that autism-specific classes have been attached to St Brigid's Primary School in Carnhill, Model Primary School, Belmont House Special School, Foyle View Special School, St Anne's Primary School and Lisnagelvin Primary School.

Nevertheless, I acknowledge that there are difficulties with the current framework, including inconsistencies and delays in identification, assessment and provision; growing numbers of statemented children; and the bureaucracy that is attached to the present arrangements.

Is é sin an fáth ar chuir an tAire Oideachais a bhí ann romham tús leis an athbhreithniú ar riachtanais speisialta oideachais agus chuimsiú in Aibreán 2006. Tá an t-athbhreithniú seo iontach tábhachtach agus muid ag iarraidh feabhas a chur ar an gcreatlach reatha riachtanas speisialta oideachais.

For that reason, in April 2006, the review of special education needs and inclusion was initiated, and, as we strive to make improvements to the present SEN framework, the review is of great importance. The review of special education needs and inclusion aims to both strengthen the current provision for children with SEN and to address growing diversity in schools.

I want to ensure that every child and young person who faces a barrier to learning is given a fair and equal chance. Therefore, I plan to establish a robust and accountable support framework that identifies and supports the needs of all children whenever they occur and as early as possible. I want that to happen through capacity building and upskilling for teachers and the wider workforce and through collaborative working across the education sector and between education and health professionals.

The proposals that emerged from the review of SEN and inclusion were first referred to my Executive colleagues in July 2008, in order to seek agreement to issue them for consultation. In November 2008 and again on 8 May 2009, I resubmitted the policy proposals to the Executive Committee, and I recommended that the Executive agree to the proposals being issued for public consultation as soon as possible. I regret to report that, unbelievably, almost one year on from the original referral and despite the Assembly's support last month for a motion to issue the document, the

document has still not made it on to the Executive's agenda. The ongoing delay to the commencement of the consultation process means that the difficulties in the present system remain unresolved.

The public consultation on those policy proposals is much anticipated by all those who have been involved in the extensive pre-consultation stage. Parents who have experienced difficulties with the existing framework remain frustrated that they are being prevented from giving their opinions on the policy proposals. I share their frustration. Every day that passes means that some children continue to fall through the identification net and do not get the help that they need when they need it. More importantly, every day that passes means that the Assembly continues to fail children with special education needs.

It is my firm hope that my Executive colleagues will agree, at the earliest opportunity, to the policy proposals being issued for consultation.

Go raibh maith agat, a LeasCheann Comhairle.

*Adjourned at 5.50 pm.*