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Contents

Ministerial Statement
Budget 2011 – 2015.....419

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Northern Ireland Assembly

Friday 4 March 2011

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

Members observed two minutes' silence.

Ministerial Statement

Budget 2011 – 2015

Mr Speaker: Having been given notice by the First Minister and deputy First Minister under Standing Order 11, I have summoned the Assembly to meet today for the purpose of an oral statement from the Minister of Finance and Personnel on the Executive's Budget 2011-15.

Before I begin, I note that there is a keen interest in this statement. I remind the House that, with the exception of the Chairperson of the Finance Committee, I expect Members to rise in their place to ask a question. I do not want them to make further statements. Let us deal with the statement that the Finance Minister will deliver. Let me say to Members who rise in their place and persist in making a further statement, I will warn the Member once, and then I will ask the Member, if he or she persists, to take their place, and I will move on to the next Member. Let me make that absolutely clear.

The Minister of Finance and Personnel

(Mr S Wilson): Before I start, let me apologise to Members for the late arrival of my statement in their pigeonholes. I am not too sure what happened, but I am sure that they will have time as I go through my statement to read what is being said and to pose the appropriate questions. I suspect that they all have their questions ready before they read the statement anyway.

I am grateful for the opportunity to address the House and present the outcome of the Executive's determination on the final Budget position. This has been a long and necessarily slow process. As Members are aware, over recent weeks I have spent many hours in the Chamber debating the Budget process, and today I present the product of all the work that has been done by the Executive, the Assembly and all those who

have participated in the consultation. I am grateful to all who have participated.

Although I recognise that the Budget is often seen as the Finance Minister's Budget, it would not have been produced had it not been for the dedicated work of many people in the Chamber. I thank the First Minister and the deputy First Minister for the way in which they have driven the process forward, and I thank the advisers of the various parties and the Committees. I also thank my officials, who put long hours of work into the process. It is important to put that on record.

Many Members have said that the Budget would be engineered for party political advantage. That is an absurd allegation. In just 21 days, the Assembly will dissolve, and a new Executive will be appointed in May. It is simply not possible for any party to know what would be in their own narrow interest. In the next Assembly, different parties will have different Ministries, because of the uncertainties of d'Hondt.

Maybe I will introduce a wee bit of philosophy at this stage. It may well go over the head of some Members. Rather than being driven by party advantage, when considering the Budget I was more influenced by the thoughts of that well-known nineteenth-century philosopher, John Rawls, who, as Members will know, wrote a book entitled 'A Theory of Justice', in which he advanced the concept of the veil of ignorance. Put in simple form, according to that theory, people do not know what their future standing is going to be. As Rawls said:

"no one knows his place in society, his class position or social status, nor does anyone know his fortune in the distribution of natural assets and abilities, his intelligence, strength and the like".

Since one may occupy any of those positions, that theory encourages us to think about society from the perspective of all its members. That

is what has determined the decision on the Budget.

The philosophy lesson is now over. Let me get down to the nitty-gritty of the politics and the allocations that have been made. That is how we have approached the Budget process and today's statement. I believe that, once objective observers outside the Assembly see the content of the Budget, they will realise just how absurd the allegation is. They will be able to judge the accusation that has been made and, hopefully, put it to rest.

Although the production of the Budget was necessarily free of selfish party political interests, it is clear that some of the opposition to the Budget has been for cynical party political purposes. Some Ministers simply could not take yes for an answer. What the Executive have delivered today is proof of the growing maturity in our political system, in that we can produce a fair and balanced budget for a four-year period even in the face of imminent elections and Ulster Unionist Party-inspired cuts in the Assembly. The Executive recognise that it is imperative to put in place spending plans that give certainty to Departments and, therefore, employees and all our citizens who avail themselves of public services.

In a five-party mandatory coalition, no party will get everything that it wants from a Budget process, but I believe that the outcome marks a fair compromise and has sought to take on board the concerns of all parties. However, the reality is that, in the present fiscal environment, there is less money to spend. As I said back in December when releasing the draft Budget, we have received no favours from the UK spending review, which has resulted in a loss of £4 billion of spending over the review period. The UK national Administration, supported by their electoral partners in the Ulster Unionist Party, have imposed a very tough spending — *[Interruption.]*

Mr Speaker: Order. The Minister must be heard.

The Minister of Finance and Personnel: You can be absolutely sure of one thing: when you hear the clamour from that end of the Chamber, you know that you have hit the target and hit it very well.

Today, those who advocated the cuts to the Northern Ireland block are the ones who complain loudest about the Budget settlement that those cuts produced. They still refuse

to accept responsibility for them. However, in the face of such a difficult settlement, we have sought and fought to raise additional revenue, deliver savings and improve financial management to deliver additional spending power for the Northern Ireland Executive. The Executive have risen to the challenge.

The process has resulted in hundreds of millions of pounds of additional allocations, which have been made possible since the draft Budget. I hope that, in the coming months, that can be improved again as the Budget review group continues its work. The final Budget is the end of one process but also marks the beginning of the next.

Over recent weeks and months, Ministers have debated intensively where funding priorities should lie. Ministers, understandably and rightly, fought strenuously for their own portfolio, but there was consensus on the key issues. It is clear that the key principles in the existing Programme for Government are still relevant. The priority for the Executive must continue to reside in creating a climate conducive to economic growth through investing in skills, employment and infrastructure, while preserving the integrity of healthcare provision in Northern Ireland.

I emphasise again that the desire for economic growth is not based simply on an ideology. Rather, it is based on a desire to improve the income levels and living standards of all the people of Northern Ireland. I do not need to remind Members that the consequential benefits of such an outcome are improvements in health and education across all sections of the community.

Although the Executive had less money to allocate as a consequence of the UK Government's settlement, we believe that we have now allocated our available resources to the highest priority areas. That should ensure that key front line services are protected as much as possible. However, there is a requirement on the Executive to ensure that the scarce resources are deployed in the most efficient manner possible. I believe that there is still considerable scope to drive out genuine cash-releasing efficiencies over the next few years.

Publication of the final Budget does not signify an end to the Executive's pursuit of additional revenue sources. Ministers will pursue many potential sources of additional revenue over the coming weeks and months. That is why the

ministerial Budget review group will continue to meet. It is also why that Budget review group will, despite the behaviour and claims of some Ministers, include all parties. That needs to be emphasised. Momentum must be maintained in pursuing these issues. Only when the proposals become more concrete through delivery can the Executive factor any released resources into future monitoring rounds. In a more constrained financial environment, we must look more aggressively at how money can be saved and better used.

I referred earlier to the growing maturity in our political system. That growing maturity will undoubtedly generate further benefits for the citizens of Northern Ireland. As our community becomes more comfortable with itself, we should begin to see savings accrue from greater integration and co-operation, as the costs of division diminish. By prioritising early intervention and prevention, we can ensure that we get long-term savings and maximise the return for our investment. In the next Assembly term, better joined-up working and collaboration between Departments will also be crucial to ensuring that we get best value for money.

10.45 am

I would now like to address some specific issues, the first of which is the provision for the health budget. Many times over recent weeks, I have highlighted how the Executive have afforded funding protection to health services in the draft Budget. That position undoubtedly made the financial allocations to all other Departments much more severe, given that the health budget accounts for a large proportion of the total block. This final Budget position goes further by providing additional funding for the health budget. However, although I have been able to make a significant contribution of £120 million to DHSSPS over the period and to permit an internal reclassification that generates a further £69 million of genuine spending power, I emphasise the significant backdrop to that. I recognise that that is still short of what the Health Minister has publicly said that he feels is needed. However, although his statement of need has been made publicly and often, the Executive still await the presentation of a robust case from him.

The McKinsey report, although welcome, has been presented very late in the day and without any accompanying commentary from

the Minister. Although it seeks to articulate the cost pressures facing DHSSPS, it also sets out some material savings that can be made in the sector. Interestingly, it also highlights that every month's delay in pursuing those savings will reduce the quantum of achievable savings in 2014-15 by £5 million. So, every month's delay will reduce savings by £5 million, which is £60 million a year, and we have already had a five-month delay. I note, with regret, that, despite the report being received some five months ago, to date no action has been taken on it by the Health Minister, other than to continually speak publicly about the cost pressures therein. I, therefore, ask him this very basic question: has he as yet developed an implementation plan for the necessary work?

In that context, I regard the case that has been articulated by the Minister as not proven. The Executive are committed to the Health Service, as evidenced by the unique measures offered to the Minister, such as record spending allocations, preferential treatment compared with other Northern Ireland Departments and health Departments across the United Kingdom, complete budgetary flexibility and a first call on in-year resources. However, we simply cannot afford to continue in that way without a firmer evidence base.

I, therefore, propose that, aligned with that material increase in funding, we defer final judgment on the position of the Department of Health, Social Services and Public Safety until the PEDU work that was recently agreed by the Executive has concluded. Although I remain confident that that work will identify substantial scope for savings in DHSSPS, in the event that it concludes that additional funding is needed and, indeed, required, I will happily bring proposals back to the Executive to top-slice all Departments to provide the established level of funding.

I now turn to the issue of the Belfast port. Colleagues will be aware that the draft Budget agreed a planning assumption that the port would make £15 million per annum available in the third and fourth year of the Budget period. In addition, the port was to provide £5 million in the first year towards the Paint Hall development in the harbour estate, which is a key development in attracting high-value inward investment. That has not proved possible, so we have adopted an alternative approach to the Paint Hall issue: we are going to fund it from our own resources. However, in the long term,

I still believe that we can maximise the value of the port to the broader strategic interests of Northern Ireland, and thus I have increased the assumed resources in the final two years to £20 million per annum. The Regional Development Minister will proactively pursue the necessary legislative changes to underpin that approach.

The next issue that I want to deal with is stadium funding. Much work remains to be done to bring the standard of stadiums across the three main sports — rugby, football and GAA — up to the desired level. I emphasise that this is not about trophy venues but, rather, about encouraging and broadening the participation base of all sports. That has economic and social benefits, not least through encouraging and supporting more active participation in sports, with the consequent health and lifestyle benefits to all concerned. In that context, we have decided to adopt a six-year approach, and the Minister of Culture, Arts and Leisure will shortly return to the Executive with his plans for the long-term strategic approach.

The Minister of Culture, Arts and Leisure has also been given additional funding for libraries and arts across the Budget period in recognition of representations made during the consultation exercise. Again, I emphasise that that is further evidence of the connection between the Executive and the community and an acknowledgement that, despite the cynical views of some, we see the consultation process as playing an important role in shaping our approach to the Budget.

I turn now to education. An efficient, fit-for-purpose education system is critical for our skills enhancement agenda. In response to representations from the Education Minister, in which she set out her concerns about the skills agenda being undermined, the Executive have agreed additional funding allocations to the sector. Over the four-year period, an additional £114 million of current expenditure has been added to the draft Budget provision, and a further £40 million has been allocated for capital investment.

Mr Speaker, I turn now to the funding of the House and the Assembly, an issue about which you have been exercised and made representations to me. You raised the issues that have concerned you and the Assembly Commission, and you will be pleased to know that I have acknowledged those representations

— I want to make sure that I am called in future — with an enhanced current and capital allocation over the Budget period. I firmly believe that the Assembly should set an example when it comes to making savings and becoming more efficient. My draft Budget allocation was not about trying to emasculate the Assembly or undermine this legislature. There was also the assurance that, if the Assembly needed additional resources in-year, the monitoring round process would automatically provide what was needed. The Assembly has never had a request for resources rejected by the Executive.

I turn to the Department for Employment and Learning, which is controlled by a Minister from the Ulster Unionist Party. In relation to funding for that Department, the Executive have acknowledged that there are pressures outwith the control of the Minister for Employment and Learning, particularly in the context of the Department's contribution to economic growth through upskilling the workforce and supporting people in making the important transition from welfare to work. In acknowledging those issues, the Executive have agreed to make a further £51 million in current expenditure available to the Department over the four-year period. However, I make the point that the Minister for Employment and Learning has to address some significant inefficiencies in his Department. There are obvious areas where funding incurs a high degree of what economists refer to as dead weight — expenditure that is not required, as the individual project would have proceeded anyway. That complete loss of spending power to the Executive should be addressed as a matter of urgency.

I have already referred to the importance that the Executive place upon growing our economy. This Budget builds on previous decisions to deliver on that commitment. As part of the Budget process, we have transferred over £250 million from current expenditure to capital expenditure, to ensure that we continue to invest in the long-term future of Northern Ireland.

I have already mentioned the increased allocations to DEL and DE to strengthen our skills enhancement agenda. The Executive have also allocated a further £2 million in current expenditure to DETI in 2011-12. That allocation will bring the DETI current expenditure uplift to 3.8% in this year. Factoring in the Executive's continued commitment to maintaining the manufacturing sector rate cap at 30% gives

some insight into the Executive's commitment to the economy.

I want to make one further new announcement on rates. I want to rebalance the system of business rates. My Department will bring forward proposals to significantly extend the small business rate relief scheme, effectively doubling the current position on reliefs. I will look at cross-subsidising that by applying a levy to large retail properties, including major out-of-town shopping developments, which, when compared with our smaller businesses, have not fared too badly during this downturn. My Department will, of course, need to assess the impact of that and consult on it before the final decisions are made and the details are worked out, but, when that is done, I hope that the next Assembly will pass the legislation quickly to allow those changes to occur for the following rating year from April 2012.

I now turn to the issue of a childcare strategy. The ministerial subcommittee on children and young people produced a substantial scoping report into childcare provision across Northern Ireland. That report revealed that there were significant challenges in provision and affordability. In the next Administration, in recognition of the critical role that the issue plays to the economy, the intention is to develop a childcare strategy on a cross-departmental basis. During the development of the report, a number of key, immediate actions emerged that will help to support existing provision, as well as childminders and childcare and the creation of increased and affordable provision, such as start-up packages for childminders. The Budget provision of £3 million per annum will help to support a range of new measures, thereby reducing barriers to employment and encouraging and supporting economic activity in line with the priorities of growing the economy and reducing deprivation and poverty.

I turn to the Department of Justice. The financial package that was negotiated as part of the Hillsborough agreement provided the basis for ensuring that the transition to having policing and justice powers governed by a locally elected Justice Minister for the first time in 40 years could take place without putting at risk the functions that had already been devolved. However, in the context of Hillsborough, the Chief Constable made it clear that he needed certainty over the next four years on access to the reserve and that he needed to address the

current security threat without compromising the other vital elements of policing that he is responsible for. In response to that, we negotiated with the UK Government an additional £200 million for the Department of Justice over the Budget period. Building on the draft Budget position, that will allow the Minister of Justice and the Chief Constable to address the exceptional security situation that we currently face. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: I do not know whether the Member who interrupted is objecting to that in the same way as he objected to spending money on the economy. It seems that he now wants to object to money being spent on the police.

I believe that that will provide the PSNI with the stability and certainty that it needs to manage the security threat over the next four years.

Mr Speaker, you will note that the Executive have made a number of significant allocations since the draft Budget was presented to the Assembly last December. That has been made possible by a number of factors. The assumed level of rate receipts has increased due to increased revenue collection by LPS, and some technical transfers and adjustments have been made. More importantly, the Executive left the draft Budget with some £25 million a year held unallocated at the centre. That can now be disbursed to Departments.

The Executive also agreed to introduce a measure of overcommitment on both the current and capital side. The overcommitment of £30 million per annum on current and capital spend is really a self-help facility that has been made possible by better financial management across the public sector and by the many revenue-generating opportunities that Departments identified. In this context, that is a prudent level at which to set the overcommitment.

In summary, the final Budget has been developed in the context of the most difficult financial circumstances to have faced a devolved Administration in Northern Ireland. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: Despite that and building on the draft Budget, we have identified material additional resources for key public services. Let me summarise those again.

There will be £120 million for the Department of Health, Social Services and Public Safety, which will be supplemented by a further £69 million real spending power that does not appear in the figures. There will be £154 million for the Department of Education, £51 million for the Department for Employment and Learning and £107 million for the Department for Regional Development.

In addition, I propose further measures through the rating system to support and maintain small businesses through difficult times.

11.00 am

This is a Budget that supports the community, grows the economy, and reflects the needs and aspirations of the people of Northern Ireland. I commend it to the House.

The Chairperson of the Committee for Finance and Personnel (Mr McKay): Go raibh maith agat, a Cheann Comhairle. I thank the Minister for his statement and personally welcome the additional funding for health, education and, in particular, childcare provision, which is a massive economic driver, especially in rural areas.

In its report on the draft Budget, the Finance Committee called on all Executive Ministers to ensure that their Departments expedite attempts to identify and investigate all possible options for raising further revenue to reduce the impact of the British Government's spending review on public services and, therefore, protect the most vulnerable in our society. Will the Minister advise the Assembly whether he is confident that all Departments are doing all in their power to identify and investigate all possible sources of additional revenue, particularly through the budgetary review group?

The Minister of Finance and Personnel: I wish that I could give such an assurance to the Member. When we discuss and debate the Budget next week, by which stage, of course, the detail of the spending and saving plans of each Department should be available, Members will be able to identify the Departments that are lacking in that regard. All that I can say is that I have received communications from the permanent secretary of the Health Department, who has indicated the pressures on his budget and that one of the difficulties is that his Minister has refused to look at any revenue-raising measures.

Mr Hamilton: I congratulate the Finance Minister and his Executive colleagues on agreeing a Budget in the very difficult circumstances of dealing with the Ulster Unionist-approved Tory cuts of some £4 billion to our Budget.

Mr Cobain: Your Minister agreed it.
[Interruption.]

Mr Speaker: Order. Allow the Member to ask the question.

Mr Hamilton: Mr Speaker, I hear Mr Cobain yelping loudest. I know that he had to hold his nose, but he reeks of his party's association with the Conservatives.

Mr Speaker: I encourage the Member to come to his question. *[Interruption.]* Order.

Mr Hamilton: Will the Minister tell the House how the overcommitment position in this Budget compares to that in the current Budget?

The Minister of Finance and Personnel: First, in the debates on the draft Budget, I made it clear that I did not want to see figures that I was not comfortable with included in the Budget position. If the Member looks at the overcommitment that we have put in the Budget for the next four years, he will see that it compares very favourably with what happened over the past four years. That is because, in the first of the past four years, there was an overcommitment of £100 million; in the second, an £80 million overcommitment; and, in the third, a £60 million overcommitment. In effect, we have had to manage a £127 million overcommitment because of the Conservative-Ulster Unionist Party cuts in this year. We have managed that and, indeed, we have carried over £23 million — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: — into next year. One must recognise, historically, the overcommitment that we have been able to manage this year, and the fact that, towards the end of this year, in the February monitoring round, to avoid giving money back to the Treasury, we had to make a number of allocations. That end-year flexibility (EYF) position, of course, makes it even more important that we do not have surplus money at the end of the year. Therefore, on all those bases — historically, what we have been able to do this year, the EYF position and the inability to carry money over — the overcommitment of £60

million a year that we have built into the Budget is a reasonably conservative approach to that method of funding.

Mr McNarry: It is good that the Minister has found an extra £400 million, but it is still very worrying how he missed it in the first place. *[Interruption.]*

Mr Speaker: Order.

Mr McNarry: As regards the DUP-Sinn Féin cuts that he is announcing today, why was the Minister unable to use the extra money that was found to meet the Health Minister's representations? Does the Minister accept the Health Department's figures, which point to insolvency?

The Minister of Finance and Personnel: What amazes me, and what will amaze most people listening to the debate, because the general public recognise why we are in the difficulties that we are in —

Mr B McCrea: Indeed they do.

Mr Speaker: Order.

The Minister of Finance and Personnel: We are in those difficulties because of reductions made from Westminster, but so wrapped up are the Member and his party in their cosy relationship with the cutting Government at Westminster that there is not one word of condemnation for the source of the cuts. *[Interruption.]*

Mr Speaker: Order. The Minister must be heard.

The Minister of Finance and Personnel: That speaks volumes. The Ulster Unionist Party is now so deeply involved in its franchise —

Mr Cobain: Are you going to answer the question?

The Minister of Finance and Personnel: I am going to answer the question in a moment or two, yes. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: I know that it is embarrassing to the Member for me to point this out, but, given that the issue was raised, it cannot go unnoticed how tied the Ulster Unionist Party is to the party that advocated cuts and, indeed, that said that it would single out Northern Ireland for special consideration.

Some Members: You voted for it.

Mr Speaker: Order.

The Minister of Finance and Personnel: But, of course, given that the Ulster Unionist Party advocated for people to vote for that, I suppose that it cannot now distance itself from that party.

As far as the additional money that has been found is concerned, I would have thought that the Member would welcome it. He should also welcome the fact that most of that money has been allocated to Departments that are currently run by his own two Ministers, which again illustrates that this is not some kind of carve-up between the DUP and Sinn Féin. All I can say on that is that we are not very good at carving things up.

The Member asked whether I recognise that the figures that Health Minister gave to the Assembly and his Committee are not covered by the additional allocation of £189 million. I do not know whether he was listening to what I said. In my statement, I made it clear that we recognised the context: we will put the performance and efficiency delivery unit (PEDU) in to Health — since the Minister is not looking for savings, we are going to look at where they might be found — and, if we still find that there are pressures, we will top-slice other Departments. I cannot make it much clearer than that. The Executive have given a commitment to the Health Service in Northern Ireland.

In all that, the one thing that is significant is that, while we have sought solutions, not one suggestion has come from that party.

Mr P Robinson: There was one.

The Minister of Finance and Personnel: Yes, there was one. We had only one suggestion from the Ulster Unionist Party about where I should find money: cut it from Invest Northern Ireland, although I understand that there may be a recanting of that position later. If, of course — *[Interruption.]*

Mr Speaker: Order. Allow the Minister to continue. I really have to say that if Members are going to ask questions about the ministerial statement, they must allow the Minister to answer the questions. You cannot continue to interrupt. *[Interruption.]*

Order. We have an exhaustive list, so let me remind Members who continue to disrupt that they may not be called. Let us be very careful here.

The Minister of Finance and Personnel: Of course, if that suggestion is withdrawn, we will have had no ideas from that party as to how we might deal with the Ulster Unionist Party cuts.

Mr McNarry: What about an answer on insolvency?

Mr Speaker: Order.

Ms Ritchie: I thank the Minister of Finance and Personnel for his statement. Some weeks ago, at Question Time, the First Minister described the Health Minister's lack of enthusiasm for his draft budget as obscene. Does the Finance Minister agree with that assessment, and, if so, why has he allocated a further £120 million to Health? In addition, does the Finance Minister now agree that, before he prescribed a Budget, there should have been a Programme for Government, as he acknowledged to me in a recent written answer?

The Minister of Finance and Personnel: I do not believe the lady. I have sat through about 24 hours of debate on the Budget Bill, during which I was pilloried by her party for not giving enough money to the Health Department. Now she is condemning me for doing so. I know that I have given significantly more than what the SDLP recommended in its document — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: Of course, the SDLP recommended in its document that the Health Department should get about £10 million or £20 million extra a year. I have more than doubled that. So, I cannot understand where she is coming from. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: It illustrates that, as I said in my statement, some parties in this Assembly have made —

Mr McNarry: Name them.

The Minister of Finance and Personnel: I will name them and point them out. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: For two parties in this Assembly, the SDLP and the Ulster Unionists, it really would not matter whether I had allocated all the money that was available to all the projects that they are

supportive of; they were still going to vote against the Budget. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: Those two parties are not about seeking an efficient, fair and effective Budget in the face of unprecedented cuts. They are all about how they can position themselves for electoral advantage in the May elections. The kind of question that the leader of the SDLP asked — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: The public will see through what is basically a transparent piece of politicking.

Dr Farry: The Budget may not be the Budget that the Alliance Party would seek to strike as an individual party, but, unlike two other parties in this Chamber — *[Interruption.]*

Mr Speaker: Order. The Member must be heard.

Dr Farry: — we respect that we are part of a five-party Executive and that there are processes that we have to abide by and obligations that we have to meet as an Assembly and an Executive. Therefore, what role does the Minister see for the Budget review group, which I welcome now that it will be on a standing basis, and for PEDU in following through on what I see as the beginnings of a potentially much more strategic approach to finance in trying to address some of the issues the Minister has set out such as early intervention and prevention, better collaboration between Departments and, of course, the cost of division?

The Minister of Finance and Personnel: I thank the Member for his comment. It is important to put on record — I have put it on the record once already, but I want to do so again — that the Alliance Party had the same luxury as the Ulster Unionists and the SDLP of sitting in the Executive, getting its generous allocations and then voting against the Budget so that it was not — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: — identified with the hard measures that are necessary given that there is a £4 billion reduction in the money that is available to us. The Alliance Party could have done that, and the Budget would still have gone through. However,

the party did not do that. That is the difference between a party that goes in, fights its case, is realistic about what is available and does its bit in trying to be an effective party in Northern Ireland — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: Both the Ulster Unionist Party and the SDLP have approached the issue cynically, because, as smaller parties, they have that luxury. They would die if Sinn Féin and the DUP took the same attitude and we did not get a Budget and ended up in economic chaos. They would die. They would be out there pillorying us. However, they know that some people in this Assembly have had to take — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: — a responsible position. The Alliance Party is to be congratulated, because it could have avoided taking the responsible position but did not. However, the Member has raised an important point. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: First, the need for collaboration between Departments came through in a lot of the consultation responses. There is already evidence of that happening. It is maybe not as widespread as it should be, but there is evidence of it already. For example, on the delivery of the guaranteed skills programme, the Department of Enterprise, Trade and Investment could have argued that that should sit with it because it is all part of industrial promotion. However, it recognised that it could be done more effectively in the Department for Employment and Learning, and it accepted that money that would have gone to its budget will be allocated to the Department for Employment and Learning.

I wrote to the Minister for Social Development and indicated that money that we were collecting in rates would be better spent on the green new deal programme, so the money went to his Department. There is more scope for that.

11.15 am

Secondly, the Budget review group has to look at where efficiencies can be driven, and, in the Budget allocation, we have allocated more

money to strengthen PEDU to allow it to do the kind of work to which the Member referred.

Thirdly, a reduction in the costs of division is a long-term project that we must look at. We will be mindful of that in the Budget review group as Ministers seek to find ways to get Departments to work together and to look at long-term programmes for reducing those costs.

Mr Frew: I welcome the statement, and I congratulate the Minister and the Executive on getting agreement. Can the Minister give any further details on rebalancing the system of business rates, which I welcome? This will be a difficult year for small businesses, particularly independent retailers in my constituency of North Antrim.

The Minister of Finance and Personnel: As I pointed out, the proposals should be cost neutral because we intend to extend the small business rate relief scheme so that twice as many businesses will be pulled into the arrangement. That will be financed by looking at some of the big out-of-town shopping centres, many of which have probably done some damage to town centres and have done fairly well through the recession. Indeed, they are declaring record profits in Northern Ireland. We do not believe that we will damage one sector to help the other sector. There should be a net benefit in that.

Until we publish the document for consultation, I do not want to go any further on the detail other than to say that the proposals are cost neutral and will help small businesses and those who have been most affected by the recession. Indeed, in response to the consultation on the draft Budget, many small business organisations said that they wanted the Executive to deal with those kinds of issues.

Mr McLaughlin: I welcome the Budget statement, particularly the fact that an additional £1.5 billion has been found since George Osborne's statement in October 2010. That represents the fact that the Assembly has done some effective work, at least some of the ministerial team and those who contributed to the consultation, which, despite its being contentious in many circumstances, was a valuable exercise. I welcome the fact that the Budget review group —

Mr Speaker: I encourage the Member to come a question.

Mr McLaughlin: I welcome the fact that the Budget review group and PEDU will continue that work, and I am sure that they will continue to add value. I welcome the £100 million that has been added to the Department for Regional Development's budget. Although the Minister of Finance and Personnel cannot speak for the Minister for Regional Development, does he believe that we will be in a position to proceed with the Dungiven bypass?

The Minister of Finance and Personnel: I am sure that the Member would love me to give him the headline for his local paper for next week. All I can say is that the Minister for Regional Development raised the issue of the pressures that his capital budget will face, especially for years 2 and 3. We sought to fill that gap as best we can, and I have to leave it to him to indicate how he intends to spend the additional money that has been made available.

Mr Ross: I also congratulate the Finance Minister in bringing the statement to the Floor of the House. How much additional money has been allocated in the final Budget in comparison with the draft Budget? Will the Finance Minister agree that, with the additional £107 million allocation to DRD, the overall DRD budget now has adequate funds to allow the A2 scheme in east Antrim to proceed?

The Minister of Finance and Personnel: The additional funding that will be made available is £388 million over the four years. Of that, £269 million is on current spending, and £118 million is on capital spending. Of course, there is also the £820 million that was made available in the draft Budget, hence the figure that the Member referred to in his question.

I, too, encourage the Minister for Regional Development to see the A2 scheme through. I trust that, in recognition of the generosity that I have shown him, he will use the additional money that has been made available to proceed with that scheme.

Mr McCallister: In his statement the Minister mentioned the integrity of healthcare provision in Northern Ireland. How does he square that with the letter from the permanent secretary, which he also mentioned in reply to a question, that stated that, come 1 April 2011, it would be almost impossible to balance the budget for the Department of Health? Does he take that letter seriously?

The Minister of Finance and Personnel: When I get a letter from the permanent secretary that indicates that the Health Service is about to go into bankruptcy, I ask myself whether that state of bankruptcy descended suddenly upon the Health Service. Usually, when businesses start to go down the tubes, there has been a long process of occurrences and impacts and action that should have been taken that perhaps was not. I ask myself why, when trends were identified during the past four years, action was not taken, such as making savings or, as I said in my statement, bringing a comprehensive case to the Executive for spending on health. That has not been done. I also read in the letter from the permanent secretary that the Minister refused to take actions that could have remedied the situation. I ask myself whether that is a result of past incompetence, present indolence or whether it is a future attempt to use the Health Service as a cheap ploy in the election. If that is the case, it is a damning indictment of the person who is in charge of the Department. *[Interruption.]*

Mr Speaker: Order.

Mr O'Loan: I thank the Minister for his statement. Productivity in Northern Ireland runs at 80% of the UK average, and many business commentators felt that the draft Budget did not address that adequately. What real changes has the Minister made in the Budget in response, or does he dismiss those commentators, who include, of course, the Minister for Enterprise, Trade and Investment's economic advisory group? Does he dismiss them, as he did in the Budget Bill debate, as "sectional" and "partisan"?

The Minister of Finance and Personnel: In a moment, I will give the Member the figures so that he can see that the Department has taken that seriously. I could accept his criticism had he prefaced his remarks by saying that if I had taken money from A, B and C, I could have given it to the areas that he has been promoting. Let us look at what we have done. Perhaps the Member has not listened to or read my statement; perhaps he simply ignored it. The Department for Employment and Learning has gained £51 million, most of which will go into further education and training. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: The Department of Enterprise, Trade and Investment has gained an uplift of 3.8% next year —

Mr Speaker: Order.

The Minister of Finance and Personnel: The increased expenditure on infrastructure and the allocation of money from current to capital spending are designed to improve infrastructure and skills in the economy and DETI's ability to help industry. Moreover, I have also announced that we are looking for ways to help small businesses that feel the impact of the recession, particularly those in the retail sector, which are very labour-intensive. When one looks at all the things that I have tried to do within the limited resources — do not forget that that is against the background of UUP/Conservative cuts — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: Given that it was against that background, I think that we have made sterling efforts to keep the economy at the forefront.

Mrs O'Neill: Go raibh maith agat, a Cheann Comhairle. I welcome the £189 million additional spending power for the Health Service, which, incidentally, is £150 million more than the SDLP proposed to give the Health Service in its paper. Does the Minister agree with me that — *[Interruption.]*

Mr Speaker: Order. The Member must be heard.

Mrs O'Neill: Does the Minister agree that that additional spending power plus a drive to weed out inefficiencies would allow any responsible Minister the opportunity to protect front line services? I am talking particularly about an accountable, responsible Minister, not one who does not even stay in the Chamber for the length of the debate and who does calculations on the back of an envelope.

The Minister of Finance and Personnel: Walking out on Budget debates is a fairly common trait of the Health Minister. When we set up the Budget review group in Greenmount he came in late and walked out early there, too. I think that the Member has pinpointed where part of the problem lies.

The Member has raised an important issue. An additional £189 million extra spending has been made available for health. We have agreed to put in some help to identify where savings might be made. Do not forget the other commitment that we made, which is that if, after that exercise, a case is made — which has not been

made by the current Minister — that there is still money needed to protect front line services, we will bring that back to the Executive and have a discussion on it. I have put it on the public record that we will then look at top-slicing other Departments.

The Chairperson of the Committee for Health, Social Services and Public Safety (Mr Wells):

The Minister highlighted the McKinsey report, which my Committee had a look at yesterday. That revealed that there are potential savings of £600 million per annum that can be achieved without affecting front line care. He also mentioned the very welcome £190 million extra for health. Will the Minister outline to the House how that compares with settlements in other parts of the United Kingdom?

The Minister of Finance and Personnel: The settlement here now represents the most generous settlement of any part of the United Kingdom. In England, there is now a real reduction in health spending. In Wales, there is a 2.4% reduction in health spending. In Scotland — do not forget Scotland has only a one-year Budget, so we do not know what is coming in years two, three and four — there is a 0.05% uplift in spending. In Northern Ireland, we have given an uplift of, I think, 0.01% in real terms in health spending. So, in comparison with other parts of the United Kingdom, health has done better in Northern Ireland than it has done in either Scotland, England or Wales. Do not forget that, in Northern Ireland, we have not imposed 5% efficiency savings on the Health Service, which, of course, the Health Service in England has been required to find.

Mr O'Dowd: Go raibh maith agat, a Cheann Comhairle. Will the Minister comment on a number of issues? First, during the budgetary process, the SDLP proposed an extra £1 million for education, but the draft budget actually proposes £150 million for education, which will be welcome for securing front line services and jobs. Does the Minister also find it interesting that the leader of the SDLP chose to comment on health instead of commenting on the Royal Exchange, which was the reason given to the media last night as to why the SDLP was voting against the Budget? Is there a difference of opinion between the leader of the SDLP and the Social Development Minister? *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: I

suspect that there will be another reason given tomorrow, because, as I said earlier, this is not about the content of the Budget or the process of the Budget; it is all about people positioning themselves for some cheap electoral point-scoring come May. They are not good at it, and the public will see through it. Indeed, as the Member has pointed out, we have been more generous to health and education than the SDLP would have been had it been controlling the Budget, yet it complains. I think that that speaks volumes.

11.30 am

Mr Givan: I commend the parties that played their part responsibly in the Executive, generated an additional £1.5 billion and had to take tough decisions to deal with the cuts inspired by the Ulster Unionist Party's colleagues who they supported in the election. *[Interruption.]*

Mr Speaker: Order.

Mr Givan: I have to say, Mr Speaker — *[Interruption.]*

Mr Speaker: Order. The Member must be heard.

Mr Givan: To be heckled about budgetary issues by my colleague in Lagan Valley, Mr McCrea — someone who could not manage even his own office cost allowances —

Mr Speaker: I encourage the Member to come to his question.

Mr Givan: We will not take lectures on a multimillion-pound Budget from someone who could not deal with his own OCA.

Mr Speaker: Let us have the question.

Mr Givan: If I could ask the Minister — *[Interruption.]*

Mr Speaker: Order.

Mr Givan: With regard to the final Budget, what assumptions are being made — *[Interruption.]*

Mr Speaker: Order.

Mr Givan: What assumptions are being made to deal with tuition fees? Can he set that in the context of the Farren fees that were introduced and the Tory fees, supported by the Ulster Unionists, which were increased?

The Minister of Finance and Personnel: The fees issue is still out to consultation, and we do not want to pre-empt what whoever the Minister may be will decide about that. However, an allocation of an additional £51 million has been made to the Employment and Learning Minister over the four-year period. It is, of course, up to that Minister to decide what he wants to do on that issue and how he wants to spend his budget.

Mr B McCrea: I am tempted at this juncture — *[Interruption.]*

Mr Speaker: Order. Allow the Member to be heard.

Mr B McCrea: I am tempted at this juncture to say that the emperor has no clothes, but that might take us down a different route. I want to deal with — *[Interruption.]*

Mr Speaker: Order. Allow the Member to be heard.

Mr B McCrea: I want to deal with the sentence in the Minister's statement that began, "The UK national administration, supported by their electoral partners in the Ulster Unionist Party". Why did the Minister not add the line "and voted for by the DUP"? Why did you miss that out? Your party voted with the Government on the Programme for Government.

Will the Minister agree that, under the Barnett consequential, we should have £4.8 billion allocated to health? Yet we get only some £4.6 billion. Why has he taken money from the infirm, the old, those with mental challenges, the pregnant and those who need the services?

Mr Speaker: Order. Will the Member now finish?

Mr B McCrea: Will he explain why he has taken money from the most vulnerable and allocated it who knows where? That is a disgrace.

The Minister of Finance and Personnel: Maybe if the Member had read the House of Commons Hansard report properly he would realise that the DUP voted against the Programme for Government. However, we did support the Government on a Labour Party amendment to change the electoral system and how Members of the House of Lords were appointed and to introduce AV. I assume that the Ulster Unionist Party had no difficulty with that, and I assume that that is what he is talking about. Of course, that is irrelevant to the issue here.

I will deal with the issues that the Member raised. First, as far as the Barnett consequential

and the money that should have been handed down to health as a result of the Barnett consequential are concerned, we have given a bigger increase to the health budget than was given in the rest of the United Kingdom. If we had been following the Barnett consequential, we would have given health the same reduction as has occurred in other parts of the United Kingdom. We did not.

Secondly — I know that the Member's grasp of mathematics is not great — we have not taken money off health. Let me spell it out to him: we have given in this Budget an additional £189 million to health over four years. That is not a reduction. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: Thirdly, I come back to the point that I made to the Member in a debate the other night: if he wants that extra money for health, will he tell me where he is going to get it from? He told me the other night that he had lots of ideas, and the only idea — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: The only idea that he could put forward was to cut the budget for Invest Northern Ireland. Now, of course, he appears to regret that. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: If we are going to have this kind of debate, the Member should at least give the public some flavour of where he would get the extra money that he wants for health. That is the only way that we can make judgements on the issue.

I have said this, and I will repeat it ad infinitum or ad nauseam if I have to: we have given a generous allocation to health in the Budget. Our health budget has got more than that of any other region of the United Kingdom. We have given health additional money in this Budget. In this financial year, we have given the Health Service nearly £100 million of additional money through in-year monitoring. We have also given a commitment that, when PEDU goes in and a case is made for additional money to protect front line services — his Minister has not yet made a case — we will bring the issue back to the Executive and parties will have to vote on top-slicing the budgets of other Departments. If the Ulster Unionist Party will not volunteer

some suggestions, we will have to put those suggestions to the Executive in the long run. I hope that that will not be necessary.

As the Chairman of the Health Committee pointed out, £600 million of efficiencies is to be found. If those efficiencies were found, we would not be having a crisis, and we would not be having the kind of shroud-waving for political purposes that we got from the Member a moment ago.

Mr Callaghan: Go raibh maith agat, a Cheann Comhairle. *[Interruption.]* The Minister has said —

Mr Speaker: Order. The Member must be heard.

Mr Callaghan: The Minister has said that people need to have a flavour of where money will come from. Really, the public need to have a flavour of where money is going to. The Budget statement is not clear, it is not transparent, and the public do not know where money will be spent.

The Minister claims that the Budget is a balanced one. If the public are to make their own judgement on how balanced it is, will he guarantee that the radiotherapy centre at Altnagelvin Area Hospital will go ahead, the City of Culture will be properly funded, the A6 scheme from Dungiven all the way to Derry will be built and the Magee campus will be expanded? If he cannot do that, is it not the case that his claims are as false as the First Minister's tan?

Mr Speaker: Order. Members should not make personal remarks about Ministers or Members in the House. I have warned Members on all sides of the House on many occasions that they should refrain from making personal remarks about Ministers and Members.

The Minister of Finance and Personnel: I suppose that, when the Member has nothing else to say, he has to find something.

Had the Member looked at the statement, he would have seen where the money is going to. Indeed, he would have seen that most of the increases in funds that have been made available have been in Departments controlled by the three minority parties in the Executive. Of the four best allocations, three of them have gone to Departments controlled by SDLP or UUP Ministers.

Mr Callaghan: Look at the figures.

The Minister of Finance and Personnel: Since the Member does not seem to understand figures, let me explain them for him. They are in the tables at the end of the statement. That is where he should look. That is the first step. The first table is headed “Current expenditure”. In the last column of that table, he will see figures for percentage increases in the period 2010-11 to 2014-15. A wee dash in front of a figure is a minus and means that there has been a reduction. If there is no dash in front of the figure, there has been an increase.

Now that that has been explained to the Member — *[Interruption.]*

Mr Speaker: Order. The Minister must be heard.

The Minister of Finance and Personnel: Now that that has been explained to the Member, let us see which figures do not have a wee dash in front of them. If the Member wants to turn to the back of the statement, he will get that information and be able to follow me. *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: Let us look down the list. The biggest figure is 8.3% over the four years — there is no wee dash in front of that, which means that it is an increase — and that goes to the Department of Health, Social Services and Public Safety. The Member told the House that he does not know where the money is being spent, and I can tell him that the biggest increase is in health spending. If the Member looks down the list, he will see that the second largest one is 3.5%, which is beside the Department for Employment and Learning. That is another increase, and, again, the Minister in that Department is from the Ulster Unionist Party. The next largest is 3% for the Department of Enterprise, Trade and Investment, and the only other Department left with no wee dash in front of it is the Department for Social Development, which, the Member will be well aware, is a Department controlled by a Minister from his party.

I have shown the Member where the money is going, and most of the increases are being given to the parties that are complaining most. That is despite the fact that one of those parties — the Ulster Unionist Party — is partly responsible for the cuts that we face. *[Interruption.]*

Mr Speaker: Order. Members, let us not have a debate across the Chamber.

The Minister of Finance and Personnel: Perhaps I misunderstood the Member and he wants more detailed information on what is happening in each Department. I warn the Member that, if he wants that information, he will have lots of similar wee tables to look at. However, we will give him plenty of time to do that before the debate on the Budget. By Monday, provided that Departments co-operate — that is an important caveat — there will be a Budget book that will contain all the information and detail on spending and saving by Departments. The Member can look at that book. I hope that he reads it better than he read the table attached to the statement.

Mr Weir: I thank the Minister for his statement. For the convenience of Members reading it, perhaps the Minister should have placed a wee plus sign in front of the increases to make it easier for us to understand.

I want to ask the Minister what implications the Budget will have for inward investment. Will the allocations made allow for increased resources for Invest NI, or will they lead to a reduction in resources, as advocated by the honourable Member for Lagan Valley Mr McCrea?

The Minister of Finance and Personnel: I rarely take advice from the Ulster Unionist Party on matters of finance, because I have found them to be devoid of any insight. It is not just the Department of Enterprise, Trade and Investment that attracts inward investment. Another important element in attracting inward investment is the ability to offer skills and skilled workers to those who wish to invest in Northern Ireland. For that reason, the second and third biggest uplifts in the Budget went to the Department of Enterprise, Trade and Investment and the Department for Employment and Learning, which had 3% and 3.5% increases respectively. Furthermore, if we are to attract industry, we need to have a better infrastructure, hence the additional money for the Department for Regional Development. The additional £250 million that we found and transferred from current expenditure to capital expenditure will also help to enhance our infrastructure.

The Chairperson of the Committee for Culture, Arts and Leisure (Mr McElduff): Go raibh maith agat, a Cheann Comhairle. I welcome the allocation of £110 million to stadia

development, but I am concerned at the delays to date. Will the Minister provide more detail on the six-year approach that he referred to as part of a longer strategic approach?

I also welcome the fact that, in recognition of representations made during the consultation exercise, the Minister of Culture, Arts and Leisure has been given additional funding for libraries and the arts. If possible, I wish to hear more about that. For example, will it alleviate the pressure on Libraries NI and its proposals to close 10 rural libraries? Yesterday was World Book Day, and, in Fintona, County Tyrone, hundreds of people poured into a local meeting to fight for their local public library.

Mr Speaker: I encourage the Member to finish.

The Chairperson of the Committee for Culture, Arts and Leisure: Thank you.

11.45 am

The Minister of Finance and Personnel: As far as the profiling and the work on the stadiums is concerned, I said in my statement that the Minister would bring forward details of that fairly soon. I will leave that to him.

The Member raised the issue of allocations to libraries and the arts. A lot of people raised that during the consultation process, and the Member raised it during the debate, even though he ignored the figures that I had given him about how we had been much more generous to the Department of Culture, Arts and Leisure than they had been in the rest of the United Kingdom. At least he was honest and told the House that he ignored it because it did not suit his argument. I have not, however, ignored the results of the consultation. There will be another £2 million current expenditure and £2 million capital expenditure available for libraries over the four-year period. What impact that has on library closures or on a lot of the proposals that the Member has mentioned today and in previous speeches is up to the library authority. I cannot say in detail what the impact will be on the current proposals.

There was also substantial lobbying on the arts. During the Budget process, I tried to acquaint myself with the things that we spend money on. I went round schools, arts groups, museums and building projects and talked to people in all kinds of departments. Many people think of the arts as simply a picture hanging on a wall,

but it involves a lot of employment potential — especially tourist potential — in Northern Ireland. As a result of that, we have allocated £500 million — sorry, £500,000; did you see the smile on his face when I said that? We have allocated £500,000 in year one and £750,000 in each of the following three years for current spending and £200,000 in capital spending over that period as well. That is over £3 million of additional money allocated to the arts.

Mr Lyttle: Far be it from me to bring the debate back to the issues that actually matter to local people, but I ask the Minister to go into more detail about a definitive timescale for the delivery of a childcare strategy. What stage are we at in appointing a lead Department, and will the immediate actions that he refers to provide a solution for the numerous school-age childcare schemes across Northern Ireland that face an end to their funding at the end of this month?

The Minister of Finance and Personnel: There is £3 million in each of the four years for the childcare strategy. Some of that will be for immediate action in training people for childcare and in making facilities available in areas where there is great need. It is money that has been held centrally, and the strategy is being worked on. However, there will be immediate action from the £3 million that has already been made available.

Mr Beggs: I thank the Minister for his statement. There is much argument over percentage increases for health and social services, but could we just cut through that? Will the Minister tell us how much will be spent next year for each person on health and social services in Northern Ireland and how that compares to the amount being spent in other parts of the United Kingdom? That is the bottom line.

The Minister of Finance and Personnel: First of all, there is no argument. Percentages are easy to work out. You take the base figure that you are starting from; you look at the change; you put one over the other; you multiply by 100; and you get the percentage change. There is no argument about percentage change. It is easy enough to work out. I have given the Member the figures that have been worked out. Let me make it clear: there is no question about the percentages that I have given. The figures are there; they are available to be looked at. The calculations can be done, and they can be seen.

The Member asked how much money is spent on each person in Northern Ireland compared with other parts of the United Kingdom. I cannot give him a figure off the top of my head. I am not a walking encyclopaedia. The implication of his question is, “Why we do not spend more?”. I put that question back to him, as I do to every member of his party who has raised it time and time again. If more money is to be spent on health in Northern Ireland, where would the Ulster Unionist Party have it taken from? We tried to find extra money, we found extra money, and I have told the Assembly of the Executive’s commitment to the Health Service. However, we live within a Budget, 90% of which is handed down to us from Westminster. Therefore, his party has some responsibility for the amount of money that is handed down. If more money is to be spent, the Ulster Unionist Party should at least have the decency to tell us where it believes it should come from. If that party can identify where that money should come from and can make a cogent case for it to come from another area of the Budget to the Health Department, I would, of course, be happy to look at that. The insistent clamour for more money becomes tiresome. The Member referred to the responsibility of office — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: That is exactly what those of us who have such responsibility have done. We — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: The Minister of Health, Social Services and Public Safety is in the Ulster Unionist Party. For four years, he has overseen a Department that, we are now told, has reached the verge of bankruptcy. He refuses to do anything to retrieve that situation. The people who have taken responsibility for trying to help are from the parties in the Executive that have looked, first, at how we can get extra revenue and, secondly, at how we can allocate that extra revenue. That is why £189 million of additional money has been allocated to the Health Department in the final Budget.

Ms M Anderson: Go raibh maith agat, a Cheann Comhairle. I thank the Minister for his statement. Many of us recognise that the Executive were faced with a choice of implementing the Tory cuts or finding a better way. I think — *[Interruption.]*

Mr Speaker: Order.

Ms M Anderson: I think that what was outlined today — *[Interruption.]*

Mr Speaker: Order.

Ms M Anderson: What was outlined today was some of the work that was done to at least improve on the money that came here. That said, I note that work is ongoing, and, if possible, I would like to — *[Interruption.]*

Mr Speaker: Order. Allow the Member to continue.

Ms M Anderson: I would like to tease out a bit more the proposal affecting out-of-town retail versus that in the city centre. I am interested in that and am keen to hear about it. That has been an ongoing issue for many Members since we came to the Assembly. The Minister’s statement referred to an extension to the rate relief scheme for small businesses that will allow more of them to avail themselves of it. He said that it would effectively double the number of businesses that currently qualify for the scheme. Does he have a rough estimate, based on doubling the current figures, of how many small businesses will benefit? What impact will that have on the out-of-town centres?

The Minister of Finance and Personnel: We intend to double the number of businesses that will come under the small business rate relief scheme. Off the top of my head, I cannot give the Member the number of businesses that are currently under the scheme. However, we believe that the extension will capture far more of the small businesses that reside, for the most part, in town centres. It will mean a welcome reduction in their overheads.

The extension to the scheme will be revenue-neutral, because we will raise the money from out-of-town shopping centres. As I said, that should not be unnecessarily damaging to those centres, because many of them have made very good profits, even throughout the current recession. Many of those profits do not stay in Northern Ireland, whereas any profit from small indigenous businesses run by people in Northern Ireland will stay in the country.

Mr McDevitt: At the beginning of his statement, the Minister took some time out to philosophise. He talked about this being a Budget for society. What sort of Sinn Féin/DUP society would bring forward a Budget that targets the poor and the most vulnerable, could put 9,000 public servants

on the dole, will close hospitals and classrooms and treats working mothers and young families as second-class citizens? What sort of Sinn Féin/DUP society is that?

The Minister of Finance and Personnel: The Member could have done better than that, especially since he read it out; it was obviously a prepared question. Usually, if you prepare a question, you can make a better fist of it than that.

Let us have a look at some of the things he said. He asks what sort of society puts public service workers on the dole. First, this Budget, by freezing wages in excess of £21,000 and putting a freeze on recruitment, saves hundreds of public sector jobs. I know that the SDLP — *[Interruption.]*

Mr Speaker: Order. Allow the Minister to answer

The Minister of Finance and Personnel: Secondly, the Member alleges that the Budget hurts children in classrooms. Has he not listened to me? We have given £114 million of additional money to the Department of Education in current spending and £40 million in capital. As far as helping the poor is concerned, in this Budget there will be £100 million in the social investment and social protection funds. What more does the Member want? On top of that, we have put money into the Employment and Learning budget to help people who are going to have to transfer from welfare to work. There is an additional sum — I cannot remember the precise figure — of about £20 million-odd.

The Member wonders “what kind of society” and alleges that it is the DUP and Sinn Féin. If this were purely a DUP and Sinn Féin proposal, I would be proud of what we have done for schools, the poor, the unemployed and those who work in the public sector. At least we have made some efforts to alleviate the impact of the Ulster Unionist Party cuts on those people.

Mr McCarthy: I very much welcome the statement and the increase in funding for the arts and libraries. The Minister has obviously listened to the consultation.

I welcome the extra £107 million for the Department for Regional Development. I make this plea: I look forward to a vast improvement in the roads in the Strangford constituency, particularly those on the Ards Peninsula. I see the Minister nodding his head. We are going to get it; that is excellent. *[Interruption.]*

Mr Speaker: Allow the Member to be heard.

Mr McCarthy: As party spokesperson on health, I was astounded to hear the Finance Minister say that the Health Minister had refused to look at any methods of raising revenue for his Department. Does the Finance Minister agree with me that greater efficiencies in the Health Department can be made if things are done differently and if there is greater focus on prevention and keeping people out of hospital?

Mr Speaker: I encourage the Member to finish.

Mr McCarthy: Therefore, the health budget would go further.

The Minister of Finance and Personnel: It is not just me who says that there are things that could be done better. The Health Minister commissioned a £330,000 report, which he received five months ago. It identifies £5 million worth of savings per month that could be obtained. However, he has decided that he is not going to take action. To date he has taken no action on that, and there is no implementation plan for those savings.

As far as the Member’s comments on arts and libraries go, I am sure that he will have it in the ‘Newtownards Chronicle’ this week that I have responded to the impassioned pleas that he has made. I know that another Member for Strangford will be raging that — *[Interruption.]*

Mr Speaker: Order.

The Minister of Finance and Personnel: — that Mr McCarthy raised the issue of potholes in the roads before he did. The Members for Strangford — I have heard Mr McNarry at it as well — seem to take great interest in the holes in the roads in the constituency. However, I hope that, as a result of this, Mr McNarry will identify the holes in the roads better than he used to identify the holes in the Budget. I am sure that the Regional Development Minister will have listened to Mr McCarthy’s impassioned plea and that we will see an improvement in the roads in the Strangford constituency.

Adjourned at 11.59 am.



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