



The Centre for
Cross Border Studies

MEDIA WATCH

04/11/2016 - 11/11/2016

November 5, 2016

Calls for North to be made a 'special case' by EU after Brexit

Speaking in Dublin, Mr Nesbitt said he feared Brexit would mean the return of a hard border between North and South, but hoped that would not be the case.

He said Belfast and Dublin are equally adamant that the Common Travel Area be allowed to continue, and he asked the EU to be sympathetic to their argument: There is likely to be uncertainty for up to five to 10 years and the High Court adds to uncertainty.

Northern Ireland has this land border not just between it and the Republic but between the UK and the EU. The Common Travel Area needs to be protected and we are asking them to be sympathetic to our situation, he added.

He said the Republic of Ireland could well be the North's best friend and best advocate when it comes to the Brexit negotiations.

Mr Nesbitt is encouraging politicians in the Republic to be cautious of the language used when discussing Brexit.

His visit to the capital comes just over 24 hours after the British High Court ruled that Prime Minister Theresa May can't trigger article 50 without consent of parliament.

Mrs May is set to appeal the decision.

Mr Nesbitt says now is not the time to talk about border polls. We recognise that of the remaining 27 members of the European Union, the Republic is likely to be our best friend and our biggest advocate that we do want to work with them.

But we also have to respect the fact that we signed up to a UK referendum and the people of the UK said we want to leave the European Union.

Meanwhile, Fianna Fáil has announced it is to hold a special Brexit conference next Saturday in Dundalk.

Politicians and agricultural lobby leaders from both sides of the border will address the conference, which will be chaired by TD Declan Breathnach.

Meanwhile, Taoiseach Enda Kenny said that in response to Brexit, the Government recognises that competition for new investment will be very strong and as such we have to continue to be very competitive and attractive for new business.

In the recent budget we increased the resources to the IDA and Enterprise Ireland to put more boots on the ground in target markets to help Irish businesses export more and to attract in new investment, he said.

Source: The Irish Examiner

November 7, 2016

Border towns boom time as southern shoppers flock to Northern Ireland

Cross-border shopping is at a six-year high with some Northern Ireland retailers reporting an annual sales increase of more than 60%, the Belfast Telegraph can reveal.

Post-Brexit, business is booming for traders in Belfast, Newry, Enniskillen, Armagh, Strabane and Londonderry, while hotels, pubs and restaurants in border towns have also seen a significant surge in profits.

New data from Intertradelreland also shows that between July and September - the full three months that followed the historic Brexit vote - there were more Republic-registered cars at shopping centres here since cross-border shopping peaked in the aftermath of the Irish property crash.

Figures obtained exclusively by the Belfast Telegraph from Translink also revealed a 20% hike in train ticket sales between Dublin and Belfast last month, with a "noticeable increase" in numbers in recent weeks.

The trend, which is being welcomed by retailers and the hospitality industry, is expected to continue in the run-up to Christmas as southern shoppers head north in search of bargains of between 20% and 25% off some products.

Michelle Greeves, manager of Belfast's flagship shopping centre Victoria Square, said about 10% of its current footfall is from the south.

"Last year we lost a lot of northern customers to the Republic because of the savings they could make - but this year it has flipped the other way," she said.

"During the July and August school holidays, when sterling dropped, we saw a lift and then again in mid-October when it dropped again.

"Southern shoppers are aware of the significant savings to be made and we forecast that will continue until Christmas"

Belfast's Castle Court shopping centre manager Paul McMahon said there had been a modest increase in cross-border trade.

"As we approach the key Christmas period we expect this will rise. However, we do not expect the same volumes as reported in the border towns," he said.

Intertradelreland, which monitors car park occupancy at shopping centres in Northern Ireland, found in the third-quarter of 2016 the presence of Republic-registered cars was at its highest since the last three months of 2009.

With nearly 57% of all cars recorded in the quarterly survey coming from the Republic, this shows a significant increase on those recorded between April and June when the figure was 44%.

The Quays manager Cahal Austin said last week alone saw a 50% surge in customers coming from the Republic to shop in the Newry shopping centre.

"It has been extremely busy and some retailers are up in excess of 60% sales-wise since last year," he said. "In Newry both pounds and euro are accepted and one trader told me their euro take was 460% up during the mid-term school holidays."

Buttercrane shopping centre manager Peter Murray said there has been "a 50 to 60% uplift in southern shoppers from this time last year".

"For the last few weekends about 30% of our patronage is from the south. It's not quite yet at 2008/09 levels, but it could get there in the run-up to Christmas," he said.

Chris Nelmes, who manages The Outlet in Banbridge, said there was "a positive vibe" that was driving up sales and shopper numbers from the south.

"There has been a significant increase in southern trade and we've seen large double-digit growth," he said.

The Republic's significantly higher excise duty on wines and spirits has made the choice to cross the border a relatively easy one. Savings on medicines, which are more expensive in the Republic, have also been popular with southern shoppers flocking north via car, bus and train.

A Translink spokeswoman said: "October was a very strong month for the Enterprise service with growth of over 20% in both directions. There was a noticeable increase in the number of people using the service for south to north travel in recent weeks."

Colin Neill from Hospitality Ulster said hotels, pubs and restaurants across the province are seeing "significant numbers" of southern visitors.

"We've seen a definite uplift in trade over the past few weeks, which is helping to offset the VAT difference between the north and south in the short term," he said.

Northern Ireland Hotels Federation chief executive Janice Gault said there has been a big influx of visitors from the south recently.

"Hotels in Northern Ireland have been very busy over the last six weeks and we expect that trend to continue," she said.

"All weekend's hotel occupancy has been around 90% in Belfast and we think that will be the case right up until Christmas."

Source: The Belfast Telegraph

November 8, 2016

Business - North-south interconnector deemed major priority among businesses

The vast majority of firms in Northern Ireland consider a new north-south interconnector a "major priority" for the economy.

A survey of members of the Confederation of British Industry (CBI) in the north found it was a leading infrastructure priority for 87 per cent of companies.

It formed part of the latest CBI infrastructure survey in conjunction with AECOM, the global architecture, engineering and construction firm.

The report found roads, digital and energy were considered the top areas for improvement in the north's infrastructure.

But while businesses have a wish list of projects - which includes the upgrading of the A6 between Belfast and Derry and an increase in flight connections to Britain - many are pessimistic that anything will get done.

In the case of plans for the £200 million north-south interconnector, proposals have been on the table since 2009 but have got caught up in controversy.

The project aims to improve connectivity across the electricity grids on both sides of the border.

If given the go-ahead, it will see a series of overhead cables running from just north of Moy in Co Tyrone to Kingscourt in Co Cavan.

The plans are considered critical, particularly as the capacity reduces dramatically at the north's biggest power station at Kilroot to comply with EU regulations.

But the proposals have been delayed as objectors claimed it will be a blot on the landscape with some saying it could pose a risk to health.

In September, the man responsible for the north's grid, Robin McCormick said the region was "on the verge of an electricity supply crisis" if the plans didn't get the go ahead.

The CBI report found respondents in the north were the most pessimistic about major infrastructure projects actually progressing.

When it comes to roads infrastructure, 88 per cent of businesses in Northern Ireland said they did not expect it to improve within the current parliament. Forty per cent of firms said they were concerned about the cost of delivering infrastructure improvements. But more than half (54 per cent) were willing to support a user-pays model - such as toll roads - if it led to greater resilience and improved journey times.

CBI's director in the north Angela McGowan, said the message coming from the report was simple: "Delivery is what matters".

"Day in, day out, our businesses rely on our roads, railways and runways to move their goods, services and people up and down the country," she said.

"However, it is a concern that over half of local businesses are dissatisfied with their region's infrastructure, or that confidence in the future is running low, especially when it comes to delivery, the key piece of the infrastructure puzzle.

"Businesses need clear; deliverable timetables for action on major projects in order for them to act as magnets for investment, growth and jobs.

"If we don't get spades in the ground on existing plans, it is clear we could put a major dent in the competitiveness of local business. This is something we cannot afford to do, especially during this period of uncertainty as the UK leaves the EU."

Ms McGowan said greater cooperation was required between businesses and the Stormont executive to deliver infrastructure projects.

"Last week at a CBI question time event, the infrastructure minister (Chris Hazzard) stated his desire to work with the business community to deliver more and better infrastructure which will in turn support sustainable economic growth.

"After decades of under investment in Northern Ireland's infrastructure, this vision of greater public and private collaboration is one that the business community strongly welcomes.

"Local firms are ready and willing to work with the executive to develop the skills and capacity to deliver our joint aims."

Source: The Irish News

November 8, 2016

Northern Ireland faces 'rougher road' post-Brexit than any other UK region; New CBI director says UK deal with EU must recognise impact in North

Northern Ireland faces a "rougher road ahead" than any other UK region post-Brexit and not just because of its EU land border, the new director of one of the North's largest business bodies is warning.

Angela McGowan, the first woman to be director of the Confederation of British Industry (CBI) in Northern Ireland, believes the North is "more vulnerable" to looming Brexit ramifications than other regions, which is why she believes the North needs to make sure its voice is heard loud and clear in the discussions getting under way.

McGowan, who before moving to the CBI was chief economist with Danske Bank UK, is adamant that any UK deal with the EU must fully acknowledge how it would impact on the ground in the North.

As an economist she knows the numbers. Northern Ireland has a valuable relationship with the EU - from the estimated £144 million per year the North receives from EU programmes to its multimillion pound export sales to the Republic every year.

But McGowan is also a pragmatist - the vote has been cast, it may not have been to her personal preference, but she says businesses have no choice but to move on.

The North's political leaders also need to get the "best deal possible" to create the right environment for local firms to grow and the economy to flourish.

She is determined that the interests of CBI's member firms in the North will be well represented in that process. "I think there has never been a more important time for the local business community and the Executive to work in partnership. We all have Northern Ireland's best interests at heart - we want to create prosperity and raise living standards"

Local economy

She says one of the reasons the North is more vulnerable to Brexit fallout than other regions of the UK is because of the nature of the local economy - it is small firm-orientated and also not a large exporting region.

McGowan has said that when Northern businesses do go down the export route they naturally turn to the Republic, and this is why the debate over a hard or soft border is so crucial for the North's future.

"We are dependent on EU trade, particularly with the Republic, and we have to be very aware of that.

"We also need to be aware that we want to retain the ability to attract people to come and work in Northern Ireland, whether from the Republic or further afield, and this is a key issue in any Brexit negotiations."

According to McGowan, while the post-UK vote currency swings may be paying off for retailers in Border towns and cities at the moment, long-term there could be less of a silver lining as far as the weak pound is concerned.

She says it may boost exports and cross-Border trader at the moment but the ongoing depreciation of sterling will inevitably reduce incomes, which will dampen household spending in the long run.

According to Danske Bank forecasts, consumer spending growth in the North could slow from 2.1 per cent this year to 1 per cent in 2017-18.

Aside from the risk that this could undermine local economic growth, one of her other major concerns is how any Brexit fallout could affect Northern Ireland's ambitions to attract new foreign direct investment.

Infrastructure issues

The CBI director says, Brexit aside, there are immediate daily challenges closer to home for businesses, and one key issue is local infrastructure issues which are frustrating local firms.

A new CBI survey published on Tuesday in conjunction with AECOM, a global architecture, engineering and construction company, shows businesses have identified a number of major weaknesses when it comes to the North's infrastructure, particularly roads, digital connectivity and energy.

Among the key findings are that 87 per cent of Northern Ireland businesses say the delivery of a second North/South energy interconnector is a major priority for the local economy, while 54 per cent of Northern businesses believe that more domestic flights to the rest of the UK is critical for the North.

McGowan says that over half of local businesses are dissatisfied with the region's infrastructure and are concerned about future projects. "Our message is a simple one: at the end of the day delivery is what matters. Businesses need clear; deliverable timetables for action on major projects in order for them to act as magnets for investment, growth and jobs."

Source: The Irish Times