



The Centre for  
Cross Border Studies

# MEDIA WATCH

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**10/03/2017 - 17/03/2017**

**March 11, 2017**

## Stormont election - Parties facing possibility of third election in over a year

Unless the north's parties can reach agreement within three weeks they face the possibility of a third assembly election in just over a year, according to Secretary of State James Brokenshire.

Should voters go to the polls again in June it would be unprecedented territory for democracy in Northern Ireland, but across the border political instability once led to three general elections within 18 months.

The Dail election of June 1981 would be the first of five to take place within the decade. It was held at a time when the hunger strikes held media attention north and south.

The result of the vote saw Fine Gael and Labour form a minority coalition government, with Garret FitzGerald appointed taoiseach.

Fianna Fail would suffer its worst election result in 20 years as sympathy for anti-H-Block candidates, standing in support of the hunger strikers, enjoyed unexpected success.

Of the 12 candidates, nine of them prisoners, Kieran Doherty and Paddy Agnew won seats in Cavan-Monaghan and Louth respectively, while Joe McDonnell and Martin Hurson narrowly missed election in Sligo-Leitrim and Longford- Westmeath.

However, the coalition government would last just seven months as a defeat of a budget saw its collapse, culminating in a return to the polls in February 1982.

The poll was triggered after finance minister John Bruton attempted to put VAT on children shoes, a measure rejected by independent TD Jim Kemmy and Joe Sherlock of the Workers' Party.

The February election saw Fianna Fail form a minority government, with Charles Haughey becoming taoiseach.

His reign would end within the year though, as a loss of support from Independent TD Tony Gregory and the Workers' Party over budget cuts resulted in a fresh election in November.

Garrett FitzGerald would again be installed as taoiseach as head of a Fine Gael-Labour Party coalition, as his party recorded its biggest election victory until 2011, coming within five seats of Fianna Fail.

The government would remain in place until 1987.

**Source:** The IrishNews

**March 14 2017**

## UK Government loses £200m on border fuel

MOTORISTS in Northern Ireland who cross the border for cheaper fuel are costing the UK Government £200.6m a year, a study commissioned by the Republic's revenue commissioners has found.

It said that filling stations just south of the border are booming - with pumps selling more than 50% more diesel than in filling stations of the same size in other parts of the Republic.

It states this was because large numbers of Northern Ireland motorists are driving south to avail of cheaper fuel costs, especially for diesel cars.

That's good news for the southern exchequer - northern motorists contribute 7% of all tax receipts from motor fuel consumption in the Republic.

In all, motorists from Northern Ireland are contributing about £176m in excise duty, carbon tax and VAT on sales of diesel and a further £24.4m from petrol sales, according to the report.

The economic loss to the UK does not include lost income tax revenue and jobs in Northern Ireland filling stations.

The joint study by the Economic and Social Research Institute, Revenue and Trinity College Dublin said that the greater levels of southern diesel may partly be attributable to heavy goods vehicles and vans that buy cheaper fuel in the south before making long distance journeys to Britain and mainland Europe.

The research estimated that stations close to the border sold 54.4% more diesel and 14.6% more petrol than an otherwise identical one in another part of Ireland.

The report said that cross-border demand for fuel represented an important source of tax revenue for the exchequer.

However, it found that such trade also contributed to the Republic's greenhouse gas emissions, even though most of the fuel was probably consumed outside the jurisdiction. It estimated that cross-border traffic for the purpose of fuel tourism resulted in an additional 1.17m tonnes of CO2 emissions per annum - 2% of the Republic's total greenhouse gas emissions. Researchers examined retail sales at 543 petrol stations in border areas from April 2013 to March 2015.

They found that the excise rate in the Republic was 13% lower than in Northern Ireland for petrol and almost 30% lower for diesel.

Forecourt prices in the Republic for petrol averaged £1.13 per litre last year, 9.5p cheaper than in Northern Ireland, and diesel averaged 95p in the south, 27p lower.

Retailers reduce cost in pump war SEVERAL supermarkets are cutting fuel prices after a reduction in wholesale costs.

In Northern Ireland, Asda and Tesco are reducing the price of petrol and diesel by "up to 2p per litre" from today.

Motorists will pay no more than 114.7p per litre for unleaded petrol and 116.7p for diesel at Asda's 301 filling stations.

It was the first of the retailers to announce a price cut. The cost of petrol heading to forecourts has fallen by an average 1.7p per litre in the past four weeks, according to the AA.

age Last week, wholesale petrol averaged 33.8p, compared with 35.5p in mid-February. Diesel was about 35.5p over the past month.

Latest figures show the average price of petrol in the UK is 120p, while diesel is 122.9p.

**Source:** The Belfast Telegraph

**March 14, 2017**

## Will Brexit result in Border closure to northern builders?; Construction firms in North worried about losing lucrative contracts in Republic

Will the fleet of builders' vans packed with construction workers crossing the Border every week be a frontline casualty of the triggering of article 50?

Industry sources claim that construction firms currently tendering for multimillion-euro deals in the Republic are worried that Theresa May's push to get the UK's exit from the European Union under way could make them less attractive than some of their Irish or European competitors in the eyes of some potential clients.

"It is the unknown quantity that is causing most concern," says one managing director of a Northern Ireland-headquartered firm, who declined to be named for commercial reasons.

"We can't possibility know what arrangements are going to be put in place. For instance, when it comes to regulatory matters (like health and safety, where there is some common ground), if the UK exit will force a rethink on these type of arrangements or, if a hard Border does emerge, if that will result in major problems when it comes to getting our people on site, and also taking building

materials from Northern Ireland into the Republic, which can and does happen on a daily basis without a thought.

"Our concern is that organisations in the Republic that may be looking at awarding contracts, which could have a duration of up to five years, will think again about whether possible issues could lie ahead if they give it to a Northern Ireland company because they don't know what Brexit will bring.

"All of the unknowns are putting unnecessary obstacles in the way of firms winning new business and there is not a single thing that we can do about it."

#### Life-savers

Contracts from the Republic's building industry have proved to be life-savers for many Northern Ireland construction firms - both small and large - faced with a sharp dip in their workloads during the recession. Many firms were forced to relocate the majority of their operations to Scotland and England at the height of the recession.

According to the Construction Industry Training Board (CITB) in the North, the sector saw output fall by nearly 40 per cent in real terms between 2008 and 2013.

#### Growth

In its Industry Insights report for 2017-2021, the CITB is forecasting that the construction sector should "return to growth" this year despite another worrying dip last year.

The report estimates that it could expand by 1.6 per cent in the five years to 2021, almost the same rate as the 1.7 per cent predicted by UK forecasts.

However the chief executive of CITB NI, Barry Neilson, has acknowledged that "output, employment and annual recruitment forecasts are not as buoyant in the North as previously forecast, due to the events of 2016 and the uncertainty of their impact".

The training board has also identified a potential skills shortage emerging in occupations such as bricklaying and roofing, two of the trades for which there is also the greatest demand in the Republic.

The possibility of Brexit upsetting the Northern builders' cross-Border trade with the Republic is not the only problem on the horizon for the industry, according to John Armstrong, managing director of the Construction Employers Federation.

#### Biggest problem

The biggest problem, Armstrong says, is much closer to home and revolves around the lack of a Northern Ireland budget. Armstrong says that many construction firms and subcontractors, without an agreed budget on the table, are operating in a vacuum.

"We have a scenario where a significant number of projects don't have agreed budget lines mere weeks before the end of the current financial year," he says.

"There are projects scheduled to begin, firms who have won the tender are lined up, and nobody knows if there will be the money there to pay for it. This is desperately worrying for the construction industry and could possibly threaten jobs.

"We need political parties currently involved in negotiations to get a budget agreed, so we have a future to build on."

**Source:** The Irish Times

**March 15 2017**

Enda Kenny was a good friend of Northern Ireland...his successor as Taoiseach has big boots to fill; Whoever takes over as Fine Gael leader will play a pivotal role in the Brexit negotiations, says Alban Maginness

Taoiseach Enda Kenny is in Washington this week to present President Trump with the now-traditional bowl of shamrock for the St Patrick's Day celebrations in the US. It is quite extraordinary how this island can command such disproportionate support and attention at the very heart of the greatest power in the modern world.

It is also Kenny's farewell tour as Taoiseach, as he has informed his Fine Gael party that he will retire from office shortly after his return to Dublin.

Who takes over as Fine Gael leader and Taoiseach will be important, as he or she will be crucially involved in the Brexit negotiations between the EU and the UK.

In addition, given the ongoing and seemingly neverending crisis here in Northern Ireland, it will be important to have a head of government who is familiar with our politics.

The two front-runners are Simon Coveney and Leo Varadkar.

Both are extremely able politicians, but without much experience of Northern politics.

Coveney, at least, has a credible track record of taking a serious interest in the peace process and has a more intimate understanding of our situation.

Who Fine Gael chooses to occupy that position will be of great importance in the way our short-term politics will be addressed.

Kenny was not in the mould of Bertie Ahern and was not as hands-on as him, or Tony Blair.

Nonetheless, his contribution was crucial in consolidating the progress made here and encouraging further development of good relations, north and south, east and west.

His relations with unionist politicians were businesslike, but also warm. His concern for Northern Ireland during his lifelong political career was genuine and deeply-felt.

But his main preoccupation was to steer the Republic through the greatest financial and economic crisis to hit the south since independence.

With his Irish Labour Party colleagues, he did an outstanding job of stabilising the situation and bringing back the Irish economy from meltdown to the current vibrant state that will boast a growth rate of 5% this coming financial year.

A lot of this was achieved through harsh fiscal and economic measures which were unpopular and hurt many working people in the Republic.

Perhaps things could have been done differently and with more regard and sensitivity for certain vulnerable sections within society, but in general terms, the direction of travel was correct and ultimately succeeded in restoring the fortunes of the country.

The election last year was expected to reward Kenny for his successful turnabout of the Irish economy. Instead, he and Fine Gael were punished for their efforts. A bit like Churchill and his unexpected electoral defeat in 1945 after the defeat of Nazi Germany. History may judge Kenny more kindly.

His retiring now is perhaps the best time both for him and his party.

The next Fine Gael leader and Taoiseach will have a huge task ahead of him or her in achieving a negotiated Brexit, which will be least damaging to the Republic's vulnerable economy and which will be most beneficial to the economic and political interests of the people of Northern Ireland.

Striking such a balance will be difficult, as the Republic will only be one of 27 countries negotiating on a wide range of issues with the UK Government. What happens in these negotiations will determine and shape our politics for the next generation.

We need to remember that our mutual membership of the EU brought great economic and political benefits to Ireland, north and south. In effect, what was achieved was a de facto united economic Ireland, in which the free movement of labour, capital and services was achieved between both jurisdictions.

This was achieved in a most under-played fashion and, inevitably, brought both parts of the island closer together without any fuss, bother or any obvious political grief. It also provided a secure context for the Good Friday Agreement.

During the 1970s, 1980s and early-1990s, the Provisional IRA, still wedded to its chauvinistic ideology, remained ignorant of the significance of European membership and, by continuing its campaign of violence, created its unique version of a "hard border".

Such was the pitiful state of Sinn Fein's political thinking that it regarded the EU as being hostile to the interests of the people of this island.

Ironically, it was only in the 2000s that Sinn Fein suddenly realised its huge mistake and gave European membership "critical" support. Up until this time Sinn Fein and the DUP comfortably shared a common opposition to the EU.

Strangely, given its complexity and unpredictability, Brexit could push north and south further apart, or, alternatively, bring both parts closer together.

Certainly, if Northern Ireland suffers economically as a result of Brexit, there will be a very compelling economic argument for Irish unity.

**Source:** The Belfast Telegraph