

CCBS – LEGISLATIVE AFFAIRS

06/04/2015 - 16/04/2015



Northern Ireland
Assembly

13 April 2015

Plenary Debate

European Scrutiny Priorities 2015

Summary: During a motion calling on the Assembly to note the report of the Committee for the Office of the First Minister and deputy First Minister on Assembly Committees' Priorities for European Scrutiny in 2015, Ms McGahan (Sinn Féin) highlighted the potential adverse effect of a British exit from the EU, in particular upon developing an all-island economy. Ms McGahan noted that "such a debate must include all voices North and South, as social development North and South would be negatively impacted." The Member concluded that: "For us in the North of Ireland, in particular those who live and work in border counties North and South, any change in our membership of the EU would have drastic consequences. Such changes have the potential to stifle the progress and development of this region."

Ms McGahan: Go raibh maith agat. I support the motion. As part of today's debate regarding the report of the Committee for the Office of the First Minister and deputy First Minister on the Assembly Committee's priorities for European scrutiny, it is important that we put a strong focus on the need to initiate a debate on the importance of continued European Union membership for the North of Ireland and the consequences for us should an incoming British Government lose a referendum on such membership. Let me clear from the outset that, while I believe that it is important for us to increase our level of engagement with the institutions of the European Union, such an engagement must be not only constructive but critical. There are a lot of policy and legislative issues that are relevant to here and have an impact.

As we are well aware, in many instances, British interests in relation to European Union membership are not those of the North of Ireland. While we need to ensure that the North's voice is heard, which we do through the Statutory Committees, it is most important that we engage in debate with all sectors of society across Ireland. Given the adverse effect that such an exit from the European Union

would have on our developing an all-Ireland economy, such a debate must include all voices North and South, as social development North and South would be negatively impacted.

We are only too well aware that European funding, such as CAP for farmers, ESF, Peace and INTERREG, is vital in the context of jobs, growth and investment. Our priority, given the dire economic situation facing us all from the austerity agenda of the various conservative European Governments and, in turn, finding ourselves having to deal with year-on-year cuts to our block grant by David Cameron's cabinet of Tory millionaires, is to ensure that European Union funding is made as accessible and effective as possible. European funding must be directed to where it is most needed.

I wish to conclude by emphasising that the North of Ireland has benefited hugely from membership of the European Union over many years. We see those benefits daily both in the North and on a North/South basis right across the island. For us in the North of Ireland, in particular those who live and work in border counties North and South, any change in our membership of the EU would have drastic consequences. Such changes have the potential to stifle the progress and development of this region. Sinn Féin representatives on the OFMDFM Committee will be tightly scrutinising our Executive's efforts to maximise the benefits of European Union membership for all the people of the North.

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-13-04-2015.pdf>

Summary: On the same debate, the Chair of the Committee for Enterprise, Trade and Investment Mr McGlone (SDLP) stated that the net benefit of EU membership to NI for the period 2007-2013 was “in excess of £2.4billion”. Furthermore, the Member stated that “The Northern Ireland economy has been underpinned by funding support from the EU. That funding support accounts for 8.4% of our annual GDP. If we were to leave the EU, there would be severe social and economic implications.”

Mr McGlone: I want to take a moment to look at what we in the North get from our membership of the European Union. Those who are sceptical about our membership of the European Union need look no further than the amount of funding that the North has got from it.

The net benefit to the North for the period 2007-2013 was in excess of £2.4 billion. Of that, we received almost £1.3 billion in single farm payments; £330 million through the Northern Ireland rural development fund; £18 million through the European fisheries fund; £180 million through Peace III; over £300 million through the European regional development fund element of the regional competitive and employment objective; £165 million through the European social fund element; and £77 million through INTERREG IV. That is the amount of investment that others have made in us.

There are others who talk the talk but who are not prepared to walk the walk and vote against austerity and measures that will be of serious detriment to our community and our business sector. Borders would re-emerge and, indeed, there would be a border within our country, where some 60% of SMEs from the North do business with the rest of the island. That is what we are face: Euroscepticism at its worst. The important thing is to be there to vote against that and to do what we can to represent our communities.

Europe is a vast, wide policy area that has many implications for the North, but, in turn, Northern Ireland gets so much out of membership of the EU. The Northern Ireland economy has been underpinned by funding support from the EU. That funding support accounts for 8.4% of our annual GDP. If we were to leave the EU, there would be severe social and economic implications

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-13-04-2015.pdf>

Summary: Subsequently, on the same debate, Mr Flanagan (Sinn Féin) maintained that in the event of a British exit from the EU, Northern Ireland's "economic output could be reduced by 3 per cent of £1 billion per year." Moreover, Mr Flanagan cited evidence provided to the Enterprise, Trade and Investment by Dr Leslie Budd which claims that "cross-border transactions costs could "rise significantly" and that those would "act as a disincentive" to economic cooperation on the island of Ireland. Mr Flanagan concluded that ".What we need to see on this island is closer economic cooperation, not the introduction of formalised border crossings and the erection of more barriers to trade."

Mr Flanagan: We have a different relationship with Europe from that of people in parts of England, but, unfortunately, their agenda is driving the discussion. We share an economy with the rest of Ireland, and this island has done very well through membership of the European Union. In the event of a referendum on EU membership, we want to see a provision included that, if the people in this part of Ireland vote against leaving Europe, that mandate should be respected and the people here should not be dragged out of Europe against our wishes. I know from being out and about meeting people from all backgrounds, business owners and employees that people do not want to see this place taken out of Europe. Most people see the positive impact that being part of the European Union has had on our economy, and they want to see that sustained in the future. Europe has a positive impact on our local economy in many ways. Both jobs Ministers on the island promote it as a gateway to Europe, particularly for American investors and those looking to come into Europe for the first time. Are we to believe that even the threat of a referendum on exiting Europe would not have a chilling effect on those potential investors?

The agriculture sector is heavily reliant on EU funding to help it exist, and groups involved in building peace across the North and along the border are heavily reliant on EU Peace funding. I certainly do not believe that any future British Government would simply replace those funds with money from the British Treasury in the event of a withdrawal from Europe. It is important that we quantify the extent of those funds. Between 2007 and 2013 the North drew down £2.4 billion in EU funding. That funding stream would be put at risk if we were to be pulled out of Europe.

Our economic output could be reduced by 3% or £1 billion a year, if we were to be taken out of Europe. Work carried out for the Committee for Enterprise, Trade and Investment by Dr Leslie Budd put that figure on it. He went further and said that cross-border transaction costs could "rise significantly" and that those would "act as a disincentive" to economic cooperation on the island of Ireland. What we need to see on this island is closer economic cooperation, not the introduction of formalised border crossings and the erection of more barriers to trade.

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-13-04-2015.pdf>

DEL: Ministerial Questions Corporation Tax: Employment

Summary: In response to a supplementary question on whether the Department of Employment and Learning had considered what further jobs could be created if Northern Ireland had a corporation tax rate which offered more of an advantage over the Republic of Ireland, Minister Farry noted as a Member of the Northern Ireland Executive, that “it would be foolish for us to have a race to the bottom by trying to undercut the rate in the Republic of Ireland, because it would simply move to match us.” Moreover, the Minister concluded that: “There are advantages in having a common regime on the island so that we can both compete based upon our other strong attributes in our respective jurisdictions.”

Mr Givan: I thank the Minister for that response. He touched on the need to ensure that we have the appropriate skills to pick up the type of jobs that would be generated through a reduction in corporation tax. Has his Department given any consideration to what further jobs could be created if we had a corporation tax rate that offered more of an advantage over our neighbours in the Republic of Ireland?

Dr Farry: I do not think that the actions that we need to take will be that much different in the context of whether we are talking about a 12.5% rate or a lower rate. While it is not my individual responsibility as a Minister to set the rate, my view, as part of a collective Executive, is that it would be foolish for us to have a race to the bottom by trying to undercut the rate in the Republic of Ireland, because it would simply move to match us. There are advantages in having a common regime on the island so that we can both compete based upon our other strong attributes in our respective jurisdictions. The Member stressed the importance of skills. We have to make further investments in skills, and it is important that the full House understands that, if we are to go down the route of a lower level of corporation tax, it cannot be successful in a vacuum and we have to invest in skills. A standstill in what we are doing is not good enough. At the moment, we are deinvesting from a lot of our skills drivers, so we are taking the wrong action if we are supposed to be planning for something that should give the economy here a major boost.

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-13-04-2015.pdf>

14 April 2015

Ministerial Statement: Education - North/South Ministerial Council

Summary: In a Ministerial Statement to the house following a NSMC meeting in education format on 25 March 2015, Education Minister Mr O’Dowd outlined that the Council noted plans by both Departments to draw up a model for a future crossjurisdiction engagement event on educational underachievement.

Mr O’Dowd: Mr Speaker, with your permission, I wish to make a statement, in compliance with section 52 of the NI Act 1998, regarding a meeting of the North/South Ministerial Council (NSMC) in education format. The meeting was held in Armagh on 25 March 2015. This statement has been agreed with Minister Storey and is made on behalf of both of us.

Turning to EU funding opportunities, the Council noted the ongoing work of both Departments on the shared education theme of the forthcoming Peace IV programme. I will be asking my officials to explore the potential for collaboration with the Department of Education and Skills on the ERASMUS+ programme. I am looking forward to receiving an update on progress at the next NSMC plenary meeting.

The Council noted plans by both Departments to draw up a model for a future crossjurisdiction engagement event on educational underachievement issues. I look forward to receiving that from officials.

The Council received a joint presentation from both inspectorates, covering the main conclusions from their work on literacy and numeracy. I welcome the continuing work of the inspectorates and their plans to publish joint work on literacy and numeracy, their continuing programme of inspection exchanges and their plans for the inspectorate of the Department of Education and Skills to quality assure the Education and Training Inspectorate's review of the outcomes of its Promoting Improvement in English and Mathematics programme.

I welcome the continuing progress by both Departments and the Middletown Centre for Autism in facilitating the expansion of the centre's range of services since it commenced expansion in April 2013. Minister O'Sullivan and I had the opportunity to visit the centre following the Council meeting. We received a presentation by the centre on its current work and its plans for 2015-16.

We also had the opportunity to observe intervention work with children referred to the centre and learn about the centre's wholeschool referral work and meet parents and children. Minister O'Sullivan and I were delighted to meet the children and parents and see first-hand the invaluable support that the centre offers to them. We will continue to support the centre in its vital role in working with some of the most vulnerable children and young people with autism.

I turn to teacher qualifications. Both Ministers noted that the work on the professional accreditation of reconceptualisation programmes of initial teacher education has now been completed by the Teaching Council Ireland. Ministers noted that the North/South teacher qualifications working group has asked both councils to revisit the Teaching Council Ireland desk-based qualifications assessment process and provide an assessment of the issues impacting mobility by the end of September 2015.

Ministers were pleased that the criteria encompassing guidelines for the Irish-language requirement programme design have now been approved by the Teaching Council Ireland, and they have recently invited St Mary's University College, Belfast, to submit a formal programme proposal for approval. The Council also noted the progress made on the implementation of the 2014-15 programme plan developed by the Professional Development Service for Teachers and the Curriculum Advisory and Support Service (CASS).

Ministers noted the positive outcome of the independent evaluation of the North/South collaborative programme of work for 2010-11 to 2013-14, the findings of which will inform future programmes of work. It was noted that approval in principle has been given to a collaborative programme of work over the next three academic years based on digital literacy and history and that support services have been asked to develop a detailed proposal to include objectives, timelines and budgets for final approval of the North/South teacher qualifications working group in May 2015.

Ministers noted that the twelfth annual conference, 'Always Learning, Always Teaching: Making the Journey', took place in the Killyhevin Hotel, Enniskillen, on 21 and 22 October 2014, and work has commenced on organising the thirteenth annual conference, 'Teacher Education for Social Justice'.

I turn to school, youth and teacher exchanges. Minister O'Sullivan and I noted the ongoing activities of the North/South education and training standards committee for youth work, particularly in relation to the professional endorsement of higher education programmes in youth work. I welcome the development of a dedicated website and the introduction of an annual monitoring process to ensure that institutions comply with the basic criteria for professional endorsement. The Council welcomed the work of the group established by the Youth Council for Northern Ireland and the National Youth Council of Ireland to consider the issue of youth work and ICT and its recent success in securing funding through the ERASMUS+ programme to carry out further research with European partners.

Ministers agreed that the North/South Ministerial Council in education format should meet again on 21 October 2015

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-14-04-2015.pdf>

Questions to the Minister for Enterprise, Trade and Investment

Trade: Island-wide Returns

Summary: Mr Boylan (Sinn Féin) asked the ETI Minister to outline her proposals to ensure local businesses secure greater returns from island-wide trade. Minister Foster stated that Invest NI worked directly with many specific industry sectors to support and assist their export plans. Minister Foster also advised that InterTradelreland "offers practical cross-border funding information, advice and support to small and medium-sized industries in both jurisdictions and continues to develop an environment in which the Republic of Ireland and Northern Ireland cooperate to ensure that SMEs are making full use of cross-border opportunities to drive competitiveness, growth and jobs."

Mrs Foster: The all-Ireland market is an important market for many of our businesses, large and small. Specific industry sectors, such as construction and food, continue to deliver significant sales across the island. Invest Northern Ireland works directly with many of these businesses to support and assist their export plans.

The trade and business development body InterTradelreland offers practical cross-border funding information, advice and support to small and medium-sized industries in both jurisdictions and continues to develop an environment in which the Republic of Ireland and Northern Ireland cooperate to ensure that SMEs are making full use of cross-border opportunities to drive competitiveness, growth and jobs. InterTradelreland also supports businesses, through its innovation and trade programmes, to take advantage of North/South cooperation opportunities to improve capability and drive competitiveness, jobs and growth.

Mr Boylan: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her answer. Has she any other proposals to ensure that we maximise the trade potential of local firms?

Mrs Foster: Around two thirds of small and medium-sized companies already take their first step into exporting by working with their nearest neighbours in the Republic of Ireland. That is their first step into the export market. Indeed, 90% of Northern Ireland exporters took their first step into exporting by trading across the border first and then looking to new and different markets. There is a very healthy cross-border market ongoing. Of course, InterTradeIreland and Invest Northern Ireland will continue to help those companies who want to take that first step.

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-14-04-2015.pdf>

Summary: On the same debate, Mr Givan (DUP) questioned the Minister on what impact the fluctuation in the exchange rate is having on our local economy, the Republic of Ireland and in Europe. The Minister advised that at the moment “a stronger pound makes our goods and services more expensive in the Eurozone market, not just in the Republic of Ireland.” Looking at the impact upon tourism, Minister Foster advised that It could be a barrier to those people who are perhaps looking at coming to Northern Ireland from the Eurozone.” Conversely, Minister Foster noted that “goods and services, such as energy and food, which we import from the eurozone will of course be cheaper for businesses and households in Northern Ireland.” However, the Minister recognised that “for those people who are doing business across the border, it is very difficult at the moment.”

Mr Givan: What impact is the fluctuation in the exchange rate — the strengthening pound and the weakening euro — having on our local economy, the Republic of Ireland and across Europe?

Mrs Foster: Given the answers that I have just made about the number of firms and the percentage of firms that take their first step into exporting by working across the border, it is a very difficult picture at the moment because a stronger pound makes our goods and services more expensive in the eurozone market, not just in the Republic of Ireland.

As well as for goods, it is the same for tourism. When considering destinations, of course tourists are usually price-sensitive. It could be a barrier to those people who are perhaps looking at coming to Northern Ireland from the eurozone. However, on a positive note, goods and services, such as energy and food, which we import from the eurozone will of course be cheaper for businesses and households in Northern Ireland. I suppose that it is a bit of swings and roundabouts, but we totally understand that, for those people who are doing business across the border, it is very difficult at the moment.

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-14-04-2015.pdf>



Dáil Éireann Adjourned until 2.30 p.m. on Wednesday 15 April 2015; Seanad Éireann Adjourned until 2.30 p.m. on Wednesday 15 2015; There are no Parliamentary Committee meetings this week



North South Ministerial Council
An Chomhairle Aireachta
Thuaidh Theas

The twentieth NSMC Education meeting was held at the NSMC Joint Secretariat Office in Armagh on 25 March 2015. The meeting was attended by John O'Dowd, MLA, Minister for Education, Jan O'Sullivan, TD, Minister for Education and Skills and Minister Storey, MLA, Minister for Social Development. Minister O'Dowd chaired the meeting.

Link: http://www.northsouthministerialcouncil.org/ed_1_15_jc_-_final_-_25.03.15.pdf