

CCBS – LEGISLATIVE AFFAIRS

20/11/2015 - 27/11/2015



Tuesday 24th November 2015

Ceisteanna – Questions: Northern Ireland Issues

Summary: In response to questions from Gerry Adams TD and Richard Boyd Barrett TD, Taoiseach Enda Kenny updates members on developments regarding Northern Ireland and his recent interactions with political actors there. Mr Kenny discussed issues such as the recent agreement made in Stormont as well as developments regarding the UK's EU referendum.

Mr Adams: 3. To ask the Taoiseach if he will report on his conversations with the Northern Ireland First Minister, Mr. Peter Robinson, and the Deputy First Minister, Mr. Martin Mc Guinness, at the British-Irish Council in Dublin Castle on 19 June 2015; and if he will make a statement on the matter.

Mr Boyd Barrett: 34. To ask the Taoiseach if he has discussed the crisis in Stormont with the British Prime Minister, Mr. David Cameron; and if he will make a statement on the matter.

Mr Kenny: I propose to take Questions Nos. 2 to 34, inclusive, together.

I have been asked a range of questions relating to Northern Ireland, bilateral relations between Ireland and the United Kingdom, British membership of the European Union and various meetings I have had in recent months.

I hosted the last meeting of the British-Irish Council in Dublin Castle on 19 June. The UK Government delegation was led by the UK Secretary of State, Philip Hammond. The Northern Ireland Executive was represented by the First Minister, Peter Robinson, and Deputy First Minister, Martin McGuinness. The council discussed the continuing improving economic situation in member administrations, recognising the interdependence and the links between their economies. The council also specifically focused on work being done relating to the misuse of substances. The council discussed the significant harm being caused by alcohol to individuals, families and society.

At the June British-Irish Council I also took the opportunity to have direct talks with the First Minister, Mr. Robinson, and the Deputy First Minister, Mr. McGuinness, in respect of the then current impasse on budgetary and financial matters. This was the last meeting I had with the First

Minister, Mr. Robinson, prior to him subsequently temporarily stepping aside as First Minister on 10 September.

I am in regular contact with the UK Prime Minister, Mr. Cameron, regarding the situation in Northern Ireland and a range of other issues of mutual interest, including the EU-UK membership negotiations. We regularly use the opportunity of European Council meetings to meet and we did so most recently on 23 September and 15 and 16 October. The Prime Minister and I are in touch by telephone. We spoke on 2 September, following which we jointly invited the parties in Northern Ireland to talks. These talks in Stormont were facilitated by the Secretary of State for Northern Ireland and the Minister for Foreign Affairs and Trade. My comments in the media at the time outlined the Government's position on the prospects for successful talks. We spoke again by telephone on 20 October regarding the UK assessment of paramilitary activity in Northern Ireland. The decision of those in the Ulster Unionist Party in September to withdraw their Minister from the executive was one they were entitled to make. I am unsure whether it was particularly helpful to the process at the time but I respect their right to make that call. Ultimately, of course, it is intended to make formal arrangements for an effective opposition in the Northern Ireland Assembly.

I met with the then SDLP leader and senior colleagues on 10 September in Government Buildings. We discussed the situation that obtained at that point and the optimum arrangements to ensure that the talks might have a successful outcome. I hope to have an opportunity to meet the new SDLP leader, Mr. Colum Eastwood, later this week.

The US Senator, Gary Hart, special envoy of the USA, also made a welcome visit to Government Buildings on 14 October 2015. The Minister for Foreign Affairs and Trade and I expressed our appreciation for the ongoing interest of President Obama's Administration in Northern Ireland and Senator Hart's personal commitment to it. We took stock of the situation at that time and agreed to stay in close contact.

I met the Northern Ireland Minister, Ms Arlene Foster, at the Remembrance Sunday ceremony in Enniskillen on 8 November. We held a brief exchange on the current political situation in Northern Ireland. I have not yet had the opportunity to meet the new leader of the Labour Party in the United Kingdom, Mr. Jeremy Corbyn.

Some questions referred to the UK relationship with the EU. Ministers and Departments are aware of the strategic risks of a withdrawal by the UK from the EU, including risks for Northern Ireland and the Border region. We will continue to deepen our analysis and understanding of the issues at stake in the coming months.

The Minister for Foreign Affairs and Trade, the Minister of State with responsibility for European Affairs and other Ministers and senior officials meet their counterparts regularly to discuss the proposals for EU reform and issues that arise for Ireland in that regard. The cabinet committee on EU affairs is monitoring all relevant matters. The challenge for us is to play a constructive role in the negotiations that lie ahead. We are keen to work with the British Government and all our EU partners in that process to find an agreed basis for the UK's continued presence as a member of the European Union.

I am aware of the public comments by Mr. Nigel Farage of UKIP. He has set out his views on the potential impact of the UK leaving the EU on Northern Ireland. I do not agree with his view that the EU had next to no part in the peace process. I believe that the EU has been an important, perhaps underestimated, enabler of peace in Northern Ireland. It was instrumental in facilitating constructive contact and building trust between our Governments to find a political settlement.

Earlier this month, I had another meeting with the UK Prime Minister on 9 November in London. I also addressed the Confederation of British Industry annual conference that day. I discussed with the Prime Minister, Mr. Cameron, the UK membership of the EU, a question of major interest to us, including in the Northern Ireland context. Our conversation focused on his letter to the President of the European Council, Mr. Tusk, and our desire to keep Britain in the EU. I reiterated my offer of support where possible in the forthcoming process.

The UK Prime Minister attended the CBI annual conference earlier that morning. In my speech at the conference I set out in some detail the implications for Ireland of a UK vote to withdraw from the EU. While the Prime Minister and I did not discuss the recent ESRI report in detail, it informed the discussion, as it clearly identifies potential adverse economic risks for Ireland and Northern Ireland in the event of a UK exit from the EU. We also discussed ongoing progress in key areas of the comprehensive work programme arising from the joint statement of 2012, including trade promotion and co-operation in respect of defence and security matters. We noted that work continues to be progressed through bilateral contacts between our respective Government officials, including at Secretary General and Permanent Secretary level. A fourth plenary meeting of this group, which oversees the progress on over 20 areas of co-operation, took place on 1 October this year. Delivery on commitments in the joint work programme will be reviewed again at the next annual summit meeting, to be held in the spring. We took stock of the situation regarding the talks in Stormont and the prospect of agreement being reached. I also raised legacy issues with the Prime Minister. On the same day, I travelled to Belfast for a meeting with the Northern Ireland First Minister, Mr. Robinson, and Deputy First Minister, Mr. McGuinness. We discussed the issues in greater detail, including the scope for financial support for certain infrastructure projects with all-island benefits.

We also discussed the measures being negotiated to deal with the unacceptable vestiges of paramilitarism and the corrosive effects of organised crime on both sides of the Border. We discussed the measures being taken to address the legacy of the past, including mechanisms to ensure that the arrangements agreed in the Stormont House agreement would be made to work for the benefit of survivors, victims and their families. I took the opportunity to urge the First Minister and Deputy First Minister to ensure that any emerging agreement would have the maximum possible support of other parties.

As the House is aware, the talks in Northern Ireland concluded successfully last week. The agreement addresses the key issues of welfare reform and financial stability within Northern Ireland. It also makes important progress on dealing with the legacy of the past, albeit that it did not conclude on the full range of issues. I very much hope that this will be done in the coming weeks.

The agreement also contains clear commitments to achieve a society free of paramilitarism and to work to disband paramilitary groups. The agreement contains important measures to tackle cross-Border organised crime, including a new task force led by officials from the PSNI and An Garda

Síochána and Revenue officers from both jurisdictions. However, as always, this agreement will ultimately be judged on its implementation.

The title of the agreement is A Fresh Start, and this is precisely what the people of Northern Ireland will wish to see. They deserve not only a fresh start, but a sustained commitment by all of the parties in Northern Ireland to a complete transition of their economy and society. In my contribution to the British-Irish Association in Cambridge last September, I set out my vision for an island which is defined by optimism, hope and opportunity. At the heart of that vision are efficient, effective and representative devolved institutions working for the common good on a sustainable basis. There must also be co-operation to build the island economy through overseas investment, trade, tourism and utilising a competitive common corporation tax rate.

This is the real work agenda. It is one that must be processed through the agreed structures and processes that we have now put in place. In this regard, I am due to be in London for the next meeting of the British-Irish Council on Friday, 27 November. I will also attend the next meeting of the North-South Ministerial Council, which was rescheduled because of the ongoing talks and which I hope will take place in early December. As co-guarantors of the agreements, the Irish and UK Governments will continue to work closely together to further consolidate peace and reconciliation in the North and to further embed peace and the normalisation of politics in Northern Ireland generally.

Source: <https://www.kildarestreet.com/debates/?id=2015-11-24a.354&s=northern+ireland+issues#g430>

Thursday 26th November 2015

Ceisteanna - Questions – Economic Policy

Summary: Minister for the Department of Jobs, Enterprise and Innovation Richard Burton responds to a report that projected a €35 billion boost to the Irish economy if the markets of both sides of the border were fully integrated. Mr Burton responded with a view that a reduction in trade barriers and increased engagement would be beneficial for both economies, regardless of political structures on the island.

Mr Tóibín: 2. To ask the Minister for Jobs, Enterprise and Innovation if he has read the report "Modelling Irish Unification" by KLC Vancouver, British Columbia, Canada; and if he agrees with the projected potential growth boost to the Irish economy of €35 billion of gross domestic product that could be provided by the realisation of an **all-island** economy. [...]

Mr Burton: I welcome the publication of this interesting report which gives considerable food for thought by undertaking some economic analysis of issues arising in the event of the unification of Ireland.

It is very difficult to say whether the conclusions of the report in relation to the potential growth boost to the Irish economy would be borne out in practice. I note that the report's conclusions are based on an economic model and on significant assumptions in that regard. The economies of the

Republic and Northern Ireland have developed in very different directions in the past 90 years. There is a significant range of different legal, administrative, regulatory, and financial systems in place and Northern Ireland is an integral part of the much larger United Kingdom economy.

Regardless of the political structures in place on the **island**, there is an overwhelming economic case to be made for more economic engagement. I emphasise that this Government is fully committed to the Good Friday Agreement, to the principle of consent and to the institutions that were established at that time. The need to address economic business development matters on the whole **island** was recognised and resulted in the establishment of InterTrade Ireland, the cross-Border trade and development body. At that time there was very limited interaction between business North and South, relatively low levels of trade between both jurisdictions and untapped potential for better engagement. To combat this disadvantage and to seek to drive enhanced levels of business activity, InterTrade Ireland has, in the intervening years, operated a range of programmes and initiatives to develop economic linkages between businesses on both sides of the Border. This work has represented a modest but positive start to the process of developing an “**all island**” economy, regardless of political structures.

Mr Tóibín: The model measures a number of outcomes and steps that would be taken with regard to harmonisation of tax. We see some of that harmonisation in the adoption of common currency, convergence in productivity across the **island** and the eradication of parallel government structures. It states that €35 billion would be created if the economy in the South were to integrate with the Northern economy, that is, €1,497 per person in the first year of that integration, and €5,650,000 of extra GDP per person, man, woman and child on the **island** of Ireland in the eight years. That is a massive amount. It states that the two economies are interlinked and interdependent but it also states that there is a massive economic gap and that hundreds of thousands of people, right through the **island** and especially along the Border corridor, are falling through that economic gap every year. As Deputy Dara Calleary said, the Minister does not answer questions. The simple question is whether the Minister has read the document.

Mr Burton: I have read the document in considerable part and, as I said in the reply, it is based on a number of assumptions. It is up to people to read it and evaluate them. They are assuming an immediate devaluation in Northern Ireland which would mean a reduction in the average value of wages within the Northern Ireland economy. There are issues around that. It assumes the immediate harmonisation of taxes, North and South. It assumes that the Republic of Ireland would take up a considerable part of the deficit within the Northern Irish economy that is currently supported by the UK and a whole lot of other assumptions about the way in which the economies would converge and how this would evolve. As an economic exercise, it is a very valuable contribution to the discussion. It shows the opportunity for significant gains but it does not call for action by me, as the Deputy suggested. It is an evaluation, it is an economic modelling exercise and it is a very valuable contribution.

Mr Tóibín: It is startling that the Minister said it does not call for actions. If €35 billion could be gained following economic integration, then €35 billion is the cost of doing nothing and standing over a policy inaction or inertia with regard to not getting involved. The Minister of State at the Department of Arts, Heritage and the Gaeltacht, Deputy Jimmy Deenihan, appeared on a BBC programme a couple of weeks ago and was asked a very important question about the costing of

an all-Ireland economy and, gormlessly, he answered by saying he did not know. The report stated that there is a dearth of research on this issue across the world. That the report was commissioned and carried out in the US says something shocking with regard to this issue. Blissful ignorance is not an opportunity for the Government or the people of Ireland to do nothing. Will the Minister carry out research on best case scenarios and take elements of the report - without full unification which would take political decisions - that could be implemented purely under the Good Friday Agreement and do a cost-benefit analysis of those?

Mr Burton: Certainly I am in favour of lower trade barriers. The work of InterTrade Ireland is to do just that, to reduce trade barriers; both North and South, as export economies, favour the reduction of trade barriers in every way possible. Obviously, the more immediate concern of the Government would be with the possibility of the reverse happening, that there would be an increase in trade barriers between North and South should the British people take certain decisions. There are issues here that are worthy of keeping under consideration. What I said was that this report does not call for specific action from me but it is a worthy contribution. The Deputy is right. As I said to Deputy Dara Calleary, I welcome the move in Northern Ireland to adopt a lower rate of corporate tax. I think that will be good for the **all-island** economy. I welcome any efforts to reduce trade barriers. I welcome and support actively through my budget InterTrade Ireland which supports North-South activity but some of the wider issues, such as whether Northern Ireland would adopt the euro, are clearly not for me to consider. There are other issues. It is a worthwhile debate and it is a worthwhile report. It is worthy of consideration, and I read it on foot of the Deputy's recommendation.

Source: <https://www.kildarestreet.com/debates/?id=2015-11-26a.17&s=all-island#g25.r>