
OFFICIAL REPORT

(HANSARD)

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They should be sent to:

The Editor of Debates
Room 248
Parliament Buildings
Stormont
Belfast
BT4 3XX

Tel: 028 9052 1135

E-mail: simon.burrowes@niassembly.gov.uk

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NORTHERN IRELAND ASSEMBLY

Education Bill Second Stage

Monday 8 December 2008

The Assembly met at 12.00 noon (Mr Deputy Speaker [Mr Molloy] in the Chair).

Members observed two minutes' silence.

SPEAKER'S BUSINESS

Mr Deputy Speaker: Order. The Speaker has asked me to advise the House that he will be absent from today's proceedings as he is attending a meeting of Presiding Officers in Cardiff.

EXECUTIVE COMMITTEE BUSINESS

Suspension of Standing Orders

The Minister of Education (Ms Ruane): I beg to move

That Standing Orders 10(2) to 10(4), inclusive, be suspended for 8 December 2008.

Mr Deputy Speaker: Before I put the Question, I remind Members that this motion requires cross-community support.

Question put and agreed to.

Resolved (with cross-community support):

That Standing Orders 10(2) to 10(4), inclusive, be suspended for 8 December 2008.

Mr Deputy Speaker: As the motion has been agreed, today's sitting may go beyond 7.00 pm, if required.

The Minister of Education (Ms Ruane): Go raibh maith agat, a LeasCheann Comhairle. I beg to move

That the Second Stage of the Education Bill [NIA 3/08] be agreed.

Go raibh maith agat, a LeasCheann Comhairle. Is mian liom a thairiscint go gcomhaontaítear an Dara Céim den Bhille Oideachais 2008.

I welcome the opportunity to open the debate on the Education Bill. It is the first of two Bills that together comprise the most significant legislative programme in education for many years. I know that the Assembly will take a keen interest in the proposals, and I look forward to a stimulating debate.

Before outlining the scope and general principles of the Bill, I will set it in context by reminding Members of the underlying policy intentions. No one could doubt the fundamental importance of our education system, but it is worth reminding ourselves of its core purpose as set out in the Bill. Education is about more than schooling: its aim is to contribute to the spiritual, cultural, social, intellectual and physical development of children and young people, and of the community at large, and to build confident, creative citizens.

The education system embraces children and young people from birth to the age of 19 and beyond through the provision of services as diverse as Sure Start schemes, schools and youth clubs. As I said in the House last week, it is that public service, more than any other, which has the potential to shape and guide the development and life chances of young people, to build strong cohesive communities, to drive and fuel the economy, and to build respectful and active citizens.

Is í earnáil an oideachais an dara clár is mó caiteachais phoiblí atá againn anseo, le buiséad de bhreis agus £2 billiún gach uile bhliain. .

Education is the second largest public expenditure programme here, with a budget of more than £2 billion each year. It is delivered by nine statutory organisations, more than 1,050 schools, over 200 early-years providers, over 2,000 youth organisations, more than 50,000 staff, many non-governmental organisations, and thousands of volunteers who serve in a range of roles, from school governors to youth-group leaders.

The education system is not merely a significant public service, but a precious resource. It is right, therefore, that the proposed reforms will be scrutinised and debated thoroughly today. The starting point should be the purpose of those reforms.

My aim is not merely to streamline administration or to reduce bureaucracy, but to have a more effective education system, with effectiveness measured in the

terms that matter most to children and parents: a broad education system, educational attainment and the fulfillment of potential. In order to achieve that, we need better planning of the education estate and delivery of the curriculum; better support services for schools and other education providers; more local delivery of services, but within a consistent policy framework; and freedom for school leaders to manage and innovate with clear accountability for outcomes.

Two themes are central to achieving that, and which run throughout the Bill: new structures and new relationships. In reforming the structures, let me make it clear that the deficiencies are in the current roles and arrangement of the organisations, not the people who work in them. Over the past 35 years, many thousands of staff have served with dedication and distinction in the various education organisations, often in very difficult circumstances. They deserve recognition and appreciation for all that they have striven to achieve. However, the structures have become obsolete. Organisations, many of which were established as a temporary measure in the early 1970s, have been allowed to linger for far longer than they ought to have been. New organisations have been grafted onto the system, but not in a coherent way.

The educational challenges have changed beyond all recognition since then, as have the needs of children and young people. However, the education system is still largely based on a 35-year-old temporary solution. Devolution and the new institutions present an opportunity for a new approach that is fit for current needs.

Is léir go bhfuil géarghá le hathruithe san earnáil oideachais. Ar an 25ú lá de mhí na Samhna leag mé béim ar an ngá práinneach le hathchóiriú chun dul i ngleic le tearcghnóthachtáil oideachais agus neamhionannas, agus ba mhaith liom béim a leagan ar an bpointe sin arís eile.

The educational case for change is clear. On 25 November, I emphasised the urgent need for reform in order to tackle education underachievement and inequality, and I repeat that call today. The current fragmented system of education has manifestly failed to tackle those issues and cannot be allowed to continue.

How can we justify five different approaches to education delivery, in everything from special education to fees for music tuition? How can we accept the complex variety of relationships between schools and support bodies? How can we go forward when there is no clear focus on planning the estate or on ensuring that every school is a good school? How can staff work in a system in which accountability is confused and opaque? How can there be equality when the services that children and parents receive are determined by where they live, not by what they need?

When I spoke in the Assembly two weeks ago, I gave figures that showed clearly that our education system is failing many of our most vulnerable young people, such as those from working-class communities, Travellers, ethnic minorities, children with disabilities, school-age mothers and carers, looked-after children, victims of violence — particularly those who suffer as a result of violence inside and outside the home — and victims of homophobic and other forms of bullying.

I will not repeat all those figures, but one may illustrate better than any other the urgent need for reform. The most common measure of a school's performance is its pupils' achievement of five good GCSEs, which is the level of qualification that is a gateway to higher education and often to employment. The latest figures for non-grammar schools show that 45% — 6,844 children — achieved that goal. While some improvement is evident and welcome, that figure shows just how far we still need to go.

Too many young people do not get what they need from education, and every part of our education system needs to do better. Closer scrutiny of that headline figure reveals a variation of results across our fragmented education system, pointing to the need for change. In Catholic-managed, non-selective schools, almost 49% of pupils — 3,510 children — gained five good GCSEs. In controlled, non-selective schools that figure was 41%, which represents 3,334 children.

A gap of 8% is simply unacceptable and is clear evidence that the current system cannot deal effectively with underperformance. Why are schools in one sector consistently outperforming those in another? At this point, I reiterate that there is no room for complacency in any sector. The only possible conclusion that can be drawn is that good practice does not cross organisational and sectoral boundaries. We need a single organisation that is responsible for raising standards in every school in every sector, and in doing so, that organisation must be clearly accountable to me and to the Assembly. I therefore propose to create such an organisation.

Make no mistake: the educational case for change is paramount, but the financial case is also compelling. That is reflected in the business case for the reforms. I have asked for copies of that business case to be placed on my Department's website and in the Assembly Library. The business case shows clearly that by the third year in the first phase of the reform, it will be possible to redirect £20 million a year from administration to front-line services. That is not an insignificant amount. In subsequent phases, service delivery can be improved radically in a way that will release even further savings in order to enhance the quality of services that are available to schools, youth services and non-governmental organisations.

To put that in context, the overall quantum of savings would cover the cost of building three new primary schools and one new post-primary school every year. It would also cover the cost of around 700 newly qualified teachers every year or it would fund the Youth Service capital building programme four times over. I have said that our education system is a precious resource. It is incumbent on me and us all to do everything that we can to ensure that the most effective use is made of every penny that is available to education for the benefit of all our children and young people.

I am confident that the job reductions that will free up resources can be achieved through voluntary redundancies and early retirement in managerial and administrative posts. Every effort will be made to avoid compulsory redundancy. Front-line services will not be cut, and the majority of staff who wish to play a role in the new organisation will be able to do so.

A LeasCheann Comhairle, cé go bhfuil athrú eagraíochtúil iontach tábhachtach, caithfear caidrimh nua agus modhanna nua oibre laistigh d'earnáil an oideachais bheith ann freisin.

Although organisational change is important, it must be accompanied by new relationships and ways of working within education. Let me be absolutely clear: the education and skills authority (ESA) will not be a bigger education and library board — it will be a new and different type of organisation, with a new and different role.

Schools, other education providers and children will be at the heart of the new arrangements. The education and skills authority will be a single, decentralised organisation that is fit for purpose, equipped to help, support and, where necessary, challenge schools in the pursuit of improved standards and in closing the attainment gap.

12.15 pm

As part of my considerations on the establishment of the education and skills authority, I will take into account the Bain Report on decentralisation of public-sector jobs, and will seek to locate the education and skills authority's headquarters in line with those recommendations.

There is already plenty of evidence on the characteristics of successful schools. Those schools tend to have strong, effective leadership from their boards of governors and senior management teams; a strong sense of belonging and accountability in respect of the pupils, parents and communities that they serve; an ethos that pupils, parents, staff and governors support; and the autonomy and support that they need to manage their own day-to-day affairs.

The education and skills authority must foster and develop that approach for all schools. There must be a move away from the command-and-control approach that is all too prevalent in education. Instead, school leaders will be empowered to lead, manage and innovate; be supported to deliver; be held to account for their performance; and be challenged, where necessary.

Is iad seo na tréithe a bhaineann le córas oideachais atá nua-aimseartha agus éifeachtach, agus creidim gurb iad na tréithe seo na tréithe ar ceart do thuismitheoirí agus do dhaoine óga bheith ag dúil leo.

Those are the characteristics of a modern, effective education system. I believe that parents and young people have the right to expect those characteristics to prevail in schools.

A LeasCheann Comhairle. I turn now to the legislation. The Bill that is before the Assembly contains a range of provisions to make the vision that I have described a reality. I will explain the principal provisions in broad terms. First, the Bill captures in legislation the visions and values for education. It links them directly with general duties of my Department and the education and skills authority that are centred on children and young people's development.

Secondly, the Bill will establish the education and skills authority, with the following core functions: planning education; introducing, for the first time, a co-ordinated approach to the education estate and curriculum throughout all sectors and providers; supporting education, with clear statutory duties on the education and skills authority to support schools and boards of governors; challenging education, through setting out clear statutory responsibilities for my Department, the education and skills authority and boards of governors; and employing staff, through establishing the ESA as the employer of all staff in all grant-aided schools in order to allow for a better planned and co-ordinated education workforce.

As an organisation, the ESA will be founded on democratic accountability. The majority of its members will be local councillors. Its objective is effective, responsible local delivery of services within a consistent policy framework. The ESA must be a regional organisation and have a strong local presence and focus on local delivery. Local managers and delivery units will have the freedom to respond to specific local circumstances and need. They will be sensitive to and receive input from local committees that comprise, among others, several elected representatives.

The Bill also contains provisions to dissolve existing statutory organisations and to transfer their staff, assets and liabilities to the education and skills authority. Those provisions are consistent with guiding principles from the Public Service Commission and with the review of public administration in other areas.

Tugann an Bille foráil d'aistriú réimse feidhmeanna ó eagraíochtaí atá ann faoi láthair chuig an údaráis um oideachas agus scileanna; lena n-áirítear ceapadh ghobharnóirí scoile, soláthar sheirbhís leabharlainne na scoileanna agus araile.

The Bill also provides for the transfer of a range of functions from current organisations to the education and skills authority, including, for example, appointment of school governors; provision of the school library service; and raising standards. Building a broad curriculum is at the heart of the Bill, which places clear statutory duties on my Department, the ESA and schools. In addition, it provides for more effective education inspection arrangements in order to ensure that there will be a clear evidence base from which to celebrate success and challenge underachievement.

The Bill also seeks to strengthen and underpin child protection arrangements in education. That will ensure consistency and clarity of roles and responsibilities across the entire education sector and provide for strong powers to intervene, where necessary, to protect children. Further provisions will place the funding of early-years services in education on a formal statutory footing for the first time.

The Bill aims to maximise the autonomy of schools by, for example, giving them the authority to draw up the governance and employment arrangements that they will operate. In relation to the curriculum, the Bill will make my Department responsible for accrediting qualifications and approving courses of education.

A LeasCheann Comhairle, is é seo an chéad Bhille oideachais a cuireadh os comhair an Tionóil ó athbhunaíodh an cineachadh, agus is é an reachtaíocht oideachais is tábhachtaí é le glúin anuas.

This is the first education Bill to come before the Assembly since the restoration of devolution and the new institutions. It is the most important education legislation in a generation, and it will lay the foundations for a new approach to education. It is an approach that is based on the recognition of diversity, the promotion of equality and the achievement of high standards. It is an approach in which we aim to make every school a good school and support every learner to achieve her or his full potential. It is an approach in which every governor, principal, member of staff and child feels valued for what they do and empowered and supported to do it.

It is a system in which leadership and innovation is encouraged, success is celebrated and underperformance is challenged. It is an education system that will put the child at the centre. Molaim an Bille don Tionól. I commend the Bill to the Assembly.

The Chairperson of the Committee for Education (Mr Storey): I will speak first as the Chairperson of the Committee for Education, and then I will make some comments as the DUP's spokesman for education.

The Committee has carried out considerable scrutiny on the underlying policies of the Bill. On 26 November 2008, the Committee heard from senior departmental officials in respect of some of its outstanding concerns on a number of policy issues. Certain members of the Committee, including me, have significant concerns about several aspects of, what I will call, the first Education Bill. Some of those aspects will impact on the second education Bill, and I understand that the aspiration is for that Bill to be introduced to the Assembly before the summer of 2009.

The Committee considers it important for its concerns to be brought to Members' attention and be placed on the record at this stage. The first concern is the timing of the two Bills. The Minister regards them as a single legislative programme and as two Acts that are intimately linked. However, her proposed timescale for progressing the Bills through the Assembly places the first on the statute book before the 2009 summer recess and the second on the statute book by 1 January 2010, if possible, but certainly no later than 1 April 2010.

However, the Minister's plan is for the substantive provisions of the first Act to commence on 1 January 2010 and for the provisions of the second Act, if completed, to commence on that date also. The Committee will be questioning senior departmental officials on that and on other related matters on Wednesday.

One of the Committee's key concerns is whether the proposed education and skills authority will actually deliver local services to schools. The Committee needs clarity on the make-up, role and powers of proposed local committees and how those will relate to local managers of the education skills authority. The Committee also needs clarity on the functions of the new education and skills authority's sectoral non-statutory organisations. The Committee considers that their precise role and functions need to be clarified. In particular, the Committee needs to examine the body that will represent the controlled-schools sector, because it will contain a diverse range of interests.

The Committee received a paper on that topic recently, but no consultation has taken place with stakeholders to date. The Committee will scrutinise that matter carefully.

Area-based planning of the future schools estate is another key area. Based on the Committee's scrutiny to date, it appears that, despite the proposed legislation, the Department cannot — or will not — stop individual school sector development proposals, which are contrary to the principles of holistic area-based planning frameworks, for many years. That issue must be addressed.

The Bill makes the education and skills authority the single employing authority for teachers in grant-aided

schools. The Governing Bodies Association, which represents 52 voluntary grammar schools, opposes the proposals, which it believes diminish its autonomy and destroy the voluntary principle and the diversity of voluntary grammar schools. That issue must be addressed. The education and skills authority's single-employer status should facilitate wider redeployment of teachers than is the case at present. However, the exemption of teacher recruitment from fair employment legislation militates against that notion. The Committee has confirmed that the underlying policy on teachers' exemption rests with the Department of Education. That issue must be addressed sooner rather than later.

The Department's policy paper on the ownership of controlled schools has recently arrived with the Committee and will require consultation with relevant stakeholders. The Committee needs to scrutinise that important area carefully. Furthermore, all school sectors must address complex issues on the dispersal or disposal of schools and arrangements for the distribution and use of surplus funds and proceeds of the sales of assets. Again, the Committee will scrutinise that area in detail.

The Committee is awaiting information on the second-tier directorate structure proposed for the education and skills authority. Apart from the costs, that raises issues on the roles and responsibilities of each director. For example, the Committee sought clarity on the role of the director of children's services, queried how that post will complement the work of key partners in the Department of Health, Social Services and Public Safety, the Department for Social Development and the PSNI, and questioned how it will integrate children's services. The Minister referred to the fact that £50 million has been allocated to setting up the education and skills authority and outlined the projected savings of £20 million in year three. The Committee hopes to receive more detail on that matter and raise questions on those important issues.

I will now speak as a private Member and as the DUP education spokesperson, which will allow me more latitude and freedom. However, I am not constrained by the Tory Whip — I have stayed with the DUP Whip.

As I said in the House previously, the Bill should not be considered a blank cheque or a rubber-stamp exercise. During recent months, much has been said about the relevance of the Assembly and the relevance of devolution. If devolution is to be a success, it is essential that Committees take their responsibilities and scrutiny roles seriously.

The legislation must be scrutinised, rather than simply undergoing a rubber-stamping exercise.

12.30 pm

I wish to place on record, not only as Chairperson of the Committee for Education, but as a member of that Committee — and I believe that I can speak on behalf of all members of the Committee on this issue — that we will dedicate ourselves and our work to ensuring that the legislation does what it says on the tin: that it can deliver what the Minister says it can; and that it does deliver for our children and for the best of the education system.

There are a number of serious issues with which we wish to deal as the Bill is scrutinised by the Committee for Education. The single employing authority, for example, is an issue on which, I believe, the Minister has already received correspondence — and not from me, but from senior churchmen in Northern Ireland. The Minister has been very keen in recent days to take advice from leading churchmen — perhaps she will consider the advice of the bishop who wrote to her on the issue of a single employing authority. One of my colleagues will deal with that issue in more detail later.

With regard to an education advisory forum — do we really need a civic forum for education? Do we need a body that will produce reports and not have any power to deliver on those issues — as was the case with the Civic Forum? I think that the jury is out on that one, but our decision is, I believe, already very clear: that can add no value to the Bill.

On the subject of area-based planning, there is an issue about whether that should be coterminous with the new council boundaries, and what role there will be for local learning partnerships. Over recent weeks and months, we had the opportunity to see the value of learning communities — there are many in Northern Ireland that are already delivering good, tangible outcomes for education. There are concerns that there should be a holistic approach, that there should be coterminosity with the new council boundaries, and that the role of local learning partnerships is clearly identified.

The Bill proposes the establishment of sectoral support organisations. Assurances are needed that those organisations do not expand and develop and take on a life of their own. How often have we seen such an organisation going beyond the bounds of what it was originally intended to deliver, as was the case with one of the organisations that is to be dismantled. That is an issue on which we need to have a very clear view.

There must be clarity that there will be no dilution of the position of school governors, and I will come back to that issue in a moment. On the issue of the examinations function, there are concerns that there could be a conflict of interest if ESA was responsible for the preparation and the assessing of examinations. That issue will have to be considered seriously.

The DUP has always been concerned about the excessive amount of change that is being attempted simultaneously across so many elements of the education sector. As the Minister said this morning, the Bill represents another era of change. However, we need to ensure that it is a managed change, because far too often the system has been driven by directives from the Department, but not by direction from the Department. There is a challenge to us all — members of the Committee for Education, Members in the House, the Minister of Education, the Executive and the Assembly — to ensure that that is no longer the case.

ESA offers the potential for streamlined decision-making, reduced bureaucracy, and within a few years, hopefully, annual savings for reinvestment in frontline services. We have expressed concerns about how realistic are some of the short-term savings envisaged by the Minister. In order to maximise efficiency, it is essential that ESA is as lean a structure as possible, and is not top heavy, with too many senior management posts.

We will watch that space very closely. All too often in the past, the aspiration has not become the reality; we must ensure that that is not the case in this instance.

As a result of my party's perseverance, proposals that would have removed the statutory entitlement of the Protestant Churches to appoint transferors' representatives to school boards of governors have been overturned. I welcome that decision, which this House debated and can regard as a success. Representative bodies such as the Council for Catholic Maintained Schools (CCMS) are to be dissolved and replaced by advisory groups that have no statutory or service-delivery responsibilities. A new body will be created to represent the interests of the controlled schools. Many Members of this House will welcome that decision, to which we will give due consideration over the next few weeks and months.

We want, and support, greater autonomy for our schools. The ethos of individual schools should be preserved. As a regional body, the education and skills authority must have a high degree of accountability, with the Education Committee having a meaningful role.

The Governing Bodies Association (GBA) raised concern about the voluntary principle. If the representation that the Education Committee received from the Department last week — that we have a system in which autonomy is given to local schools so that they have the power to make decisions without having to go through a bureaucratic rubber-stamping exercise — is put in place, that will be welcomed by all sectors.

I should have declared an interest as a member of the board of governors of a controlled secondary school. We would relish the opportunity to have the power and authority that some voluntary grammar schools have. We welcome that proposal, but we need

to be careful in the way in which it is brought about. Those are issues that we will continue to pursue over the weeks and months.

Province-wide, consistent policies will now entitle all pupils to the same services regardless of where they live. It will remove the postcode lottery concerning issues such as special needs and home-to-school transport.

During the Committee's intense period of line-by-line consideration of the draft legislation, my party will be to the fore. As well as clarifying the exact detail of the matters that I have outlined, we will particularly be examining the ramifications of the education and skills authority as a single employing authority. A huge amount of work is required. As we come to the end of 2008, we envisage entering 2009 with the purpose of ensuring that the required work is done.

I lay down a warning. Concerns were raised about the Libraries Bill — but can anyone tell me how the Libraries Bill was changed as it progressed through this House? We must not make that same mistake. If this House, the Education Committee and the Minister are to be relevant in delivering the education of our children, this Bill must be scrutinised and amended. I trust that the work that we envisage will be done in a way that will benefit all the children in Northern Ireland.

Mr O'Dowd: Go raibh maith agat, a LeasCheann Comhairle. Listening to the remarks of the Chairperson of the Education Committee — and in his role as the DUP's education spokesperson — I find myself disagreeing with him on very little. However, I reserve the right to study the Hansard report in case he slipped something in that I did not pick up.

I have no difficulty with — indeed, I support — the Member's plea for the Assembly and the Committee for Education to closely and robustly scrutinise the Bill. In fact, the Committee has already played a positive role in developing the Bill, and anyone who examines the Minister's public announcements about her changes to the legislation will realise that she has listened to the Committee's opinion on many aspects of it.

For example, the matter concerning transferors, to which the Chairperson of the Committee for Education referred, was of serious concern to many people. It has been decided that there will be no change to the role of transferors on boards of governors, and that is the right decision. Transferors from the Protestant Churches have played a positive role in the education system, and they should be allowed to continue to do so. Therefore, I welcome that decision.

Some Members: Good.

Mr O'Dowd: I am being praised by the blue-rinse brigade from the Conservative Party. *[Laughter.]* Given that, and the fact that I am agreeing with the

Chairperson of the Committee for Education, perhaps I should sit down while I am ahead.

As the Minister said, the Bill is not an exercise in cost cutting; it is about improving educational outcomes for young people, and that is how it must be measured. Excellent educationalists are working in the education system — in classrooms and on boards — but we do not always have an excellent education system. That system must be refined and managed in a way that is accountable to local communities, the Assembly and broader society.

Another of the Minister's changes — namely that the majority of ESA members will be local councillors — is to be welcomed, because that will afford democratic accountability at the highest level. In addition, the local committees, with which local managers will work and to which they will refer when delivering services, will include locally elected representatives, and that is important. It must also be remembered that ESA representatives will appear before, and be held accountable by, the Committee for Education and the Minister. Therefore, the proposed structure will be subject to several layers of accountability.

I note that UNISON — a trade union for which I have a lot of respect — is concerned that possibly the largest quango in western Europe will be created. I do not believe that that will be the case, because the safety measures that the Minister has put in place with regard to the authority's membership and the membership of local committees, and those bodies' accountability to the Assembly, will ensure that the quango will not run off with public resources.

Mr B McCrea: The Member disagreed with UNISON — a trade union for which he has a lot of respect — that the proposals will create the largest quango in western Europe. UNISON also stated:

“there is no evidence that the proposals will produce improved educational outcomes on key indicators, such as numeracy and literacy... the size of the proposed bureaucracy is likely to militate against the local flexible support that schools need on these issues.”

Does the Member agree with that statement?

Mr O'Dowd: No, and there are several matters that have been raised by UNISON with which I will publicly disagree today. Nevertheless, in the near future, I will meet its representatives and I will debate those matters with them.

ESA's driving role must be educational improvement, and its failure in that role would mean that the Assembly and the local authorities would have failed hold it to account. However, we are not starting off by envisaging failure — ESA must succeed and educational attainment in the schools system must improve. Moreover, the support mechanism that ESA is legislated to provide for local boards of governors is better than the existing mechanism.

I have a lot of respect for UNISON — and for the trade union movement — but that does not mean that I cannot disagree or interact with it. This is the start of the debate about ESA, and in addition to people in this Building scrutinising and debating its future, the trade union movement will, quite correctly, debate and discuss its implications.

ESA's ability to deliver in the future will depend on resources, and that has not been fully debated. For many years, the education system received increased funding through various initiatives.

However, during future Budget considerations, the Assembly and the Executive will need to step back and look at the way in which education is funded and whether the sector is receiving enough finance to allow any authority to ensure that improvements can be made.

12.45 pm

I have heard Members from all Benches say — correctly — that primary education needs more resources. If that is to be achieved, the entire education sector will require more resources in order to direct the necessary funds into primary education and to allow the education and skills authority to ensure that the necessary changes to, and investment in, the education system will be successful.

I support the Bill for a variety of reasons, the most important of which is that it is not about cost cutting or trimming services and bureaucracy. The Bill must be about improving attainment in classrooms and schools, and ensuring that our young people can be everything that they wish to be. I welcome the fact that the Bill makes provision for the education and skills authority to look after not only children's educational welfare but their spiritual and pastoral welfare. Schools are not only about teaching the three Rs; they are creating young adults for our society. Through its support networks, the education and skills authority will be able to deliver that.

I support the Bill, and I welcome the fact that the Committee for Education will play a robust role in the system and that it will scrutinise the legislation, in the words of its Chairperson, “line by line”. There is nothing to fear from that scrutiny or from the proposal of positive amendments to the Bill. However, amendments must add to the Bill rather than detract from it. I hope that the Committee will not employ scrutiny as a delaying tactic but will use it to provide positive input to the Bill.

Education has been waiting for change for many years. The boards are losing staff at all levels, and, if we are to have a successful education system in future, we must move forward. We need to introduce, as speedily as possible, the review of public administration (RPA) changes that are happening across all sections of Government.

Finally, the Minister and the Department have listened to the concerns about the two Bills. The two Bills are inextricably linked, to use a catchphrase that I heard somewhere else. The first and second Bills are linked because the Committee was concerned that it would be signing up to the first Bill without knowing what the second Bill contained.

The commencement Orders that were outlined at last week's Committee meeting should reassure Committee members who may be concerned about signing up to a second Bill that they know nothing about. The Assembly will be involved at all stages of the process, and, therefore, Members can feel safe in their convictions that they are doing the right thing with regard to the Bill. Go raibh maith agat, a LeasCheann Comhairle.

Mr B McCrea: I am somewhat confused by the debate. It was interesting that the Lord Morrow felt the need to intervene. I note that he was sitting on the Front Bench but has moved to the Back Bench. He is just checking out which way his party will go in the debate.

I was struck by the question about what was actually agreed. I heard Mr O'Dowd say that he disagreed with very little of what Mr Storey said. However, if I heard Mr Storey correctly, he gave two separate speeches — one on behalf of the Committee and the second on behalf of the DUP — in which he gave a long list of things about which he was unhappy and which he did not think were right — *[Interruption.]*

If the Lord Morrow wishes to intervene, I will be happy to let him. He does not need to speak from a sedentary position. He need only indicate, in the normal manner, that he wishes to speak.

I considered the comments from DUP Members. I asked Mr Storey whether a deal had been done. He assured me categorically that no deal has been done on the Bill, and I believe him; he is an honourable man.

I will be listening to the debate, as it progresses, and watching to see how Members vote during any Division.

I was struck also by the comments of other leading members of the DUP. When Sammy Wilson was Chairperson of the Committee for Education, for instance, he said:

"The proposal seems to be to move everything into the centre in the longer run and put it into a grand regional education and skills authority that will be remote, inaccessible and unaware of local concerns." — *[Official Report, Vol 28, No 4, p214, col 2].*

He was talking about the Youth Service, of course.

I did not detect any great enthusiasm for the Bill from that Member, and neither do I expect any from Miss McIlveen. On the proposal to move the Youth Service into ESA, she said:

"Youth services would have greater long-term security if they were administered by local councils... We must ask ourselves

whether youth services would be better served under potentially the largest education body in Europe. Would that reflect the current situation ...?" — *[Official Report, Vol 28, No 4, p219, col 1].*

The Member makes some very good points, and I look forward to hearing her develop them as the debate progresses.

I am not sure whether we have reached agreement on the way forward, despite what Mr O'Dowd says. It seems that we have a great Civil Service response — and I notice that that caused a few heads to pop up. In the absence of policy, we have process. As Mr Storey said, we receive a lot of directives from the Department, but not much direction. The wheels are spinning, but there is no forward motion. We have not tackled any of the core problems in our education system; we have not reached any agreement. Furthermore, we have not found a way to deal with the transfer arrangements from primary to post primary, with whether 14 is the appropriate age for the consideration of those things, and we have not explored what we can do about — *[Interruption.]*

Mr O'Dowd: The Member is clearly confused, because his comments do not relate to the objectives of the Bill, or to ESA, which is concerned about restructuring the education delivery system and improving delivery services for education and support services.

Basil McCrea said that I had disagreed with little of what was said by Mervyn Storey, the Chairperson of the Committee for Education and his party's spokesperson on education. Mr Storey read a list of issues that he wants to scrutinise at a Committee meeting. Why would I disagree with his wanting scrutiny to take place at a scrutiny Committee?

Mr B McCrea: There are many things that the honourable Member does that I cannot understand, that being one of them. The Assembly is supposed to be trying to find consensus, but that is not happening. Some people are bulling on blindly and saying that they will do it their own way. That is an assault on democracy. Proper debate is not being allowed to happen, because the outcome has been decided already.

Mr Storey: I missed the beginning of the Member's contribution in which he referred to me. I do not think that he made any accusations about me, because he said that I was an honourable man. Perhaps, he had too much to drink over the weekend, and his vision is blurred.

If the Member believes that a deal has been done, why would I come to the House and raise my concerns? One must remember what I said. This is a litmus test for the Committee for Education, of which Basil McCrea is a member. Will he assure the House that he, along with his colleagues and the rest of the Committee, will suggest and consider meaningful amendments that will, if necessary, ensure that the Bill is moulded in

such a way that will make it acceptable to Members, instead of saying merely what should be done?

Mr Cobain: How can that be done?

Mr Storey: There is a legislative process. The Member is a Member of the Legislative Assembly, or, perhaps, he has become a member of the Tory Party.

Mr B McCrea: I understand the Member's difficulty. It is difficult for one to reply to a statement that was made when one was not in the Chamber. Had the Member been in the Chamber, he would understand that I was not attacking him; he has jumped to a conclusion. I have heard what he has had to say in the Committee, I have heard his personal opinion, and I know that he has grave reservations about many aspects of the Bill.

If I am not correct, he can say so. I have asked the Member personally, and he will confirm it; I have asked the appropriate people whether a deal has been done. I have been given an absolute assurance that no deal has been done.

Mr Storey: Will the Member specify what he means by a deal being done? What does he believe that the trade-off has been?

Mr B McCrea: I am only making the position clear, Mr Deputy Speaker, that I have received an assurance that no deal has been done: no deal on the 11-plus; no deal on transfer; no deal on age 14; no deal on anything. In response, Mr O'Dowd said that I was not talking about the right thing. I am talking about the general principles. I heard the Minister say clearly that the whole idea of ESA was to tackle the underachievement in our society and to tackle issues of underperformance. All those issues have been raised and will be looked at. My comments are relevant.

We are fiddling while Rome burns. We are not dealing with the real issues. The Bill is to make life easy for the Civil Service. The origins of the issue started during direct rule when a Minister would fly in, make a few decisions and fly out again. That is not the case now. We have a Minister of Education — allegedly. That —

Mr O'Dowd: We definitely have a Minister of Education.

Mr B McCrea: I was just checking. Is it you or her?

Mr O'Dowd: It is definitely her.

Mr Deputy Speaker: I remind Members to make their remarks through the Chair. Mr McCrea has the Floor.

Mr B McCrea: Thank you, Mr Deputy Speaker.

We want to tackle the underachievement in our society, and we want to find a more efficient way of organising our education system. I understand what the Member opposite said when he referred to budgets and increasing funding in primary, nursery and other

schools. The Minister told us what she thought was the answer to the question that she had posed. She asked why the underperformance was taking place. However, there is no real answer to, or logical analysis of, why underperformance is taking place. The proposed solution — while not being sure what the problem is — is to look at good schools operating in difficult areas that produce good results, schools with strong and effective leadership, schools wedded to the community, schools with a strong ethos, and schools that have the appropriate level of autonomy so that they can make decisions at a local level.

The Education Bill will destroy all that and it will take away from our schools — our most successful schools — the level of autonomy that they need to make the right decisions for their community. It will not provide them with any additional resources. It will burden them with an overarching bureaucratic system that will take away from the effective education that they provide. Therefore, I am extremely uncomfortable with the direction of the Bill.

It is easy for the Department to issue directives — directives come out in multitudes. Our school leaders and practitioners are overburdened with the amount of direction that they are given. However, they do not receive the resources to implement those directions. We must find a system that will provide some form of local accountability that lets practitioners — leaders in their schools — do what is right for our children.

It struck me when speaking recently on the Health and Social Care (Reform) Bill, brought forward by Minister McGimpsey, that Members opposite supported the idea of creating a huge quango for health. They understood why it is right, with regard to health issues, to have a certain element to look after financial controls, or computer systems, or to deal with certain matters on a regional basis, but they reject the notion that we should have one super quango that handles everything for education. If it is good enough for health, it is good enough for education. It is exactly the same argument.

One thing that really worries me is that the Minister said, if I heard her correctly, that the Bill would introduce clear accountability to me — I do not think that she meant me; I think that she meant her, the Minister of Education.

The truth is that we are witnessing the introduction of politburo politics. There is an absence of democratic accountability. Mr O'Dowd suggested that the Committee would somehow have an overarching view on the matter. I do not see that provided for in the Bill. I see that the matter will be passed on to another quango. Some unpopular decisions will be made. When we are discussing other topics, some Members normally say that the Minister of Education has the support of the

unions, the educationalists, the stakeholders, and of this, that and the other. The truth is that the Minister of Education does not enjoy unilateral support. In fact, by uniting most of Northern Ireland against her proposals, she has managed to achieve the near impossible. Had she adopted a different approach, it might have been possible to consider the Bill in a particular light. However, we cannot support a Bill that will give unfettered control to a Minister of Education who does not listen to democratically elected Members or to the teachers, parents, and, above all, the pupils.

1.00 pm

The proposals in the Bill appear to be the Minister's attempt to gobble up the entire education system. Under the Bill, early-years provision will also be put in the pot. There is a real danger that the authority will take on too much, and that, like so many oversized bureaucracies, it will strain under its own weight. Again, I know that the DUP shared that view, or at least it did previously. No doubt, we will get confirmation of that. The proposals for area planning were also a major concern. Much of the content of the Bill will be greatly influenced by the guiding principles by which area-based planning is conducted. That is an issue of fundamental concern. If one does not know the rules by which the process has been conducted, how can one have any confidence in the outcome?

An equal concern exists that the education and skills authority, being a single employing authority, will further reduce the independence of schools and their ability to manage their own affairs, promote their own ethos and maintain standards. Many teachers and educational professionals are starting to question seriously what this Bill and its sister Bill will mean for them.

There is further confusion over the education advisory forum. No definitive policies have been developed. I am extremely disappointed that the forum has not been included in the Bill, as it will have serious ramifications for the ESA and its workings. The forum will advise not only the Department of Education but the Department for Employment and Learning. It is crucial that we gain full understanding of what that forum will entail as quickly as possible.

The Bill, in its current form, leaves as many questions unanswered as it answers. However, we know that, when the Minister concludes the review of public administration (RPA) process, we will be left with a top-down, centralised education system that will not address many of the most pressing problems in education. It will not allow our excellent educational professionals to flourish, and that will impact on our children. The Bill offers a broad-stroke, ideological approach to definitive and real problems, which may ultimately result in the removal of the best parts of our education system across the board. The Ulster Unionist Party will

not stand back and let that happen. I urge all other parties to reflect seriously on the practical, democratic and inclusive ramifications that the Bill will have for our entire educational system and for our society.

The Ulster Unionist Party's goal is to deliver an education system that provides an excellent education for everyone in Northern Ireland. The party also believes in encouraging education professionals, local communities, councils and children to invest in, and engage with, the system and its development. The Bill does not allow for such input. Moreover, the party does not believe in destroying the parts of our education system that are doing well in order to improve those areas that are not — that is misguided, ideological thinking. As UNISON said — we have discussed this point before — the Bill before the Assembly fails the classic principle of form following function. I do not support the Bill in its current form, but I look forward to scrutinising it further at Committee Stage.

I trust that all the Members who are here today will understand that our concerns are legitimate and serious and that we are asking for —

Dr Farry: Will the Member give way?

Mr B McCrea: I was one word away from finishing.

Dr Farry: As the Member knows, timing is everything. He alleged that the Bill is ideological. However, his party — which has joined forces with the Conservative Party — is opposed to the Bill, and, on the left wing, UNISON also has reservations about it. Therefore, in what sense is the Bill ideological?

Mr B McCrea: For a minute, I was worried that Dr Farry was not going to intervene, but he was fortunately able to come up with something. As usual, his erudite and incisive brain has picked up on something. He probably saw it on the TV — that is very good.

The Ulster Unionist Party is a party of Northern Ireland — strong within the Union, dedicated to the education of our people, and dedicated to ensuring that society improves for all of us. Dr Farry should, in the words of our leader, Sir Reg Empey, join us.

Mr D Bradley: Go raibh maith agat, a LeasCheann Comhairle. Tá áthas orm labhairt ar an Bhille Oideachais inniu agus ar an údarás um oideachas agus scileanna. As an objective witness, I can verify that Mr Basil McCrea called Mr Storey an “honourable man” while he was out of the Chamber. That is the good news. The bad news is that some Members shouted from the Back Benches “so was Brutus”. *[Laughter.]*

When she introduced the Bill, the Minister said that she was:

“not interested in rearranging bureaucratic deckchairs.” — *[Official Report, Vol 35, No 6, p256, col 1].*

However, if the transfer issue is not resolved, many people — especially parents and teachers — will see the advancement of the Bill as the Minister ignoring the looming iceberg and proceeding full steam ahead. We must recognise that there is still confusion, anxiety and uncertainty among those who are affected most by the transfer issue. As we face a possible situation of unregulation, the general public may view today's proceedings as a rearrangement of deckchairs as we lurch towards a disastrous situation.

Church leaders suggested recently that academic selection at age 14 could be an area of agreement. The SDLP welcomed that possibility, but alas, little progress has been made on it. We cannot afford to spurn that opportunity — the public demand more than that from us.

For an area that is as small as Northern Ireland, the ESA will be a huge organisation. That smacks of what is known as democratic centralism, which is the way that Gerry Adams runs Sinn Féin. Regardless of how the education and library boards were viewed, there was a perception that there was local access to executives at the highest level and speedy responses to issues that were raised.

A main issue that many people have about the ESA concerns its local interface with schools and youth clubs. Although the Bill does not detail such arrangements, it is worth putting down a marker that we expect easy access to the ESA's services at a local level throughout the North. Access to services and responses from the ESA must be a vast improvement on current services; we do not want schools telling us that the level of access to — and provision of — services is not serving their needs and is not of sufficient quality.

The lofty ideals of legislation can appear laudable on paper, but we need to ensure that their practical outworkings best serve schools and pupils. Although we all agree with the aims of the Bill, especially in relation to raising standards in education, standards cannot be raised on fresh air alone. That requires considerable investment in resources.

We were promised constantly that the ESA would deliver savings of around £20 million per annum, which would be reinvested in front-line services. However, recent statements from the Minister are putting less emphasis on those savings, which makes one doubt whether they will be realised.

If we are to support the Bill, we need solid assurances that the projected savings are still an important element in the establishment of the ESA. Schools will want to know that the promised savings are still achievable and that they will be available to them for front-line services. We need to ensure that the ESA delivers the promised

savings and that it is monitored and reported on annually to ensure that that happens.

We share the reservations of other Members, particularly with regard to the examinations council. We believe that it should remain independent, but it is difficult to see how that will happen if it is placed under the control of the ESA. We need to give fresh consideration to that area.

As I said, standards are a very important part of the education system. We need to ensure that there are effective benchmarks at all stages of the system. There is also a need for an accurate system of measuring value-added data. The SDLP will ensure that the Bill —

Mr K Robinson: I am very glad that the Member raised the added-value factor. Will he agree that it is that added value in the classroom and the relationships that have built up over the years between the teacher and the children, the teacher and the parents, the school and the community, the school and its local education board, that have helped the existing system — badly framed as it might be, as the Minister said — to succeed over the past 35 years?

Mr D Bradley: I thank the Member for his intervention. Given that many schools have achieved a degree of value added, which is not always reflected in dry examination data, we need a system that will reflect both that and examination outcomes. That is the point that I wanted to make

The SDLP intends to scrutinise the Bill closely, and our support for it is not a given. Unless we can be sure that the Bill will deliver on its stated aims, our support will not be forthcoming. We want assurances on all the points that I raised. Gabhaim buíochas leat, a LeasCheann Comhairle.

Mr Lunn: We welcome the fact that the Bill has been introduced at last. It is good to see a substantial piece of legislation in the education field being brought before the Assembly. I do not wish to repeat what the Minister said, but the broad thrust of the Bill relates to raising standards across the board, to the fact that the financial case indicates major savings from year three onwards, and to the fact that we are not looking at a rehashed education board. Although we are quite happy about that, that is not to say that we do not have some reservations, to which I will come in due course.

In broad terms, however, my party welcomes the proposals. We like the idea of a regional organisation with a strong emphasis on local delivery and maximum autonomy for schools. Those concepts have been talked about for months — years, even — and now that there is a possibility that they will come to fruition, we will run with it.

1.15 pm

I also welcome the fact that the Chairperson of the Committee for Education — he has disappeared, and I wanted to compliment him — has said that the Committee will take a constructive view and try to achieve a consensus. I believe him; I think that he means it, and I believe that his view is shared by a majority of the members of the Committee.

Basil McCrea asked whether a deal had been done. I do not know — he has disappeared as well. However, he talked about the two parties doing it their way; I think he used the phrase “bulling ahead”. I do not see it that way. Over the past few weeks and months, I have witnessed a convergence of thinking among most of the parties on the requirement for an ESA Bill. Now that it is before us, I wish it a fair wind. Like other parties, however, we have some concerns that we will develop during the Bill’s Committee Stage and Consideration Stage.

Mervyn Storey raised the issue of sectoral interests being allowed to carry on with major developments in advance of the Bill becoming law. My party has a major concern about that. There is a situation in Larne which is causing great concern. I do not see why some of those developments could not be put on hold in the meantime. Mervyn is back now, but I will not repeat my compliment.

Our most serious concern is around the representation at the top level of ESA, and the requirement that a majority of its board — if I can call it that — be composed of local councillors. I am not declaring an interest; I am a local councillor, so I feel that I can speak freely about those matters. I will not repeat the comment that was made during a meeting of the Committee, but let us just say that there is a possibility that only a minority of members of that board will have the required expertise, while the majority are there purely because they are local councillors, and to make up the numbers. It may be that there will be enough local councillors with sufficient expertise — I do not know. However, having taken note of the performance of local councillors on the existing education and library boards, I am filled with dread. The South Eastern Education and Library Board is in suspension, and the Belfast Education and Library Board is in limbo; that does not bode well for the future.

Why is the ESA board to be composed mainly of local councillors? What have we done to offend the system? Schedule 1(19) of the Bill states that Assembly Members cannot be members of the ESA board. The starting point for all of that was the former Minister’s view that there should not be any democratic representation on the ESA board. We have gone from that position to having a majority of local councillors. That is incredible; there must be a sensible compromise

between those two positions that allows for local democratic —

Mr K Robinson: The Member may or may not know that the Libraries Bill, which was scrutinised by the Committee for Culture, Arts and Leisure, was, in its early stages, designed to render the proposed new libraries authority absolutely bereft of any local political or community involvement. The Members of that Committee saw that as a difficulty that would reflect what had happened in the health boards over many years, and they were determined not to allow that to happen to the new Library Authority. I am glad that the Minister of Education has accepted that local councillors, in their new post-2011 format, will have some influence in the running of ESA.

Mr Lunn: I accept the Member’s point. He used the phrase “some influence”. I do not believe that it has to be a majority influence — that is the point that my party will pursue as the Bill makes its way through its Committee Stage.

Mr Storey: I wish to generate a bit of debate, just in case people have gone to sleep. Just for clarity, will the Member give his definition of “democratic accountability”?

I hear the concerns of Mr Lunn, but can he tell us how we move from a situation where civil servants control all the matters about which Basil McCrea said he is worried? How do we ensure that organisations such as ESA and other bodies that deliver for the community are democratically accountable?

Mr Lunn: Democratic accountability will come from the House and from the Committee for Education. However, democratic accountability need not involve a majority of elected representatives on such a board. The ESA will require a certain level of expertise, and I am simply not convinced that a majority of local councillors can provide that expertise or that there is any need for a majority of the board’s members to be elected representatives.

If would be fair enough if, instead of six out of 11 or seven out of 12, that there were three or four elected representatives on the board, as long they brought the required expertise to the job. The ESA is to be the biggest education body in western Europe — on what basis that claim is made I am not sure — but it will be massive and it will need expert leadership. There has been a change of mind, because some Members who wanted no democratic accountability at all on the board now want a majority.

Mr B McCrea: Will the Member give way?

Mr Lunn: Aye, why not. *[Laughter.]*

Mr B McCrea: I share the Member’s concern about the reasons for excluding MLAs from the process, and I am interested to hear his thoughts and suggestions on

that matter. Will he expand on how he thinks Members might be more properly brought into the oversight?

Mr Lunn: No; I do not wish to expand on how MLAs can be brought into the oversight, as Basil puts it; however, I see no good reason for excluding them.

Mr D Bradley: Will the Member give way?

Mr Lunn: Aye, certainly. *[Laughter.]*

Mr D Bradley: If MLAs were members of the board of ESA and were also charged with overseeing the work of that board, would there not be a clash of interests?

Mr Lunn: That is possible. Surely by now, however, Members know how to deal with conflicts of interest. If a conflict of interest arises, there is a protocol to deal with it: MLAs can withdraw or not take part in a particular discussion. A conflict of interest is not an insurmountable problem; the same thing happens in councils. Surely, there is room at the lower levels of the ESA structure for plenty of local councillors to provide input on their areas, which is perhaps where their influence will be most valued.

I share Basil McCrea's concern about the future of the Youth Service and where it naturally lies, and I agree with him that there is a good argument for involving the new local councils in the control of those services. We have concerns about the accountability of ESA generally. However, that said, the Bill is a document for negotiation.

I get the impression that parties in the Assembly have had a considerable change of view about the future of the ESA and whether it can succeed. I listened to Dominic Bradley's point about the looming iceberg of transfer issues —

Mr D Bradley: And regulation.

Mr Lunn: And regulation. Six months ago, I thought that ESA was a looming iceberg; suddenly, it is not. A consensus is developing. Who is to say that, with good will and a fair wind, we cannot develop a consensus on the other pressing major issues? I would not like to say that a deal might have been done, but it is possible that there are understandings.

Mr B McCrea: There has been no deal.

Mr Lunn: No, there has been no deal, but understandings might have been developed. Who knows? However, the matter will involve all Members. Today, we are taking a step forward, which I welcome. I look forward to working with the Committee on taking the matter forward.

Miss McIlveen: The Education Bill, together with the Bill that is to be introduced in 2009, could mark what is probably the most important and fundamental rationalisation of education in Northern Ireland. However, if it is handled incorrectly, it could lead to

one of the biggest tragedies in education, which could ruin a generation of pupils. The legislation is an opportunity for the Assembly and the Minister to demonstrate a capability to put aside party politics and sectarian policies and to take a step towards creating the framework for an education system that is fit for purpose, cost-efficient and non-discriminatory.

It is important that the Minister does not adopt her now-familiar approach of digging in her heels but that she takes time to listen, digest, rationally consider and, I hope, adopt any reasonable suggestions that the Committee for Education and Members may make about the legislation. The Minister's way cannot be the only way, and I ask her to approach the subject in a more reasonable manner than she has approached the issues of academic selection or Irish-medium education. By now, she must surely realise that being aggressive and dogmatic achieves nothing but an aggressive and dogmatic response.

I do not wish to repeat much of what has already been said. Unlike Basil McCrea, who took 20 minutes to get to the point of outlining some of his concerns with the Bill, I will deal with my concerns more directly. My colleague Mr Storey has already listed areas that need further attention, and I intend to focus on a few of the issues that need further clarification and which must be urgently addressed by the Minister if the Bill is to be a workable and acceptable piece of legislation.

The first issue is that of the single employing authority, with which clauses 3 to 12 of the Bill deal. It is a centrepiece provision that will result in the establishment of employment schemes in which the education and skills authority will issue employment policies for staff and guidelines for the appointment of staff in grant-aided schools. The intention for the education and skills authority to become the single employing authority is not only to ensure that common employment policies apply throughout the grant-aided teaching profession but to facilitate easier sideways movement between the sectors for staff.

Therefore, why have the Minister and her Department not made any approach to OFMDFM to seek an amendment to the Fair Employment and Treatment (Northern Ireland) Order 1998, given that employment as a teacher in a school falls outside the scope of that Order? The Minister repeatedly tells us about equality of opportunity, partnership and fairness. I want her to step up to the mark in that regard and request that the 1998 Order be amended in order to facilitate true equality of opportunity to all teachers.

Does the Minister really believe that it is fair to continue the practice of requiring a Catholic teacher-training certificate to teach in a particular sector? Is it not time that the Minister showed in deeds, rather than

in empty words, that equality is her primary objective? In order for her to do that and to bring to fruition the spirit and intention of the Bill by creating a single employment authority, she must address that gross discrimination. If the Minister fails with that, there is no point in the single employing authority provision being enacted.

Despite the promises of her Department from a year ago to approach the Office of the First Minister and deputy First Minister (OFMDFM), I understand that nothing has been done. It is not good enough that the Minister and the Department continue to sit on their hands over the issue. Will she undertake to the Assembly today that she will petition OFMDFM to introduce legislation to ensure that that hurdle to fair and equal employment is removed?

Under clause 21, the education and library boards and the Council for Catholic Maintained Schools are to be dissolved. The Northern Ireland Council for Integrated Education and the Irish-medium representative body are not statutory organisations, and, therefore, they do not have to be dissolved through legislation. However, the Bill intends to create sectoral support organisations for Catholic maintained schools, integrated schools and Irish-medium schools. The Minister must clearly confirm that a similar organisation will be created for the controlled sector.

What role will those organisations play? Why are they being retained? What will the existence of such organisations cost the taxpayer? What limitations will the Minister place on those organisations to ensure that they do not seek to extend their influence beyond that which is intended by the Assembly? All those questions are quite reasonable, and we should quite reasonably expect an answer from the Minister. When considering the establishment of a body such as the education and skills authority, which is intended to make efficiency savings, the taxpayer is entitled to know whether there is good reason for retaining other bodies that will be a drain on resources.

1.30 pm

Equally, the taxpayer is entitled to know the extent of that drain. Furthermore, if we are serious about having an education and skills authority, we must be extremely wary of creating or retaining organisations that will seek to erode and undermine that authority, otherwise, what is the point of ESA? It is only natural for a sectoral support organisation to seek to expand its influence and to create a role for itself. We need only look at how CCMS expanded its role without further legislation. Therefore, it is vital that the Minister clarifies the position about the issue at the earliest possible opportunity.

The Minister has expressed her intention to begin recruiting for ESA. My party colleagues and I feel that

that is potentially an abuse of the system. At present, there is no legislative status for recruitment to that body, and to begin a major recruitment at this juncture could have a considerable negative impact on the education system. I understand that there is a need to hit the ground running, if and when ESA takes control, but where will the staff to fill those ESA positions come from? The obvious answer is that they will come from the existing education and library boards. Existing vacancy control restrictions, while intended to reduce the possible need for compulsory redundancies, have left holes in the system, which will grow at a fast rate as more staff move to the embryonic ESA or leave the system altogether.

Mr Storey: Does the Member agree that we have already had experience of that with regard to the education and library boards? A convergence followed from that legislation. Does the Member agree that it is vital that, in the interim arrangements, the staff and expertise of existing boards converge with the needs of the new body? In that way, we can avoid losing that expertise because employees have decided that their interest and input are not wanted.

Ms McIlveen: I agree with my colleague absolutely. The problems that this may create are twofold: there could be an experience deficit in ESA, but more pressingly, all this may present problems for existing organisations and, in particular, for boards discharging their duties in the final lap of their existence. The net result would be a detrimental impact on the education of children.

The Minister must tread carefully and explain to the Assembly how she intends to ensure a smooth transition while maintaining high standards of administration delivery to the education system.

There must be continuity of service, and the current organisations must maintain their capability to function up to, and including, the final day of their existence. Until they cease to exist, those organisations — not ESA — will deliver the huge volume of essential front-line education services. The continuing need and entitlement of young people to education services will be as great today as it will in six months' time, or in the final weeks of the boards' existence. It is for the Minister to ensure continuity.

The boards cannot afford to be winding down while they are winding up, and to avoid that, the Minister must not allow ESA to asset-strip the boards of talent, or to diminish morale within those organisations by recruitment to ESA before a legislative basis exists for it. To do so would disregard due process and the rightful role of the Assembly in ensuring proper scrutiny of legislation. Members would be faced with a fait accompli, in the form of appointments that would be costly to freeze or reverse; and such a reversal

would waste public funds and cause embarrassment to the Minister and her Department.

Moreover, while there must be some movement of high-level staff into ESA in advance of the takeover date, that will not be necessary until the autumn of next year, and, even then, it should be subject to the first Bill having completed its passage, and the second having been brought to the Floor of the House. Any other arrangement would put the operational cart before the legislative horse.

The Minister must also ensure that all her energies are not focused on establishing ESA; she must also support and sustain the existing structures to ensure maximum delivery. For the sake of young people, it is vital that she does not take her eye of the ball.

It is also vital that the Minister does not simply employ outside staff at ESA; were she to do that, ESA, when it becomes functional, would not have the benefit of the valuable skills and experience of those who currently work in the boards.

Mr B McCrea: Will the Member comment on the issue of the Youth Service in the new system, which is a matter that she has previously raised in the House. Does the Member still believe that the Youth Service will inevitably become:

“the Cinderella service of the Department of Education” — [*Official Report, Vol 28, No 4, p219, col 1*].

— if kept within the ESA? Does she still support moving the Youth Service to the councils?

Miss McIlveen: Obviously, the Member has digressed from the point that I was making. However, I have previously placed those beliefs on record, and I still hold them. I will bring that view to the Committee when we examine the Bill.

Returning to the point about employment within the ESA, it is vital that such skills and experience be harnessed, not ignored. It must be made clear that there will be a transfer of staff into the ESA. Clearly, there are very committed staff at all levels in education, and they will continue to work hard to deliver the best possible services, as they have until now.

It is hard to be fully enthused about something until one knows whether one will have a part to play, and what that part will be. Furthermore, it is natural that questions are being asked by education staff in respect of whether they will still have a job, what that job will be, and where they will be working.

It is essential that the Minister and the Department keep morale high throughout that period of uncertainty, and the only way that that can be achieved is through full disclosure and consultation. If morale deteriorates, so will the service that is provided, and that will ultimately affect the education of children. The Minister and her Department must avoid that situation.

As for area-based planning — an issue that is mentioned in passing in the Bill — that process must be carried out based on the proposed new council boundaries. I ask the Minister — as the Chairperson of the Committee for Education has already — to clarify what role local learning partnerships will have. The Committee believes that those partnerships have a valuable role to play.

I wish to highlight several matters — which other Members have already mentioned — for which the Committee deserves a great deal of credit. Much has been said about opposition to the ESA in the past, but the Committee has fought hard on a number of issues and has achieved vital concessions that have allayed a number of its fears. More still needs to be done, particularly in relation to teacher employment and equality, but the Committee is mindful of the concessions that have been achieved so far. That is particularly the case in respect of the retention of the transferors on boards of governors, the removal of whom would have caused greater inequality in our schools than currently exists.

A further concession that has been gained by the Committee is an assurance that a second Bill that deals with the ESA will be presented to the Assembly before the Final Stage of the Education Bill. That means that the House will be able to ensure that the promises that have been made in respect of the new authority are realised in legislation, and that there will be local delivery of services — which the Committee felt would have been lost in a huge, centralised quango. Such safeguards for education have been established as a result of the hard work of the Committee and these devolved institutions.

In conclusion, I agree with the concerns that were highlighted by the Chairperson of the Education Committee. The matters to which I have referred are not an exhaustive list of concerns in respect of the Bill — clear guidance must be provided by the Minister and her officials. We have an opportunity to make a significant change in the schooling of our children and young people, and that opportunity should not be missed or incorrectly implemented. I ask the Minister to carefully consider the issues that I have raised and to respond appropriately.

Mr McCausland: Education is one of most important elements in any society. It is particularly important that we get matters right in respect of the administration of our education system.

Back in the early 1970s, the education and library boards were introduced. Those boards replaced the previous system, and have been with us for 35 years or so. Therefore, it is important that we get any new system absolutely right, because that is of primary

importance in delivering a good-quality education system in Northern Ireland.

Over the years, there have been several attempts and various proposals to reorganise the administration of education. For example, there were proposals to reduce the number of boards, but that initiative fell by the wayside.

We now seem to be on the way to change, but it is important that it be the right change. Change in itself is not necessarily a good thing — it can be change for the better, or change for the worse. It is important that we make sure that it is change for the better.

The Minister spoke about a system that is effective and efficient. Those are hopes and aspirations with which everyone concurs. I will add a third “e” to that list: the system should be equitable as well as being effective and efficient. It should also be fair to all the different sectors so that none is advantaged and none disadvantaged — as has, unfortunately, been the case in the past. It is clear that there are deficiencies in the current system.

The Minister went on to say that the current system is failing certain groups, and she listed some of them. It is true that certain groups in our society are not achieving the educational success that they should be achieving. However, many factors militate against academic and educational achievement; the structure — the architecture — is but one of them.

I hope that in the process that we are about to start in the new year, the role of the Committee will be properly recognised and that every opportunity will be taken by, and given to, the Committee to scrutinise and amend the Bill as appropriate. It is absolutely imperative that we have enough time to do that job thoroughly. The issue is complex, and there are many aspects to it. We need to get it right.

The Minister spoke about harmonisation across the different areas of the Province. It is understandable that there is criticism when a youth club in one area, and under one system, receives funding, while, in a different board area and under a different system, another youth club does not. It is important that there is equity across the Province.

In speaking of equity, I return to my earlier point: primary equity must be between the different education sectors. As my colleague Michelle McIlveen said, some progress has been made. A number of issues have been addressed; but more needs to be done. I hope that we have the time to make those changes in order to get a good result from the process. I welcome the fact that the second Bill will be introduced so that we can see it before the first Bill completes its course.

A number of specific issues will emerge over the coming months. There is certainly an issue regarding

the single employing authority, about which two of my party colleagues have already spoken. There is the issue of the Roman Catholic teacher training certificate, which is something that has been discriminatory. That is not just an issue for Catholic schools, it is an issue for integrated schools in which some teachers have been required to have the certificate in order to teach in that sector. People from both Protestant and Roman Catholic communities have come into my constituency office to express concern about that matter. Some of them have taught in Catholic schools and in integrated schools in England but were not able to gain employment in Northern Ireland.

There is also an issue concerning the working environment. Some years ago, the education and library boards drew up a protocol with the trade unions about the working environment in schools and what constituted an appropriate working environment for staff. That protocol did not apply to all teachers, because the boards did not employ teachers in the Catholic sector — they simply employed ancillary staff in the Roman Catholic sector. However, that will become an issue, because it is not just about the recruitment of teachers, as regards the Roman Catholic teacher training certificate; it is also an issue about the nature of the environment in which those teachers work. During the course of the year, we will need to tease out the implications of that very thoroughly.

There are also issues around the architecture as regards the sectoral support organisations. That has been touched on already by my colleagues, and I will not repeat what has been said, but it is one of the most obvious areas of inequality and unfairness in the current system, and has been a major source of grievance.

Sectoral bodies already exist, such as the Council for Catholic Maintained Schools, and in a different form as regards integrated and Irish-medium schools. However, the rights and interests of the controlled sector have hitherto not been adequately or properly represented. In the future, equality must be ensured.

1.45 pm

The Minister has a love and deep affection for the word “equality”; she talks about it constantly. Meeting that equality will be one of the most fundamental tests of what emerges from this process. The current system has given distinct advantages and preferential treatment to some sectors over others. The DUP, and I as an individual Member of the Assembly, will ensure that that equality test is applied fully, thoroughly and fundamentally throughout the process. We will not sign up to anything that does not deliver equality.

As a member of an education and library board, I am concerned about the impact that the recruitment of staff will have on boards during the interim period. We have already seen a negative impact on the library

authority, with staff disappearing into the new body or simply disappearing into early retirement. I am concerned that there might, in the coming year, be a situation whereby the embryonic authority, in shadow form, would strip away senior staff from the boards. That could have a detrimental effect on the education service delivered to schools in that interim period.

I have a concern, too, about membership of the board. I understand, and I may be wrong, that to become board members, candidates will have to apply and be interviewed. I do not know whether the Minister will set an 11-plus-style test for them. Perhaps it should be a 40-plus test, but there should be some type of test. I do not know how the Minister will do that because she is obviously very much against testing. However, whatever board emerges, it must be truly representative of all Northern Ireland and all sectors, and be a board on which there are the requisite skills to provide a good service to schools.

My colleagues spoke about autonomy for schools. It is clear from presentations that were made to the Committee for Education that local schools want to have maximum control over their own affairs. That is something for which schools made a strong case. How will the Bill affect that autonomy?

What will be its impact on area-based planning, and on local issues such as procurement processes? Will there be some sort of subregional structure to carry out procurement processes in different areas? What will be the nature of any subregional structure, as was proposed for the library authority, and how will it be brought into effect? That which is appropriate for Belfast may be more than slightly different from what is appropriate for the north-west, or for Fermanagh or Tyrone. It is important, therefore, that we get the whole package before making any final decisions.

I share the concerns of my colleague Michelle McIlveen about the Youth Service. As a result of experience in, and involvement with, the Youth Service, I know that the Youth Service often has a very close relationship with community services, and with services that are delivered through local councils. Therefore, I am not fully convinced about proposals that the Bill should incorporate the Youth Service. The Youth Service is already poorly treated, with a single Department dealing with education and youth. In the past year, the Youth Service has been seriously underfunded because the Minister decided to deprioritise it.

I fear that having a single authority to deal with all those things might be a temptation for another deprioritising of youth. If the Department and the Minister are doing it, what is to stop ESA doing it? That leads to the series of caveats, concerns and reservations that we have outlined. Nevertheless, there is a strong case for having a single, overarching

authority. I hope that, over the next year, the Department gives the Committee the opportunity to ensure that all that is required is done in order to produce a good result.

Mr K Robinson: I declare an interest as a governor in two controlled primary schools.

Many Members have drawn attention to the equality issue that the Minister must address. No longer should we have a one-way street that allows teachers to move from controlled schools into maintained schools, but not the opposite way because of the certification requirement. I hope that the Minister will address that; it is a fundamental issue of concern to the Committee.

Nelson McCausland reminded us of previous attempts to reorganise education. At one stage, the five boards were to be reduced to three; however, a decision was not reached on whether it should be east, west and Belfast or north, south and Belfast. A political balance was required but could not be struck, and, therefore, the five boards remain.

I am concerned about the potentially draconian powers that will be assigned to the ESA as a central body. Those powers are most worrying, and it is difficult to understand how anyone in their right mind would approve them without the most careful consideration. I am glad to hear that my colleagues on the Education Committee have decided to treat the proposal with utmost caution.

In their current form, the proposals are unacceptable, and will make it difficult for schools to attract and keep governors. At a meeting last night, I was speaking with governors who are already expressing fears that their current duties are much more than when they took up their posts. The duties that may be imposed by this legislation frighten them quite considerably.

We have also heard that the proposed reorganisation will lead to difficulty in dealing with the myriad local issues that schools face daily, and to which the education and library boards respond quite effectively and in an understanding and professional manner.

The Minister's inability to establish clarity about the transfer arrangements leaves the whole landscape of education reform somewhat unclear. What is the point of creating structures for the sake of doing so, without the transfer procedure being agreed in advance? The Minister's approach to the issue of transfer means that it is not unreasonable to say that the Ulster Unionist Party is concerned about the proposals that she has indicated will be in the Bill. Members are also aware that waiting in the wings is the second, unseen Bill, which is another cause for concern.

Indeed, there seems to be some confusion about the statement made recently by the Minister on this subject. At that time, my colleagues and I were given

inadequate time in which to consider the statement that she made to the House. We were not sure which of the two scripts that eventually emerged was the one on which the Minister should be questioned.

If the Minister of Education moves the Bill forward, there is the risk that the ESA will grow like Topsy — becoming uncontrollable in size. The ESA will become too remote to deal with individuals or schools on smaller, day-to-day, absolutely fundamental issues. The manner in which the boards have responded to them in the past, although not perfect, has been understanding, and the boards have built up a reservoir of interpersonal skills that have been most useful in many difficult situations that never reach the media or the white ivory tower of the Department of Education headquarters in Bangor. Officers on the ground who are trusted by schools' principals and staff dealt with those situations.

Ulster Unionists are also concerned that the legislation is proceeding in two parts. That means that we are not seeing it in its totality. Therefore, the ultimate, rather than the intended, outcome is just not known. If the first Bill is agreed without the maximum amount of scrutiny, who is to say what will be introduced in the second Bill? Those are some questions that, unfortunately, remain unanswered.

Given the Minister's declared intentions, and her approach thus far, it would be naive and foolish not to give the most detailed and rigorous scrutiny to any move that she makes on this or any other issue.

Some people have referred to the curriculum, as proposed, as a "Trojan Horse" that would be used as a vehicle to effect significant change. That is the sort of disturbing sentiment that implies the wholesale destruction of, rather than building on and expanding, what is currently best in the system. Many people see an ideological agenda at work, which is directed by the Education Minister and implemented through a large quango, namely the ESA. Many people also suspect that that agenda will, ultimately, dismantle existing good practice in schools, instead of building on it and extending it across the wide range of abilities and interests with a far greater and more sensible emphasis on the key basic skills of reading, writing and mathematics.

I refer back to the Minister's opening statement comments about underachievement. How many times must it be reinforced that all those widespread, wholesale changes for the sake of change are not needed? Many problems that concern the Minister and the other Members in the Chamber could be tackled simply by investing properly and systematically in early-years and primary education.

The Minister must talk to her colleagues in secondary education, grammar schools and further education. She must talk to whatever stakeholders of

whom she cares to think. They will all tell her the same thing: without basic foundations, the house will fall down.

The world is a difficult place. It gets more difficult by the day due to the credit crunch and the economic downturn. The Assembly will do children no favours if they are thrown into a woolly curriculum instead of being prepared for real life. That is why the education debate must be based on firm educational grounds, rather than on some woolly agenda. That is why the direction that education will take must be decided upon before a big bureaucracy is created to drive forward something that is as yet undecided. Surely, cause must predate effect.

I refer to another comment about a new and different type of body. It has been said that Members do not understand what the new ESA is all about. We fear that we do understand. In the debate, the Minister said that the new body will drive forward and challenge schools. I ask who will challenge schools. From where will the necessary expertise and experience come? Where will the credibility of those persons be established?

Will it be in the educational world, which, for the past 30 years, has wrestled with civil unrest, yet created an oasis of peace and tranquillity in schools and maintained educational abilities and attainments? Or will someone be drafted, or parachuted, in who has no experience or interpersonal skills in dealing with schools as corporate bodies and with the communities that they represent as cohesive units? There is, therefore, much about which I am concerned.

I loved the little tête-à-tête across the Floor of the House between John O'Dowd and Mervyn Storey, in which John would not disagree too much with Mervyn —

Mr B McCrea: And Mervyn would not disagree too much with John.

Mr K Robinson: Oh, I do not know about that. Mervyn, being an honourable man, will, of course, speak for himself.

(Mr Deputy Speaker [Mr McClarty] in the Chair)

An awful vision of 'Blue Peter' flashed across my mind: it was a "Here is one that I made earlier" scenario. John O'Dowd said that the education system must be refined. If it simply needs to be refined, why must it be smashed down and built back up again? If a vehicle exists that delivers something that merely needs to be refined, surely only the mechanic is needed to work at it? The scrapyards man does not need to arrive on the scene.

The boards are losing staff. That is a serious issue, with which I want to deal. The ESA implementation team is out there talking to board members and different sections of the boards' staff. Presumably, that exercise is meant to reassure people and to focus

reform. However, one piece of writing that came before me asked how local is local? There will be regional delivery and local area support teams. I envisage labels going up on doors along corridors throughout the country. We have seen all that before.

One might ask what a local area support team is. It is a multidisciplinary team that works directly with schools in youth-work settings to provide all the support and advice that they require on a day-to-day basis — and here comes the punchline — within an agreed regional framework. Therefore, those local area support teams will do all those wonderful things, which we all wish for and applaud, but they will do it within a regional framework that will be pushed right down from the top.

2.00 pm

What is the change going to be? What impact will the new system have? How local is local? Are we talking about the new council boundaries or the existing education and library board boundaries, or will there be a blurring of both? Local groups have worked well in Limavady, Craigavon, Strabane, and elsewhere. What will happen to the hard work that those professionals have undertaken to ascertain and address the real problems and to produce an agreed solution?

Some questions remain, and the jury is still out. However, we will scrutinise the Bill firmly and fairly. As has been said, we cannot afford to get this one wrong.

Mr Poots: I broadly welcome the fact that we are examining this piece of legislation and moving the process forward. The review of public administration — which was started by the previous Member to speak's party — commenced a long time ago, and progress has been limited. Education is one key area where change needs to be made.

I do not have a great deal of affection for the multiplicity and tiers in the current system, in which five boards and numerous other bodies oversee education. Different boards have different standards and priorities, which means that there is not the consistency that there should be across Northern Ireland. We broadly welcome the Bill and the opportunity to examine the legislation, but that does not mean that we going to give the Minister carte blanche by endorsing every aspect of the Bill. There are aspects of this piece of legislation that the Committee and Members of the House will seek to change. I urge the Minister to demonstrate a willingness to co-operate on the sensible and rational proposals that Members and the Committee will make.

I require much more clarification on the role of the subregional bodies. I am concerned that they will create more layers of bureaucracy than are necessary. The information that we have been given about those bodies is light, and more is needed. I also have

concerns about the intervention powers that the ESA will have to challenge the autonomy of local governing bodies. It has been indicated that the ESA will not micromanage, but the legislation needs to outline that clearly. The ESA must allow some autonomy at local level, particularly in local schools.

I am also concerned that the Council for the Curriculum, Examinations and Assessment (CCEA) will lose its independence, and that the legislation will make it part of the ESA. It may be beneficial — in order to sell our education process outside Northern Ireland and for young people who wish to attend universities outside Northern Ireland — to have an examinations body that is clearly and wholly independent of the education process. It may be in the wider interest to ensure that CCEA is clearly identifiable as an independent arbitrator.

Mr K Robinson: Does the Member agree that it is vital that our education system's qualifications are recognised across the UK and throughout the world? The Member has firmly and fairly made the point that our high standards must be recognised and must correlate with high standards elsewhere.

Mr Poots: I agree; it is crucial that qualifications gained in Northern Ireland are independently credible. That is why I put down that marker.

Some Members mentioned the Youth Service. Many of those services are community-led and would be better managed by councils in association with education bodies. There is a clear linkage, and both sectors should work together, with one taking a lead role. Councils are, probably, better placed to take the lead role and to work closely with the education and skills authority to ensure delivery. I look forward to scrutinising the legislation during the Committee Stage.

Dr Farry: I support the Bill's Second Stage and welcome the progress to date. I am pleased to see detailed legislation, particularly in the field of education, on the Floor of the Assembly.

I concur with the broad rationale and the aims and objectives of the education and skills authority. Educational administration in Northern Ireland is inappropriate for a region of its size and population, and there are too many strands of bureaucracy. It is more important to release funds to invest in front-line services that will benefit pupils and equip them with resources such as IT and books. Moreover, that investment will allow teachers, and the classroom assistants who ably support them, to continue to provide that service. That is how resources should be deployed.

The Bill identifies that delivery of the proposals will, potentially, cost more than £40 million. Although I appreciate that this exercise will incur reorganisation costs, I am slightly concerned — from a Finance Committee rather than an Education Committee

perspective — by the degree of that commitment. However, the potential savings of £19 million a year are attractive. It will be interesting to see whether the reorganisation costs can be recovered within two years or whether that process will take longer. All Members will have an interest in that matter.

Mr D Bradley: Does the Member agree that we need to have more than “interest”? We need to ensure that the predicted savings are realised.

Dr Farry: I agree. The issue of savings does not lie directly with administration — as important as that is — but lies in the functioning and delivery of area planning and sustainable schools. Those areas are closely linked to the creation of the education and skills authority.

There is massive duplication in the Northern Ireland schools system that is caused by bureaucracy and the provision of buildings. Area planning is important in order to make progress on providing a modern schools estate that is fit for purpose and that enhances the opportunity for pupils from different sectors and backgrounds to interact and avail themselves of various courses in different settings. The major challenge is how the education and skills authority will facilitate the robust progression of that area-planning process. If that process is successful, the potential savings to the system — which will be available for reinvestment — should dwarf the potential £19 million saving on bureaucracy. Although it is a work in progress, it is an exciting opportunity that will, potentially, benefit the public purse and the welfare of children in Northern Ireland.

Mr B McCrea: I am pleased to hear that the Member considers it an exciting opportunity and that he is only “slightly” concerned about the financial implications. Has the Alliance Party given up its role of official opposition? Does it now fully endorse all proposals introduced by the DUP and Sinn Féin, or will it play its part in the democratic process?

Dr Farry: The Alliance Party, since its formation, has always played its part in the democratic process in Northern Ireland; we are not in the Assembly to provide opposition for opposition’s sake — as some have accused us of doing. We are here to judge each proposal on its merits; we back DUP proposals if we feel that they are the correct way forward —

Mr Storey: When?

Dr Farry: Rare as that may be, before Mervyn gets too excited. At times, we will favour Sinn Féin proposals. That is what the electorate of Northern Ireland expects of all in the Assembly: that we judge issues on their merits rather than playing party politics and judging proposals according to the party proposing them. We are here to focus on the issues and the good of the

people of Northern Ireland rather than engage in point-scoring.

The Alliance Party is here as a constructive opposition, and where we find that things are failing, either through the content of proposals or the absence of progress on particular issues, we will not be shy in raising those issues, as we have done over the past 18 months of the Assembly. We look forward to continuing in that role. Of course, there will be details in the Bill that will have to be addressed at Committee Stage, and I have full confidence in my colleague Mr Lunn to address them.

On the issue of the level of elected representation on the board of ESA, we must accept that the context of democracy in Northern Ireland has changed significantly since ESA was first envisaged. We now have full proper devolution at a regional level through this Assembly — I hesitate to use the term “stable democracy”, but I hope that the system that we have will be durable and that we will not be subject to the stop/start politics of the past. It was appropriate for people to advert to the problems of bureaucracy in Northern Ireland before devolution, given that locally elected representatives did not have much say over decisions that were taken — in fact, few people in Northern Ireland had much say over how decisions were made.

Mr K Robinson: Does the Member agree that one of the reasons that people in Northern Ireland did not have an input to democracy was that there were so many quangos in operation during that period? Perhaps his party had some experience of those quangos.

Mr B McCrea: Given that it chaired most of them.

Dr Farry: The reason that we did not have democracy in Northern Ireland was not a matter of quangos; they were a response to the inability to sustain a form of power sharing at a regional level in this place. Several factors contributed to that, but it is not constructive to go into history in any greater detail.

As for local accountability, the primary body to hold ESA to account should be the Assembly — specifically the Committee for Education. I am not convinced that six or seven councillors from across Northern Ireland can provide the missing link of democratic accountability. First, they will not represent each of the 11 new council areas — some areas will not be represented. Secondly, it is unclear how those representatives and the makeup of that representation will be chosen. On the other hand, it is worth stressing that the complexity of education and the background of the different sectors that will be brought together in ESA should place greater emphasis on the range of professional expertise that we have in the system; it should ensure that all perspectives are properly catered for and that no aspect is left out. We do not need so much emphasis on local

representation as perhaps there was in the absence of a regional Assembly. Things have moved on.

A point was made about the Libraries Bill. With the benefit of hindsight, I think that we might have made a mistake by focusing so much on one particular issue. My party called for the issue of the transferors to be addressed, and we are glad to see that that has been done. It was not an issue for one side of the House only. We take the issue of equity very seriously.

Although I look forward to our system becoming more secular over time, if one constituency is represented spiritually, we need to ensure that there is a proper balance across the board. That has been achieved in the system.

2.15 pm

My other point is in reference to the two different Bills, which is an area about which I have some reservations. It is difficult to take a fully rounded perspective on this piece of legislation without being able to make a judgement on the second piece of legislation. I appreciate that some efforts were made to try to streamline the process.

The second piece of legislation will be critical; it is important that the long title of that Bill will be flexible enough to ensure that any gaps that arise between the two Bills can be addressed at the Second Stage. If we see the other Bill only as this Bill reaches Final Stage, there will not be any appetite to go backwards to try to undo some of the matters that have already been discussed during the Committee Stage. It is important that the second piece of legislation is sufficiently flexible to address concerns.

I particularly look forward to proposals that will place area planning and sustainable schools on a much firmer statutory footing, because those are critical to the future vision of education. Alongside the creation of the education and skills authority, it is important that that type of approach is used so that we have a proper rounded approach to what is a very progressive way forward. It will assist the public purse and — more importantly — it will provide a better solution for the children of Northern Ireland. I support the Second Stage of the Bill.

Mr Deputy Speaker: As Question Time commences at 2.30 pm, I suggest that the House takes its ease until that time. This debate will continue after Question Time, when the next Member to speak will be the Minister of Education, Ms Caitríona Ruane.

Mr B McCrea: On a point of order, Mr Deputy Speaker. We understand that several ministerial statements will be made at 4.00 pm. Will you advise what precedence takes place? When will we be likely to rejoin this debate?

Mr Deputy Speaker: This debate will continue after Question Time. The statements will follow in due course.

The debate stood suspended.

2.30 pm

Oral Answers to Questions

OFFICE OF THE FIRST MINISTER AND DEPUTY FIRST MINISTER

Mr Deputy Speaker: It is time for questions to the Office of the First Minister and deputy First Minister. I remind Members that the Speaker advised Whips recently that the practice of reading out supplementary questions should cease. I remind Members, therefore, that supplementary questions should be concise and should not be read out.

Policing and Justice Powers

1. **Mr Kennedy** asked the Office of the First Minister and deputy First Minister to outline the stages for the devolution of policing and justice powers; and which of these stages have specified timeframes.

(AQO 1476/09)

5. **Mr McKay** asked the Office of the First Minister and deputy First Minister for an update on the proposed transfer of policing and justice powers. (AQO 1607/09)

The deputy First Minister (Mr M McGuinness): With your permission, a LeasCheann Comhairle, I will answer questions one and five together. Following discussions, the First Minister and I have reached agreement on a number of arrangements relating to how the devolution of policing and justice functions will be legislated for until May 2012.

On 18 November 2008, the First Minister and I attended a meeting of the Assembly and Executive Review Committee to offer advice on those agreed arrangements in the context of the Committee's work on the devolution of policing and justice. Our letter to the Chairperson of the Committee, which set out those arrangements, and a paper on an agreed process in relation to the devolution of policing and justice, were made public also.

Since that time, we have held preliminary discussions with the Secretary of State on the funding allocation for a new Department of justice, and we have briefed the Executive on developments to date. The agreements that were reached include a series of 36 steps to bring about the transfer of policing and justice powers. That process should proceed without undue delay. We are determined to work faithfully through those steps in order to build the necessary

community confidence, and we will consult throughout the process.

The Assembly and Executive Review Committee is preparing a report on the modalities of devolution, which were informed by the agreements that we have reached. When the modalities are agreed by the Assembly, the way will be open for the preparation of the necessary consequential legislation that will be enacted at Westminster and by the Assembly.

There are other practical and structural issues to be addressed, and we look forward to further work from the Assembly and Executive Review Committee on those.

Finance will be a key issue, and the First Minister and I have held discussions already with the Secretary of State, which will lead quickly to a process of engagement with relevant British Government Departments.

It will be for the First Minister and me to table a motion requesting the devolution of policing and justice powers, which, when passed — and following the appropriate motion at Westminster — will give effect to the transfer of functions, election of a justice Minister and the formal appointment of an Attorney General.

I am sure that Members will appreciate the complexity of the process that I have described. However, the First Minister and I want devolution to happen without undue delay.

Mr Kennedy: I am grateful to the deputy First Minister for his answer. Does he agree with the sentiments that were expressed by the Prime Minister in the House of Commons last week that the devolution of policing and justice to Northern Ireland will occur in the next few months? I would be grateful for a yes or no answer.

The deputy First Minister: In my lengthy answer, I described the process that has been agreed between us. Members will know that we are seeking to allow the Assembly and Executive Review Committee to complete its work to agree the modalities, and we have said that *ad infinitum* during the past number of weeks. We have given a strong lead with regard to how we see the issue developing. Ultimately, legislation will have to be enacted at Westminster and at the Assembly.

There is also the very important element of building community confidence. The First Minister and I have said repeatedly that we are determined to lead from the front on the issue.

Mr McKay: Go raibh maith agat, a LeasCheann Comhairle. I welcome the immense progress that has been made on the issue. Will the deputy First Minister inform the House of the time frame for the completion of the Assembly and Executive Review Committee's report? Following the completion of the report, what will be the next steps of the Committee and the Assembly?

The deputy First Minister: Following the Committee's earlier inquiry into the devolution of policing and justice, which concluded in March 2008, and in response to our joint letter of 20 July inviting it to undertake further work, the Committee has been mandated by the Assembly to review progress on the implementation and resolution of outstanding issues that were identified in the March report and to consider any other matters that are related to the devolution of policing and justice.

The Committee has taken forward a work programme to address those matters. The First Minister and I have offered the Committee advice to inform its consideration of the issues, and we met the Committee and wrote to the Chairperson on that basis on 18 November. I understand that the Committee has agreed to finalise its first report before the Christmas recess.

Mr G Robinson: Does the deputy First Minister agree that the devolution of policing and justice is a matter that must be taken cautiously?

The deputy First Minister: I agree that the approach that we have taken forward, in conjunction with that of the Assembly and Executive Review Committee, tends to suggest that we are being very thorough in how we deal with the issue. We are conscious that the issue must be well handled. It is an important issue for the people that we represent and, therefore, it does not allow us the luxury of being slipshod. We will conduct the business of ensuring the transfer of powers on policing and justice in an orderly fashion. The programme that we have agreed will deliver that, and it will be delivered in conjunction with the programme that I have outlined.

Dr Farry: I also welcome the progress that has been made. Will the deputy First Minister outline to the House in a little more detail the discussions that he and the First Minister have had with the Treasury in relation to the funding of devolution? Does he agree that it would be unreasonable to expect the people of Northern Ireland to pick up the tab for the cost of dealing with the past?

The deputy First Minister: The issue of funding is important. The devolution of policing and justice powers should be accompanied with adequate resources to meet the challenge of the new responsibilities and to deal with future pressures. The First Minister and I have met the Secretary of State and discussed a process for engaging on budget issues. We may also meet directly with key stakeholders in the criminal justice field to discuss finance.

The Member has raised legitimate concerns. In dealing with the British Government and the different Departments, we are conscious of our responsibility to address what is seen by many in policing and justice as a considerable shortfall. The Member has also identified

added pressures, and all of those matters will be discussed during the course of the next few weeks.

Mr Deputy Speaker: Questions 2 and 3 have been withdrawn.

Age Equality Issues

4. **Rev Dr Robert Coulter** asked the Office of the First Minister and deputy First Minister for its assessment of the key age equality issues and what policy initiatives it has formulated to address these.
(AQO 1486/09)

The deputy First Minister: Under public service agreement (PSA) 7 in the Programme for Government, we are committed to delivering a strong, independent voice for older people. The recent appointment of Dame Joan Harbison as the Older People's Advocate is an indication of how seriously we take that commitment. We are aware of the wide range of issues that impact on older people, such as the recent increases in the cost of living. The Executive are introducing a range of measures in order to alleviate the burden on vulnerable groups, including older people. These measures include action on benefit uptake, free public transport and, as I have mentioned already, the appointment of the advocate.

The Department for Work and Pensions announced recently that its age strategy is to be reviewed and refreshed. In the near future, we also intend to review our older people's strategy 'Ageing in an Inclusive Society' to identify areas where it might be improved and strengthened. We will, of course, take the views of key stakeholders and the departmental Committee as part of that process. We also continue to keep equality legislation under review and monitor developments on age and other legislation in Europe and elsewhere.

Rev Dr Robert Coulter: Will the deputy First Minister give an undertaking to introduce age-proofing of all Government-sponsored legislation and administrative Orders coming before the Assembly in order to protect the interests of older people?

The deputy First Minister: We will give great consideration to the Member's point. It is important to recognise the incredible contribution that older people make to society. It has been interesting to note over the past months — year, even — that the rights of older people have come to the fore in all sorts of discussions all over the world. We have a duty and a responsibility to ensure that we put in place processes that protect the rights of our older citizens, who have, in effect, built the society in which we live today.

Mrs D Kelly: Given the interest in equality, when might we expect the single equality legislation to be introduced? The deputy First Minister has already

mentioned the need to tackle fuel poverty, so will Minister Ritchie's paper on fuel poverty now be approved by the Executive?

The deputy First Minister: The single equality legislation will be introduced as quickly as possible. The warm homes scheme is Government's primary tool to tackle fuel poverty. It offers a range of insulation and heating measures to eligible householders. The scheme is oversubscribed and applications are being prioritised. Applicants with no central heating, solid-fuel or Economy 7 heating will be treated as a priority. The Department for Social Development is consulting on proposed changes to the scheme, and the consultation exercise will run until 19 December. As the Member said, Minister Ritchie established a fuel poverty task force in May 2008. She has prepared an Executive paper, which the Executive will consider at the earliest opportunity.

Winter fuel payments are intended to help to combat fuel poverty among older people, who are specifically targeted for help as they are particularly vulnerable to the effects of cold weather and are more likely to be on fixed incomes. For 2008-09, payments of £250 will be made to people over 60 years of age, and those over 80 years of age will receive £400.

Mr Deputy Speaker: Question 5 has already been grouped with question 1.

West Belfast and Greater Shankill Task Forces Report 2002

6. **Ms J McCann** asked the Office of the First Minister and deputy First Minister to outline how the recommendations of the West Belfast and Greater Shankill Task Forces Report 2002 compares with other anti-poverty initiatives in the Department.

(AQO 1590/09)

The deputy First Minister: As an Executive, we are committed, under PSA 7, to drive a programme across Government to reduce poverty and address inequality and disadvantage wherever it exists. In addition, PSA 12 commits to delivering the agreed overall objectives of the West Belfast and Greater Shankill Task Forces within the Programme for Government period. We recognise the parallel between some of the recommendations of the joint task forces for west Belfast and the greater Shankill area and some of the work that the Office of the First Minister and deputy First Minister (OFMDFM) is progressing to tackle poverty and social inclusion, in so far as they relate to improving employability and job creation. Both approaches recognise that the best route out of poverty is to have a good job with a decent wage.

The policy on poverty and social inclusion that OFMDFM is advancing covers a broad spectrum of

need. That need will change at different times in people's lives and will vary from one vulnerable group to another, and also across different geographical areas. For that reason, the Executive recently adopted Lifetime Opportunities as their overarching strategy for tackling poverty and social exclusion. We remain committed to the full implementation of the Programme for Government's PSAs and action plans, including those related to tackling poverty and implementing the recommendations of the West Belfast and Greater Shankill Task Forces. Given the nature of poverty and disadvantage, many actions will undoubtedly cross departmental boundaries, and it is my intention that my Department will co-ordinate those cross-cutting actions through a ministerial subcommittee of the Executive.

Ms J McCann: The Minister has already gone some way towards answering my supplementary question. Given the PSA commitment on the West Belfast and Greater Shankill Task Forces Report 2002, are the Executive committed to meeting their obligations in the Programme for Government?

The deputy First Minister: The inclusion of the task forces' objectives in the Programme for Government is a clear indication of the importance that Government attach to the work.

By including the objectives of the task force in the Programme for Government, the normal apparatus for monitoring, reviewing and reporting on PSA targets will apply. Like all aspects of the Programme for Government, we are committed to meeting all the targets in our PSAs and work plans. The overarching goals of the Programme for Government complement those of the task force.

2.45 pm

Although the task forces are critical of the lack of specific area initiatives, that does not mean that the needs of west Belfast and the greater Shankill will be lost in the Programme for Government. It should be welcomed when Departments can meet community needs through their mainstream activities, which are ultimately more sustainable than short-term initiatives.

Mr McCausland: Will the deputy First Minister agree that there was much more buy-in to the task-force process in the west Belfast area than there was in the greater Shankill area, and that the reasons for that differential provide lessons that can be learned for future initiatives? Will he also agree that the task force process has been somewhat overtaken by the emerging strategic regeneration frameworks for west Belfast and the greater Shankill?

The deputy First Minister: People will have their own views about the differential in the buy-in to the task force process between west Belfast and the greater Shankill. As an MLA who represents the area, the

Member will be more aware than most as to whether the level of interest towards the task force process in the greater Shankill area was appropriate. There is a duty and responsibility on all of us to ensure that every section of our community benefits from the work that will — hopefully — flow from the task force and the implementation of our public service agreements.

The Executive are conscious of the need to ensure that the work that we are involved in, and the programmes and processes that we implement, make a difference to people on the ground. Without fear or favour to any section of our community, if people are under pressure in any area, it is our responsibility to do all that we can to ensure that they benefit from the work of Government. We are very determined to ensure that the people of the greater Shankill and west Belfast benefit from the work of Government and the Executive.

Mr K Robinson: My question has already been answered, to some degree.

Mr Deputy Speaker: Mr Basil McCrea is not in his place for question 7.

Integrated Development Fund

8. **Mr McCartney** asked the Office of the First Minister and deputy First Minister to outline the achievements of the Integrated Development Fund in the regeneration of (i) Derry/Londonderry; (ii) North Belfast; and (iii) West Belfast. (AQO 1604/09)

The deputy First Minister: The integrated development fund (IDF) has been successful in promoting social and economic regeneration in both the north-west and the west Belfast/greater Shankill areas through the extensive range of projects that it has supported. To date, eight north-west IDF projects have been formally approved, and £11.2 million from the IDF has been made available. The total cost of those projects is £40.1 million. Those projects include the development of a world-class research centre of excellence at the Magee campus of the University of Ulster, which will cost £6 million, and the construction and development of the Skeoge Enterprise Park, which will cost £1.1 million.

In west Belfast/greater Shankill, 15 projects have been formally approved, with £17.7 million made available from the IDF towards the total cost of £51.1 million. The funding that has been made available includes £1.5 million towards the Suffolk social economy project to provide retail units and commercial office space. Funding of £4 million has also been made available for the arterial routes improvement project to help regenerate key arterial routes into the city centre. A further £7 million was made available for the task force education initiative to

support delivery of a key work programme that focuses on educational achievement and employability.

I am happy to provide the Member with more details of projects on request. Although north Belfast was not one of the pilot areas selected, some of the west Belfast/greater Shankill projects have impacted on the North Belfast constituency area. For example, as the workforce and economic development centre, which received £1.2 million from the IDF, provides outreach programmes to ensure that training opportunities are widely known in both the west Belfast/greater Shankill and north Belfast areas.

The arterial routes project, which receives £4 million from the fund, is designed to undertake an environmental improvement scheme in several arterial routes, including the Crumlin Road and the upper Shankill. In addition, the task force education initiative benefited areas of north Belfast. That remains an Executive priority, and they have made additional funding available to agencies there that are helping to improve the social and economic situation for the local community.

Mr McCartney: Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as a fhreagra. I thank the Minister for his answer and for his offer to send me further information. Will any of the current projects be affected by the closure of the IDF?

The deputy First Minister: All the approved IDF projects will be entitled to funding over timescales agreed by Ministers. The projects that remain to be submitted for approval will, subject to the provision and approval of the required economic appraisals, be considered for funding support on their merits.

Mr Durkan: I thank the deputy First Minister for his answer and for comprehensively showing the good work of many projects that are supported by the integrated development fund, including the centre of excellence in intelligent systems at Magee campus in Derry, significant public-realm schemes, the walled city signature tourism —

Mr Deputy Speaker: Order. It is Question Time, Mr Durkan.

Mr Durkan: Will the Minister assure us that those approved projects will not be affected by the closure? Will he also explain how the ending of the integrated development fund is justified when it has enabled funding to projects across sectors and Departments that would otherwise not have gained it?

The deputy First Minister: The work of further supporting the IDF projects will continue and further submissions that have been made will be considered on their merits. We must recognise that there is a huge job of work to be done and there are outstanding

projects that have to be tackled. We believe that the Executive can tackle them comprehensively.

I do not believe that any area will suffer unduly because of the ending of the IDF. However, it places additional responsibility and burden on all Departments and on the Executive to ensure that good viable projects that help in the regeneration of communities throughout the North will be supported. Of course, that is all subject to available funding.

Executive Backlog

9. **Mrs Long** asked the Office of the First Minister and deputy First Minister when it is expected that the Executive will have cleared the backlog of papers that arose from the failure of the Executive to meet for five months. (AQO 1574/09)

The deputy First Minister: The First Minister and I made a commitment that additional meetings of the Executive will take place over and above their regular schedule to ensure that all outstanding business is dealt with as soon as possible. We will therefore have held at least two scheduled meetings, two additional meetings and a meeting of an Executive subgroup before Christmas. We made excellent progress at our meetings of 20 November and 27 November on agreeing a total of 28 papers that were awaiting Executive decision. We have also taken forward the development of a strategy to support the local economy against the effects of the global economic downturn.

Executive business is a continuous process of consultation and agreement on draft papers submitted by Ministers. There will always be Executive papers at various stages of consideration, but I am confident that we are reaching the stage where each agreed draft paper will proceed routinely to the next meeting of the Executive.

Mrs Long: When the Executive were in their period of non-operation, there was a discussion that priority would be given to tackling issues of fuel poverty when the Executive returned to normal business. What stage is that process at, and when are we likely to hear announcements from the Executive?

The deputy First Minister: During that difficult and unacceptable period Ministers continued with their work. The economic downturn, the credit crunch, and the fuel poverty to which citizens are now being subjected are the subject of ongoing deliberations and discussions at the Executive.

The Executive are treating those matters as a top priority. When the Assembly adjourns today, the Executive will meet around teatime in order to continue the work that we have been engaged in, and we will meet again next Thursday. At the end of that

process, we hope to be able to announce a package that will make a difference.

Mr Burnside: During the five months in which no official meetings of the Executive took place, how many meetings did the deputy First Minister have with the First Minister in order to discuss the transfer of policing and justice powers to the Assembly and the Executive? When did those meetings conclude with a sign from 10 Downing Street that policing and justice powers were to be transferred within a couple of months? Will the deputy First Minister outline the sequence of meetings and events between him and the First Minister and 10 Downing Street that culminated in that decision?

The deputy First Minister: In those five months, the First Minister and I met regularly. I cannot give the Member a figure off the top of my head, but we discussed many issues, not only the transfer of policing and justice powers. We did our job in our joint office — the Office of the First Minister and deputy First Minister. Regardless of how difficult the issues were that we had to deal with, neither of us ran into a corner and huffed. We did not get into a situation in which we did not speak to each other.

I know that a situation arose during the first Administration in which the First Minister and the deputy First Minister were not speaking to each other. That has never happened to us, because we have shown ourselves to be mature politicians. *[Interruption.]* I will not identify any Member who has just laughed. We have shown ourselves to be mature politicians who recognised that solutions had to be found to the difficult issues that we faced. We did that; we met regularly and consistently, and we finally found a way forward.

There will be other challenges, on other issues, in the time ahead. Our job, as leaders in the Assembly, in the Executive and in the country is to be solution-seekers to problems. That is the mode in which the First Minister and I will find ourselves. We should be happy that we have found a way forward, and we should now ensure that the transfer of policing and justice powers will happen in line with the programme that is laid before us.

Dr McDonnell: I thank the deputy First Minister for his answer. Will he tell the House what other items of business, having cleared all the earlier preparatory processes, have yet to be decided on by OFMDFM for the Executive's consideration?

The deputy First Minister: The work of the Executive continues. There will always be issues to resolve during the lifetime of this Executive and this Assembly; there is an almost never-ending list. When we leave the House today, Ministers will meet to deal with issues that are relevant to the people whom we

represent. For example, the Assembly has discussed the economic downturn, the credit crunch and fuel poverty, having recognised that we must deal with those issues in the context of a global economic storm. There is a range of issues to discuss. If I were to go into the detail of every single one, I would be here for another 30 minutes. I will write to the Member and give him the details of those issues if he so wishes.

Children's Champions

10. **Mr O'Loan** asked the Office of the First Minister and deputy First Minister to outline the roles of the junior Ministers as "Children's Champions" and how they have carried out this role. (AQO 1521/09)

The deputy First Minister: The junior Ministers have responsibility for the co-ordination of policy that has an impact on the lives of children and young people. Their role is to ensure that those issues remain high on the Government's agenda. To achieve that aim, the junior Ministers jointly chair the ministerial subcommittee on children and young people, which the Executive established.

3.00 pm

The subcommittee has identified and is progressing six key priority areas for action and has agreed that hearing the voice of young people will underpin its work and that of the subgroups. The junior Ministers are also driving forward with the implementation of the 10-year strategy for children and young people. They chair a strategy planning and review group, which includes key statutory, voluntary and community sector representatives and is advising them on a three-year draft strategy action plan.

The junior Ministers have a 12-month work plan, integral to which is continued engagement with young people and children. As part of that, recently, the junior Ministers and the Speaker jointly hosted a youth debate in the Assembly Chamber. The topic for the debate focused on the causes and effects of young people being drawn into antisocial behaviour, including underage drinking and drug-taking. It was attended by approximately 140 young people, and the junior Ministers have undertaken to relay the points that were raised back to the ministerial subcommittee. The junior Ministers continue to examine, and have taken into account, other ways of engaging with children and young people to ensure that they have the opportunity to put forward their views on the key issues affecting their lives.

Mr Deputy Speaker: I remind the Members who were not in their places at 2.30 pm that the Speaker has recently spoken to Whips and has asked that the practice of reading supplementary questions cease.

Therefore, I ask that Members put forward concise supplementary questions.

HEALTH, SOCIAL SERVICES AND PUBLIC SAFETY

Mr Deputy Speaker: Mrs O'Neill is not her place for question 1.

Efficiency Savings

2. **Dr Farry** asked the Minister of Health, Social Services and Public Safety for an update on the delivery of efficiency savings under his Department's current budget. (AQO 1582/09)

The Minister of Health, Social Services and Public Safety (Mr McGimpsey): My Department is monitoring the achievement of efficiencies on a quarterly basis. Against a target of £118 million for 2008-09, the assessment of savings achieved as at 30 September is £48 million. I anticipate delivery of the full £118 million for 2008-09, and I am working closely with trusts on their proposals for years two and three.

Dr Farry: I thank the Minister for his answer. I know that he has a flawed budget with which to work. However, no doubt he is aware of the major concern across the community about efficiency savings. Therefore, what steps is the Minister taking to police how the trusts deliver efficiency savings to ensure that what we have is changes to policies and practices, rather than simple cuts?

The Minister of Health, Social Services and Public Safety: The Department monitors savings quarterly. That is an exercise that we undertake. As I said, I am determined that those savings will not be cuts, but efficiencies. The efficiencies are not a target that I set; rather, all the parties in the Executive agreed to them.

Regarding the concern that the Member raised, the trusts have undertaken a series of consultations about their proposals. I encourage Dr Farry, and anyone else, to come forward with their concerns. Nothing is settled as yet. By early in the new year, the results of those consultations will be given to me. If there is consensus, I do not have a decision to make. If there is not consensus, I have a decision to make. I am keen to hear the views of others on the matter, and I am particularly keen to hear from Members who do not think that this is a good idea. They must tell me what their good idea is and how that will be evaluated against financial efficiencies.

Mr McCallister: Does the Minister agree that there has been a certain amount of scaremongering about 700 nurses being sacked and that that story is totally false and ridiculous? Does he also agree that some Members of the DUP have been opportunistic in the way in which they have portrayed that story, especially as it was them who demanded efficiency savings and voted against increases in the budget that the Minister secured last year?

Some Members: Hear, hear.

The Minister of Health, Social Services and Public Safety: The proposals are for a reduction of just over 700 nursing posts. It should be borne in mind that that is over a three-year period and that over the same period, there will be natural wastage from more than 2,000 nurses either retiring or moving job.

Therefore, such a proposal will easily be accommodated, and I am confident that compulsory redundancies can be avoided. Those issues are out for consultation, and if anyone has better ideas, I am listening, as long as those are serious ideas that show me where the savings will come from, rather than opportunistic proposals.

I agree with the Member. When Peter Robinson was Finance Minister, he talked about efficiencies; now Members from his party talk about cuts. Given the performance of some DUP Members during last week's debate on the proposal for a public health agency, and the fact that the same Mr Robinson was happy to agree at the Executive to the establishment of a public health agency, it seems that one or two members of the DUP have gone more than a little astray from their party leader's position.

Mr Durkan: Does the Minister believe that reducing total nursing numbers, removing maternity beds and reducing psychiatric intensive care unit beds at Altnagelvin Hospital are acceptable efficiency savings? How do those and the other cuts and closures that are being proposed square with the promises that were made at the time of the Programme for Government, which, we were told, was as good as it gets?

The Minister of Health, Social Services and Public Safety: Those specific proposals have been made as part of a consultation process and given that the Member has strong views on the matter, I encourage him to contribute to the consultation. I remind him that the Bamford proposals include a 10% reduction in mental-health admissions. Consequently, the number of beds will be reduced.

The proposals on the numbers of nursing posts are concerned with the way in which services are delivered, with alternative delivery and with having less reliance on acute services and more reliance on services in the community. Patients tell us that they want domiciliary-based care, particularly with wrap-

around care packages, and they do better from such care. Elderly people in particular want to avoid residential homes and nursing homes for as long as possible, and they want to be maintained in their own homes. All the proposals have a consequence for staffing, and staff may move from one area of provision to another.

The proposals are out for consultation, and I will listen hard to anyone who has better ideas and better ways of providing savings. I made a deal that every penny of the £700 million of health efficiency savings would go back into health. Those moneys are already earmarked and are being spent on the delivery of new services, and I do not want to have to cut the new services in order to fund the efficiencies.

Mental-Health Facility: Craigavon Area Hospital

3. **Mr W Clarke** asked the Minister of Health, Social Services and Public Safety for his assessment of the ability of the new mental-health facility on the Craigavon Area Hospital site to cater for the projected number of people with mental-health problems in the Southern Health and Social Care Trust area.

(AQO 1622/09)

The Minister of Health, Social Services and Public Safety: Major investment in community infrastructure is planned to support the new Bluestone unit at Craigavon Area Hospital, which is to consist of 74 beds, in order to ensure that the facility can cater for the projected number of people with mental-health problems. That will include the opening, in February 2009, of two resource centres in Craigavon and Dungannon. Together with an existing day hospital in Newry, those will offer 56 places a day, which will prevent inappropriate admissions to hospital and facilitate early discharge from hospital.

Enhancement of the existing home-treatment team is planned to include patients with functional mental illness who are over 65 and are treated at home. Over the next three years, the trust is also investing in primary mental-healthcare services, which will substantially reduce demand for inpatient beds at the Bluestone unit. Services will still be based at St Luke's Hospital. Those developments are in line with the Bamford vision, which advocates that community care is preferable to inpatient treatment.

Mr W Clarke: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his answer. What level of provision for mental health will be available at the new Downe Hospital?

The Minister of Health, Social Services and Public Safety: I would have needed warning of the question in order to provide precise details of the

facilities for mental-health services in the new Downe Hospital. It is a new, enhanced local hospital, but, because of the tradition of mental-health provision in Downpatrick, there will be in-patient provision there. I cannot give the Member the number of beds, although it is on record; however, I cannot carry all those numbers in my head. If the Member is keen, I will write to him about that.

Lord Morrow: I am sure that the House will be reassured by what the Minister has said today; in particular about the provision of 74 beds at Craigavon Area Hospital. Does the Minister agree with me that, regrettably, a stigma is attached to mental ill health? It should not be so, but, unfortunately, it is. Will the Minister detail for the House what steps he will take to break that stigma down?

The Minister of Health, Social Services and Public Safety: Lord Morrow makes an important point about stigma being attached to mental ill health. Mental-health needs in Northern Ireland are commensurably much higher than in the rest of the United Kingdom. One of the paradoxes that I have inherited is that, historically, our expenditure on mental health is much lower than in the rest of the United Kingdom.

Our vision for the future is based on the Bamford Review and its recommendations. It involves sending out key messages aimed at the prevention of mental ill health and it includes new mental-health and incapacity legislation; a shift from hospital-based to community-based services; the development of specialist services for children and young people; and the provision of an adequately trained workforce. Those are some of the messages in the Bamford Review, and we are implementing them to address mental ill health, learning disability and dementia.

Those provisions will help to address the stigma attached to mental ill health. One of our biggest problems is the denial of mental-health problems. Mental ill health is as important as physical ill health. If one is physically unwell, one will go to a doctor; people must be prepared to do the same when they are mentally unwell.

Mrs Hanna: I thank the Minister for his responses and acknowledge the excellence of the facility at Craigavon. Does he agree with me that, as part of the Bamford vision, there is a need for more supported accommodation for patients who may never be able to live independently?

The Minister of Health, Social Services and Public Safety: I agree fully. We are examining the provision of residential homes, nursing homes and specialist homes, but there is also a need for supported-living facilities. That is a crucial factor that will allow us to re-settle those with learning disabilities who have

had a hospital address for a long period in a community setting. It affects other areas as well.

Mid-Ulster Hospital: Acute Services

4. **Mr I McCrea** asked the Minister of Health, Social Services and Public Safety what action he is taking to ensure that acute services are retained at the Mid-Ulster Hospital. (AQO 1478/09)

The Minister of Health, Social Services and Public Safety: The Mid-Ulster Hospital will be developed as a local hospital as set out in 'Developing Better Services: Modernising Hospitals and Reforming Structures'. Acute services for the people of the Northern Health and Social Services Board area will be provided largely at the Antrim Area and Causeway Hospitals. That remains my position. However, I am committed to the provision of safe, high-quality services for all the people of Northern Ireland, and changes to the services provided at the Mid-Ulster Hospital should be made only when robust, alternative arrangements are in place at other hospitals.

Mr I McCrea: I am disappointed that the Minister has already made up his mind on the downgrading of services at the Mid-Ulster Hospital. Our neighbouring hospital, the South Tyrone, has no acute services —

Mr Deputy Speaker: Order. This is Question Time, Mr McCrea. Please ask a question.

Mr I McCrea: If the Minister has not taken a final decision, will he commit to retaining acute services at the Mid-Ulster Hospital?

3.15 pm

The Minister of Health, Social Services and Public Safety: Mr McCrea should acquaint himself with the document 'Developing Better Services' because it is one of the overarching strategies that the Department has been following for a number of years. The strategy does not simply suggest the downgrading of services, but, instead, suggests the changing of services. Substantial investment will go into the Mid-Ulster Hospital, and I will be able to talk about that in due course.

However, as far as acute services are concerned, because they are so specialised, and due to the attendant risks involved, they must be provided in an acute hospital setting. There are nine acute hospitals in Northern Ireland, two of which are in the Northern Board area — the Causeway Hospital and the Antrim Area Hospital. Those hospitals will provide acute services for Mid Ulster, meaning that the vast majority of those living in that area will be within 45 minutes of an acute hospital and all residents will be within one hour's journey. As far as the Mid-Ulster Hospital is concerned, there will be consultation, but as far as Mr

McCrea and everyone else are concerned, the direction in which the Department is heading in relation to hospital services is clear.

Mr Molloy: I thank the Minister for his answer. However, I remind him that the Ulster Unionist Party had a policy of rebuilding hospital services, and gave a commitment to the Mid-Ulster Hospital. Where does that commitment sit now?

I question whether the residents of towns such as Pomeroy are within 45 minutes of Antrim Area Hospital. Given the failure of that hospital to provide safe services, is the Minister sure that he is providing quality of service to the people of Mid Ulster?

The Minister of Health, Social Services and Public Safety: That last remark about Antrim Area Hospital not providing safe services demonstrates a lack of perception on Mr Molloy's behalf. It is a disgraceful remark for him to make and it is disgraceful that he is scaremongering in that manner.

We cannot have acute hospitals in every town and village in Northern Ireland. We have nine acute hospitals in addition to the Mater Hospital in Belfast, which also provides acute services. That is well beyond the recommended provision for the size of our population.

Furthermore, the Member is aware that I have received demand after demand to make the Health Service efficient; that is what I am doing, and in doing so, tough choices have to be made. There is an important future for the Mid-Ulster Hospital, but it will not be in delivering acute services. It will deliver services in areas such as day-case surgery; diagnostics; care for the elderly; inpatient care; rehabilitation and assessment; and palliative care for inpatients. The hospital will also be collocated with a health and care centre, which is a major investment that will provide — for example — a nurse-led minor injuries unit. That will represent an important service provision for the people of that area.

However, in relation to acute services, Antrim Area Hospital is the closest hospital. I say to Mr Molloy that it is safer to provide acute services in a hospital such as Antrim Area Hospital than it is in a small hospital such as the Mid-Ulster Hospital. Although the staff in the Mid-Ulster Hospital are very professional and dedicated, it would be better to make the full service available in a larger hospital given the throughput.

Mr McGlone: Go raibh maith agat, a LeasCheann Comhairle. Will the Minister assure the House that the level of acute-service provision at the Mid-Ulster Hospital will be retained until a viable alternative is available elsewhere?

The Minister of Health, Social Services and Public Safety: I remind Mr McGlone of my previous answer, when I said that changes to the services

provided at the Mid-Ulster Hospital should only be made when robust alternative arrangements are in place at other hospitals.

CSR: Impact on Western Health and Social Care Trust Area

5. **Mr Gallagher** asked the Minister of Health, Social Services and Public Safety for his assessment of the impact of the Comprehensive Spending Review on services in the Western Health and Social Care Trust Area. (AQO 1543/09)

The Minister of Health, Social Services and Public Safety: The comprehensive spending review (CSR) will secure real improvements in services for patients and clients across the Western Health and Social Care Trust, in addition to other major regional initiatives. Those improvements include the roll-out of the human papillomavirus vaccination; remote monitoring for people with long-term conditions; enhanced child protection arrangements; and improved ambulance response times.

By 2010-11, the Western Trust will benefit from an additional £9 million each year for mental-health learning disability and long-term conditions; £3.3 million for children services; £6 million to address demographic pressures; and £4.8 million for new drug therapies. Other provision will include £3 million for acute renal, cardio-vascular and stroke services; £4.3 million for elective-care access; £1.2 million for disability services; and £4.4 million for service improvements and quality and safety.

As well as benefiting from £17 million of capital investment in ambulance services, I am committed to providing the Western Health and Social Care Trust with substantial capital investment over the next three years.

Mr Gallagher: I acknowledge the Minister's comments and his work in capital investment, particularly at the Omagh and Enniskillen hospitals. Does the Minister accept that, as a result of the comprehensive spending review, severe cuts have been made across all trusts, but that those cuts are having an extremely severe impact on the Western Health and Social Care Trust because that is the only trust that inherited a legacy of debt? Furthermore, will the Minister outline any steps that he can take, in his Department or in the Executive, to remove that millstone of debt from the shoulders of the people in the Western Health and Social Care Trust?

The Minister of Health, Social Services and Public Safety: I am not aware of a deficit of the order of which Tommy Gallagher appears to be aware. The annual operating budget of the Western Health and Social Care Trust rises every year throughout the CSR period. The spending power uplift totals will cumulatively

be 20·8% at the end of the three years. Therefore, the Western Health and Social Care Trust is, in fact, not going backwards — there are not cuts; the spending power is rising.

Certainly, changes have been proposed as part of the efficiency requirement of 3% per annum over three years. I have to find some £700 million in efficiency savings over the next three years. I would rather not have to do that — it is much nicer to have a quiet life — but I do not hold the purse strings. I am not in charge of finance; that is the DUP together with Sinn Féin, who actually operate this Government. They make the decisions on where the money goes, and this is where I am.

The health budget is down by £300 million this year, and by the end of the three-year period, our deficit will be about £600 million in spending power in comparison with the average in England. If Members such as Mr Ian McCrea want money spent and services maintained in Mid Ulster or anywhere else, it is not me to whom they need to talk: it is the Finance Minister.

Mrs McGill: Go raibh maith agat, a LeasCheann Comhairle. Given what the Minister just said about services in the Western Health and Social Care Trust, if the responses to the consultation on the proposed closure of Greenfield residential care home in Strabane are that the home should remain open, will the Western Health and Social Care Trust accept that, and keep the home open? Go raibh maith agat.

The Minister of Health, Social Services and Public Safety: As far as any proposals and consultations in any trust area are concerned, the trust will, of course, have to listen to the proposals. However, those proposals will have to be based on sound provision of health and social care services in that particular area. They will also have to be able to demonstrate an alternative, because there is no way out of this unless the Member can persuade the DUP to put their hands in their pockets. The Member will, therefore, have to show me an alternative. However, no hard and fast decisions have been made.

We are in a consultation process and listening to all the feedback from that consultation, but each of those proposals has a financial tag that has to be met. Otherwise, all the other provisions about which I talked to Mr Gallagher — such as £3·3 million in children's services, £4·8 million for new drug therapies, £4·3 million for elective care access, money for disability services, service developments, and so on — will have to be cut.

Dr Deeny: I thank the Minister for his commitment to financial investment in the Western Health and Social Care Trust. Does that investment include the proposed midwifery-led maternity unit for Omagh on which we were promised that the Minister would make a decision at the start of the year?

In Downpatrick, similar proposals got a positive response, which was good for the mothers of east Down. What now for the mothers of Tyrone?

The Minister of Health, Social Services and Public Safety: I welcome Dr Deeny back to Question Time. There has been a consultation on the proposal for a midwifery unit in Omagh. The recommendations are with me, and I am deliberating on them. Other issues around Omagh hospital have to be settled, and that is what I am doing at the moment.

Respite Care: People with Learning Difficulties

6. **Mrs Long** asked the Minister of Health, Social Services and Public Safety to report on respite care for people with learning difficulties. (AQO 1581/09)

The Minister of Health, Social Services and Public Safety: Respite care can take various forms to meet the needs of individuals with a learning disability, or the needs of carers and families. It offers carers, and clients, independent time and the opportunity for a change of environment and stimulus. Under the comprehensive spending review, the total budget secured for children and adults with learning disabilities in Northern Ireland was £33 million — £17 million recurrent — over the next three years.

That will benefit children and adults with disabilities, and, among other things, will enable health and social care trusts to provide an additional 200 new or enhanced respite care packages over the next three years for people with learning disabilities and for their families and carers. It is anticipated that by 31 March 2011, those additional packages will have benefited 800 people.

Mrs Long: I thank the Minister for his answer. Has any thought been given to the particular needs of childlike adults, an increasing number of whom are seeking respite? Currently, when those individuals reach adulthood, they are included in adult respite units, which are not always best suited to their needs.

The Minister of Health, Social Services and Public Safety: I assure Mrs Long that I am actively considering that. One of the difficulties is assessing the need. As she knows, need is assessed and then addressed. However, working out that need is, frankly, extremely difficult and vexing.

For example, this year, we have invested in an extra 2,000 weeks of dementia respite care; it is not enough, and we are not clear how much more is necessary. Similarly, there are an extra 200 respite care packages for people with learning disabilities, which will benefit 800 people. However, other types of respite have to be considered as well.

The picture is confused, and I have asked my Department's statistics branch to focus on it. I have to establish what the need is, so that it can be addressed. Respite care is one of the crucial areas that we provide for, and there is a strategy in place: Caring for Carers. However, unless we are providing adequate respite care, we are not truly caring for carers.

Mr Craig: Is there a strategy to deal with those people with learning disabilities who are taken care of by their parents in the community, when their parents unfortunately pass on?

The Minister of Health, Social Services and Public Safety: That is one of the vexing questions that we have addressed through the Bamford vision for mental health, learning disability and dementia. There are no easy answers and there is no cheap solution. Carers care for their children all their lives, but, because health and social care is becoming more efficient, we are reaching a point where, thankfully, a number of those individuals are outliving their parents. That means that they need to be taken care of.

That is one of the recurring themes arising in discussions with carer groups. What will happen to those children when their parents pass on? Who is going to look after them? Parents require reassurance, and that is what I seek to give them.

Mr McNarry: I am sure that the Minister will acknowledge that the other star turns on Saturday were the carers who participated in the panel at our very successful conference.

Will the Minister ensure that respite care will be considered fully by the joint review that is being undertaken by him and the Department for Social Development (DSD)?

The Minister of Health, Social Services and Public Safety: An important piece of work that I have undertaken with DSD, as Mr McNarry said, is to look into areas such as benefits. The Department also considers areas such as flexible, short-term respite provision; day activities; residential respite care; and domiciliary support. Those areas must be addressed in order to provide comfort to carers who have, as Mr Craig said, real concerns about the future.

3.30 pm

Hospital Acquired Infections

7. **Mr Ford** asked the Minister of Health, Social Services and Public Safety for an update on his Department's attempts to combat hospital acquired infections. (AQO 1584/09)

The Minister of Health, Social Services and Public Safety: On 14 October, I advised the Assembly that I had accepted all the recommendations contained

in the reports of the Regulation and Quality Improvement Authority (RQIA) review of the outbreak of clostridium difficile in the Northern Health and Social Care Trust hospitals. The Department's service delivery unit and the its cleaner hospitals team have now met with all trusts and their healthcare-associated infection lead staff, and they have dedicated bespoke support for each trust. The cleaner hospitals team is now on the ground and work is in hand on developing trust-specific action plans, and on ensuring that the RQIA recommendations are being implemented and monitored.

The Department has taken forward several initiatives centrally, including the regional hand-hygiene campaign that I launched in June, the hand-hygiene "five moments" card for healthcare workers that was issued in October, and the regional infection and prevention control manual, which is now online. In the next few weeks, I will launch a patient information leaflet on clostridium difficile.

Furthermore, primary antimicrobial prescribing guidelines were published in November, and all five trusts have now appointed antimicrobial pharmacists to work on antibiotic use and antimicrobial resistance.

Mr Deputy Speaker: Before moving to questions to the Minister for Social Development, I remind Members that, after speaking to party Whips, the Speaker has ruled that the practice of reading supplementary questions must cease. Therefore, Members must keep their supplementary questions concise.

SOCIAL DEVELOPMENT

Protocols

1. **Mr A Maskey** asked the Minister for Social Development what protocols she follows in responding to representations from, or questions raised, by Assembly Members. (AQO 1482/09)

The Minister for Social Development (Ms Ritchie): Ministers, including me, apply a straightforward principle to representations, questions, suggestions and other matters raised by Members. I take such representations seriously, consider them fully, and respond as quickly as the subject matter allows.

I make every effort to meet specific targets for response times when they apply, such as is the case with Assembly questions. I assure Mr Maskey that I approach his representations on behalf of his constituents in precisely the same objective manner as I approach those from other Members.

Members must appreciate that that does not mean that they will agree with, or be happy about, every position that I take, every response that they receive, or every decision that I make. However, that is the nature of Government and of democracy.

Mr A Maskey: Go raibh maith agat, a LeasCheann Comhairle. My question was not related to whether or not the Minister would agree with me. I understand and fully acknowledge that the Minister will not always agree, or wish to agree, with points or representations that are made by Members. Those are matters that must be considered on merit.

Mr Deputy Speaker: Order. It is Question Time, Mr Maskey. Please ask a question.

Mr A Maskey: I appreciate that, Mr Deputy Speaker. I wanted to get to the heart of this matter with the Minister. For example, I never received a response from the Minister to a question that I asked during a recent Adjournment debate.

Mr Deputy Speaker: Order. It is Question Time, Mr Maskey; I must hear a question.

Mr A Maskey: Thank you, Mr Deputy Speaker. When should I have expected to receive a response from the Minister in respect of the Adjournment debate that I secured, and which the Minister commented on at that time? I never received a response from the Minister. I received a telephone call from a member of the local Housing Executive management team some weeks later. I had no communication on that matter from the Minister until I met her last week.

The Minister for Social Development: Methinks Mr Maskey protests too much. I will set the record straight: Mr Maskey has asked 29 Assembly Questions of me since May 2007, and I am currently answering the twenty-ninth of those.

He has written to me on seven occasions to raise matters of concern, and I have responded to each letter. Two of those letters requested meetings with me. As a result, Mr Maskey and I met on both occasions.

The most recent of those meetings took place on 24 November 2008, when he and I had dialogue on environmental improvements in the Markets. In fact, subsequent to that meeting, Mr Maskey tabled certain Assembly questions, which I have already covered, that dealt with the detail of that particular meeting and the reasons for various steps that I have taken, with special reference to environmental improvements.

Therefore, I think that my answer explains clearly that I have dealt with all the issues that Mr Maskey raised with me.

Mr McCallister: Does the Minister agree that all Members must respect parliamentary protocol and language? Does she also agree that some people's

oversensitivity on those matters makes the Assembly look as though it lives in fantasy and make-believe?

The Minister for Social Development: Mr McCallister knows me well, so I assure him that I seek to respond fairly and courteously to Members' questions and to the issues that they raise.

Mr D Bradley: Go raibh maith agat, a LeasCheann Comhairle. Does the Minister recall her visit to Ardcarne Park in Newry, where she met me and local residents in the home of a community leader in the area? Does she agree that that was a productive meeting and an excellent example of how to bring democracy literally into the front rooms of local people?

Can the Minister tell the House how frequently she meets constituency MLAs, and can she describe the quality of those interactions?

The Minister for Social Development: I recall well that visit to Ardcarne Park, which was at Mr Bradley's request. I also recall well local residents' concerns about the housing programme and the courteous way in which I was met. I was happy to assist them.

To get to the meat of Mr Bradley's question, I have considerable interaction with Members in their capacity as constituency MLAs. I believe that an important benefit of devolution and a sign of the strength of local democracy is Members' ability to have quality access to Ministers in order that their constituents' interests can be represented. My record shows that whenever Members request meetings with me to discuss constituency issues, I am open to engagement and I am predisposed to agree to a meeting unless there is a clear reason why such a meeting would be inappropriate or unproductive.

I have met Members in their capacity as constituency MLAs in the House, in my Department's headquarters, on site visits, and at many events. My experience of engagement with Members, whether in formal meetings or informally on the margins of meetings that occur in the Building or on site visits has, I must say, been overwhelmingly positive.

Illegal Gambling

2. **Mr I McCrea** asked the Minister for Social Development what steps she is taking to tackle illegal gambling. (AQO 1481/09)

The Minister for Social Development: I am aware that the Member has an active interest in tackling illegal gambling and has tabled previous Assembly questions for written answer on the matter.

Gambling activity in Northern Ireland is regulated by the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985. Enforcement of the law, including the detection and prosecution of persons

who have been engaged in illegal gambling, is the Police Service's responsibility. My Department is responsible for the development of policy and for the promotion of law on gambling other than the National Lottery. Enforcement of the law on gambling, including the operational priority that the police attach to it and the resources that are allocated, are matters for the Chief Constable and his senior commanders.

I note with concern that enforcement of gambling law is not shown as a priority for the Police Service in its annual policing plan, which has been approved by the Policing Board.

However, the Police Service has assured the Department for Social Development that it will respond to any legitimate complaint that it receives in relation to alleged illegal gambling, whether that report comes from the general public or Members of the House.

Mr I McCrea: I thank the Minister for her answer. Will she advise the House how many meetings she has had with the Police Service to discuss illegal gambling? People have lost their cars and their houses because of gambling. It is a major concern, and I welcome the fact that the Minister views it as a priority.

The Minister for Social Development: I thank the Member for his question. Over the past year, I have had several meetings with the Police Service of Northern Ireland on a wide range of issues. Some of those meetings concerned gambling. I hope to talk to the Police Service in the not-too-distant future about a range of issues. I will raise the Member's particular concerns, of which I am well aware from his correspondence and his questions for oral and written answer.

Impact of the Credit Crunch on the Housing Market and the Construction Industry

3. **Dr McDonnell** asked the Minister for Social Development for her assessment of the impact of the credit crunch on the housing market. (AQO 1525/09)

9. **Mr W Clarke** asked the Minister for Social Development what measures her Department has taken to reduce the impact of the credit crunch on the construction industry. (AQO 1614/09)

20. **Mr Brolly** asked the Minister for Social Development what action she is taking to respond to the difficulties being faced by the construction industry. (AQO 1620/09)

The Minister for Social Development: With your permission, Mr Deputy Speaker, I will answer questions 3, 9 and 20 together, because of their similarity.

There has been considerable discussion of what the Executive can do about the credit crunch. If we are being honest, the truth is "not much". The credit

crunch is the result of global economic forces over which we have little control. However, the Executive can do things that will help to counter the effects of the credit crunch and its attendant economic recession.

There can be no doubt that the economic downturn is beginning to bite in Northern Ireland. The evidence of a slowdown — bordering on a collapse — of the private housing sector is quite stark. For example, the total number of new-dwelling starts has reduced by almost 40% in the past year. A house-building employment survey of 202 house builders found that 3,000 jobs were lost from those companies alone in the 12 months to June 2008. A further 1,500 jobs are forecast to be lost soon if market conditions do not improve. The credit crunch and recession are having a devastating effect on the housing market. Therefore, it is vital that, as a minimum, we build the 5,250 new social houses that the Executive signed up for over the next three years.

Members — particularly Willie Clarke and Francie Brolly, who submitted the other two questions that I am answering in this group — will be pleased to know that I have a proposal for an expanded social housing newbuild programme before the Executive. I have made that proposal because I believe that increased investment in social housing at this time can have a profoundly beneficial effect on the economy in a relatively short time. The economic benefits of increased investment in social housing can help the construction industry on the one hand and meet housing need on the other. I have circulated the paper to my Executive colleagues, and it outlines in detail how I can deliver the programme. I await their consideration.

Dr McDonnell: I thank the Minister for her answer. The Minister has given us a broad outline of how a social housing programme might boost the economy. Will she give more detail on the effect that a stronger social housing programme would have on jobs, for example?

The Minister for Social Development: I submitted a paper to my Executive colleagues, which outlines in detail just how beneficial an increase in the social housing development programme could be at this time. My primary interest is to meet housing need, but building more new homes to meet that need can directly help many people in the construction industry. In turn, that will boost the local economy during these very difficult times.

3.45 pm

It is not only me who thinks that increased investment in social housing is the best short-term measure to boost our economy. The First Trust quarterly economic review was published last week, and, therein, Professor Mike Smyth of the University of Ulster's school of economics said:

“There is a strong case for revising the priorities set out in the NI Executive January 2008 Budget. For instance if capital expenditure could be redirected towards social housing, it would help to offset the collapse in private sector housebuilding.”

That was the first Budget change that he highlighted.

Mr W Clarke: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her answer. As the Minister undoubtedly knows, large numbers of people in south Down are registered homeless and are in housing stress, particularly in Newcastle, Castlewellan and Downpatrick. People on the street are asking me when those houses will be built —

Mr Deputy Speaker: Order. The Member must ask a question.

Mr W Clarke: I was getting to the question.

Mr Deputy Speaker: I know that the Member was getting to the question. However, during Question Time, each Minister has only half an hour to take and answer questions.

Mr W Clarke: The people on the street are asking when houses will be built —

Mr Deputy Speaker: Irrespective of what the people in the street are saying, I am saying that the Member must ask a question.

Mr W Clarke: That was a question.

The Minister for Social Development: In case Mr Clarke is under any misconception, I have agreed, and I am determined, to deliver 5,250 new homes in the next three years. As I have said repeatedly, that target is non-negotiable. Although the construction industry is enduring challenging times, it has a tremendous opportunity to work with me to deliver those new social homes.

I have met the people who are homeless and on waiting lists in Downpatrick, Newcastle and Castlewellan, and Mr Clarke will, perhaps, mention other areas in south Down. Furthermore, many people come to my constituency office every week. I say to Mr Clarke and to the people of south Down that I, as the Minister with responsibility for housing, will not leave them untouched. I will ensure that south Down receives its fair and adequate share of new houses. If Mr Clarke wants to discuss a particular issue, he could, perhaps, raise that with me directly in a letter, rather than through the pages of the ‘Mourne Observer’.

Mr Brolly: Go raibh maith agat, a LeasCheann Comhairle. Is the Minister aware that the amount of money allocated for the construction of social housing per unit is insufficient to meet the new demands of energy saving and environmental issues?

The Minister for Social Development: As the Member will be aware, from April 2008, developers

are obliged to ensure that all newly constructed homes adhere to the code for sustainable homes.

The Department and I are keen to ensure that best value for money is secured. For that reason, I instructed the Housing Executive some weeks ago to ensure that housing associations — who are the providers — have the full supply of Housing Executive land and know the details and lists of available land. That will enable those associations to build on Housing Executive land, which will, I hope, be cheaper.

Mr Cree: In light of the decreasing construction costs, will the Minister confirm that her budget makes savings? Will she indicate how many more social houses will be provided and how it will compare with existing targets?

The Minister for Social Development: As Mr Cree will be aware, I am determined, and I have agreed, to construct 5,250 houses in the next three years.

If savings are made I hope that I will have permission to use them in my Department. The reason that I put the paper to my Executive colleagues was to show the value of a social housing development programme and to demonstrate that, on the one hand, we can boost the economy and act as a catalyst — not only for economic development but also for job creation — and can kick-start the suppliers and others involved in social housing. The carpenters supplying the wood, for example, the plumbers, and all those involved in the sector can be brought back into work. It also provides the valuable asset of houses to meet housing need. I want to meet the Member’s objective, which I hope is shared by everybody in the House, particularly by my Executive colleagues.

Mr Craig: Will the Minister outline what actions she has taken or pressures she has put on cash-rich housing associations to deliver additional social housing, given the depressed market and the fact that they could purchase land at a reasonable price?

The Minister for Social Development: Housing associations, like the rest of us, live in challenging times. I have set them a target, and I hope that they will deliver on it. I hoped that instructing the Housing Executive to supply housing associations with a list of the lands that it owns would enable them to build houses much more cheaply. However, the important thing is that we build good-quality houses that meet the standards required and in which people can live. I hope that, with the support of everybody in the House and of my colleagues in the Executive — and, naturally, the Minister of Finance and Personnel — we will be able to deliver all those houses. We have increased the number of houses built, compared with the number built under direct rule.

Housing Budget

4. **Mr Attwood** asked the Minister for Social Development for her assessment of the impact of the collapse in the land and property market on her Department's housing budget. (AQO 1533/09)

The Minister for Social Development: There can be no doubt that the economic downturn is biting in Northern Ireland. Although it is generally recognised that the local economy was always going to have to cope with a correction of the housing market, the correction has coincided with the global credit squeeze and the loss of confidence worldwide by lenders and investors. Public-sector house building accounts for about 10% to 15% of the total housing output and is increasing year on year; but the collapse has occurred in private-sector house building.

In the wider departmental context, indications are that residential land values have fallen dramatically since the peak of 2007. Although that could lead to opportunities for the Department to acquire land at significantly lower costs than anticipated, it has also been reflected in the much lower receipts generated through disposals. There has been a complete drying up of the Northern Ireland Housing Executive house-sales scheme, and that has contributed to a substantial revenue shortfall.

In summary, with regard to the collapse of the land and property market, the Housing Executive started the year with a potential shortfall of £60.4 million in capital receipts. Bids submitted in the June and September monitoring rounds have been partially met. The Department was also permitted to re-direct funding from other business areas — such as social security and urban regeneration — in the first two monitoring rounds to address wider difficulties. A bid for £36.2 million, which is the remaining capital receipts shortfall, has been submitted to the December monitoring round, and I hope that it will be supported by the Minister of Finance and Personnel.

Mr Attwood: I thank the Minister for her answer. Does she agree that one measure of every party's commitment to social housing — including that of Sinn Féin Members, who speak, quite properly, about housing in Downpatrick, Newcastle and Castlewellan — would be for all Executive parties, including Sinn Féin, to agree to the proposals that the Minister tabled for an enhanced budget for the Department?

The Minister for Social Development: I thank Mr Attwood for his question, and I, of course, agree with what he said. There needs to be consensus around the Executive table; there needs to be collective responsibility; and there should be no shying away from any proposals that I submit, because those will

effect a change in the downturn and will help people on the ground.

If Sinn Féin is serious about helping people, it should not cry crocodile tears and blame others. It should try to work with its colleagues in the Executive and support such proposals.

Several Members: Hear, hear.

Mr Shannon: I thank the Minister for her response. An advantage of the downturn in sales — if there is one — is the fact that land can be acquired from the Executive, from councils, from Northern Ireland Water and from the Department for Regional Development at a much cheaper rate. Is the cost factor therefore to the Minister's advantage?

The Minister for Social Development: I thank Mr Shannon for his question. I do not disagree with him, although we will have to see the outworking of the situation. Naturally, there must be collective agreement around the Executive table on the proposals in the December monitoring round, given that those can effect that change. I hope that the Member will use his good offices with the Finance Minister to obtain support for proposals on the matter.

I also hope that the Member's colleagues in the Executive will support the proposals that are in the paper on housing. Social housing is one way of contributing to providing for housing need, and it is a necessary and valuable asset to people. Furthermore, it will help those who have been affected by the downturn in the construction industry.

Mr McFarland: Given the present situation, does the Minister believe that a new budgetary process at the end of each financial year would allow her Department to assess more readily and, indeed, access finance in order to support her agreed targets?

The Minister for Social Development: I take on board what Professor Mike Smith said in that consideration needs to be given to that issue and the social housing development programme should be focused on. If it could be increased, it would help the construction industry and housing need would be met. As well as dealing with the great economic and social impacts, a valuable multiplier would be provided to the economy.

Regeneration of Omagh

5. **Mr Gallagher** asked the Minister for Social Development to outline her Department's plans for the regeneration of Omagh. (AQO 1537/09)

The Minister for Social Development: Omagh has experienced a substantial amount of regeneration in recent years, and my Department seeks to continue that process through the publication of a new town-centre

master plan in January 2009, which is just a few weeks away. That will be followed by a number of initiatives to facilitate the redevelopment of land that is currently in public ownership.

Officials from the Department for Social Development are working closely with officials in the Planning Service and Omagh District Council to develop those plans. In addition, DSD continues to work with the Ministry of Defence, the Department of Education and the Strategic Investment Board to pursue the acquisition and subsequent redevelopment of the former military sites at Lisanelly and St Lucia. However, I must say that the reluctance of the British Government to gift those and other military sites is a major obstacle to their being redeveloped in a manner that will benefit the people of Northern Ireland.

Mr Gallagher: I thank the Minister for that encouraging news about the publication of the master plan in the new year. I am sure that every Member agrees that Omagh is a town that deserves a significant peace dividend. Will the Minister outline how that master plan will relate to the Lisanelly and St Lucia sites and to the Opportunity Omagh initiative?

The Minister for Social Development: The draft master plan takes into account the potential that is offered by the redevelopment of the two former military sites. It considers possible uses, including the potential to create a shared educational campus at Lisanelly. I have also agreed recently that my Department will carry out further detailed work on the redevelopment of the historic buildings on the St Lucia site in order to facilitate any future use.

Although an outline business case for the future use of the St Lucia and Lisanelly sites is being considered by the Department of Finance and Personnel, affordability continues to be a major issue for the Executive, particularly in the absence of any commitment from the British Government to gift those or other military sites to them.

4.00 pm

With regard to the Opportunity Omagh project, although the Department for Social Development welcomes new investment in Omagh — particularly in the new bridge that the developer may provide as part of that project — it is important to ensure that any development complements and enhances the town, and that retail, office and business developments respect the town centre's position.

Nonetheless, I am in favour of creating a positive investment environment, and my Department will not be found wanting in that regard. Furthermore, although the draft master plan identifies every considerable opportunity for new development in the town centre over coming years, it leaves the way open for a range

of developments at the Opportunity Omagh site, including several of the currently proposed anchor uses.

Mr Bresland: Can the Minister assure Members that any future development of the St Lucia site will respect its rich military history?

The Minister for Social Development: Last year, I visited the St Lucia and Lisanelly sites, so I understand the Member's point. Nevertheless, I am sure that his point will be taken on board by his colleague the Minister of the Environment, who, along with planning officials, will have direct responsibility for approving any developments on the sites and for ensuring that such developments respect the heritage and history of those areas. I am anxious to ensure that any developments and investments in Omagh provide economic opportunities for all its citizens, and I am sure that all Members would concur with that wish.

Mr Deputy Speaker: That concludes Question Time. I propose that Members take their ease until we resume the debate on the Second Stage of the Education Bill.

(Mr Deputy Speaker [Mr Dallat] in the Chair)

EXECUTIVE COMMITTEE BUSINESS

Education Bill

Second Stage

Debate resumed on motion:

That the Second Stage of the Education Bill (NIA 3/08) be agreed. — [*The Minister of Education (Ms Ruane).*]

Mr P J Bradley: On a point of order, Mr Deputy Speaker. I understood that there was to be a ministerial statement from the Minister of Agriculture and Rural Development at 4.00 pm. Given that another business day has gone by, and considering the questions that exist, surely such a statement should have been prioritised. In fact, I thought that the statement would have been made at noon, but it appears that it continues to be postponed. Many businesses are waiting to hear what is happening.

Mr Deputy Speaker: I am happy to inform the Member that the Minister of Agriculture and Rural Development will address Members immediately after this debate.

The Minister of Education (Ms Ruane): Go raibh maith agat, a LeasCheann Comhairle. Ba díospóireacht shuimiúil bhríomhar í seo, agus cuirim fáilte roimh an spéis a léiríodh ar gach taobh den Teach inti. Gabhaim buíochas leis na Comhaltaí sin a bhí pairteach inti. Ardaíodh cuid mhór sainphointí le linn na díospóireachta, agus tabharfaidh mé aghaidh ar oiread acu agus is féidir agus mé ag labhairt. Ar ndóigh, scríobhfaidh mé chuig Comhaltaí i dtaca le haon cheisteanna nach mbíonn deis agam a phlé anois.

It has been an interesting and lively debate. I welcome the interest that has been shown on all sides of the House, and I thank those Members who contributed. Many specific points were raised, and I shall address as many of them as possible. I shall, of course, write to Members on any issues that I am unable to cover now.

I will begin by addressing some of the comments that were raised by DUP Members Mervyn Storey, Michele McIlveen and Edwin Poots. I will respond first to the issues that were raised by Mr Storey, as Chairperson of the Committee for Education, and I hope that I have my responses in the correct order.

The Chairperson and several other Members mentioned the exemption in fair employment and treatment legislation on teacher employment. As Members will know, that legislation is the responsibility of the Office of the First Minister and

deputy First Minister, and I consider that any change to it would require careful consideration, public consultation and the advice of the Equality Commission. I recognise the importance of that issue, which will be a priority for my Department. A review will be conducted by my officials, working closely with, and involving, key stakeholders. The review will be completed by January 2010. Terms of reference are being finalised, and my aim is to review opportunities for teacher employment throughout the education system and to consider how best to promote equality of opportunity.

The Bill addresses issues that several Members raised about examinations and conflicts of interest. The functions of approving courses and accrediting qualifications will rest with the Department, not with the education and skills authority (ESA). I agree with Members' points about the importance of the portability of qualifications. It is important that qualifications are portable. Young people must be able to access universities and further education colleges throughout the island of Ireland, in England, Scotland and Wales, and, indeed, throughout Europe.

Several Members mentioned an education advisory forum. I am about to publish proposals on that for consultation, and I look forward to hearing the views of the Committee and other stakeholders on that.

Mervyn Storey mentioned the content of the first and second Bills. The first Bill could be on the statute books before 1 January 2010. The powers to establish the ESA could not be commenced before that date. Therefore, the timetables for the preparation and passage of the two Bills will overlap. The normal arrangements for Committee, Executive and Assembly control will ensure that the two Bills will remain synchronised.

Mervyn Storey also mentioned local bodies and committees. The legislation includes provision for the establishment of local committees, and I look forward to working with the Committee for Education to develop their makeup. As for the controlled schools body and the role of sectoral bodies, no sectoral body will have statutory functions. All will have representation and advisory roles on an equitable basis. The Committee has received the Department's proposals, and I welcome its intention to work closely with the Department and stakeholders on developing them. My Department will, of course, also engage with stakeholders. A range of other concerns was raised, and my officials will liaise, and continue to work, with the Committee on those.

Michele McIlveen, Mervyn Storey, Basil McCrea and other Members commented on the single employing authority. The review of public administration (RPA) is not about taking autonomy away from any particular group of schools; it is about giving all schools

autonomy in their own day-to-day affairs, including, for example, controlled schools, which currently have too little say in staffing matters. The ESA must be the single employing authority for all schools, so that we can reap the benefits of a better planned and better co-ordinated education workforce and greater consistency of employment practice for staff.

Voluntary schools, like all grant-aided schools, are funded by the taxpayer to deliver education to children. It is right that they, like all schools, come under the new arrangements to ensure proper stewardship and accountability for their use of public funds.

Voluntary schools have nothing to fear from the arrangements. Their boards of governors will continue to be in charge of the day-to-day running of the schools, and they will make employment decisions relating to the setting of staff complements, the recruitment, management and promotion of staff and their disciplining and dismissal. Furthermore — and for the first time — those benefits will extend to all schools, including those in the controlled sector.

Several Members spoke about coterminosity. The education and skills authority will have a subregional structure that will maximise coterminosity with other service providers, including local councils. The fact that the structure is not being specified in legislation gives greater flexibility in that regard. The objective is to have effective and responsive local delivery of services within a consistent policy framework.

The education and skills authority must be a regional organisation with a strong local presence and a focus on local delivery. Local managers and delivery units will have the freedom to respond to local need. They will be sensitive to, and receive input from, a committee from that area comprising, among others, a number of local representatives. Provisions for the establishment of some committees have been included in the first Bill.

Michelle McIlveen said that I should listen to the Committee for Education and to its suggestions. I always do that; I have listened to the Committee on such issues as the right to nominate governors, the timing of the two Bills and the membership of the committee. I look forward to the Committee's further consideration, and my Department and I will continue to work closely with the Committee. However, it is a two-way process, and our relationship needs to be based on respect.

Mr Storey: Will the Member give way?

The Minister of Education: I will not give way. Members had the opportunity to speak during the debate. I sat and listened carefully for two hours. We have been engaging on many of the issues.

I also listened to the familiar and oft-repeated comments from Miss McIlveen about Irish-medium education. It is hoped that the word "equality" will be to the forefront as the education and skills authority develops. I welcome the comments on equality that were made by Members on the Benches opposite, and I look forward to a time when children who are taught in the Irish medium receive the equality that they deserve, along with other children who learn through English and other languages.

I do not view the outcomes of the factors relating to the transferors, the timing of the two Bills or the membership of the education and skills authority as concessions: they are the outcome of democratic accountability and engagement with the Committee, which was useful. Go raibh maith agat as sin.

Michelle McIlveen asked about the rationale for sectoral support. We will continue to have a pluralist system of school types, each with its own distinctive character and ethos. It is right that each sector has a modest amount of professional capacity to represent its interests. That will be of particular value in equipping the sectors to engage with the education and skills authority and one another to build the collaboration that will be necessary to meet the challenges of delivering the new curriculum and modernising the schools estate. That role will complement, without overlapping, the role of the education and skills authority.

Sectoral representation is a key component of the RPA programme. It will provide the means by which a number of non-statutory organisations can discharge advisory representation and advocacy roles in respect of schools of a particular character or ethos, including the controlled sector. That will include participation in the education advisory forum and the education and skills authority's area-based planning arrangements.

Support for sectoral organisations can be provided by using existing grant-making powers, and it will not require new legislation. A number of key principles must be reflected in those arrangements, as is the case with area-based planning.

No representative group will have statutory functions. They will have advisory representation and advocacy roles, and their front-line service provision functions will be transferred to the education and skills authority.

With regard to the transition of staff to the education and skills authority, the implementation team has compiled a database of the workforce in existing organisations. It is also in the early stages of designing new service delivery arrangements and modelling the workforce for the new organisation. That will take some time to complete. Every effort will be made to avoid compulsory redundancies and to reduce voluntary redundancies, and the current vacancy-control policy will be important in facilitating that.

A number of Members asked for clarification on the administrative savings that will result from the reforms.

As I said earlier, I am releasing today the business case for the reforms, which sets out a detailed and rigorous analysis. There will be a reduction of around 460 posts at senior and middle management level. Around half of those posts are already vacant, and I am confident that the remaining reductions can be achieved through voluntary redundancy and early retirement. Every effort will be made to avoid compulsory redundancy. I remind Members that those resources could be used at the front line for 700 newly qualified teachers each year, three new primary schools and one post-primary school every year, or funding the youth capital programme four times over.

4.15 pm

Comments were made about the importance of the convergence programme. I am chairing a high-level group in the sector, which includes the cathaoirleach — the chairpersons — of all the affected organisations. That group meets regularly across the North, and it has been functioning well. I pay public tribute to the chairpersons for the work that they are doing. The group discusses all of the issues and concerns that the chairpersons have for their organisations about any aspect of the RPA. I am working in a hands-on manner in the process, and those meetings are also attended by my permanent secretary, deputy permanent secretary and Gavin Boyd, who is the chief executive designate of the education and skills authority.

Questions were asked about the legality of appointing the second-tier structure before the legislation was passed. We are looking at the most fundamental reforms of education in a generation. They involve the transformation of staff, assets and functions in 11 organisations to deliver a vital public service. Change of that magnitude requires careful planning and leadership; therefore, it is important to have senior staff in place as early as possible. The chief executive designate has been appointed, and it is important that we appoint several key second-tier officers to build and maintain momentum. I draw the attention of the Members who asked that question to the fact that a similar approach has been taken by the Library Authority and the regional health and social services authority. I am sure that if the Members who raised the question consult their own Ministers overseeing those authorities, they will be reassured.

I welcome Nelson McCausland's support for equality and the issue of targeting social need. I assure Members that we will take our statutory duties seriously as regards targeting social need and genuinely get money to the front line and to some of our most vulnerable young people. I welcome the fact that we are having a debate and that equality is at its core.

Comment was made on representation for controlled schools. In taking this matter forward, I am keen to ensure that there is an effective voice for publicly owned schools — they will no longer be known as controlled schools — and for the transferors representative council. I recognise that education here remains pluralist and that there is a strong desire on the part of the various sectors to continue to play a significant role. I have agreed that sectors will require sufficient professional capacity in order to discharge a representation advocacy role under the new arrangements.

My Department will provide grant aid for a sectoral representative body for the publicly owned sector on the basis of a robust business case for funding, in the same way as grant aid for sectoral support is to be provided to the other sectoral interests. The establishment of a sectoral support body for publicly owned schools will place those schools on the same footing as schools in other sectors and, therefore, will also assist in promoting equality between all schools, irrespective of management type.

I see that Nelson McCausland has joined us. I am delighted that equality is at the core of the debate. I absolutely reject the notion that the Department is discriminating against youth in any way. In fact, I have put forward proposals to the Member's colleague the Minister of Finance and Personnel for further funding for the youth sector, and I look forward to Nelson McCausland's active support, advocacy and representation as regards extra funding for youth. I share his desire for further funding for the youth sector. I hope that everyone in the House will join me in my efforts to secure more funding for our youth.

Edwin Poots mentioned the recognition of qualifications. As I said, the function of the accreditation of qualifications will rest with the Department of Education, not the education and skills authority. The Department will continue to liaise with authorities in the South and in Britain to ensure that there is a consistent approach to the matter, with recognition of our local qualifications. We are all in the European Union, and I am sure that Members will agree that it is important that our young people can use their qualifications across the length and breadth of Europe.

I welcome the comments made by my colleague John O'Dowd. I also welcome the support from all sides of the Assembly for the transferors' role. In particular, I agree with John's positive comment that the transferors have played an important role in education. I want that role to continue in three key areas: in schools — on boards of governors; in the sectoral body — representing the needs of those schools and communities; and in the education advisory forum — contributing to policy.

I support John O'Dowd's comments about UNISON, and I absolutely share his respect for the union. I also have huge respect for the tremendous work that it does. I hope that Members will bear with me as I answer some of the questions that UNISON has asked. Those questions dovetail with many of the questions that Members have asked.

The education and skills authority will not be a super-quango. The majority of its members will be local councillors. In addition, I will ensure that members of the authority have the skills and experience to lead the education and skills authority; I completely take on board Trevor Lunn's comments on the matter. I will also ensure that the democratic accountability of that key public service is ensured.

UNISON also raised other issues. I must point out that clause 44(1) outlines a general duty:

"It is the duty of ESA to ensure that its functions are exercised with a view to safeguarding and promoting the welfare of children and young persons."

Thus, the education and skills authority will strengthen that role rather than dilute it. I hope that UNISON and Members are reassured on that point.

Many people, including UNISON members, raised the issue of savings. I want to be clear about this matter, because it is obvious from some comments that there is a lack of clarity. The Department of Education has secured a budget of £50 million on an invest-to-save basis for education reforms. It is intended that, by year three, the proposed reforms will release £20 million per annum from education administrative services to front-line education services, where the funding will make the most difference to our children's lives

Mr B McCrea: Will the Minister give way?

The Minister of Education: No, I will not, Basil; I listened to your comments all morning. I will come to the Member's questions next.

In contrast, the Department is not aware of any detailed proposals to back up the claim that savings could be made under the existing arrangements and questions how they might be achieved without reducing the existing administrative structures or cutting key education services.

John O'Dowd made other comments, which I welcome. Again, I look forward to having the support of every Member when I introduce proposals to secure money for primary schools and early-years provision. If we are to do that, we need more resources in the education system. I welcome the fact that every party supports those efforts. I thank Members in advance for that support. *[Interruption.]* I am sorry; I do not speak Ulster Scots, but if Basil McCrea can tell me how to say "thank you" in Ulster Scots, I will take an intervention from him.

I will deal now with Mr McCrea's questions. He mentioned the origins of the RPA. I want to remind the Member that the RPA was not invented by the Civil Service or by direct rule Ministers; in fact, it was introduced and launched, under devolution, by the Office of the First Minister and deputy First Minister (OFMDFM). Who was in OFMDFM at the time? David Trimble was the First Minister.

Mr B McCrea: Will the Minister give way?

[Interruption.]

The Minister of Education: No, Basil, I have heard your comments. The Member should do his homework, before he says that it was his colleagues in the Tories or in the Labour party who launched it.

In his comments on early years, Basil McCrea misunderstood the Bill. Early years are already the responsibility of my Department. That change was made by the previous Administration, but the law was not changed. It is time to change the law and to put those key services on a firm legislative basis.

Basil McCrea feels that the Bill may reduce autonomy — on the contrary, autonomy for schools is a theme that runs throughout the RPA policy and the Bill. For example, the Bill includes provision to ensure that all schools are empowered to set their own governance arrangements. In addition, the ESA will be the employing authority; schools will set the day-to-day employment arrangements and decide how much responsibility that they wish to take on. Some schools may want to be responsible for all employment matters, including the setting of staff complements, recruitment, management, promotion, and the disciplining and dismissal of staff. Other schools may want to pass some of those responsibilities to the ESA, but the key point is that the choice will be for the schools to make, not the ESA.

When Basil McCrea runs out of arguments about the Bill, he reverts to ideological arguments. We are not discussing the transfer arrangements from primary to post-primary education — he seemed a little bit confused about that. The Bill is about the establishment of the ESA.

Area-based planning is not a substitute for new post-primary transfer arrangements — it is required because the current ad hoc arrangements have failed. They have failed because there is adversarial competition that focuses on the needs of schools rather than on the needs of pupils; an inefficient use of scarce resources, with 50,000 surplus places; limited choices for some pupils; and inequality of access to the curriculum. No public service can be delivered effectively without proper strategic planning, and education is no exception.

I welcome the important scrutiny role of the Committee, and I look forward to engaging further with

it. I am glad that Basil McCrea put on the record his recognition that there is a link between underachievement and transfer. He said that I was “allegedly” the Minister of Education — I am the Minister of Education. Some people in his party might have difficulty — *[Interruption.]*

Mr Deputy Speaker: Order. There are too many conversations going on for the Minister to be heard, and there is too much shouting across the Floor. As it is coming up to Christmas, will Members respect the Chair for once?

The Minister of Education: Go raibh maith agat as sin. I am the Minister of Education — that will become clear from reading Assembly documents. Thankfully, we no longer have direct rule Ministers, from either the Tories or from the Labour Party, coming over to Ireland and telling us how to run anything.

Basil McCrea asked me about the transfer of responsibility for the Youth Service to local councils, so I hope that he listens to my answer. My policy on the RPA is founded on a recognition of the value of youth services in education — they have particular importance for young people who are at risk of marginalisation and exclusion. During an extensive consultation, I did not hear any convincing argument that the needs of children and young people would be better met by the transfer of responsibility for the Youth Service to local government. The ESA will provide local services at the point of contact, which would suit youth services in the same way that it suits all education provision.

Basil McCrea was also worried that the ESA and the Bill would be about accountability to me. I ask him to read my speech again, and I have no doubt that he will do so — it will make nice bedtime reading. What I said was that it should be

“accountable to me and to the Assembly”.

4.30 pm

Mr B McCrea: Will the Minister take an intervention on that point?

The Minister of Education: I have loads of questions from Basil McCrea, which I am trying to answer, but it is very difficult because he keeps interrupting me.

In relation to the Department being ineffective, every part of the education system, including the Department of Education, needs to do better and needs to refocus on the things that matter most — raising standards and addressing inequality in education.

Under RPA, every part of the system will change, including my Department. The Department needs to be better at making evidence-based policy and at communicating it clearly to stakeholders. It needs to be better at challenging and holding the education system to account for its performance on educational

attainment. It needs to be less focused on the needs of institutions and more focused on the needs of children and young people, particularly those who are most at risk of dropping out of education.

I have already answered the question on the education advisory forum.

In relation to Ken Robinson’s comments, I have already responded to the point about quangos.

Again, I must make the point that this debate is not about transfer — it is about the education and skills authority. I make the same comment to Ken Robinson that I made to Basil McCrea — when they run out of arguments, they come on to accusations of ideology.

Ken Robinson, like his colleague Basil McCrea, appears to have difficulty with Sinn Féin holding ministerial positions. However, we are in our positions; we respect our positions; and we respect all the other parties and the portfolios that they hold.

I am concerned about the use of language such as “woolly curriculum”. We have a revised curriculum and an entitlement framework, and we now have probably one of the best curriculums in Europe. People know that I criticise where I feel that criticism is necessary but that I give credit where credit is due. The curriculum has changed enormously, and it is much better and much broader than it was before.

In relation to the question about whether the ESA will be too powerful, the legislation places key duties on the education and skills authority and gives it the necessary powers to discharge its responsibilities with appropriate checks and balances. The strongest powers in areas such as school development, school closure, removing governors and directing schools are contained in existing legislation, and Members will be glad to know that those will continue to be exercisable by me as the Minister, and not by the education and skills authority.

The draft legislation includes only one such new power for the education and skills authority, and that is the power to direct grant-aided schools in relation to the discharge of their child protection functions, and I am sure that no one in the House will argue against that.

The ESA will be fully accountable to me, as Minister, and amenable to scrutiny by the Committee for Education. It is similar in that regard to the Housing Executive and to the forthcoming library authority and the regional health and social care board.

In relation to Ken Robinson’s question about the relationship between the first and second Bill, I have listened to the Committee on the matter, and the Executive’s decision was that both Bills will be taken forward. Both are essential, and the Committee will be fully involved in the development of the policy and in

the legislative provisions for the second Bill before the first is implemented.

Ken Robinson also asked how schools will be challenged and by whom. The challenge will be evidence based. The education and skills authority and the boards of governors will make challenges that are based on the evidence of results and on inspections by the Education and Training Inspectorate.

Ken Robinson asked: "how local is local?" The ESA will have a subregional structure that will maximise coterminosity with other service providers, including local councils. The fact that the structure is not specified in legislation gives greater flexibility in that regard. The objective is effective, responsible, local delivery of services within a consistent policy framework, and the education and skills authority must be a regional organisation with a strong local presence and a real focus on local delivery. Local managers and delivery units will have the freedom to respond to specific local need.

They will be sensitive to the requirements of, and receive input from, a committee from that area, comprising, among others, a number of local representatives. I have studied carefully Sir George Bain's recommendations; it is important to take those into account, and I will do so.

Dominic Bradley began by talking about my housework. In case he is wondering, I do my own housework, and I am very good at it. I welcome Dominic's concern about housework, and I hope that all Members do their housework on the basis of equality. I note that Fred Cobain definitely does. I remind Dominic Bradley that the debate is not about transfer arrangements or academic selection, although it would be good to hear publicly —

Mr Deputy Speaker: Order. I know that Members are anxious to please the Minister by shouting out the answers, but they will lose their gold stars eventually. Please carry on, Minister.

The Minister of Education: Go raibh maith agat. The debate was never about transfer arrangements or academic selection. I hope that we will have a debate in the House on those matters. I look forward to the SDLP's stating its position loudly and clearly, because I have read its party manifesto, and sometimes its voice is very quiet on the issue of post-primary transfer. Enough of that, however; today's debate is about the education and skills authority. Sin díospóireacht do lá eile. That is a debate for another day.

Dominic Bradley made a disparaging comment about Gerry Adams and democracy. My party conducts democratic discussions on many aspects. That is one of the reasons why I like being in the party, because those discussions take place at every level. It is important that those discussions happen in all political parties.

I have already answered Dominic Bradley's question about savings. He also asked about local access and interfaces. I can reassure him that back-office functions will be centralised, but front-line support will not. In fact, that support will be decentralised, moved closer to schools and provided by local management units, which local committees will oversee. Mr Bradley will be glad to hear that the ESA will consider carefully the location of its headquarters, in line with Sir George Bain's recommendations.

Dominic Bradley also asked about the cost of establishing the ESA, and I have answered that question. He also made a point about underachievement, and I look forward to working with him, and all Members, on that issue. I reassure Members that the business case for the ESA will be available today. It clearly demonstrates that savings are achievable. However, I have always said that this is not about savings but about educational achievement, setting standards and achieving equality for our young people.

I welcome Trevor Lunn's thoughtful comments, and I support his constructive views on regional organisation and local delivery points. He raised the issue of local councillors' involvement and expressed his concerns. I understand why he has those concerns, but we are in a new era. I agree with the point that Ken Robinson made about that issue. Under the new arrangements, councillors will play a major role, and it will be important for them to have experience in financial management, human resources and other important areas. My Department will ensure that adequate training is provided for those councillors.

Trevor Lunn also raised the issue of MLAs sitting on the board of the ESA. It would be undemocratic for an MLA to be a member of the new education and skills authority. There would be a clear conflict of interest, because the ESA must be accountable to me and to the Assembly — to me and the Assembly, Basil.

Trevor Lunn spoke about the different tone of today's debate. I agree with him, and I welcome that fact. I hope that we can reach agreement on the transfer of children from primary education to post-primary education. Trevor Lunn also spoke about the important issue of democratic accountability. The ESA is too important to be left to a non-democratic body. The Committee expressed its concerns, to which I listened. The education and skills authority will be a more effective champion if it is democratically accountable. I am sure that —

Mr Deputy Speaker: Order. Some Members cannot hear the Minister's reply. Members must be quiet and patient. Thank you.

The Minister of Education: Thank you. I appreciate that, Mr Deputy Speaker, because my voice has had to

get louder and louder, and I still have an Executive meeting to attend today.

I listened to the concerns that the Committee expressed. I will ensure that the ESA's members have the necessary skills and competence. I wish to consider further the precise method of appointment, in order to ensure that the promotion of equality and recognition of diversity are reflected in the organisation.

In conclusion —

Some Members: Hear, hear.

The Minister of Education: In conclusion, let us remember that we all became Members of the Assembly because we want to make a positive difference to our fellow citizens' lives. Today, we have an opportunity to do just that. For every young person, effective education is the key to knowledge and skills, to employment and prosperity, and to health and well-being. For all of us together, education is the key to a vibrant, cohesive community and to a thriving economy. We have the opportunity to improve the life chances of today's children and of the generations who will succeed them.

Is é an t-oideachas éifeachtach an rud is tábhachtaí do gach uile dhuine óg, nó osclaíonn sé doirse ar eolas agus scileanna, ar fhostaíocht agus rath, ar shláinte agus leas. Is é an t-oideachas an rud is tábhachtaí dúinne agus sinn ag cruthú pobail fhuinniúla chomhtháite agus geilleagar atá faoi bhláth. Tá deis againn inniu seansanna saoil pháistí an lae inniu agus seansanna saoil na nglúnta atá le teacht a fheabhsú.

As I said, we have an opportunity today to improve the life chances of every one of our children. Let us take that opportunity. Molaim an Bille don Tionól.

Question put.

The Assembly divided: Ayes 72; Noes 12.

AYES

Mr Adams, Mr Attwood, Mr Boylan, Mr D Bradley, Mrs M Bradley, Mr P J Bradley, Mr Brady, Mr Bresland, Mr Brolly, Lord Browne, Mr Buchanan, Mr Burns, Mr Butler, Mr Campbell, Mr T Clarke, Mr W Clarke, Mr Craig, Mr Dodds, Mr Doherty, Mr Donaldson, Mr Durkan, Mr Easton, Dr Farry, Mr Ford, Mrs Foster, Mr Gallagher, Ms Gildernew, Mr Hamilton, Mrs Hanna, Mr Hilditch, Mr Irwin, Mrs D Kelly, Mr G Kelly, Mr A Maginness, Mr A Maskey, Mr P Maskey, Mr F McCann, Ms J McCann, Mr McCarthy, Mr McCartney, Mr McCausland, Mr I McCrea, Dr W McCrea, Dr McDonnell, Mrs McGill, Mr McGlone, Mr M McGuinness, Miss McIlveen, Mr McKay, Mr McLaughlin, Lord Morrow, Mr Moutray, Mr Murphy, Mr Neeson, Mr Newton, Ms Ní Chuilín, Mr O'Dowd, Mr O'Loan, Mr Paisley Jnr, Mr Poots, Mr P Ramsey, Ms S Ramsey, Ms Ritchie, Mr G Robinson,

Mr P Robinson, Ms Ruane, Mr Shannon, Mr Spratt, Mr Storey, Mr Weir, Mr B Wilson, Mr S Wilson.

Tellers for the Ayes: Mr Brady and Mr F McCann.

NOES

Mr Beggs, Mr Cobain, Rev Dr Robert Coulter, Mr Cree, Mr Elliott, Mr Kennedy, Mr McCallister, Mr B McCrea, Mr McFarland, Mr McNarry, Mr K Robinson, Mr Savage.

Tellers for the Noes: Mr McCallister and Mr B McCrea.

Question accordingly agreed to.

Resolved:

That the Second Stage of the Education Bill [NIA 3/08] be agreed.

Mr Deputy Speaker: That concludes the Second Stage of the Education Bill. The Bill stands referred to the Committee for Education.

EXECUTIVE COMMITTEE BUSINESS

Pensions (No. 2) Bill Further Consideration Stage

Mr Deputy Speaker: Before we consider the statements from the Minister of Health, Social Services and Public Safety and the Minister of Agriculture and Rural Development, we will move to the Further Consideration Stage of the Pensions (No. 2) Bill. I recognise that some Members wish to hear the planned statements as soon as possible, and I assure Members that we will move to those statements immediately after what we expect to be a very brief Further Consideration Stage.

Mr Paisley Jnr: On a point of order, Mr Deputy Speaker. Will you advise the House whether copies of those statements are available for Members yet?

The Deputy Speaker: It has been pointed out to me that that is not a point of order.

5.00 pm

Dr W McCrea: On a point of order, Mr Deputy Speaker, this debate is on a very serious matter, and people have been waiting for it all day. Why, at the end of the day, are we still waiting for the Ministers to come to the House to report on a matter that could have catastrophic implications for our farming industry?

Mr Deputy Speaker: We will consider the statements immediately after we deal with a very brief piece of Assembly business, which is, of course, very important: it is the Pensions Bill.

I remind Members that under Standing Order 37(2), the Further Consideration Stage of a Bill is restricted to debating any further amendments that are tabled to the Bill. As no amendments have been tabled, there is no opportunity to discuss the Pensions (No. 2) Bill today. Members will, of course, be able to have a full debate at the Bill's Final Stage. The Further Consideration Stage of the Bill is, therefore, concluded. The Bill stands referred to the Speaker.

Dr W McCrea: On a point of order, Mr Deputy Speaker: is there a reason why we are waiting for the commencement of statements or debate?

Mr Deputy Speaker: I do not think that that is a point of order.

Dr W McCrea: It is a point of order.

Mr Deputy Speaker: We will not argue. We are waiting for the Ministers who, I am assured, will be here. I have the first statement, from the Minister of Health, Social Services and Public Safety, and that will be made available to Members. The other statement, from the Minister of Agriculture and Rural Development, will follow.

MINISTERIAL STATEMENT

Incident of Dioxins in Pork and Pork Products Originating from the Republic of Ireland

Mr Deputy Speaker: I have received notice from the Minister of Health, Social Services and Public Safety that he wishes to make a statement regarding the incident of dioxins in pork and pork products originating from the Republic of Ireland.

The Minister of Health, Social Services and Public Safety (Mr McGimpsey): I want to reassure the public that the risk to health from eating potentially contaminated pork and pork products from Northern Ireland or the Republic of Ireland is extremely low. Since I was made aware of this matter over the weekend, I have had frequent discussions with the Agriculture Minister, Michelle Gildernew; the Chief Medical Officer, Dr Michael McBride; and the Food Standards Agency (FSA). The Food Standards Agency has advised me that, based on the information that it has at present, any adverse effects to health would require high levels of exposure to those products for long periods.

The FSA is an independent Government Department set up to protect the public's health and consumer interests in relation to food. The health of the public is a major priority for me, and is something that I take very seriously. I want to ensure that no one has any concerns about the quality or safety of their food. However, I realise that there has been a lack of clarity about advice on the consumption of pork and pork products.

In the Republic of Ireland, all pork products originating from the Republic and from Northern Ireland have been removed from retailers' shelves. In Northern Ireland, however, initial advice from the FSA to the public here has been not to eat those products, but no formal recall notice has been sent to retailers. Despite that advice, a number of retailers have already taken the decision to remove products from their shelves until they are certain that none of them is contaminated. The FSA and the Department of Agriculture and Rural Development are continuing to investigate whether any of those products contaminated by dioxins have been distributed in the UK. Although I fully accept that the health risk to the public is low, I also feel that the public are confused about the messages that they are receiving.

Indeed, rather than take the risk of buying potentially contaminated pork, it is more likely that they will be deterred from eating any pork products at all. That is why I have requested that the FSA issues urgent advice to retailers to temporarily remove from shelves any pork, or pork products, that have been processed in Northern Ireland. As soon as the relevant agencies have determined which products, if any, are contaminated,

products can safely be returned to shelves. The public can then have confidence that any pork products on the shelves in supermarkets and butchers' shops are not contaminated.

On account of taking that step, I believe that consumers will not be deterred from eating pork products and, when investigations are complete, will be content to purchase pork from local producers.

It is important that confidence in the pork industry be restored as quickly as possible — not just for consumers, but for local farmers and producers. This is the busiest time of year for them and the Agriculture Minister, Michelle Gildernew, and I, want to ensure that the impact on the industry is minimised. I hope that the investigations will be completed as quickly as possible and that local, quality pork products will be back on the shelves.

Mr Easton: I thank the Minister for his statement and for his quick reaction to the situation. As he has outlined, there is a lot of confusion among the public about pork products. For the benefit of anybody who bought pork products at the weekend, can the Minister confirm whether or not those should be eaten? Can he outline how long dioxins have been in animal feeds, and when the matter was first brought to his attention?

The Minister of Health, Social Services and Public Safety: The Food Standards Agency in Northern Ireland has told me that its first indication of this matter was received at 10.30 pm on Saturday, when it was contacted by its counterpart in the Irish Republic. The FSA spent Sunday investigating, and I had conversations with them and others, including the Agriculture Minister.

This is a rapidly evolving situation, which is changing continually. Initially, the Food Standards Agency, which is a UK-wide body, moved to advise consumers not to eat pork products labelled as produced in the Irish Republic or Northern Ireland. That was its first piece of advice, and that advice stands.

If customers who purchased pork products over the weekend are concerned, the advice is not to consume it, but not to destroy it either, as it is almost certainly safe. An investigation process must be carried out to ensure that we can stand up and say that pork is safe.

Mrs McGill: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his statement. Mr Easton touched on the question that I wished to ask: when was the Minister informed about the situation? In unexpected situations such as this, is there a dedicated officer within the Department of Health who contacts the Minister? Go raibh maith agat.

The Minister of Health, Social Services and Public Safety: As I said, the Food Standards Agency became aware of the situation at 10.30 pm on

Saturday. I was contacted, and messages were left on my answering machine. On Sunday morning, I was at church, and I did not hear those messages until 2.30 pm. At that point, I had conversations with the relevant officer who looks after emergency planning in the Department, with the Chief Medical Officer and with other individuals concerned.

As for contamination, the Minister of Agriculture and Rural Development will make a statement in due course regarding animal husbandry and related matters. I am taking a view purely from a health standpoint.

The information that I have indicates that at the moment there is no emergency. It is important that calm is maintained. The situation is changing rapidly. I am advised that the level of dioxins present in pork produce is so low that it would take consumption over a long time for them to prove harmful. However, action is being taken on the advice of the Food Standards Agency, which upholds the highest standards.

Mrs Hanna: I thank the Minister for his statement, which helps to clarify the position. It is reassuring to know that the risk to health is extremely low. On the other hand, there is some risk; therefore, there is obvious concern. Clear direction is essential, particularly for people who want to know whether to throw out or use the bacon in their fridge. It is important that very clear leadership is provided, and I appreciate what the Minister has said.

The question may be more relevant for the Minister of Agriculture and Rural Development, but does the Minister of Health, Social Services and Public Safety have any information on whether there is a legal level of dioxins in pigs?

The Minister of Health, Social Services and Public Safety: There is a safe level about which I am not familiar. However, scientists say there is a safe level. In the Irish Republic, 80 to 200 times that recommended safe level of dioxins has been detected in pork. My information is that pork products that are labelled "Northern Ireland" are not in that situation. The Minister of Agriculture will be more specific, but I understand that a tiny amount of product from Northern Ireland is affected.

Therefore, the advice is that if people have pork products labelled "Northern Ireland", they should not destroy them; rather, they should keep them in the fridge, and further advice will be issued in due course. The situation is changing rapidly, and I look forward to getting more advice in due course with the support of the director of the Food Standards Agency in Northern Ireland, Mr Gerry McCurdy. I assure Members that he and his officials have worked constantly since they got the information late on Saturday night in order to be absolutely certain that their advice prevents any consumer in Northern Ireland being put at risk of harm.

Dr Farry: I also thank the Minister for his statement. I notice that there has been a different reaction in the North and the South about whether to keep product on shelves. Given the extent to which there is a shared media market, what is being done to co-ordinate the media message and action, both North and South? Given the proximity of Christmas — a time when people consume a lot of pork — how quickly does the Minister believe that the all-clear will be given and that confidence will be restored to the market in a way that enables people to buy and butchers and supermarkets to sell pork at what is their busiest season of the year?

The Minister of Health, Social Services and Public Safety: I cannot be definitive about a date. However, the FSA is considering the safety of Northern Ireland pork very closely. It is a changing situation. My current information indicates that there is a very, very low risk. I hope to be able to clarify that further in due course. My request of the Food Standards Agency is that they advise retailers to temporarily remove from their shelves any pork or pork products processed in Northern Ireland. I stress “temporarily”. At present, the measure in respect of Northern Ireland pork products is temporary. As soon as the relevant agencies establish their concern about which, if any, products are affected, safe products may be returned to the shelves.

5.15 pm

Mr Buchanan: I thank the Minister for his brief statement to the House. The lack of clarity on the matter from relevant Departments at the weekend beggars belief. I note, however, that the Minister has requested the FSA to issue urgent advice to retailers to remove temporarily from their shelves pork and pork products that have been processed in Northern Ireland.

Although, on the one hand, the Minister has made that request, on the other hand, he has stated clearly that the situation is not an emergency and that any adverse effects to health would require prolonged high levels of exposure to contaminated products. Therefore, there is ambiguity on the matter: although it would take large consumption of those products to cause any adverse effects to health, retailers have been advised to remove products from their shelves.

Mr Deputy Speaker: The Member must ask a question.

Mr Buchanan: If it can be proven definitively that dioxins in pork products is not a problem in Northern Ireland because none of its produce has been found to be contaminated, will that information be released to the public as soon as possible in order to restore confidence among Northern Ireland’s consumers? How long will the temporary period last?

The Minister of Health, Social Services and Public Safety: I have already answered the second part of Mr Buchanan’s question in my response to Dr

Farry. As far as I am concerned, speed is of the essence in the provision of that information.

I have broad responsibility for public health. However, the FSA was set up as an independent Government body specifically to advise on matters that pertain to food safety and, therefore, to examine issues such as that which is being discussed. Consumer confidence is an important concern. This is not simply a scientific exercise: because the matter has arisen, it is important that it is dealt with proactively pending the results of the scientific investigation, which I hope — and I am optimistic — will, within a short period, bring the situation to the point at which pork products that are labelled as being from Northern Ireland do not pose a risk.

As I have said, the situation is changing rapidly. On the basis of my current information, I do not regard the situation as an emergency. However, the fact is that a belt-and-braces approach must be taken. That is why I have asked the FSA to issue that advice. It has agreed to fulfil my request. Produce must be withdrawn, but only temporarily.

Mr O’Dowd: Go raibh maith agat, a LeasCheann Comhairle. I thank the Health Minister for his statement. He has said that his current information is that the risk is extremely low. Is that information based on scientifically tested results that have been obtained from a laboratory? Does he await any further test results that will allow him to either give the all-clear or to take further action if necessary? If that is the case, when does he expect those test results to be returned?

The Minister of Health, Social Services and Public Safety: It is a scientific exercise. The Food Standards Agency applies a great deal of expertise to the matter. The Minister of Agriculture is in a better position than I am to discuss how many farms purchased feed from the supplier in question. However, I am aware that the number keeps reducing; therefore, the risk keeps reducing. The scientific basis of the advice that I get from the Food Standards Agency is firmly grounded in the discipline.

Other Members have asked about the time frame. I cannot be definitive about the precise time that it will take to resolve the situation; however, it will absolutely be done as quickly as possible. I have emphasised and reinforced the message, over and over again, that the matter must be resolved as quickly as possible.

Dr W McCrea: As the vast majority of pig farmers in Northern Ireland have never used feed from that particular mill, and it is also possible to trace and isolate any product that may have come from animals that have been fed with suspect feed, why is the produce of pig farmers in Northern Ireland being kept off shelves here and in Great Britain?

The Minister of Health, Social Services and Public Safety: The Minister of Agriculture and Rural

Development is better able than me to answer that question. I am not entirely sure whether the origins of pork can be determined after it has been processed in a factory. I believe that there is a question mark about that and, therefore, we have taken this step. The Irish Republic has deemed it appropriate to take its pork products off the shelves. We are taking Northern Irish pork products off the shelves temporarily to allow us to go through this process. I anticipate that pork will be allowed to go back on the shelves after that, but my broad responsibility for public health means that we must undertake that exercise.

That is why we have the Food Standards Agency, which is a standalone organisation. It is entirely independent of the Department of Health, and it provides independent advice. The FSA emerged as a result of the BSE crisis some 20 years ago, when expert advice was not readily available. Perhaps rightly, there was a commensurate adverse public reaction against the entire industry at that time. However, things are different now. The expertise is available, and as the Minister, it is my responsibility to act on the expert advice.

Mr McCallister: I agree with the Minister that the Food Standards Agency was set up to deal with exactly this type of situation and to build public confidence. The advice that FSA gives must be clear. The Minister also mentioned that this is an evolving situation. If the developments are positive, will the Minister make officials available to brief the Health Committee later this week?

The Minister of Health, Social Services and Public Safety: I will be happy to do that. However, just at the moment, I do not want to take officials away from the immediate issue that they are dealing with. The Health Committee will have a strong interest in this matter and, no doubt, they will want to talk to departmental officials, particularly those from the Food Standards Agency.

Mr Attwood: I welcome the Minister's statement. There are clearly issues about how the matter has been managed, both within Government and between Governments, North and South. The Minister has advised the House that his officials became aware of the problem late on Saturday night. However, it was brought to the attention of the Minister of Agriculture, or at least to her Department, on Friday.

I want the Minister to create some certainty and avoid doubt. Can he reassure the House that the problem — which we assume is not of an emergency nature — affects only pork and does not extend to feed that has been given to other animals? When did the Minister issue urgent advice to the FSA asking that pork products be temporarily removed from the shops? Will the Minister confirm that the FSA has accepted his advice and issued that instruction to all shops?

The Minister of Health, Social Services and Public Safety:

I am not in a position to comment on when other people received the information. The FSA received the information at 10.30 pm on Saturday. The matter was then investigated, and attempts were made to contact me on Sunday morning. Those attempts were successful early on Sunday afternoon.

I am also not in a position to answer the Member's question about the effects on other animals. I assume that the Minister of Agriculture will be able to address that matter.

Will the Member repeat his final question?

Mr Attwood: When did the Minister issue urgent advice to the FSA? Will he confirm whether it accepted that advice?

The Minister of Health, Social Services and Public Safety:

The FSA has agreed to my request, and produce will be temporarily withdrawn. That request was sent to the FSA at lunchtime today, around noon or 12.30 pm.

Mr Paisley Jnr: What message does the Minister have for the hundreds of workers in Stevenson and Company at Cullybackey and for the 630 workers in Grampian Country Pork at Cookstown? What general message does he have for consumers in Northern Ireland? Is he issuing a clear clarion call that our pork produce is safe and is safe to eat, or is he issuing a message that we must wait and see temporarily?

The country has encountered enough problems with a lack of confidence in commerce and banking, and the Minister must accept that we cannot afford a lack of confidence in agriculture. How long will that temporary measure last? Why is our produce being withdrawn, by order, from shelves in Northern Ireland, whereas in the Republic of Ireland — where the problem originated — the retailer can decide whether to remove produce from the shelves? Will the Minister outline a clear and distinct action plan, or do we have a case of over-reaction fever?

The Minister of Health, Social Services and Public Safety:

As I have indicated, the Food Standards Agency was established, and operates, for good reasons. It ensures safety in the food industry, which is an important part of the Northern Ireland economy. In my opinion, it operates to the highest standards.

The Member asked about factory workers in Cullybackey and Cookstown. Although I am optimistic that the Department will take the next step and declare the all-clear, the Food Standards Agency must adhere to steps in order to reach that point. Those steps will be taken as quickly as possible.

The Member mentioned the differential between here and the Irish Republic. The Food Standards Agency advised that any product that is labelled Irish

Republic will be withdrawn from the shelves and destroyed, whereas Northern Ireland produce will be recalled and held before it is returned to the shelves. There is a handling difference. Some feed has been purchased from a supplier in the Irish Republic, and that fact poses questions for our industry. I am not in a position to sweep that issue under the carpet. However, I must go through steps, I am aware of what hangs on this matter, and I am aware of the dangers of over-reaction, and I want to avoid that. As I said, it is not an emergency; it is a rapidly changing situation, and I am optimistic that we can reach the desired point.

Mr Poots: The Minister's statement provides no clarity and, therefore, I want to probe further. The statement says that Northern Ireland pork will be removed from the shelves. However, it does not mention Republic of Ireland pork. Although I think that I understand the message, will the Minister make it absolutely clear what is happening to pork from the Republic of Ireland, where the problem originated?

Will the Minister indicate whether he has received any evidence that pigs produced in Northern Ireland have consumed the contaminated product?

5.30 pm

The Minister of Health, Social Services and Public Safety: I will read the Member the communication that I have received from the Food Standards Agency:

"The agency is to initiate a product recall of all pork and pork products that have been sourced from the Republic of Ireland, which are to be removed from the food chain and destroyed."

That is the answer to the Member's question. As far as Northern Ireland is concerned, products will be recalled, but I anticipate that that will be temporary — to allow this exercise to be completed so that the products can go back on the shelves. On the issue of the sourcing of feed, the Minister of Agriculture is in a better position to answer questions than I am.

Mr B McCrea: There has been some concern among Members about the delay in bringing this matter before the House, but I am sure that the Minister has been working on it throughout the day. Will he advise us what communications he has been able to have, either with the public or with the appropriate authorities, to tackle the matter with alacrity? There has also, obviously, been some concern about the long-term implications. How does the Minister intend to communicate the all-clear to the public, if that all-clear is given? Will it be communicated by his office, by the media, or by the FSA? Where should we look for the most up-to-date information?

The Minister of Health, Social Services and Public Safety: When advice is given, I am sure that there will be no shortage of media outlets anxious to carry that news. I will certainly consider it at the time, but general advice and information will be provided,

and I am sure that no one who has an interest in either producing, processing, purchasing or consuming pork products will miss that advice. Retailers will also play an important role in that.

As for working with alacrity, I can only repeat that the Food Standards Agency was communicated with for the first time at 10.30 pm on Saturday; it worked away, and then communicated with me on Sunday morning, and we have been in communication ever since. I have had several meetings and conversations with the Minister of Agriculture, with my officials, with the Food Standards Agency — and with the First and deputy First Ministers at a meeting around an hour ago. We all recognise the seriousness of the situation, and are looking for a way to get out of it. On the basis of the information that I currently have — and I await further advice and guidance — I do not regard this as an emergency. We must not talk ourselves into a crisis when there is no crisis.

Mr Shannon: I declare an interest as a pork retailer. The Minister has stated that the risk from eating any contaminated pork or pork products from Northern Ireland is extremely low. He has also drawn a comparison between the treatment of products from the Republic of Ireland and that of products from Northern Ireland.

Yesterday, on the 24-hour news, a scientist clearly stated that there would be no detrimental effect from this product, were one to eat it for breakfast, lunch, dinner and supper for a year. If that is the sort of scientific evidence that has been presented, how on earth can the Minister make a decision today to ensure that Northern Ireland products have to be taken off the shelf and then stored? I am sure he is aware of the perishable nature of any goods that are taken off the shelf. Unless the situation is turned around within a couple of days, there will be a problem with those products as well. Clearly, there is a need for some direction from the Minister in relation to this matter. I respect his position and —

Mr Deputy Speaker: The Member must ask a question.

Mr Shannon: The question is how come the Minister has made this decision, when the scientific evidence from the experts is that there is no problem.

The Minister of Health, Social Services and Public Safety: I can only repeat what I have said already: I have expert advice, and I act on such advice. The situation is changing rapidly. There is a difference between us and the Republic of Ireland in that we can speak authoritatively about our own product in our jurisdiction, but we cannot speak authoritatively about that in the Irish Republic.

I believe that if someone were to eat the product for breakfast, lunch, dinner and supper for 365 days of the year they would be safe as far as dioxins are concerned, but I would fear for that person's cholesterol.

MINISTERIAL STATEMENT

Current Animal Feed Contamination

Mr Deputy Speaker: I have received notice from the Minister of Agriculture and Rural Development that she wishes to make a statement regarding the current animal-feed contamination.

The Minister of Agriculture and Rural Development (Ms Gildernew): Go raibh maith agat, a LeasCheann Comhairle. I am very grateful to have the opportunity to bring information to the House about the developing difficulty that pig producers in the North face.

I listened to the Health Minister's statement and to the questions that came from that. It is worth reminding people that this is an evolving situation. We are getting information as we speak, and we have been working closely together on this matter. I accept that several questions that were directed to the Health Minister will probably also be directed at me. We want to get as much information as possible to Members and to be open and transparent about the issue.

On Friday 5 December 2008, the authorities in the South advised us that potentially contaminated animal-feed material had been exported to nine premises in the North. We took action to identify the relevant premises, and we placed immediate restrictions on the movement of animals and, where appropriate, products in order to ensure that no further potentially contaminated meat could enter the food chain. That remains the position.

My inspectors from the Department followed up the potentially contaminated feed to identify what happened to it. They visited all nine businesses today and took samples of feed from the identified supplier. The situation is evolving, but I want to supply the Assembly with the information that has been gathered so far. More information will potentially be available over the next number of hours and days, and we will continue to keep the Assembly updated.

I reassure the Assembly that the Executive are taking prompt, effective and joined-up action to deal with this matter. We take our joint responsibility for food safety very seriously. Primary responsibility rests with the Food Standards Agency, which is a non-governmental organisation that is tasked with regulating food standards and which is a body that is outside my remit. From the outset, I have kept in close contact with the Health Minister, Michael McGimpsey, to offer him advice from the perspective of the Department of Agriculture and Rural Development and to ensure that he is fully apprised of the information that my Department received from its counterparts in Dublin. We have also ensured good links with the Dublin authorities, and I spoke to the Minister for Agriculture, Fisheries and

Food, Brendan Smith, on Sunday. He updated me on the rationale for the decision that the Dublin authorities made.

At official level, staff have been liaising closely with officials in the Food Standards Agency, Invest NI, the Department of Health, Social Services and Public Safety, and the Department of Enterprise, Trade and Investment. There was also frequent contact with representatives of the farming and meat-processing industries over the weekend.

It may be helpful if I explain to the House in more detail what we have been doing as regards the implications of this matter for producers and processors. As soon as we were informed about the potential contamination, we restricted six affected herds that are on APHIS (animal and public health information system) Online, which is the Department's animal traceability system. We also put a marker on APHIS to alert meat-inspection staff if animals from those affected herds were presented for slaughter. Furthermore, we spoke to the Food Standards Agency to share information and advice.

During Saturday night and Sunday, I had a number of discussions with my Chief Veterinary Officer and senior DARD officials to take advice and gather further information as events developed. On Sunday, veterinary staff spoke to the Northern Ireland Meat Exporters Association (NIMEA) about the implications for its members. We undertook to notify NIMEA if we discovered that its members had slaughtered any animals from the affected premises.

Today, we carried out tracings on animals that were being sent to slaughter, and we notified affected meat plants. The Department is liaising closely with slaughter premises to identify whether any animals from the identified premises in the South may have been slaughtered here since 1 September 2008.

The Department took samples from those premises to check whether there has been any contamination. My permanent secretary is chairing a group of senior officials, including the chief veterinary officer, to oversee our response to the situation. We take the matter very seriously, and I believe that we are responding proactively and proportionately to it.

The FSA's advice is to recall and destroy pork products from the South and to take products from the North off shelves, hold them and investigate further until more information becomes available. The advice to consumers remains not to consume pork produced here or in the South. Retailers and wholesalers should, for the moment, retain any pork products, thus not allowing product to enter the food chain until the Food Standards Agency determines the way forward.

I am conscious of, and concerned about, the implications for producers and processors. Inevitably, processors will not wish to slaughter animals when it is

unclear whether that meat can be allowed to enter the food chain or what consumer demand will be. Moreover, there are serious issues about producers keeping animals beyond the point at which they expected to send them to market. Therefore, there may be welfare implications, so the Department and the Executive must urgently consider how to help the industry through this difficult time.

In the South, the authorities have taken pre-emptive measures to remove potentially contaminated product from the food chain.

I recognise that all this is a severe blow to the industry, especially, as Members have said, during these difficult economic times, and at Christmas, when the demand for products such as ham and bacon is normally high. Nevertheless, I assure Members that I will do everything that I can to support the FSA and to restore consumer confidence in our food sector. Ultimately, ensuring consumer confidence in pork and bacon products and ensuring that the pig industry does not suffer any further blows is what drives all those measures.

This is an evolving situation to which we must respond, and it represents a huge challenge to an important industry. Therefore, it is vital that we all work together. Later today, I will meet Executive colleagues again to discuss the issue, and, as the Minister of Health said, we met the First Minister, the deputy First Minister and the Minister of Enterprise, Trade and Investment in order to apprise them of the situation. Furthermore, in the next day or two, I expect to call a meeting to further brief, and to discuss the way forward with, industry representatives.

Although I hope that that clarifies some of the matters about which Members asked, I accept that people are anxious for information, so I will attempt to be as open and as transparent as possible. Go raibh maith agat.

The Chairperson of the Committee for Agriculture and Rural Development (Dr W McCrea): Veterinary officials from throughout Europe are due to meet tomorrow, and, no doubt, this is one of the matters that will be discussed. Will the Minister assure the House that Northern Ireland pig farmers are not included in any potential blanket restrictions that the EU may apply?

Moreover, given that the Minister's counterparts in the Irish Republic were aware of the matter last Monday, will she explain to the House why officials in her Department were made aware of it only on Friday afternoon? What happened between Monday and Friday, and, given the supposed consultation and co-operation between the relevant office in the Irish Republic and the Minister's office, why did she have to wait until Sunday to speak to the Minister in the Irish Republic, from where the problem comes?

Furthermore, will the Minister and her Department send a clear message to farmers, processors and consumers that pig meat can continue to be processed and eaten safely? She acknowledged that there are welfare implications if animals must stay on farms. What are the implications for farmers who have lost, and are losing, their entire source of income, and what will the Department of Agriculture and Rural Development (DARD) do about that?

The Minister for Agriculture and Rural Development: On the Chairperson's first question, the FSA in Britain is already discussing with the EU the way forward for producers here. Nevertheless, I hope that our immediate action will prevent further restrictions being placed on pig products from the North.

The timeline of events is as follows: on Friday afternoon, six affected herds were restricted on the Department's traceability system. Divisional veterinary officers then began to contact keepers of affected herds to discuss that restriction, and the Department adjusted the status on APHIS in order to alert meat-inspection staff if animals from affected herds were presented for slaughter. Moreover, we alerted the Department's quality-assurance branch, which is responsible for animal feed.

5.45 pm

Senior officials in my Department spoke to the FSA to share information and advice on the potential risks to consumers and the restrictions that DARD would put in place. That was a precautionary approach, as the scale of the contamination was not known, as that result was not yet available.

To answer the Chairperson's question, the Southern officials did not know the seriousness of the matter until Friday, when test results came back. They were aware that there was a problem, and they had carried out tests, but it takes three days for test results to come back. It was Friday afternoon before they realised that this was an issue of which we needed to be made aware, and they notified my Department on Friday afternoon.

I was notified of the matter on Saturday, and I spoke to the chief veterinary officer and senior officials on Saturday. I spoke to the Minister for Agriculture, Fisheries and Food in the South on Sunday morning. I spoke again to my chief veterinary officer on Sunday morning, and I spoke to the Minister of Health, Social Services and Public Safety early on Sunday afternoon.

The situation was evolving, and we were finding out information as it developed. We wanted to act proportionately. We did not want to overreact, but, equally, we did not want to under-react and face possible European Commission questions about how we dealt with the situation.

We all remember previous food scares, particularly those that occurred across the water, when Ministers

gave assurances that products were safe but had to go back on those assurances and inform the public of a different position. We wanted to err on the side of caution and, as the Health Minister said, to take a belt-and-braces approach to the issue and ensure that we were able to protect our consumers. Equally importantly, we wanted to protect our pig industry and to show that we had taken decisive action in order to protect it from further difficulties.

Mr Doherty: Go raibh maith agat, a LeasCheann Comhairle. Will the Minister clarify references that she made in the early part of her statement to nine premises and businesses, and her later references to six affected herds? Did her officials and the FSA have any indications of the problem from their own surveillance of the industry, or did the first indication of the problem come from the Southern authorities last Friday?

The Minister of Agriculture and Rural

Development: First, as the Member rightly pointed out, I said that nine businesses were flagged. Two of those are non-farming businesses — one of them is a haulage company, and the other is a feed company. Six herds were involved, but several non-farming businesses were affected, which explains the difference in the figures.

Secondly, no dioxin testing was carried out here. Pork fat was tested in the South and was flagged as a potential problem. Southern officials then came to us and said that there was a possible problem with pork products. The issue was, therefore, first identified in the South and relayed to us.

Mr Savage: I thank the Minister for her explanation. What action will she take to protect the Northern Ireland pork industry, and what further measures will be required to protect the large number of pig farmers who have not used that contaminated food?

The Minister of Agriculture and Rural

Development: We must show that we have acted quickly to inform ourselves fully of whether contamination exists and how widespread it might be. At present, there are 350 to 400 commercial pig farms in the North and about 35,500 breeding sows. About 30,000 pigs are slaughtered each week in the North, about 30% of which come from the South.

We responded in the way that we did because we wanted to be sure that no contaminated produce reached supermarket shelves and to ensure that consumers did not feel that we had not acted decisively and quickly. We want to take a joint approach to the matter. As I said, we had discussions with the Health Minister over the weekend. We also spoke to the Minister of Enterprise, Trade and Investment today about the ongoing implications for the industry. For example, Invest NI is considering ways to mitigate potential future impacts on the export of pork products.

We have visited the nine businesses that have been affected, and we have taken away samples of feed, which will be tested. If results show that there are no contaminants in the feed and we can be sure that animals in the North were not fed contaminated feed, we will know that we took the action over the weekend that was necessary to protect consumer confidence. It is an evolving situation. On completion of the tests, receipt of the results and release of the relevant information, it is hoped that we will be able to allay any public fears and concerns and that the public will know that we took the action that was necessary to provide full confidence in pork products, such as bacon and ham.

The Department wants to have things back on an even keel as quickly as possible. We need to show that we were on top of things over the weekend and that we wanted consumers to have full confidence in all our products and to continue to buy our high-quality local produce.

Mr P J Bradley: I thank the Minister for her statement, although, as I said earlier, I would have preferred it if she had made it six hours earlier, because another working day has passed, and producers, processors and retailers are waiting to hear of developments from the Assembly. Information was scarce over the weekend. However, I am thankful to the Minister's officials for the useful update that I received around lunchtime.

The Minister said that she spoke to the Minister of Agriculture, Fisheries and Food, Brendan Smith, on Sunday. At what time on Sunday did the Minister speak to the Republic's Minister? Was that the first time that the Minister had spoken to Brendan Smith since the news of the contamination was announced?

What is the Minister's assessment of a similar threat to other farming industries, such as beef, dairy production and poultry?

The Minister of Agriculture and Rural

Development: If I had made this statement six hours ago, it would have been a lot lighter, because we have been out on farms all day and trying to ascertain information that would help us provide as much detail as possible to the Assembly.

I spoke to Brendan Smith at 10.30 am on Sunday. I had spoken to the Chief Veterinary Officer late on Saturday evening and was unable to get in contact with Brendan Smith on Saturday night. I spoke to him first thing on Sunday morning, and I have been working on the issue all through Sunday and all day today.

We have robust traceability systems, and APHIS contributes to those. Once an animal goes for processing, there are different ways of identifying exactly from where it came — especially with red meat. We are seeking to find out to what farms the contaminated feed was sent. First, we need to ascertain whether any of the contam-

inated feed ended up in farms in the North. After that, we will take proportionate action. However, we have to wait for the results of the testing to come through. The farms are flagged; they are restricted. If the animals have been fed with contaminated feed, the product will not be allowed to enter the food chain.

Secondly, we want to ensure that we are doing everything we can to alleviate consumers' concerns. That is why people were advised not to eat pork products. The Department has been proportionate and measured in its response. We have been responsible; we have not overreacted or under-reacted. We do not want to create a situation in which it will seem as if we are closing the stable door after the horse has bolted. We do not want that to happen; we want consumers to be confident that we acted quickly and proportionately to the situation as soon as we heard about it.

Mr Ford: I thank the Minister of Agriculture and Rural Development and the Minister of Health for their statements. It is clear that the majority of Members accept that a precautionary approach was needed over the weekend, but I was concerned when the Minister started to talk about such things as the future welfare implications of keeping animals beyond the point at which they would, normally, have been slaughtered. If APHIS is working properly, surely it should be possible to determine speedily that a large proportion of pigs in Northern Ireland are free from any possible threat of contamination.

At what stage will the Minister be able to tell officials in Brussels that despite the fact that our cattle and sheep were Irish at the time of the foot-and-mouth disease outbreak, our pigs are British?

The Minister of Agriculture and Rural

Development: I think that I will be able to concur with the Member and come back in a few days' time to say that pigs reared here are safe for consumption and that there are no food safety issues. However, we must wait for the results of the tests on the meal samples that officials took away from the farms that they visited today. That feed will be tested, we will find out whether it is contaminated, and we will take whatever appropriate steps are necessary. However, in the first instance, we must find out whether, and to what extent, contaminated feed was fed to animals here.

As the Minister of Health, Social Services and Public Safety already pointed out, the situation is evolving, and we will act proportionately as the information is received. However, Members must understand that the situation will be rolled out over the next few days, and although it is frustrating that we do not have all the information, we cannot have it all now. APHIS will be a tool, and it will help us to give consumers confidence. However, the tests must be carried out, and it will take a few days for the results to come through.

Mr T Clarke: The Minister said that she realises that the matter will be a severe blow to the industry with Christmas looming, because it is one of its busiest times. We have heard on the radio today that consumers are being encouraged to take their products back, and, if there is a threat to health, that is the correct procedure. However, that will have a knock-on effect on the industry. Has the Minister any plans for a package of support for those farmers who will be affected, and will she put forward a better business case for them than she did for those farmers who were affected by the flooding?

The Minister of Agriculture and Rural

Development: As the Member pointed out, I said that this is a severe blow to the industry. To be honest, anything that has a detrimental impact on the pig industry is severe. Our pig farmers are the most resilient people; they have been through so much, and they have kept going and continued in business. I have a great deal of respect for pig farmers. We do not want anything to happen that would impact on their businesses. We want to help them to continue in business.

I believe that we will be able to give the green light to many of the pigs here and that they will be able to go for slaughter and be available for the Christmas market. I will have to talk to Executive colleagues about a package. As I already said to members of the Committee for Agriculture and Rural Development and others, the business case on the flooding to which Mr Clarke referred had to be based on figures, and it was a straightforward economic decision, whereas I went to the Executive and made a social hardship case for those farmers who had been affected. They are two very different matters. In this case, it will be a mixture of both, with decisions being based more on social issues than economic ones.

Invest NI is responsible for working with food-processing companies that export our pig products and for improving productivity by becoming more internationally competitive. It is considering several measures to reassure buyers; for example, it is targeting British pork and bacon buyers with a view to visiting the North in order to meet the industry's producers and processors. If necessary, Invest NI suggests mailing all buyers and reassuring them of the safety of pork and bacon from the North. We will also use the trade press to put forward a positive message.

All the agencies must work together — including me, as Minister of Agriculture and Rural Development, the Minister of Health, Social Services and Public Safety and the Minister of Enterprise, Trade and Investment. We are all working to ensure that our pig sector does not have any further difficulties in these challenging times. I assure the House that the sector has my full support and confidence, and I want to do all that I can to help to keep it in business.

Mr W Clarke: Go raibh maith agat, a LeasCheann Comhairle. I welcome the Minister's quick response to this serious issue. The release of dioxins into the food chain can have a devastating impact on the agriculture sector, which is one of the main reasons that I am totally opposed to incineration. What will be the knock-on effect for processors and for jobs in the processing sector?

6.00 pm

The Minister of Agriculture and Rural

Development: I hope that as the testing evolves, the situation will be short-lived and the industry can soon get back to normal. I hope that there will be no impact on jobs. Obviously, I am concerned about the sector, and I want those processing jobs to remain. The sooner the necessary information is available, the better for everybody. That is one of the reasons why there is such a sense of urgency about the matter — we want people to continue in their jobs. The processors will be told when they can go back to slaughtering and processing pigs as soon as possible.

Mr Irwin: I thank the Minister for her statement. I have spoken to a number of pig processors today, and there is a lot of concern about what the coming days hold for them. It is important that the issue is dealt with speedily. The Minister has told us that six farms are under restriction at the moment. Of those six farms, how many are pig farms, and how many pigs are involved?

The Minister of Agriculture and Rural

Development: As I said, six herds have been restricted. At this stage, I do not have the information that the Member seeks. The farms have been visited today and samples of meal have been taken. However, I do not have the numbers that the Member is asking for — unless I am being handed them now. We have taken samples, and we will forward that information to the Food Standards Agency, which will respond to any risks identified. The situation is evolving. The officials are on farms today, and I hope to have the necessary information tomorrow.

Mr Elliott: I thank the Minister and her officials for their response and the progress that they have made. Obviously, public health must be a key priority. The Minister has alluded to the timescale involved, and I want to press her further on that. Tests are being carried out on farms and within other units that have been mentioned. If on-farm contamination is found not to be a factor, what is the realistic timescale for getting food products back into the marketplace and on to the shelves? I would like a ballpark figure.

The Minister of Agriculture and Rural

Development: The results of the tests should be back mid-week, and if they are clear, we will be able to resume business straight away, I imagine, or as soon as

possible. If they show that contaminated feed has been fed to animals, we will have to make a different response.

The situation is very much evolving. We will provide the information to the Food Standards Agency, as we get it, and we will continue to keep it apprised of the situation. It will take three days to get the relevant information, so it will be the middle of the week before we know the exact level of contamination. After that, we will take the appropriate and necessary action.

Mr Burns: I do not need to tell the Minister that the scare has been devastating for local pig farmers and that there is a tremendous loss of public confidence in all pork products. It was only a few months ago that I really started to understand about dioxins in food, when I heard the presentations about the proposed incinerator in Glenavy and the great dangers of incineration and toxins. I ask the Minister to reassure the public that we are not at serious risk from toxins in any other foods.

The Minister of Agriculture and Rural

Development: I do not need to tell the Member that if we had not acted while the South of Ireland was taking decisive action, that would have been a bigger blow to consumer confidence and the pig sector. Some 30% of pigs slaughtered here each week are from the South, and if we had not taken action, a question mark would have hung over pork products from the North for some time. We took action to sustain and support the pig sector here.

Feedstuffs in the feed mills here are tested routinely — there are approximately 12 tests for dioxins in feed mills every year. There are other tests with respect to animal health and with respect to identifying what is contained in food. Therefore, there is a robust testing regime, and it is important that tests on feedstuffs continue so that we are assured that no contaminants can get into the food chain.

There are other issues, such as how environmental contaminants can affect food, but I will not be discussing those today. We are doing everything possible to protect, enhance and guarantee the safety of our produce, whether it is pork, beef or milk. We are doing everything possible to ensure that our animals, and the feedstuffs that they live on, are fit for consumption.

Mr O'Dowd: Go raibh maith agat. A number of pork processing plants across the North have been mentioned, and there are several in my constituency. Who is responsible for liaising with pork processors at this stage to keep them in the loop and to provide them with as much up-to-date information as possible? Is it the FSA or the Department?

The Minister of Agriculture and Rural

Development: There are four pork processors in the North, of which Grampian Country Pork in mid-Ulster is the biggest, slaughtering 20,000 pigs per week. As other Members mentioned, we also have William

Grant and Co, Stevenson and Company, and Foyle Meats. We have been in touch with the pig processors and discussed the situation with them over the weekend and today, and the FSA will also be in contact with them. We need to work together to ensure that information is passed on and decisions are taken. Processors are being kept apprised of the situation as it develops.

Mr Poots: Will the Minister confirm that no pig or pork produce from Northern Ireland has been identified as having dioxin levels over the safe limit? Will she also confirm that no other animal product from Northern Ireland has been identified as having dioxin levels over the safe limit? Is there any evidence that pigs in Northern Ireland have been given any of the feed that the contaminated pigs in the South of Ireland were fed? Does the Minister recognise that she has 48 hours to turn this situation around and to get pork back on the shelves, or, instead of boosting consumer confidence, the actions taken today will be hugely detrimental to consumer confidence?

The Minister of Agriculture and Rural

Development: As I said in answer to previous questions, it is too early to be definitive. We need to know whether contaminated feed has been given to animals here. Further tests will be carried out post mortem, so we will be in a situation in which we are culling animals. We want to be proportionate and measured in what we do and be sure that that does not have a detrimental impact on consumer confidence.

There have not been any positive tests for dioxins to date, so I am content that we have done everything that we can to ensure the safety of our food. We are doing everything that we can to ensure that the issue is dealt with as speedily as possible, but in a proportionate and measured way so that we are not seen to be overreacting. I do not like to repeat myself, but we do not want to overreact to any situation, but, equally, we want to be seen to be taking action and taking all the necessary precautions to ensure consumer confidence.

Mr Paisley Jnr: I thank the Minister for her statement. Twice, she has mentioned the six herds. Will she confirm that those are pig herds only? The Minister said that she will do everything that she can to restore consumer confidence, and I have no doubt that that is what she wants to do. However, will she confirm that pig meat that is produced and processed in Northern Ireland is safe to eat?

That is all that the public need to hear in order for confidence to be boosted. The public must be assured that pig meat is safe to eat because it has been produced and processed in Northern Ireland.

The Minister of Agriculture and Rural

Development: I said already that it is too early to determine whether other farm animals have been fed contaminated feed. We have taken samples, but we do

not yet know whether any feed is contaminated, and if so, whether such feed has been used. I hope that the results of that sampling exercise will show that there is no contaminated feed in the North.

My officials are engaging fully with the farms in question. The FSA is tasked with defining the level of risk to consumers, but we are responsible for what happens on farms. We pass information on to the FSA, and it makes decisions that are based on that information.

Mr A Maginness: I thank the Minister for her statement. The public is greatly lacking confidence about the matter, and there is a great deal of uncertainty and confusion. I am not certain that the Minister's statement will restore confidence. I hope that it does, but I am not certain.

I also wish to highlight the lack of mention of the European institutions in the Minister's statement. I wonder why mention of those bodies is absent. Will the Minister reassure the House that she has communicated with the EU, at whatever appropriate level, in order to clarify the position and to avoid any blanket ban on pork products from Northern Ireland?

The Minister of Agriculture and Rural

Development: The European Commission is aware of the situation as it evolves. Its concern is that prompt and effective action is taken in order to address any potential risk. If I were to tell the House today that we had not taken any action and that the FSA had not made any recommendations, the European Commission would take a very dim view of our lack of response. The FSA in the UK is the authoritative body on matters such as this, and it liaises with the EU. The European Commission has been in contact with the FSA, but it is important that we give any available information to the Minister of Health, Social Services and Public Safety and the FSA and that the European Commission is aware of the situation as it evolves.

Mr I McCrea: As other Members said, there is no doubt that the situation is causing great concern in the pig industry. The Minister mentioned that Grampian Country Pork, which is based in my constituency, processes about 20,000 pigs a week, 11,000 of which come from Northern Ireland, while the remaining 9,000 come from the Irish Republic. Will the fact that there are now few or no pigs coming from the Irish Republic to Northern Ireland have an impact on jobs, given that not enough pork will be processed for retail? Time is of the essence, and I am sure that the Minister will do as much as she can to ensure that the situation is resolved in the short term, because that is what the industry needs to hear.

The Minister of Agriculture and Rural

Development: I agree that time is of the essence. My officials have been in constant contact with Grampian Country Pork over the weekend in order to assist it. I

visited the Grampian factory this time last year. About 30% of our processing capacity comes from the South, and if pigs are not being processed here in the North, there is a potential knock-on impact on jobs. I am keen to ensure that that does not happen.

6.15 pm

The processing sector across the island has quite a small capacity, and we have witnessed the sharp decline of the pig sector over the past decade or two. About one third of the pigs that are processed here are from the South. Given those figures, if we had not taken decisive action this weekend, people would have asked whether we were sure that the pigs that were processed in the North had not come from the affected farms in the South, and there would have been question marks over the safety of our pork. From a consumers' point of view, we have to be seen to be taking action on the matter.

Mr Molloy: Go raibh maith agat. I thank the Minister for her statement. I also congratulate her on taking swift action in dealing with the matter, which is the best way in which to build confidence with the industry. Does the Minister agree that if Minister Smith had taken swifter action in informing her of the situation in the South, that would have led to a speedier reaction and an opportunity to test the pig feed at an earlier stage?

The Minister of Agriculture and Rural Development: As I said, officials from the South corresponded with my departmental officials on Friday, enabling my Department to restrict those herds as soon as it received that information. This is an evolving situation. It was late on Friday afternoon before officials in the South realised the severity of the situation. I suppose that it would have been useful to have had earlier correspondence from the Minister in the South. However, from past experience, I know that when we had to deal with a situation, we thought first about contacting the people who were directly involved.

I suppose, from that point of view, officials were engaging at that level, but the Minister had not been in touch with me. However, the important thing is that we got the information in time for my Department to take decisive action in restricting those herds on Friday. The fact that officials were liaising with one another meant that we were able to act quickly.

Mr Shannon: I also thank the Minister for her response. I declare an interest as a pork retailer. I represent an area where four people are in the business of manufacturing pork products: two businesses produce and manufacture sausages; and the other two businesses produce and manufacture cooked meats. I am sure that the Minister is well aware that it is at this time of the year that producers sell gammon and people sit down to turkey-and-ham dinners. That was

the situation before the lull today. How are we now to deliver those products?

With respect, will the Minister explain why her officials were not contactable over the weekend? The Minister's statement says that the Northern Ireland Meat Exporters' Association had met veterinary staff on Sunday. I am not sure whether they met behind closed doors, but the people who are involved in pork production — be it cooked ham or sausages — could not talk —

Mr Deputy Speaker: The Member must ask the Minister a question.

Mr Shannon: My question is: why were the Minister's officials not available to meet the people who are involved in the pork industry? I know that some of her officials visited abattoirs and pork produce manufacturers. Will the Minister indicate what the initial response from those visits has been? Will the Minister explain what scientists have told her about dioxin contamination during her discussions with them? Has the Minister been convinced by some scientists who have said that the pork has not been contaminated. Is she also convinced that a person would need to eat the contaminated pork four times a day for a whole year to become ill? Those are questions that I want answered.

Mr Deputy Speaker: I must call the Member to order.

Mr Shannon: I appreciate that, Mr Deputy Speaker. I have asked my questions, and I look forward to those being answered.

Mr Deputy Speaker: Minister, you have a choice of questions.

The Minister of Agriculture and Rural Development: Go raibh maith agat. Over the weekend, my officials were in constant contact with many organisations. As I pointed out, NIMEA was one of those organisations. They were also in contact with processors such as the Grampian Country Food Group and other industry bodies. It was not possible to contact every cooked-meat producer, every retail outlet and every butcher. However, people were contacted. It is unfortunate that people were missed out, and I am sorry about that. However, we try to be as accessible to everyone as we can, whether it be the weekend or not.

Officials also discussed the position with the Agri-Food and Biosciences Institute (AFBI), but the risk to human health is an issue for FSA scientists, and I cannot comment on that. The Member asked the same question to the Health Minister. We have to take scientific advice, but we also have to be seen to be responding on the basis of consumer confidence. In six months' time, it will be no good to say that we should have done x, y or z in December 2008. It would be too late then, and that

would dent consumer confidence in our product. None of us was prepared to take that risk.

Mr Attwood: There are 16 shopping days until Christmas, and everyone agrees that no stone should be left unturned. Therefore, will the Minister explain to the House why it is only today that the inspectors have gone on to the potentially affected premises to remove potentially affected foodstuffs? Should the Minister not have directed the inspectors to go on site and remove that material on Friday or Saturday?

If that had been done, the Minister could have come to the House today and been definitive about whether affected foodstuffs had been used. If definitive information could not have been provided today, we might have had it tomorrow, and we certainly would have had the information earlier than the few days from today that the Minister mentioned in her statement. If the inspectors had been directed to go on site on Friday or Saturday, we would now know more than the Minister is able to tell us.

The Minister of Agriculture and Rural

Development: The main action that the Department took on Friday was to identify, and to put a restriction on, the farms and the herds that were affected. We flagged those up with the factories, and we ensured that those products could not get into the food chain. The action that we took on Friday was proportionate and measured.

Since then, the meal has been sampled and tests are being carried out. Over the weekend, we took action to try to ensure that consumer confidence was not dented. I am not sure whether AFBI would have been in a position to carry out testing over the weekend; that is outside of my legislative authority. The Department acted as quickly as possible, and neither the Department nor I were found wanting when it came to taking decisive action. We were not aware of the position, so we could not advise the FSA, but we did everything that we could in that regard.

EXECUTIVE COMMITTEE BUSINESS

Draft Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008

The Minister of Finance and Personnel (Mr Dodds): I beg to move

That the draft Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 be approved.

The Order is intended to enable the Comptroller and Auditor General in Northern Ireland to become the external auditor of the institutions of further education. In response to a number of financial issues that have arisen in further education colleges in the past two years, the Minister for Employment and Learning has proposed that the Comptroller and Auditor General in Northern Ireland should become the external auditor to institutions of further education. That has been agreed in consultation with the chairpersons of the college governing bodies and the Northern Ireland Audit Office.

In line with the requirements of the Audit and Accountability (Northern Ireland) Order 2003, my Department has sought and received the agreement of the Public Accounts Committee to the making of the Order. The Order has been agreed by the Executive and considered by the Committee for Finance and Personnel. No objections have been raised. The passage of the Order will ensure that audit and accountability arrangements for the institutions are strengthened by being subject to the public sector audit by the Comptroller and Auditor General. I commend the Order to the Assembly.

The Chairperson of the Committee for Finance and Personnel (Mr McLaughlin): Go raibh maith agat. As the Minister of Finance and Personnel has explained, the draft Order will enable the Comptroller and Auditor General to audit the accounts of the Northern Ireland further education colleges with effect from 2007-08. The Committee agrees that the involvement of the Comptroller and Auditor General will strengthen accountability arrangements in the sector, providing stronger assurances on the management, oversight, audit processes and value for money of public expenditure.

The Committee for Finance and Personnel considered the proposals for this subordinate legislation at its meeting on 19 November, and subsequently was content with the policy implications of the legislation. On 26 November, the Committee gave further consideration to the Statutory Rule and noted that the Examiner of Statutory Rules had reported no issues from his technical scrutiny of the draft Order. At that same meeting, the Committee unanimously agreed to

recommend to the Assembly that the draft Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 be affirmed, and I therefore support the motion.

The Minister of Finance and Personnel: I thank the members of the Finance and Personnel Committee, and also those of the Public Accounts Committee, for their scrutiny of the draft Order. If the Assembly's approval is given, the Order will come into operation from 9 December.

Question put and agreed to.

Resolved:

That the draft Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 be approved.

ASSEMBLY BUSINESS

Mr Paisley Jnr: On a point of order, Mr Deputy Speaker. Will you ask the Speaker to comment, and make a ruling tomorrow, as to whether Standing Order 18(2) can be breached by a Member of the House?

Standing Order 18(2) states that ministerial statements should not be reported in advance by the news media. Any breach of that Standing Order is a gross discourtesy to the House. However, does it also apply to Members who make statements to the media, claiming that they have spoken in the House in debates that have not yet taken place? I refer specifically to a press release made this evening and reported by the Press Association, claiming that Mr O'Loan, a Member for North Antrim, has already spoken in the debate that we are about to have. Will you ask the Speaker to make a ruling on that tomorrow?

Mr Deputy Speaker: I will refer your remarks to the Speaker.

PRIVATE MEMBERS' BUSINESS

Current Economic Downturn

Mr Deputy Speaker: I have been advised that the Executive's response will be provided by the Minister of Enterprise, Trade and Investment.

In accordance with the Business Committee's agreement to allocate additional time where two or more amendments have been selected, up to one hour and 45 minutes will be allowed for this debate. The proposer of the motion will have 10 minutes to propose and 10 minutes to make a winding-up speech. Two amendments have been selected and published on the Marshalled List. The proposer of each amendment will have 10 minutes in which to propose and five minutes in which to make a winding-up speech. All other Members who are called to speak will have five minutes.

Mr McNarry: I beg to move

That this Assembly calls on the Minister of Finance and Personnel to recognise fully the significant potential for job losses due to the current economic downturn; to detail what assistance he can draw on from the Treasury; and to produce urgently an action plan to assist small businesses, especially with regard to cash flow relief, and the level of assistance his Department can initiate locally.

Members cannot behave as though we did not see the economic downturn heading our way. That makes it all the more inexcusable that, for five months, the two larger parties in this House squabbled over the image rights of who blinked first on concessions. Those were five months of inactive, ineffective government, during which the running of the Executive lay not with Ministers, but with unelected officials. The concessions have been banked and, depending on whom you believe, the result was not a draw. One party did better than the other.

Going to Downing Street and returning with £500 million, much of it tied up in deferment of water charges and civil servants' back pay — did that register big time in the homes of families worried about the credit crunch? Did it bring cheers of relief from the factory floor, from the builder or from suppliers? Did it bring cheers of relief from the fisherman, the farmer, the retailer, the wholesaler or the shopkeeper? The answer is, unfortunately, a resounding no.

6.30 pm

Furthermore, has it done anything to instil confidence? A couple — typical of many who are up against it in my Strangford constituency, and, I suspect, compatible with every other constituency — recently emailed me. They are hard-working people, who have invested in their business and created employment for more than 25 staff. They emailed me to request urgent financial assistance to help them to maintain and sustain their business in the current climate. That couple said that

they were receiving little or no help from the banks, were up against a brick wall and would very much appreciate any help, advice or assistance that I could provide.

I ask the Minister how we can help that couple. What advice or assistance can she provide me with to pass on to them? They, in their own words:

“are up against a brick wall.”

That couple, like so many others, expects answers. It is not good enough for the Assembly to say that we can do little about global recessions or that the Prime Minister has said this and the Chancellor has said that. That is not good enough when people are hurting or when yesterday's pound is worth 20% less today. That is not good enough when prices are rising and when there is unbounded uncertainty. It is businesses — particularly small businesses — that are at risk, and they expect the Executive to be on their side.

Do we not need to review urgently our current commitment to public spending? Do we not need to become flexible in our ability to fund projects across the board that will have an immediate impact, and that will inject our local employers with confidence, thus helping them to stay in business? Do we not need to have a long look at reprioritising the distribution of funding in order to keep people in work and to maintain competitiveness? Is it not irresponsible to allow those who are solvent today to slip into insolvency tomorrow?

It is difficult for a small business to find itself in the predicament of having continuity of work — perhaps at a reduced profit but, nevertheless, maintaining a solvent balance sheet. It is also difficult for a small business to win an order, which will enable it to keep people in work, only to be confronted with a “no can do” attitude from a bank — from the very bosses who used the money market as their own gambling casino, while paying themselves exorbitant salaries and bonuses.

Cash flow is crucial, but cash circulation, through wages earned and money spent, is critical. Job losses or cutbacks could wipe out a local community's economy overnight. There is a dependency on cash circulation simply to keep businesses afloat and, therefore, important jobs in place.

The Chancellor of the Exchequer, Mr Darling, wants people who are struggling to make ends meet and people who are out of work, with their access to credit curtailed, if not cut off, to get out there and spend, spend, spend. If a person is broke, how can he or she spend? He is the author of a deferred economy, and we are meant to feel better, because he has deferred — to another day — the hammer blow that he intends to deliver when the deferment period expires.

We must take notice, not only of Darling's deferments on VAT, and so on, but of the fact that we will be paying

for the cost of water-charge deferments. When that particular burden comes, people will find it very hard to deal with. If that is a prize, it is a booby prize, because deferment is a booby trap. Where has all the talk of scrapping the water charges gone? The tap tax has not been turned off. All that has occurred is a postponement until the floodgates of water charges are opened around 2010.

Small businesses are the backbone of our economy. They generate wages, and their entrepreneurial skills circumnavigate the risks that they are taking. They have not relied on either handouts or massive cash-injected bail-outs, nor do they receive employment grants extending to thousands of pounds per job created.

In today's circumstances, deserved recognition of the importance of small businesses is confronted by a culture of bureaucracy that advises our local Ministers with dubious forecasts and inept attitudes. The attitudes underlying the thinking of such people are not empowering, but disempowering. They focus on what a devolved Administration cannot do or does not have the power to do, rather than on being innovative and imaginative in the face of this economic crisis.

Last Monday, the headline that hit the newspapers read: "25 days to rescue our construction industry".

The article cited a letter signed by high-profile players in the construction industry, and that letter was backed by the editors of the 'Belfast Telegraph', the 'News Letter', 'The Irish Times', and 'The Mirror'. It called on the Executive to insure against underspend in any area and for local firms to get a fair crack of procurement routes to departmental spending. The article wins my full support in proclaiming that Northern Ireland needs a Northern Ireland solution for Northern Ireland's needs. So what about it, Minister? With 17 days left to rescue our construction industry, what is being done to provide a Northern Ireland solution for Northern Ireland's needs?

I am surprised that the Executive have not gone into semi-permanent session given the situation that we are in. I believe that a rewriting of the Administration's entire economic policy is required in order to reflect the changed economic circumstances. Businesses are craving leadership and a greater sense of urgency and action commensurate with the depth and seriousness of the recession that we are in. They deserve to be told that we can or that we cannot make a difference for them.

Current circumstances are vastly different, and the idea that the Finance Minister's introduction of a strategic stocktaking process has created a financial panacea to see us through these rough times is, I am afraid, no longer acceptable in the situation. I believe that that view is reflected in the Committee for Finance and Personnel's submission on the strategic stocktake,

which the Executive have in front of them for consideration at their next meeting.

That Finance Committee report, unanimously agreed in its strategic considerations, highlighted the following: doubt as to the reliability of information in departmental submissions to the stocktake, and thus, the evidence upon which Executive decisions may be based; failure by Departments to fully address the stocktake terms of reference in identifying significantly increased requirements without setting out how those requirements will be addressed; the Budget implications of not achieving previously planned asset realisations; doubt as to the Departments' capacity to deliver accelerated capital expenditure in the circumstances in which they are required to raise their standard of financial management and performance; and the need for clarity on the departmental budgets regarding the Chancellor's pre-Budget report. The Committee's report also highlights a general concern at the range and quantum of new and emerging pressures on existing budget allocations that remain to be addressed.

I could almost rest my case. I have put to the Minister the full import of what the public expects. Will the Minister to whom I tabled this motion — he is not in the House, and I regret that, but I still make my remarks to him — accept the realities of the consequences of the recession that businesses are facing? Will he move to stabilise the current pressures on business, and tell us how he is going to do that? Will he act to minimise the impact of job losses, and tell us how? Will he encourage his Executive colleagues to go into semi-permanent session? If he cannot do these things, will he tell us why? I await his response.

Dr Farry: I beg to move amendment No 1: At end insert

"; and furthermore, to set out what steps are being taken to accelerate investment and to re-direct resources to both boost the level of economic activity and to re-balance the economy."

I thank the proposers for tabling the motion for debate. It is vital that the Assembly be fully seized of the economic downturn and, in particular, its effects upon Northern Ireland. We are all conscious of its effect on households and businesses alike. It is important that we ensure that the Executive do everything that they can to address the situation.

In some respects, this debate may be the overture to the main performance of next week's take-note debate on the Executive's action plan. I hope that this evening's discussions will serve an important function in shaping the deliberations of the Executive even at this, the eleventh hour. I stress again that those deliberations are long overdue.

It is important to put what the Executive can and should be doing into perspective. It is acknowledged that there is a global economic crisis, albeit with

national and regional dimensions, and that action is needed at various governance levels.

Northern Ireland will benefit from global actions through the G20's improved co-ordination and regulation of the global economy. Monetary action, such as the Bank of England's reduction of interest rates, the rescue of the banking system, and the recent £20 billion fiscal stimulus from the British Government, will benefit the entire United Kingdom, including Northern Ireland.

Although not necessarily agreeing with the rationale or likely effectiveness of each of the incentives, one must acknowledge the sheer scale of the intervention.

As a percentage of GDP, however, the relative scale of the British Government's intervention is overshadowed by the interventions of other Governments, including the possible plans of the incoming Obama administration.

The Executive do not have access to significant tax-varying powers or borrowing rights; nevertheless, the Executive could take action on two broad fronts. First, they can take steps to address the situation in Northern Ireland. However, they have not acted in a decisive, effective or timely manner. Recently, the Alliance Party called for the introduction of a 10-day pledge for the prompt payment of invoices by Departments and agencies. Good cash flow is critical for businesses, particularly in the current climate. I welcome the Finance Minister's decision to introduce that pledge for Northern Ireland at the end of November. However, that was at least six weeks after the same commitment was made by Lord Mandelson on behalf of the British Government.

An even greater problem lies with the actions that the British Government took at the start of September in relation to a package of measures on fuel poverty and energy efficiency. Much of that did not directly apply to Northern Ireland; with devolution, we have our own responsibilities. However, three months on, Northern Ireland is still waiting for its own package.

Secondly, the Executive can use their spending power to make a difference. It is a matter of regret that in the current Budget, populism was placed ahead of prudence, leaving little room for manoeuvre. Priority is given to plugging holes rather than to investing for the common good and for recovery.

The forthcoming Budget stocktake will be more about covering the gaps than about shifting priorities to encourage investment to grow the economy out of recession. If better plans had been in place, a better range of opportunities would be available to make a difference.

The Executive have some Barnett consequentials coming their way and an enhanced ability to bring forward investment. The great challenge for the Executive lies in their capital investment programme.

In this economic context, all Governments should be looking to accelerate investment.

For example, the UK Government are investing a further £1 billion in social housing. The question in Northern Ireland is whether this year's capital Budget will even be spent; we have a damaging culture of underspend. This year, some Departments, notably Health and Education, are dragging their feet over investment delivery plans. Reaching the end of March with considerable capital underspend would signify a massive failure across Government.

The challenge is to rebalance and modernise the economy to be better prepared for recovery and to take full advantage of new opportunities.

6.45 pm

There must be no complacency about the problem that is posed by the relative size of the public sector in Northern Ireland — it is a major structural weakness. In the short term, however, that may ensure that the recession in Northern Ireland is not quite as deep as in other parts of the UK or in the Republic of Ireland.

I fear that the structural weaknesses in Northern Ireland and its poor performance in investing for recovery will mean that the recession lasts longer. The onset of recession must embolden and accelerate efforts to deliver economic change. However, at present, there is no overarching economic strategy for Northern Ireland beyond the loose framework within the Programme for Government. The process of putting in place a regional economic strategy has stalled and may even be downgraded.

There is a particular question about which sectors are potential targets for growth. I am thinking about the potential for following the example of other nations in seeking to invest in the green economy. The potential of the "green new deal" in the United States is an example. There are also works such as 'Hot, Flat and Crowded' by Thomas L Friedman that give wider popular recognition of opportunities offered by the green economy.

I had the opportunity, by coincidence, to raise the issue of the green economy with two DUP Ministers last Monday. The Minister of Enterprise, Trade and Investment, Arlene Foster, who is in the House this evening, said:

"There are tremendous opportunities for us in manufacturing, research and development and innovation. In fact, we could be leaders in the green economy in all those areas". — [*Official Report, Vol 35, No 7, p309, col 2*].

That was a very positive statement. However, later that same afternoon, the Minister of the Environment, Sammy Wilson, said:

"That is a bit like saying that, if one broke all the windows in one's house and spent money replacing them, there would be some sort of net benefit to the economy, because one would have bought

all that glass. One would be no better off; one would still have window panes but would have spent money on them.” — [*Official Report, Vol 35, No 7, p344, col 1*].

He went on to call that “voodoo economics”.

I suggest that the Minister of the Environment does not seem to grasp the economic logic of replacing single-pane windows with double glazing. Members are used to hearing contradictory messages from different parties on the Executive, but those statements constitute a major difference between two DUP Ministers. I hope that the Minister of Enterprise, Trade and Investment clarifies the Executive’s position in that regard.

I am critical of many aspects of the UK’s fiscal stimulus efforts, including its failure to invest sufficiently in the green economy. It is, nevertheless, worth recognising that the UK is set to spend another £535 million on that green economy.

The Alliance Party agrees with the sentiments of the UUP/Conservative Party motion; it certainly notes that the UUP has been a little more interventionist in its approach than its Conservative partners have been at Westminster. I hope that that is not the first split in their marriage. The purpose of the Alliance Party amendment is to take the very welcome motion a little further.

My party’s amendment adds two important points. First, the Executive must not only ensure that the current capital budgets are spent, but resources should be shifted in order to accelerate investment. Secondly, the amendment argues that measures to address the downturn, plan for recovery and restructure the economy must go hand in hand; they reinforce each other and must be carried through at the same time.

We can also support the SDLP amendment, because the two are not mutually exclusive; they complement each other. In particular, the SDLP amendment goes into greater detail on immediate steps that might be taken in relation to capital spending and the construction industry. The issue of prompt payments, of course, has been addressed by the Executive.

Unfortunately, the debate is at a late hour in what has been a busy day for the Assembly. However, it is important that a collective, positive and strong message is sent out that all Members are taking the issue of the economic downturn extremely seriously. I am conscious of the effects that it is having on my constituents and the business people whom I represent. I am sure that every Member could say the same thing. The response of the Executive has not been strong enough to date. I hope that that situation will be rectified in the weeks to come.

Mr O’Loan: I beg to move amendment No 2: At end insert

“; and further calls on the Executive to commit all Departments and public bodies to making prompt payments to suppliers, within

ten days at the latest; expedite their capital investment programme; make representations to Treasury for further measures to stimulate the economy; and exert influence on banks and Revenue and Customs to show proper consideration, support and sensitivity for local businesses and their workforces.”

I support the motion and the Alliance Party amendment, and I believe the SDLP amendment adds to the motion in a useful way. It is important for the Assembly to react in an appropriate way. Not just now, but for some time to come, the news on the economic front is not going to be good.

Serious commentators suggest that 2009 will be more difficult — perhaps considerably more so — than matters are at present. The Assembly cannot debate every piece of bad news, but there is a need for it to say meaningful things in a strategic manner at crucial moments. The present can be regarded as one such moment.

I listened to the words of incoming US President, Barack Obama, at the weekend. He said that the situation will get worse before it gets better. He also said that there is a need to jumpstart the economy, not only for the short term, but for the long term, in order to achieve sustainable economic growth. The same message applies to Northern Ireland. This is not the occasion or the time for easy rhetoric — it is the time to show that the Assembly is a serious place where meaningful things are said.

The news on jobs is certainly not good. There is a significant loss of confidence in many sectors. Retail has been affected badly. Above all, there have been dramatic job losses in house construction. I had hoped to say that the story on manufacturing is somewhat better; however, today, I heard the news that there is a noticeable downturn in that sector. That should not blind us to the fact that the manufacturing sector has, in recent years, increased its output well ahead of the UK rate. Although Northern Ireland’s manufacturing base is, indeed, too small, it is solid and must be built upon.

I want to express my support for Northern Ireland Manufacturing and to congratulate it on its new name and new policy document ‘Manufacturing Counts’. It is an important body, with some 500 members. I support its call for a new concordat between manufacturers and Government. I welcome its initiative with the Carbon Trust to save energy in production and to develop new products in the green sector. I welcome what it calls its “4 Cs”, particularly its reference to:

“changing our Culture by changing our own view of our potential.”

It is absolutely true that many barriers to success are inside our own heads.

I welcome the Enterprise Minister to the debate and I appreciate her attendance. I welcome her development of a blueprint on further exploitation of science and R&D capabilities. I also welcome her independent

review of economic development policy. If I have any question on that, it is, perhaps, why it did not come into being sooner.

That will feed into the Department of Finance and Personnel's (DFP) revised regional economic strategy. I note that, this week, it will tell the Committee about its plans for a replacement paper for delivery of economic growth in Northern Ireland. I have noted the reference to action by both the Finance Minister and the Enterprise Minister. After 18 months, people want to see action.

As for construction, there are clear indications of serious trouble in Government procurement. Delivery plans in health and education have been delayed. Work on 28 new schools is seriously behind schedule, and so, too, is the maintenance programme. Money that has already been agreed has not come through. The Assembly ought to be as shocked as I am that no less than 42% of all departmental capital spend is scheduled for the last three months of the current financial year.

There are two significant issues with that: first, far from capital spend being brought forward, which is what everyone has called for to deal with the crisis in construction, that capital spend has been delayed. Secondly, as Stephen Farry has mentioned, there is now serious danger of underspend, and that money will disappear into an end-year flexibility black hole, from which it may or may not return.

I draw the conclusion that there are serious problems with the procurement system. It is not surprising that the Committee for Finance and Personnel is conducting an inquiry into public procurement. Legal findings against DFP and the Department of Education indicate those concerns. There are serious questions about the framework approach — for example, what opportunity does it give small and medium-sized enterprises (SMEs)? Reform of procurement must make it less bureaucratic and more open to SMEs.

What use is the power to bring forward spend? The Assembly has been permitted to bring forward £86 million of spend from future years. I support that. However, what use is that provision if, at present, the Assembly cannot spend the money in the current year's Budget? That is the situation.

I wish to discuss action that has been taken by banks. I support the remarks of the Federation of Small Businesses in that regard. I regret a point that has been made elsewhere that local banks have not come forward themselves, nor rapidly enough, to speak to the Finance Committee.

The banks have been recapitalised by Government, but that money must get to the businesses that want it. The Government must either make the banks do that or take them over. People in higher places than me — or, indeed, anyone in the Assembly — have made that

point. The base-rate cuts must be passed on to businesses fully and at once. Rates of interest should be based on the Bank of England base rate rather than the — London interbank offered rate — LIBOR rate, which is a higher rate that changes weekly and gives no confidence or certainty to businesses to allow them to plan.

The Assembly and the banks must support businesses that have cash-flow problems due to unpaid bills. The SDLP amendment includes an instruction to public bodies to pay bills within 10 days. Stephen Farry mentioned that that had already been implemented, but we added the reference to public bodies and Departments. The small business finance scheme — which was introduced by the Chancellor in the pre-Budget statement — was designed to guarantee loans. Local businesses need clarity on how that scheme will operate here.

I look forward to the introduction of a small business relief scheme. A scheme such as the one that is in operation in Wales would cost only £6 million, and it would be a big psychological boost for small business. The rating of vacant business premises was brought in not long ago, when times were good. It was introduced to encourage the productive use of resources — a perfectly good reason. However, it has now become a significant burden on many businesses who cannot dispose of their property through lease or sale. I ask for that significant issue to be reviewed.

I also make a proposal in respect of social housing. The Minister for Social Development made particular reference to the proposal when answering several questions during today's Question Time. This is not special pleading on behalf of DSD, and I would be only too happy for the Executive to take collective credit. The proposal is simply for substantially more money to be provided for social housing. For example, social housing could be promised first call in future monitoring rounds. If further dedicated funds could be obtained for social housing, so much the better.

There is no measure that would give more help to our house-building sector, and it would also help to solve a huge social problem. It is the single initiative that comes to mind by which money could be injected into the system quickly. It would have a dramatic impact on unemployment and the crisis facing the construction industry. It is the single most tangible thing that the Assembly could do, and it would be a useful outcome of the debate.

Mr Weir: The DUP supports Dr Farry's reference to sending out a collective message of recognition about the seriousness of the economic downturn. The DUP is also happy to support the amendments that have been tabled by the Alliance Party and the SDLP, and the initial motion that was proposed by the Conservative/ Ulster Unionist Party.

The Ulster Unionist Party spent much of the weekend castigating the DUP as being the “little Ulster” party. Therefore, I was somewhat taken aback when the proposer of the motion seemed to advocate some sort of economic Unilateral Declaration of Independence (UDI), where everything has to be within the prism of Northern Ireland. There must be recognition that the economic downturn is a global situation. What we do locally has to complement national policy and global economics.

The proposer of the motion showed much more of the true spirit of Conservative commitment when he seemed to distance himself from his Executive colleagues by deriding the securing of £900 million from the Treasury and the deferment of water charges. Perhaps, the proposer of the motion would have preferred for that money to have been cast back to the Treasury, for £900 million worth of cuts to have been made, and for water charges to have been imposed. That seems to be the logic of his position.

The proposer of the Alliance Party's amendment indicated that we are part of a global situation. The FSB and others have highlighted the problems in respect of local banks.

Issues such as the difficulty in obtaining additional lending, problems with withdrawing overdrafts, the imposition of exorbitant charges, some banks' uncooperative attitudes, and the cancellation of business Visa cards are, perhaps, reasons why banks are, as Mr O'Loan mentioned, reluctant to subject themselves to scrutiny. Indeed, the banks seem to be, at best, stand-offish. Given the level of public investment in banks — particularly from national Government — banks cannot expect, on one hand, to be bailed out while, on the other hand, they make life difficult for SMEs.

7.00 pm

I share other Members' reservations about some of the economic packages that have been established by national Government. It would be churlish of the Assembly not to realise that the pre-Budget report included several measures that should benefit SMEs, including more generous tax relief for businesses that are experiencing losses by allowing additional carry-back of up to £50,000 of losses to be set against taxable profits from the previous three years. Other measures include HM Revenue and Customs business payment support service — which will allow tax bills to be spread — and the new small-business finance scheme. All those measures are welcome and will benefit businesses in Northern Ireland.

In the context of the global economy and national policy, we must investigate how to increase additional value. Although some action has already been taken, the Executive will introduce more initiatives. It was important to send out a signal about prompt payments, and the Minister of Finance and Personnel, Nigel

Dodds, made an announcement on ensuring, from a Government point of view, that payment was made to businesses to ensure that credit did not accrue. That practical measure can be established.

The Department of Enterprise, Trade and Investment will roll out a roadshow to deal with the credit crunch in Northern Ireland; it will extend beyond Invest NI companies and will benefit the small-business sector. All Members will acknowledge that the small-business sector is the backbone of the economy in Northern Ireland, and we must ensure that we do not over-regulate, over-bureaucratise or overtax it. There have been moves in the right direction on that issue. The Assembly's initial Budget focused on providing regional financial support. There will be challenges in the future, but with the goodwill and co-operation of all parties in the Executive — and those outside it — the Assembly can encourage businesses to focus and can provide support during difficult times.

Mr McLaughlin: Go raibh maith agat, a LeasCheann Comhairle. Sinn Féin supports the motion and is content with both amendments, which add value to it.

The motion anticipates or pre-empts — and that was perhaps the original intention — the Executive response, but I am sure that the Minister of Enterprise, Trade and Investment will consider that in her response. Members have said that businesses and the Assembly are experiencing communication problems with the four main banks. The banks must declare what practical measures they are prepared to consider to help businesses and the local economy.

Although the regulation of banks and the response to those broad policies are not transferred matters, the Assembly is concerned about that issue. However, we must address issues such as the passing on of base-rate cuts to mortgage clients, the costs of loans and overdrafts, the level of fees and charges, the calling in of loans to business, and mortgage difficulties and repossessions, which have, inevitably, arisen.

I hope that the banks will clarify any additional steps that they are prepared to consider, because it is important to tease out the extent to which businesses and customers are benefiting from the measures that Alistair Darling and the Treasury announced.

For example, there is emerging evidence that banks are compensating themselves for any reduction in interest rates by simultaneously increasing loan and mortgage arrangement fees. That is an issue about which the Assembly would have particular concern.

I welcome the attendance of the Minister of Enterprise, Trade and Investment. There has been reference, particularly from Declan O'Loan, to the issue of underspend. I have welcomed and supported the consistent commentary of the First Minister and the Minister of Finance and Personnel on that issue,

warning Departments of the reaction that there would be, at this time of economic downturn, if declarations are made so late that the Executive would have no opportunity to respond, or bring forward re-allocation or re-prioritisation proposals.

Given the track record — which, unfortunately, shows a history of late declarations and underspend on an annual basis, and which is often thrown back in our face by the Treasury when Ministers are attempting to negotiate support and relief measures for the work of the Executive and its Departments — I ask that the Executive consider contingency arrangements. There is a need to have a prudent position in relation to late declarations, as well as applying, quite properly, the oversight and accountability to warn Departments that that is an issue which the public will — rightly — criticise if it emerges that money is, in effect, being handed back to the centre. We have been told that there will be much more restricted access in the current circumstances to the end-year flexibility.

In addition, it must be recognised that the Executive is very limited indeed in its ability to respond to the economic crisis. Perhaps all of the parties in the Assembly could consider revisiting the proposition that we should, perhaps, seek more powers over fiscal issues, which would allow us to develop the home-grown solutions that the situation demands. Go raibh maith agat.

Mr Paisley Jnr: I welcome the debate, as I do the motion and amendments. However, I was a little taken aback by the comments — indeed, the criticism — of the mover of the substantive motion, when he seemed to suggest that the Executive did not foresee the economic crisis. The fact of the matter is that the Bank of England did not foresee the economic crisis, and nor did the Chancellor of the Exchequer or the Prime Minister. I do not know how the Member thinks the Executive in Northern Ireland would be given extra gifts and powers to foretell what was going to happen. This House should be interested in how we react to the crisis, and deal with it, in order to get Ulster out of the economic downturn that is, unfortunately, upon us.

The motion, rightly, calls for the production of an action plan. There is an action plan: it is the Programme for Government and the investment strategy for Northern Ireland, in which there are numerous milestones identified, which could — if people, and this House, put their shoulder to the wheel — be delivered, thus making significant progress for all the people of Northern Ireland.

In moving the second amendment, Mr O'Loan warned about underspend. That warning is correct, and will probably be most critical for the Department for Social Development, where there appear to have been huge problems with mismanagement of land sales. The house sales-scheme — which has been consulted on

since February of this year — is now in place, and does not appear to have been taken up with the drive and momentum that is required to make it work. That Department needs to move from foot-dragging on house sales, and get on with a measure that will work.

How can significant progress take place? My colleague the Member for North Down Peter Weir was right to identify the banks. That is where we have to see some movement. The latest statement from the British Bankers' Association (BBA) explains that recession may turn to depression. We have moved from boom to depression with no discernable period of recession in between. We must take stock of what stage the recession is at before we start talking it down even further into an economic depression. The banks have some responsibility for that.

This House and the banks must create consumer confidence. Businesses have to be encouraged that there is confidence, otherwise the 34-year low in house sales will continue to be driven into an economic depression. The media have a responsibility for that and this House has a responsibility for building — not busting — economic confidence. The woe is me stuff that we often get from some politicians and media circles must cease, otherwise this crisis will become a depression.

There are some very identifiable measures. Mr O'Loan identified the derating of vacant business property. I wish that that proposal would have been included in the amendment. The Executive have also identified £3 billion of capital spend to urgently release planning approvals. The Department has £2 billion worth of planning approvals for Belfast alone, which I hope are released urgently. Fast-tracking the investment strategy for Northern Ireland could help to ramp up investment in social housing so that the Minister for Social Development can meet the need of 5,000 social homes as urgently as possible.

Most importantly, the banks should be encouraged to lend money to the public. It is ridiculous that banks have not made themselves available to the Finance Committee. That should have happened, and I hope that that happens urgently because banks are practically civil servants who are holding our money. They are only able to function because they have a subvention from the Government.

Mr Deputy Speaker: The Member should draw his remarks to a close.

Mr Paisley Jnr: They must urgently make that money available to the public and help the world of commerce go round.

Ms J McCann: Go raibh míle maith agat. I welcome the opportunity to take part in this very timely debate. During the current economic downturn, it is clear that there has been a rise in unemployment, a rise in economic inactivity and a sharp decline in the housing market,

which has led to devastating effects in the construction sector and a huge rise in fuel prices and the cost of living. It is painful for people to lose jobs at any time, but it is much worse when fuel prices are higher, borrowing is curtailed and the cost of living in general means that an average family has to find at least £29 more each week than they did this time last year.

Businesses have also been hit. Employee levels have decreased as more people are paid off because of an overall downward trend in business turnovers. In addition, company liquidation has increased by 50% when compared to statistics this time last year. There is a total lack of consumer confidence, which is evident in the downturn as people are buying fewer items for the home and are not replacing items such as cars and other family items. The construction industry has been one of the worst hit as a result of a decline in the housing market. Unemployment in the industry is currently at its peak. Some from the sector have forecast a loss of 10,000 jobs by March next year.

My colleague Mitchel McLaughlin commented on some of the initiatives that could be taken by the British Government. I will concentrate on what I feel that the Executive could do here to offset some of the unemployment difficulties that are associated with the current economic downturn and, in particular, to support smaller businesses. As has already been mentioned by several people, it is imperative that the British Government and local Ministers challenge banks and other lending institutions about their current lending practices.

The recent injection of public money in order to steady the banks has not cascaded down to local businesses or customers. Furthermore, although some banks are now under public ownership and many others are being supported by millions of pounds of public money, money is still not readily available for business or ordinary consumers, who are facing new mortgage arrangements that will put them further into debt.

7.15 pm

Banks are still charging high rates of interest for borrowing, and are calling in credit from businesses that simply do not have the necessary cash flow to cope. Consequently, many of those businesses are being forced to close or to go into receivership. The present circumstances also affect retail giants such as Woolworths, which recently had to close, causing more unemployment — it is becoming a vicious circle. Banks have a social responsibility, and they must pass the good will that they received on to businesses and customers.

Dr Farry: Will the Member give way?

Ms J McCann: I do not have much time, and I have a lot to say.

The way in which the Executive deliver the investment strategy and the Programme for Government could also help to offset the social and financial difficulties caused by the economic downturn. The Executive have already set out their commitment to maximise social and employment opportunities for everyone through the public-procurement process, which, although an essential part of the investment strategy, is even more important now. We must grasp that opportunity to secure jobs and create employment opportunities. Almost £20 billion has been earmarked by the Executive over the next 10 years for the public procurement of works, services and goods. Considering the all-island context, almost €16 billion is spent on public procurement each year, and most of that goes to overseas companies.

Small and medium-sized enterprises (SMEs) account for a large percentage of businesses in the North, yet almost three quarters of them, including those from the social-economy sector, do not even apply for public-procurement contracts because they think that the tendering process is stacked against them and firmly weighted in favour of larger companies, most of which are from overseas.

By working closely with organisations such as InterTradeIreland, Invest NI, the IDA (Industrial Development Agency) and the enterprise councils, North and South, we have an excellent opportunity to develop SMEs on this island and to encourage them to secure contracts through public procurement. Businesses in the North should have the equal access to public-procurement contracts in the South and, likewise, those based in the South should have access to contracts in the North. As things stand, because of the way in which procurement process is weighted in favour of larger companies, SMEs do not have equal access to either market.

Planning is another area that could be developed in order to create employment opportunities. Last month, it was estimated that approximately seven planning applications for large-scale investment proposals were sitting in the planning system. For example, the John Lewis site at Sprucefield, which does not even require public money, has been held up at the planning stage for long periods —

Mr Deputy Speaker: The Member should bring her remarks to a close, please.

Ms J McCann: I have not nearly finished. Although the debate is focused on offsetting job losses —

Mr Deputy Speaker: The Member's time is up.

Ms J McCann: It is important that we also recognise that many people have already lost their jobs, and many more are living with the uncertainty of knowing where to find money for food or to keep warm. That, too, is a responsibility —

Mr Deputy Speaker: Order.

Mr Newton: Like my party colleagues, I support the motion and both amendments. In addition, I wish to express my disappointment with Mr McNarry's attitude when proposing the motion. The present circumstances are not, as Mr McNarry alluded, the fault of the Executive, and, even if they were, he would be criticising two of his colleagues, who are members of the Executive. If Members are to help in any way during this economic downturn, the House must work on solutions together.

Nonetheless, I welcome the motion, because it gives Members an opportunity to put on record their recognition and concern for the business community during these difficult days.

I wish to express my support for the 10-day pledge that was outlined by Minister Dodds. It is right that councils and Government bodies have remits to promote business, and it makes little sense to spend taxpayers and ratepayers' money encouraging businesses, while potentially creating cash-flow problems as a result of invoices not being paid by at least the due date. The 10-day pay pledge is an initiative that the entire business community will welcome, and it should be extended to all statutory agencies.

Northern Ireland has a small-business economy. Therefore, we should all be concerned when small businesses are being damaged in the current economic downturn; it affects every single one of us. More than 95% of our private sector comprises small businesses. A loss of confidence in that sector and in its ability to trade will have a most negative impact. Declan O'Loan was right to make that point.

I have met many businesspeople in my constituency and beyond — manufacturers, service providers, new start-ups and long-established, particularly family, firms — and they all have one thing in common: the need for steady cash flow in order to continue trading. Companies do not always go out of business because of a lack of orders; they frequently suffer a cash-flow problem.

I wish to turn criticism of the Executive on its head. In particular, I wish to mention, without dwelling on them, three initiatives that Minister Foster has supported. First, the Northern Ireland Manufacturing Focus Group, which has already been mentioned, will be a viable and important initiative for the manufacturing sector.

Secondly, the Matrix initiative, which the Minister launched a few days ago — and which Stephen Farry did not name, although he indicated the importance of research and development and higher-value-added products — will be an important initiative as Northern Ireland develops over the next few years.

Thirdly, the importance of the Invest Northern Ireland initiative to stretch out to organisations beyond its current client base cannot be overestimated. I ask

the Minister, in her ongoing review of Invest Northern Ireland, to consider that initiative further as an integral part of Invest Northern Ireland in the future.

At the heart of the matter, as has already been mentioned, is the need for a positive relationship between the banks and SMEs in particular. Like other Members, I have heard less-than-encouraging words about that relationship from the SME sector. I have been told of banks refusing credit to very good, solid businesses when they almost expected those same businesses to extend their credit during the good times of not so long ago. We need to ensure, whether it is done via the Executive or the Minister of Finance and Personnel, that the banks start to step up to the mark and take up their responsibilities. As one businessman said to me, in short, the banks proved to be poor partners to SMEs in Northern Ireland when the going got tough.

I understand that many of the measures that will be of help to small businesses have already been announced in the 2008 pre-Budget report and will be implemented by the Treasury. I would be grateful if the Minister would confirm that that is also the intention in Northern Ireland —

Mr Deputy Speaker: The Member's time is up.

Mr Newton: Will the Minister reassure Members that we will be working with the banks to ensure that small businesses are sufficiently aware of their options?

Mr Cree: The current economic turmoil arouses much anxiety and concern among the public, the business sector and the policy-making community. Eventually, the economy will recover and, I hope, resume sustained growth, but we must take urgent action now to ensure that the recession will be short-lived and that growth will take off from as high a base as possible.

The Executive must fast-track capital expenditure projects such as roads, hospitals and schools. The Minister of Finance and Personnel has stated that some £86.5 million is available for capital spend during the next two years. What is the current situation in respect of those projects, and how much can be redirected towards social housing, which would help to offset the collapse in the private housing sector? Any easements in the December monitoring round must be utilised for further projects that will help to kick-start the economy rather than to plug some hole in the Executive's Budget. It would be most unfortunate should there be a large capital spend left in the Budget at the end of this financial year.

It is essential that our best efforts are used to keep people in work and to sustain businesses through this difficult period. The VAT concession from the Chancellor is a step in the right direction, but it is much too small a step. He should be considering a VAT holiday to encourage the public to spend and to permit businesses

to invest. National Insurance rates should be reduced for a period to assist in the regeneration of the economy.

The banks have come in for justified criticism for the part that they have played in the financial crisis, and several Members mentioned that. Banks must realise that it is crucial that they free up loans in order to improve the liquidity of business and assist their cash flow. The European Investment Bank also has a role to play in that regard.

The banks should be encouraged to delay house reposessions. Instead, they should consider renting the properties back to the mortgagees until the economy recovers. At that stage, the normal business operation could be continued.

The Executive should develop a recovery plan to create jobs, to sustain jobs and to improve cash flow and liquidity for small- and medium-sized enterprises. The Executive, with the Strategic Investment Board, should recognise that economic growth necessitates continued entrepreneurial innovation. Much more needs to be done in that area, and we need to develop better ways to quantify innovation in the marketplace. We need to create a stronger framework for identifying and measuring innovation in our economy and its impact on the economy. Furthermore, we need to discuss innovation drivers, impediments and enablers. We need, dare I say it, improvements in our education system so that entrepreneurship is encouraged from primary school to third level.

The planning and regulatory environment must be proactive in its dealings with individuals and businesses. Several Members commented on the Planning Service. Energy costs remain a major impediment to business and industry. We must continue to scrutinise those costs to ensure that they are as low as possible, and we must continue to promote energy efficiency and develop a strong energy policy.

Our high expectations on new foreign direct investment may not now be realised. As a result, Invest Northern Ireland's budget will need to be refocused on the support for existing businesses. Much more can be done to develop our tourism economy. The signature project at Titanic Quarter is welcome, but there are many other opportunities that could be exploited.

The previous Finance Minister made much of the need to improve the performance and delivery of our Government Departments. He took the responsibility upon himself and initiated the performance and efficiency delivery unit to ensure that Departments were delivering their spending plans on time and getting the best value for money for those spends. More than ever, we need to ensure that that is happening and that the people and businesses of Northern Ireland are in the best position to ride out the current economic storm.

Mrs McGill: Go raibh maith agat, a LeasCheann Comhairle. I welcome the opportunity to speak in this important debate. It gives Members an opportunity to articulate their concerns, and I will articulate the concerns of the people whom I represent in West Tyrone.

Mr Paisley Jnr said that nobody knew that the current downturn in the economy was going to happen. However, Strabane District Council, of which I am a member — and I declare that interest — commissioned a short report, with the assistance of Oxford Economics, in the summer, when the state of the construction industry in my area became obvious. We were presented with the report in August 2008, and I hope to quote from it later in my contribution, because it is important that we make the connection between this place and other places.

One Member mentioned the important role that councils can play in the current situation. Council officers, particularly those who deal with economic development, have a role to play in feeding information to the Assembly. It would be worthwhile for the relevant Member here to have that type of contact with local councils.

The paper that was commissioned by Strabane District Council was about deconstructing growth. It deals with the construction industry over the past 10 years, but focuses on the years 2008 to 2012. The paper paints a picture of what will happen in my area of West Tyrone generally, but specifically in Strabane and the surrounding area.

7.30 pm

The figures come with a caveat, as they were forecast at a time when we were not in a recession. Things were beginning to slow down, but not to the extent that they are now. The paper states that 250 jobs will be lost in Strabane over the next two years in the base case, and that in a recession — where we are now — around 560 will be lost. The paper also refers to what it terms the second-round effect of losing jobs, when 280 will be lost, which, in a worst-case scenario, makes a total of 840 job losses.

The paper goes on to detail how much money the local economy will lose. In the best-case scenario, it will be £1.5 million, and that figure will be multiplied in the worst-case scenario. The west already has an issue with investment — and I will comment on that — but losing any jobs will have a serious effect.

A Member referred to Invest NI. I saw in the press that Mike Smyth from the University of Ulster said recently that there should be a re-profiling of what Invest NI does, and I agree with him. A review of Invest NI has already been mentioned.

I do not have the date of the paper; however, it is fairly current. I am quoting figures from the paper and, as with all figures — no matter where they come from

— they can be challenged. It says that Strabane receives one fifth of the Northern Ireland average amount of investment. Over three years, that will work out as a deficit of £11 million, which is quite a bit. Apparently, Omagh receives half of the Invest NI budget — if the figures are correct. The people in my area would agree. Locally, the Invest NI office in Omagh does what it can within its parameters, and those parameters are a constraint. I support taking a good look at what is happening in Invest NI.

One local small businessman spoke to me this week about the difficulties that he is experiencing with the Planning Service. The Executive have introduced several measures, but there are things that we could do now. We must look at big projects for Strabane town. I was delighted to hear the Minister for Social Development being so enthusiastic about what could be built on the Lisanelly site in Omagh. I hope that all the other parties will row in behind and do whatever they can to put the so-called education village on the Lisanelly site.

I welcome the debate and commend the Executive for what they have done so far. They have more to do. Go raibh maith agat.

Mr G Robinson: At the outset, I will try to make a positive contribution to the debate, which may seem a contradiction to the motion. However, we must send out the positive message to all those young people who are either at, or considering going to, university or further education colleges, that the situation will get better. We must encourage them to live and work in Northern Ireland as we require their skills, and they must bear with us during this difficult period and help us to be ready for the upturn when it comes.

I deal with the consequences of the economic downturn daily through my constituency office, as, I am sure, do most Members. Some people have already lost their jobs and others are waiting for decisions about jobs. However, as the political leadership of Northern Ireland, we must not only deal with the reality of the situation, but plan for the future. I have no doubt that the Minister has that planning well under way. It is true that the Minister is seen as the figurehead in the debate but, in reality, every Minister has his or her part to play in preparing Northern Ireland for the good times.

That could be achieved by continuing to promote Northern Ireland abroad. I have been pleased to assure people in my constituency of the dedication of the Minister of Enterprise, Trade and Investment and of the Minister of Finance of Personnel, both of whom have taken a keen personal interest in the problems of East Londonderry. For that, I thank them sincerely.

The Minister for Employment and Learning has a part to play, and he has taken a very positive step by securing places in further education colleges for apprentices

who have been made redundant. I congratulate the Minister on securing that vital part of our job skills base.

All Ministers can aid the employment situation by considering whether they can secure capital expenditure and construction industry jobs. The Titanic development is a prime example of how that can be done. I urge large firms to make prompt payment to subcontractors, where possible, to ensure that they survive the downturn. Such a project will aid many firms and help to stabilise those smaller firms that supply the major contractors. That will greatly aid cash flow and is an example of how DFP can initiate growth locally. The employment generated will put money in people's pockets, and although higher energy bills will mean that people might not have the same disposable income, they will still be able to spend money in local shops and aid cash flow at a local level.

I welcome this important motion.

Mr B McCrea: I wondered whether I should stay to take part in this debate, given that it is late in the day and that many Members have already made up their mind about the way forward. I declare an interest: I worked for the Northern Ireland Manufacturing Focus Group, and I am a director of a telecommunications company. I have quite extensive interests in industry.

It is interesting to hear solicitors talking about the economy, about which they know little, apart from how they make their turn —

Mr Weir: Will the Member give way?

Mr B McCrea: No, I do not think that I will, because you have been a bit cheeky.

Dr Farry: The Member is a barrister; there is a difference.

Mr B McCrea: In the real world, nobody cares. All we know is that you are fat cats; you take money for doing very little, apart from putting us out of business. However, that is not personal.

People have a go at the banks and ask why they will not lend more. However, the real problem — and Members heard it here first — is that banks have not yet declared their real liabilities for sub-prime lending. There is more bad news to emerge. The real issue is that as a result of lending to developers, banks have massive liabilities that they have not yet declared. If there was an accountant in the Chamber, he or she would talk about the European standards for accountancy that do not even let banks make provision for that yet.

Why will the banks not lend money? The answer is that they are in a hole that is much bigger than we yet realise. What can the Assembly do? Fundamentally, it is a matter of reducing costs and attracting high-value industry. I want the Assembly to take action rather than tinker at the margins. I have listened as the housing

market was described as an engine for the future. It was simply not sustainable to have growth of 20% — which is what was happening in the housing market — when real wage increases were only 2% or 3%. That is not the way forward. The future lies in real long-term investment.

I am disappointed that Ian Paisley Jnr is no longer in the Chamber. He waved the Programme for Government around and said that it was all in that document; he told us that the plan is OK and that if we follow it, we will be all right. What utter tripe and meaningless drivel. What is needed is a step change. Mr Weir may intervene now if he wishes.

Mr Weir: The Member is very critical of the Programme for Government. However, was that not the same Programme for Government that was endorsed by his party's leader and his party's Minister in the Executive?

Mr B McCrea: Again, we hear that pathetic excuse — if it is good, we did it; if it is bad, your party was part of it, too. The position has changed. I maintain my position, Mr Weir, that what is needed is a step change in how the Assembly deals with the economy.

What went on before is not enough — relying on the old ways to make a living is not enough. We need someone to come along and say, for example, that we should run fibre optics to every house in the country — I have already declared an interest in that. We should be building infrastructure. If the Member for West Tyrone Claire McGill is concerned about investment in Strabane, we should build a railway or a road there so that it is viable to invest there and in similar areas. We must try to do something that will reduce the cost of doing business and increase —

Mrs McGill: Will the Member give way?

Mr B McCrea: I do not get an extra minute, so the Member better be quick.

Mrs McGill: There is a new road that goes past Strabane — the A5.

Mr B McCrea: Then the investment can be made elsewhere.

What are the real issues in relation to the Official Journal of the European Union? All our public procurements are bundled into big issues, because that is easy for the Civil Service to manage, and it easy for us to say that we have conformed to the regulations. Why do we not do a bit of work and try to break those procurements down into small parcels of business that our existing small and medium-sized enterprises can compete for? A firm in my constituency has just lost a £40,000 contract because the University of Ulster decided not to tender it and gave it to a company in Wales. Who is the vice-chancellor of that august organisation? It is the person whom we will ask to lead

the way out of this. We must think about the situation again.

The real solution is making speedy and nimble decisions and sorting out the planning process. If I were not here, I could be at the planning committee of Lisburn City Council trying to find a way to get the John Lewis proposal approved. Why is that being stopped? Why can we not find someone to make those decisions?

One year from now, will we look back, slap ourselves on the back and congratulate ourselves for doing a good job and fixing the problem? I wonder.

The Minister of Enterprise, Trade and Investment (Mrs Foster): I thank the proposers of the motion for securing the debate at a very important time for the economy. Some important issues, and some not so important, have been raised, all of which I will try to address.

This is the first time that all the G7 countries have been in recession at the same time, which provides us with a particular set of circumstances that we have not had to face before. In the past, when one of the G7 countries was in recession, another was not, so it was able to trade its way out of recession. The Bank of England has confirmed that the UK economy is officially in recession. The Republic of Ireland and the wider EU are in recession, and output in the United States is falling. Most Members appear to be aware of the factors behind the economic downturn — others are not, but that is no surprise.

It was stated that the Executive did not anticipate the economic downturn, that the Programme for Government was a load of tripe and that a step change was required. I refer the Members who made those comments to page 27 of the Programme for Government, which states:

“FDI targets are framed in the context of the prevailing economic conditions, in particular the predicted slowdown of the global economy and uncertainties in the financial markets. This may have a significant impact on the flows of FDI as companies adjust to revenue and cost pressures. The targets will be continually tracked and monitored against changing markets and, where appropriate, amended over the PfG period.”

That was written in the first quartile of this year, and it is clear that the Executive were taking action early and trying to deal with what was coming down the line.

Mr B McCrea: Will the Minister give way?

The Minister of Enterprise, Trade and Investment: No, I will not give way.

I recognise that businesses are looking to the Assembly and the Executive to take the necessary steps to help with the downturn.

7.45 pm

Stephen Farry said that this debate was a prelude to next week, and he is absolutely right. Last Thursday, I

attended an Executive subgroup on the economy, which was chaired by the Minister of Finance and Personnel and the Minister for Regional Development. The subgroup met in order to consider proposals from Executive Ministers to help to deal with the credit crunch. The full Executive will meet later today, and again on Thursday, when Ministers plan to set out their overall response to the difficult economic situation, which will be debated in the Assembly next Monday.

Furthermore, the Executive have already taken some important steps. Although Mr McNarry may feel that we have been off on holiday for the past five months, the opposite is the case. For instance, we have confirmed that domestic water charges will not be introduced in April 2009, which will leave spending power in the hands of households and consumers. We have worked to secure some additional resources from Her Majesty's Treasury in order to alleviate immediate budgetary pressures. The full package amounts to £900 million, not £500 million, as Mr McNarry contended.

The Executive are also mindful of the severe difficulties faced by the construction industry at this time, and we are prepared to bring forward worthwhile capital projects in 2008-09 if funding becomes available through the surrender of reduced requirements by Departments in the December monitoring round. Several Members have made the point that Ministers must look to their capital underspend. As the Minister of Finance and Personnel has said again and again, there is absolutely no point in giving up capital underspend next year, when we cannot deal with the issue.

In addition, the Minister of Finance and Personnel announced recently that Departments have set a target of ensuring that approved invoices are paid within 10 days, in order to help local businesses. That is part of the motion that has already been acknowledged.

Mr Farry also mentioned the regional economic strategy. Work on a new strategy is progressing, and it will assess how Departments have fared in delivering their key goals in the economy under the Programme for Government. The new strategy will also embrace key reviews of policy delivery in Invest NI and the Department for Employment and Learning, in order to ensure that economic development policy is focused on all the correct areas of delivery; that is very important.

Mr Farry said that Northern Ireland had been worst hit by the recession. Although we cannot underestimate the implications of the downturn, Northern Ireland is not over-exposed on retail compared with the rest of the UK. It has experienced less exposure in the area of financial services, and there is nothing to suggest that the impact of the downturn in Northern Ireland will be deeper or last longer than in other regions.

Mr B McCrea: Will the Minister give way?

The Minister of Enterprise, Trade and Investment: No.

Mr B McCrea: Not "no, thank you"?

The Minister of Enterprise, Trade and Investment: No, just "no".

The MATRIX report identified potential areas for action. Mr Farry made some comments about that, for which I thank him. It is a key issue going forward. Let me be clear; the green economy was identified as a key area for action — tidal energy; wind power, onshore or offshore; and bioenergy. The reason for that is that we can make great strides in innovation, research and development and manufacturing. Therefore, I have no difficulty in restating my position and the position of the Executive on that issue. In particular, we must have a competitive, secure and sustainable energy policy. I hope that we will be able to produce such a policy when the ongoing review of energy policy is completed.

Declan O'Loan mentioned manufacturing and Government procurement. He knows well that some of the judicial reviews that have been instigated by the construction industry have, unfortunately, led us to the position that we are in at the moment on the issue of procurement. I agree with Mr O'Loan, and I regret that the banks will not appear before the Committee for Finance and Personnel. It is a matter of deep regret that they have decided to send a representative instead. However, as has been said on several occasions recently, although we regulate the banks, we do not have the power, either at a regional or national level, short of nationalisation, to force the banks to do anything that they do not want to do.

In relation to the comments that were made about 'Manufacturing Counts', I can assure the House that the Executive remain committed to supporting Northern Ireland's manufacturing base. That is clearly demonstrated, for example, by the resources that Invest NI allocates to its manufacturing clients, which shows that the majority of Invest NI's support is targeted at its manufacturing clients, with around 56% of total assistance offered by Invest NI going to such companies at present.

I have already said that the capital underspend is absolutely crucial. In my capacity as the Minister of Enterprise, Trade and Investment, I have also been able to take some short-term steps. Last Thursday, in my capacity as chairperson of the Economic Development Forum, I established a subgroup to come up with recommendations on further steps that we can take to help businesses at this time. The subgroup will report to me early in the new year.

Invest NI has established a £5 million accelerated-support fund to offer its clients targeted support during the current economic difficulties. Contrary to what Mr McNarry said about taking a holiday, the first of those meetings was held on 25 September 2008. We have had

six to date, and we will hold another later this week. The accelerated-support fund has been specifically established to remove constraints to growth and competitiveness brought about by the current economic conditions. I am also glad to say that we will be able to roll out that roadshow, which Mr Weir mentioned, to non-Invest NI clients. The first of those events will be held next week in Omagh to cater for the western area. Therefore, I hope that Mrs McGill recognises that Strabane will be served by that.

Mitchel McLaughlin mentioned the banks' increase in arrangement fees, and I acknowledge his comments. Difficulties exist with the banks, but I am pleased to tell the Member that the Minister of Finance and Personnel, along with some of my senior officials, intends to meet the banks next week to raise those issues.

Ian Paisley Jnr talked about the importance of reacting to the downturn. The Programme for Government has the economy at the centre of all that we do. Some Members from the Ulster Unionist Party clearly do not think that that is not enough. However, we believe that the economy should be at the centre of everything that we do now and in future.

Jennifer McCann spoke about the construction downturn. The Executive will spend approximately £5.5 billion on public capital projects over the CSR period. That should help to provide considerable buoyancy, especially for the larger firms in that particular sector.

Robin Newton mentioned the fact that 95% of private-sector firms in Northern Ireland are small businesses. That amounts to more than 132,000 businesses. Mr Newton is correct to say that confidence is key. His party colleague George Robinson also spoke about that issue.

The need for innovation was mentioned. We have the regional innovation strategy for Northern Ireland action plan 2008-11 and the MATRIX report, and I hope that those will progress meaningfully. I fully recognise the significant impact that the downturn is having on many sectors, businesses and individuals throughout Northern Ireland. As I outlined today, and on previous occasions in the House and elsewhere, we are taking whatever steps that we can to help.

We must also look to our national Government to deal with the issue. That is why I very much welcome some of the UK-wide initiatives that the Chancellor announced in his recent pre-Budget report. I reiterate the comments of Mr Weir, who said that he found it strange that the "little Ulster" party in the corner was so keen to talk about the greater Union at the weekend, but that now it does not want to look at what our national Government are doing for the economy. I regret that; however, let them answer for themselves.

Mr B McCrea: You were not even listening to us.

The Minister of Enterprise, Trade and

Investment: I had to listen to you during the debate, thank you very much. *[Interruption.]*

For example, the reduction in VAT to 15% —

Mr Deputy Speaker: Order. The Minister has the Floor.

The Minister of Enterprise, Trade and

Investment: For example, the reduction in VAT to 15% until the end of 2009 should provide some stimulus to consumer spending and support for the retail sector. I welcome the small-business finance scheme to support bank lending to small exporters. I also welcome the new business payment support service, which will allow businesses in temporary financial difficulty to pay their HMRC tax bills to a timetable that they can afford. I understand that 50 firms in Northern Ireland have availed themselves of that service to date.

The deferral of the planned increase in small companies' rate of corporation tax should also be of help. Those steps and the significant reduction in interest rates in November and again last week, alongside the recapitalisation of the banking sector, are targeted at minimising the depth and duration of the downturn in the UK economy. However, I think that we all wish that the banks would focus more on being banks, but because of the terms under which they received the Government money, they are looking to recapitalisation, instead of looking to what they should be doing — lending to small businesses.

That is an issue that we will have to examine, because, at present, the banking market is distorted. Banks are not behaving like banks, because they are more focused on paying money back to Government rather than on lending money to small businesses.

The recent fall in the value of sterling should also help. Locally produced goods and services will be more competitive, which will present good opportunities for export-based companies.

I also welcome the steps that the UK Government are taking to help homeowners at this difficult time. The new homeowner mortgage support scheme, which the Prime Minister announced last week, should enable people in proven distress to defer a proportion of the interest payments on their mortgage for up to two years, with the UK Exchequer providing a guarantee to banks and building societies.

We cannot underestimate the short-term pressures that local businesses are facing as a result of the global downturn, but it is important to keep focused on the medium-to-longer term priorities that are laid out in the Programme for Government. That includes ambitious goals for the economy, but given the downturn, we may need to be more patient as we seek to achieve those.

The same holds for all Ministers of the Executive who have an input in supporting the economy at this difficult time. As Minister of Enterprise, Trade and Investment, I am committed to ensuring that the right policies and programmes are in place to deliver on the commitments of the Programme for Government.

If the Member for Lagan Valley Mr McCrea is wondering why I did not take his intervention, it is because I did not take well to being insulted as a solicitor in his initial comments. In the future, he should look to himself before he makes comments about me.

In the House last week, I announced the review of economic development policy as it relates to my Department and Invest NI. Work on the review is under way, and I look forward to those recommendations because they will be useful and timely.

I welcome the debate. Undoubtedly, these are difficult times for businesses, not only in Northern Ireland but throughout the UK and the rest of the world. However, I reassure Members that the Executive and my Department will do all that they can within the power and the resources that are available to us to assist businesses at this time. The challenge is to ensure that they are put in pole position when the global economy begins to strengthen.

Mr O'Loan: I welcome the total consensus on the content of the motion and the amendments. There was also a fair degree of consensus during the debate, although it was certainly not total.

Stephen Farry referred to the benefit from the Barnett consequentials. Having looked at the figures, any new Barnett consequentials do not amount to very much. On capital, they amount to nothing, and on revenue, the most that they amount to in any one of the three CSR years is 0.25% of the total budget of the total departmental expenditure limit. At approximately £20 million, that is a useful amount, but it is nothing to get terribly excited about.

Ian Paisley Jnr referred to mismanagement in DSD over the sales of Housing Executive houses. We can all differ in our views, but there is no need to be gratuitously unpleasant. The use of the word "mismanagement" comes into that category. If one were to go out to the streets anywhere in Northern Ireland, one would struggle to find anyone who would say that the difficulty in selling Housing Executive houses this year had anything to do with mismanagement in the Department or by the Minister. Apart from Ian Paisley Jnr, no one would apply that word; his tone and words do not reflect well on him. When Mr Paisley got serious, he referred to the problem of the rating of vacant business properties, and I welcome his agreement on that point.

If I understood her correctly, Jennifer McCann said that firms from the South cannot compete on the same terms. She talked about large firms, and I assume that

she meant large contracts, which would be advertised in the Official Journal of the European Union and conducted under EU rules.

Ms J McCann: Will the Member give way?

Mr O'Loan: I will certainly give way; it is as well that the House is fully informed about what the Member really meant.

Ms J McCann: Companies in the South face the same problems with getting access to the procurement process as companies in the North. That is exactly what I said.

Mr O'Loan: At the time, the Member referred to large firms. I am glad to have that intervention; one can only smile at some of what goes on here, and there were some quite humorous moments in the debate.

8.00 pm

Jennifer McCann would not take an intervention when asked, and then had great difficulty in cutting her speech short when time was called. Some lessons will have to be learned by the Sinn Féin scriptwriters so that certain sections of a speech can be marked as capable of being deleted without damaging its integrity. Therefore, when Sinn Féin Members are caught out by the Speaker, they will be able to bring their remarks to a close.

Mrs McGill: Will the Member give way?

Mr O'Loan: I cannot think why, but I will.

Mrs McGill: Thank you, a LeasCheann Comhairle. The Member criticised the manner in which another Member delivered his comments. I ask Mr O'Loan to reconsider the comments he has made about Sinn Féin.

Mr O'Loan: I intended those remarks to be taken as humorous. Claire McGill cited as evidence a roughly torn-out piece of an anonymous newspaper. It is difficult to quarrel with evidence of such a standard.

Basil McCrea clearly does not like fat-cat barristers. I wonder whether that remark places him on the Labour wing of the Ulster Unionist Party.

Mr B McCrea: Since it is Christmas, let me say that I meant no disrespect to Members who are solicitors or barristers. My point was that it is useful to have expertise in some other areas. I hope that we can all work together on that basis.

Mr O'Loan: On another positive note, I welcome the Minister's comments and the further immediate actions that she indicated that she will take.

Dr Farry: I agree that this was a fairly constructive debate. There was a degree of agreement across the House. The Assembly should send out a strong collective message that we are seized of the severity of the situation in Northern Ireland. It is not my intention to engage in narrow point-scoring, but to seek to challenge the Executive when they are not acting in a timely,

effective or decisive manner. There are some areas in which they could act much more effectively.

That said, one must accept the context in which the Executive operate. Neither problems nor solutions lie entirely within their control — probably, the bulk of both lie beyond it.

I wish to clarify something for the Minister. I did not suggest that Northern Ireland would suffer a deeper recession than the rest of the United Kingdom; rather, I believe that it will be shallower, due to the public-sector cushion. My point concerned the fear that recovery in Northern Ireland could be slower.

Mr B McCrea: Northern Ireland is protected in certain sectors, but it is particularly vulnerable in respect of housing because of the very rapid rise in house prices that preceded the recession. That is a particularly difficult issue for us.

Dr Farry: Housing is a big issue here, because of the extent of the price bubble. The other side of the coin is that financial services are not as big an aspect of the economy here as elsewhere in the United Kingdom.

I welcome the comments of the Minister with respect to energy and renewables. That was a very positive statement of opportunity for Northern Ireland, and we will watch closely to see how that develops.

Despite his attack on the legal profession — and his apology — Basil McCrea made a point about a step change. The Programme for Government, the investment strategy and the Budget must be seen in context. I take the Minister's point that the downturn was acknowledged during the first quarter of the year. The combined efforts of our Executive and Strabane District Council may have served as a warning to the rest of the world.

However, things have changed significantly over the course of the year, and there is a need to reconsider the priorities in those documents. In particular, I urge the Executive to focus, not just on whether we deliver on the current capital spend, but on whether we should be accelerating the capital spend.

The second point is that, in doing so, we must examine the wider issue of how we restructure and rebalance our economy, and whether those investments can be to the long-term good. Other Members have mentioned the need to invest in various skills, such as research and development, and those are all important points.

Furthermore, the accountability of the banks has been a major theme throughout today's debate. I wish to make a point in response to Jennifer McCann's comments, which I do not mean as a personal attack. It is important that the banks bear in mind the support that is being given to them by the people of Northern Ireland. The overall size of the economic support emanating from the Westminster Government is around £35 billion. If that sum were divided across the United

Kingdom, the taxpayers and businesses of Northern Ireland would be potentially contributing around £1 billion. In the light of that degree of commitment from the people of Northern Ireland to support the integrity of our financial system, it is clear that the banks have obligations regarding accountability. Although it has no direct responsibility for the financial sector, the Assembly is the voice of the people of Northern Ireland, and there must be more willingness from the banks to engage with the Assembly.

A number of other important points were made during the debate today: one was the rating of empty properties, which is certainly an area which we must rethink. I am prepared to put my hand up and admit that at the beginning of the year I believed it to be a good idea. In the context of the economy, at that point, I believed that it was important to ensure that buildings were used effectively. However, as the facts have changed, so too has my opinion. We must revisit the issue and apply a similar approach to our examination of the Budget, the investment strategy for Northern Ireland and the Programme for Government.

Mr McNarry: Today's debate has been both good and positive; apart from the introduction of some terseness towards the end. I thank all of the Members who have participated. I also thank and welcome the Alliance Party and SDLP's amendments, which the UUP — and the rest of the House, I see — are happy to accept.

My criticism of the Executive is based squarely on the five months of inactive, ineffective Government, while squabbling was going on between the DUP and Sinn Féin. I hope that people listened to me on that point, and did not just pick up what they wanted to hear.

Hard times in a recession bring no comfort, least of all to hard-pressed, hard-working small businesses. I have heard what has been said in the debate today — particularly by the Minister — with respect to the various initiatives that are in place. However, waiting on initiatives is a luxury that some people cannot afford.

I have pushed for fairer, more equitable access for small companies into the procurement process, and my colleagues on the Finance Committee have voiced similar views. The letter that I referred to in last week's 'Belfast Telegraph' from people in the construction industry as good as — and quite rightly — demanded a fair crack at procurement contracts. However, those views, and the views in today's debate, are being expressed while a rumour worryingly gains strength suggesting that there is an underhand, unwritten understanding between some financial bureaux and some Departments. Those rumours suggest that some — but not all — Departments are holding back on delivering projects in order to create underspends in this financial year, thus helping the Executive manage their deficit, which many now believe to be around

£500 million. The House must know what is going on. We must see clear evidence that there will be no underspends, no hold-ups on projects, and that departmental spending tills will be emptied. It is up to every Member who sits on a Statutory Committee to be alert and ensure that no underspends occur under his or her watch.

Furthermore, we must urgently review all of our current commitments on public spending. That will enable us to release advanced flexibility into our economy through the funding of various projects that will have a direct impact on our economy and that will inject real confidence and certainty by helping our local employers stay in business. That is the key.

We also need to be aware that national action could have an adverse impact on Northern Ireland, and we must be proactive in preventing that.

I recently raised my concerns that the efficiency savings of £5 billion in 2010-11, which the Chancellor announced in his pre-Budget report and in his statement of 24 November, would impact directly on the Northern Ireland block grant, from which we receive the vast bulk of our spending. Certainly, the Secretary of State for Scotland thinks that it will impact on the Scottish block grant, and I do not see any reason why Northern Ireland would be any different. In our situation, we must look at every possibility: that is what this debate is about and that is why it has been brought forward. We need to take a long look at reprioritising the distribution of funding across Departments urgently and at a redesign of our overall economic package, which will help to keep people in work and that will sustain the many viable businesses that are in trouble now, largely through the disgraceful lending behaviour of the banks.

Accelerated infrastructure and construction programmes need to be put in place as a matter of urgency. We need to set up a parity watch on those accelerated programmes. The Northern Ireland economy is even more vulnerable than the UK economy as a whole: that is what people are saying about the recession. It will take longer for us to recover, and that recovery will be set back if we do not match, or even improve on, the energy and the level of activity in accelerated building, construction and infrastructure programmes of the London Government.

We must ensure that Northern Ireland does not fall behind the level of increased capital spending across the sea because of a lack of flexibility in the finances of the devolved Administration. Lack of spending flexibility must not condemn Northern Ireland to becoming an economic sink-hole. Our per capita earnings are already significantly below those in the rest of the UK. It is our duty to ensure that all local banks, which are subsidiaries of national banks, adhere to the

Government's new proposals and mortgage-support measures, which would defer repossession by two years.

We must demand the extension of rental and buy-back arrangements with no financial penalties for those people with mortgage-repayment problems, so that as many people as possible can remain in their homes. Having and holding on to a home is so important. We must urgently review the bankruptcy and administration laws, and have a close look at no-blame arrangements similar to the chapter 11 protection arrangements for businesses, partnerships and individuals in the United States. That could help prevent the twin evils of fire sales and asset stripping that we will see.

We must also have renewed action, energy and greater imagination over the vexed issue of corporation tax. I believe that we should approach the Treasury again, but this time we should ask for a range of time-limited differential tax-rates aimed at specific types of firms, such as knowledge economy, high-research and development-focused firms. That could be set within the context of the economic downturn. It could be represented as a business recovery plan, and could be rolled out nationally and negotiated within the European competition guidelines.

Why not look again at the increase in the borrowing margin permitted by the UK Government to the Northern Ireland Executive? We are in dire circumstances. Why not seek an increase in the absolute amount in light of prevailing circumstances? If we could do that, would we not also be negotiating more favourable long-term and more relaxed use of the facility with a significant decrease in the interest that it accrues? However, that should only be done if it is part of an economic recovery plan, with the money being diverted into job-protection and job-creation measures, and cash-flow relief for the small businesses who, we all agree, are the backbone of our economy.

I have personal experience of that. However; it does not make me an expert. Due to the combination of inexperience, bad advice and cash flow, and a recession some time ago, I lost a business. I went home and told my wife and my young children, who did not really understand, that the house had to go. That is what people such as me had to do. It would probably not happen now, but it happened 25 years ago: the house did go.

8.15 pm

I know of hundreds of people who are going through that experience now, or who will go through it in the months ahead. We cannot turn them down or shun them.

When I say that I understand that there is a global recession and that I think that we should do more to help, people chastise me or joke about the Tories and the Labour Party. I am not talking about that rubbish. I am talking about us letting people in that situation

know that perhaps there is a way, but more importantly, that there is a will.

When I lost my business, the whole world collapsed. Imagine having to tell your wife that your house has to be sold. It feels as though everybody is talking about you, and there will be cretins who will talk about you for the sake of it — usually, they owe you money. Nevertheless, those people will talk about you and joke about you. They would perhaps not be able to do anything if something similar ever happened to them.

I understand small business. I am not talking about dramatic rescues, but like the couple in my constituency that I alluded to, I know that the world can fall in on people. We must reach out to what we refer to as the backbone of our economy and tell people such as that couple that we are going to find a way out. I do not know what that way is, but I know that part of it is saying to such people that we will listen to them and hear them and inject some confidence into them.

If any of those people are listening, I found a way out. I was lucky; I fought my way back, and I learned from that experience. It was tough. Let us not bring that burden on to too many people.

Mr Deputy Speaker: Before I put the Question on amendment No 1, I advise Members that whether or not that amendment is made, the Question on amendment No 2 can still be put.

Question, That amendment No 1 be made, put and agreed to.

Question, That amendment No 2 be made, put and agreed to.

Main Question, as amended, put and agreed to.

Resolved:

That this Assembly calls on the Minister of Finance and Personnel to recognise fully the significant potential for job losses due to the current economic downturn; to detail what assistance he can draw on from the Treasury; and to produce urgently an action plan to assist small businesses, especially with regard to cash flow relief, and the level of assistance his Department can initiate locally; and furthermore, to set out what steps are being taken to accelerate investment and to re-direct resources to both boost the level of economic activity and to re-balance the economy; and further calls on the Executive to commit all Departments and public bodies to making prompt payments to suppliers, within ten days at the latest; expedite their capital investment programme; make representations to Treasury for further measures to stimulate the economy; and exert influence on banks and Revenue and Customs to show proper consideration, support and sensitivity for local businesses and their workforces.

Adjourned at 8.18 pm.

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