

NI 12 12

CBI Northern Ireland response to NIO consultation on measures to improve the operation of the Northern Ireland Assembly

Introduction

CBI Northern Ireland is an independent, non-party political organisation funded entirely by its members in industry and commerce. Across the UK, the CBI speaks for some 240,000 businesses which together employ around a third of the private sector workforce. Our membership in Northern Ireland includes businesses from all sectors and of all sizes. It includes the majority of the top 100 companies, small and medium-sized enterprises (SMEs), social enterprises, manufacturers and sectoral associations.

CBI Northern Ireland welcomes the opportunity to comment on the Northern Ireland Office's Consultation on measures to improve the operation of the Northern Ireland Assembly.

Number of seats in the Northern Ireland Assembly

In our *Time for Action* report of September 2010, CBI Northern Ireland called for an increased streamlining of government and governance in Northern Ireland as a means to drive the responsiveness of government to the business community. Some two years on we stand by this call. This call focused on the proposition that an overall reduction in the number of government departments in Northern Ireland could generate savings of between £10-20 million as well as improving the effectiveness of government.

While this consultation does not in itself deal with the subject of the reduction of government departments (as this is an issue for the Northern Ireland Executive to agree on), a proposed reduction in the number of Assembly members would fit within our view of the necessity of a reduction in the size of Northern Ireland's governance structures.

Aspects of the Belfast Agreement were designed to suit a Northern Ireland of nearly fifteen years ago. In the context of a settled devolved structure and the necessity to reduce public expenditure, we believe there is indeed scope to reduce the number of MLAs that we elect.

While we accept the consultation's view that 'there are no hard and fast rules about how many seats a Parliament or Assembly should have', it is noteworthy that we are significantly over-governed when it comes to direct comparisons between the size of the Northern Ireland Assembly and the Scottish Parliament or the Welsh Assembly in respect of the number of elected politicians per head of population.



David Fry Senior Policy Adviser

DL: 028 9010 1102 **E:** david.fry@cbi.org.uk

CBI Northern Ireland 2nd Floor Hamilton House 3 Joy Street Belfast BT2 8LE

T: +02890 101100 **F:** +02890 101119 **E:** ni.mail@cbi.org.uk **W:** www.cbi.org.uk/ni

Director-General: John Cridland CBE President: Sir Roger Carr

Registered No: RC000139 (England and Wales) Registered Office: CBI Centre Point 103 New Oxford Street London WC1A 1DU

We would not be recommending a reduction in MLAs to a specific number but believe that, whatever the final decision, the link with Westminster constituencies should remain so as to avoid the additional administrative burden that would undoubtedly arise were it not. There should of course be significant importance attached to the fact that, whatever the final number that is settled on, it is sufficient for the Assembly itself to carry out proper scrutiny of the Executive as any democratic institution normally would.

CBI Northern Ireland is conscious that the Northern Ireland Executive and Assembly is in the process of taking forward its own work in relation to the post-2015 structures of government as one of its Programme for Government targets and we look forward to seeing the outworkings of this in the near future. However, we would urge that whatever recommendations are brought forward that they are brought forward with sufficient time and clarity for the business community to adapt and that no further attempts are made at salami slicing departments and their responsibilities outside of the overarching review that is now taking place.

Length of Assembly terms

While we do not have a specific view on whether the next election should be held in 2015 or 2016, there are two points we believe need to be considered.

Firstly, the running of two or more elections on the same day does afford the potential of cost savings. While these may be relatively minor when placed within the context of the overall Northern Ireland Budget, there is a clear need for each pound of public expenditure to be better spent in these challenging economic times. We also note the consultation clearly indicating that the holding of three ballots on one day in 2011 did not cause significant voter confusion.

Secondly, the Northern Ireland Executive's Programme for Government currently runs to 2015. Any extension of the Assembly term may potentially lead to a year of relative inactivity on the part of the Executive and Assembly in the absence of an overarching strategy – such inactivity would be far from what the business community, and indeed wider community, want or need.

CBI Northern Ireland would however be supportive of a move to a fixed five year term permanently for the Assembly given the potential this brings for enhanced stable devolved government.

Multiple mandates

CBI Northern Ireland takes the view that public representatives should, where possible, voluntarily relinquish any multiple mandates they hold. However, should legislation to prohibit the holding of more than one office at once become necessary, then it should be proposed and enacted. We also take the view that MLAs should be prohibited from being members of the House of Lords at the same time.

Government and Opposition

The restoration of devolved government in Northern Ireland in 2007 gave a massive boost to the confidence of the people of Northern Ireland. The fact that we have now had over five years of continuous devolution is a significant achievement given the many challenges and legacies of the past.

However, now that the bedding in mandate of 2007-11 has been completed, now is the time for action and real progress. CBI Northern Ireland has welcomed the Executive's Programme for Government, Economic Strategy and Investment Strategy and the ambition to grow our economy that they collectively contain. Our business community continues to go through the most difficult period of modern times and it is incumbent on the Northern Ireland Executive to use the policy levers at its disposal to assist our economic

recovery and ensure the delivery of the goals set out in the Programme for Government. To our mind, the Executive will be judged on this and this alone.

In this context therefore, while we undoubtedly support the democratic systems that underpin any modern democracy, we, above all else, want to see delivery. We want the ambition the Executive has detailed to be realised as that will be for the betterment of all.

A move towards a more normal system of Government and Opposition may well evolve through time but, for now, it is important to see the on the ground delivery that the high level Executive strategies embody.

CBI Northern Ireland
October 2012