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Tackling the Deficit is Vital for Northern Irelands Long Term Stability

THURSDAY 3 FEBRUARY 2011

TACKLING THE DEFICIT IS VITAL FOR NORTHERN IRELANDS LONG TERM STABILITY



Secretary of State Owen Paterson MP has said that the Government's action in tackling the deficit is absolutely essential to economic recovery and our long term stability.

Speaking following the Joint Ministerial Committee meeting in London, Owen Paterson said: **"If there is one thing guaranteed to undermine the economy of the entire United Kingdom and put intolerable pressure on the devolved institutions it is the failure to tackle the crippling effects of the highest peacetime deficit in history.**

"The £120m per day paid in interest on the deficit we inherited from the previous Government does not create one job, build one house or send one child to school.

"The measures taken by the coalition Government have ensured that our economy has not gone the way of Greece and the Republic of Ireland. As a result of our actions the UK is out of the danger zone.

"No one is suggesting that reductions in public spending are easy. If we had continued with the spending plans of the previous government we would be paying vastly more in interest on the deficit by the end of this Parliament. Putting off the difficult decisions would make things far, far worse in the long term. We would be saddling our children and grandchildren with decades of debt.

"This is a national crisis and Northern Ireland has to play its part. The Coalition Government has,

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FRIDAY 15 APRIL 2011

PATERSON ATTENDS ROYAL IRISH REGIMENT HOMECOMING EVENTS IN MARKET DRAYTON AND SHREWSBURY

TUESDAY 12 APRIL 2011

Heed the Words of Cardinal Brady - Paterson

WEDNESDAY 6 APRIL 2011

Written Ministerial Statement - Publication of the Report of the Rosemary Nelson Inquiry

TUESDAY 5 APRIL 2011

Written Ministerial Statement - Two Year Extension to Non Jury Trial System

TUESDAY 5 APRIL 2011

Owen Paterson - Oral Statement on the Murder of Police Constable Ronan Kerr

MONDAY 4 APRIL 2011

however, recognised the particular circumstances of Northern Ireland. State spending per head is £10,662 which is 25% higher per person than in England.

“The Budget settlement was fair. The Executive is being asked to find savings on current spending of £1.72 in every £100 spent. This is considerably less than Whitehall departments and local authorities in the rest of the UK. There is not a single private business that is not facing up to savings of this size or considerably more. The CBI has shown how running public administration more efficiently in Northern Ireland could save over £1billion. Deloitte have shown that if the long term costs of division and segregation were addressed a further £1.6billion could be saved.

“We are also determined to rebalance the economy of Northern Ireland. We had a most constructive meeting at the Treasury with the Exchequer Secretary David Gauke and Executive Ministers, Peter Robinson, Martin McGuinness, Sammy Wilson and Arlene Foster. The Executive received the draft of our paper on the economy in December; today we discussed the Executive’s own ideas for reviving the private sector. I am convinced that enabling Northern Ireland to choose a lower rate of corporation tax could provide a huge boost to local businesses and bring in significant new investment.

“The reality is that as long as we have over 77% of GDP dependent on public spending, Northern Ireland and its people will never be able to realise their potential.

“That must be turned round.

“This is one case where a big challenge is indeed a huge opportunity. By working closely together, the coalition Government in Westminster and the Stormont Executive could make changes that have dramatic and long lasting positive effects.”