

# PRINCIPLES FOR ECONOMIC RECOVERY

Supporting workers and families  
through creating and sustaining jobs

*Sinn*  *Féin*

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# Introduction

The economic and societal recovery post COVID-19 must be based on core principles which seek to address the underlying problems of the northern economy, the impact of the COVID-19 crisis, the reality of new trading arrangements post-Brexit, and the serious threat of climate breakdown.

This document builds on the four principles contained in “Sinn Féin Economic Strategy: Principles for Recovery” document which was published last June. It sets out the way forward in tackling the key economic and societal issues which we currently face in the north one year on from when the pandemic first reached Ireland, and as we seek to deal with the implications of Brexit.

Our four principles for economic recovery in the north are i) supporting workers and their families; ii) supporting businesses to create jobs and sustain employment; iii) delivering on a fair and just transition to a sustainable economy; and, iv) giving the Executive the tools to aid recovery and build the economy.

Covid-19 has had a devastating impact on our society and economy. Over the past year, unemployment has risen significantly, however the real impact of the pandemic on employment is somewhat mitigated in the immediate term by the furlough scheme with over 100,000 people remaining on furlough at the end of December 2020. Youth unemployment figures are particularly concerning, with NISRA reporting that in October-December 2020 an additional 26,000 16-24 year olds were not in employment, compared with the same period last year.<sup>1</sup>

In this context we have updated our “Principles for Recovery” strategy to provide an increased focus on skill development, up-skilling and re-skilling opportunities that can help people into, or return to, employment, and keep them in employment. We have also placed more emphasis on the need to harness the potential of continuing access to the European single market and its 450 million consumers, including maximising the opportunities of the All-Ireland Economy. Realising these opportunities will be crucial to achieving economic prosperity within the new post-Brexit trading realities.

While we face unprecedented challenges we have an opportunity to address the problems which have underpinned the poor economic performance of the north. In 2018 the north had the lowest economic growth, lowest productivity and highest economic inactivity on these islands. This has been a long-term trend and we cannot return to ‘business as usual’.

At the heart of our strategy is a commitment to deliver fair, sustainable and regionally balanced economic recovery by supporting workers, families and small business to maximise the economic potential of the north of Ireland as part of the EU single market and All-Ireland economy.



1. [https://www.nisra.gov.uk/system/files/statistics/labour-market-report-February-2021\\_1.pdf](https://www.nisra.gov.uk/system/files/statistics/labour-market-report-February-2021_1.pdf)



# 1. Supporting workers, families and young people

We must put an end to low pay and insecure jobs which cause in-work poverty affecting too many families by improving workers' pay and conditions and removing the barriers to work. We also need to ensure young people have work, training or education opportunities in the new post pandemic economy so they are supported and enabled to enter the jobs market.

## TO SUPPORT WORKERS AND FAMILIES WE NEED TO:

- ▶ **Deliver a Living Wage:** Realise the commitments made in the New Decade New Approach to make the Executive a Living Wage Employer and to seek devolution of minimum wage powers and work to ensure that employers in the Private Sector pay the Real Living Wage. Implement the provisions on gender pay in the Employment Act to ensure that female workers are paid the same as males in the same job roles.
- ▶ **End insecure and uncertain work:** Abolish zero hour contracts, bogus self-employment and strengthen the rights of agency workers.
- ▶ **Increase unionised employment:** Amend the current legislation and make it easier for workers to join trade unions by removing the 20 employee threshold for statutory trade union recognition.
- ▶ **Give all workers the right to request flexible working:** Bring forward legislation to ensure that agency workers can access flexible working, so that they too can work close to home and have a decent work life balance.
- ▶ **Help people return to employment:** Deliver affordable and accessible childcare options so that workers with children can access employment and stay in employment.
- ▶ **Widen access to skills and learning:** Provide targeted support to people with low incomes, disabilities, poor broadband, and care experience to have equal access to skills opportunities.
- ▶ **Encourage entrepreneurship:** Put in place programmes to support those facing additional barriers to starting their own business including, but not limited to, those from low income backgrounds, women, people with disabilities, young people, those who have been long-term unemployed.



## TO SUPPORT YOUNG PEOPLE WE NEED TO:

- ▶ **Deliver a Youth Guarantee:** Establish a Youth Guarantee that gives every young person between the ages of 16-24 the opportunity to access employment, skills training or educational opportunities.
- ▶ **Introduce an apprenticeship Recovery Scheme:** Build on the Apprenticeship Recovery Scheme to include opportunities for public sector apprenticeships so that young people can avail of job vacancies in the public sector and also remove the upper age limit of 24.
- ▶ **Provide university/college places for care experienced young people:** Working with our universities and colleges ensure there are places and appropriate mentoring and wellbeing support for care experienced young people.
- ▶ **Support our postgraduates:** Put in place student maintenance support so that young people can afford to complete Post-Graduate Degrees.
- ▶ **End the pay inequalities facing young people:** End the age discrimination facing our young people in the workplace through standardising minimum wages, redundancy pay and apprentice wages across all ages.
- ▶ **End other forms of age discrimination:** Implement the Age, Goods and Facilities and Services Bill which had been set out in New Decade New Approach.
- ▶ **Deliver the Job Start Scheme:** The Job Start Scheme will support employers to provide paid employment and skills opportunities for our young people, including supporting young people with disabilities.



## 2. Supporting businesses to create jobs and sustain employment

The new trading arrangements under the Trade and Cooperation Agreement and the Protocol are now a reality. As a result of the protocol the north has the ability to sell goods without barriers into Britain and unique access to the EU single market with its 450 million consumers. The economic recovery must support businesses to adjust to this new trading reality and to benefit from the opportunities it presents for economic development and job creation.

We also call for a new Industrial Strategy which supports indigenous small and medium enterprises (SMEs), tackles long-standing regional imbalances, and coordinates local economic development in towns and villages to develop employment opportunities.

### TO SUPPORT BUSINESSES TO CREATE JOBS AND SUSTAIN EMPLOYMENT WE NEED TO:

- ▶ **Develop an Industrial Strategy:** An Industrial Strategy is needed with a focus on protecting jobs and livelihoods in sectors hardest hit by COVID-19 crisis, such as tourism and hospitality, and creating skilled and secure jobs in sectors that will be crucial in the future to achieve our economic potential, fulfil our climate obligations, and shield the economy against further COVID-shocks. The Industrial Strategy will also maximise the benefits of the protocol and support businesses to develop supply chains across the island of Ireland and into the EU.
- ▶ **Support businesses to reopen safely and rebuild:** Put in place flexible supports for small businesses to resume business such as grants for safety measure, or to develop their digital capacity to enhance their online offering.
- ▶ **Support jobs of the future:** Invest in digital skills, green-collar jobs, and other skilled sectors which are expected to grow.
- ▶ **Legislate for Social Value:** Legislate for social value to support the social economy, and dismantle the barriers to the development of alternative business models like social enterprises, co-operatives and community wealth building. This will ensure local communities can have a real say in how wealth is created and shared, and can benefit from it.



- ▶ **Review the remit of Invest NI:** The remit of Invest NI must ensure support for local start-ups and seek to empower small and micro-businesses and entrepreneurs, and realise the potential of the digital and green economies.
- ▶ **Realise potential of the All Ireland Economy:** Partition is bad for businesses, there is huge potential to develop the All Ireland Economy and put an end to the decades of economic strategies that stop at either side of the border. A particular focus will be on supporting the development of the border corridor.
- ▶ **Deliver co-working hubs:** To help address regional imbalance in private sector employment Invest NI and other agencies should support the development of remote or co-working hubs for the private sector.
- ▶ **Enhanced cooperation on local economic development:** Local councils must be central to encouraging local job creation and economic development. There should be enhanced cooperation including through the Growth Deals between the Executive, councils, enterprise agencies and other bodies including Invest NI and Intertade Ireland to support the development of indigenous business and target Foreign Direct Investment.
- ▶ **Create Regional Hubs for public sector/civil service:** Create regional hubs to help address regional imbalance in public sector employment so that jobs can be located in more towns across the north.

## TO SUPPORT BUSINESSES TO RESPOND TO THE NEW TRADING REALITIES DUE TO BREXIT WE NEED TO:

- ▶ **Build on the protections of the protocol:** Develop a strategy to provide direction to the Executive's agencies overseas to ensure there is an awareness of the protections in the protocol including the north's continued access to the EU single market which creates opportunities for investment and job creation.
- ▶ **Help businesses to re-orientate supply chains:** InterTrade Ireland and Invest NI must be adequately resourced to provide the advice and support that businesses need to respond to the new trading arrangements and take advantage of the ability to sell goods into Britain and the EU.
- ▶ **Address the impact of Brexit on services:** The Executive must work with the Irish government, British government and European Commission to achieve agreement on mutual recognition of professional qualifications.



# 3. Delivering a fair and Just Transition to a sustainable economy

Building back better from the pandemic means we must do much better in protecting the planet from the threat of climate breakdown. In Ireland we have great potential to build the green economy to create skilled, well-paid jobs, harness our abundant renewable energy resources, lower costs for families and businesses, create warm homes for those in fuel poverty, and provide sustainable public transport for all. In this mandate Sinn Féin has led the way and brought forward numerous pieces of legislation to tackle Climate Breakdown and to unleash the potential of the green economy.

## TO DELIVER A FAIR AND JUST TRANSITION TO A SUSTAINABLE ECONOMY WE NEED TO:

- ▶ **Deliver a Green New Deal:** Deliver a Green New Deal which can stimulate economic activity by switching to green energy, growing the green economy, building modern public transport infrastructure, and retrofitting homes to conserve energy, among other things.
- ▶ **Establish a Just Transition Commission:** A Just Transition Commission working in partnership with representatives of all sectors impacted to map the way to a net zero society. The cost of tackling the climate and biodiversity crisis must not be on those who can afford it least and local communities must be supported to become more sustainable. The focus must be on supporting workers, families and local communities to reduce their carbon footprint through embracing sustainable practices.
- ▶ **Create and support Green Jobs:** Support increased investment in the digital revolution, new technologies and research and development (R&D). This can help support job creation in the green and digital local economy.
- ▶ **Legislate to support small scale renewable energy:** Implement legislation to enable community groups to generate small scale renewable energy production in solar, wind, hydro and biomass fuels.
- ▶ **Ban Fracking:** Legislate for a ban on Fracking and ensure that investment is targeted to renewable energy production.
- ▶ **Extend Remote Working:** Work with businesses and workers to help them facilitate remote working arrangements and policies which can reduce carbon emissions and commuting times.



## 4. Give the Executive the tools to aid recovery

It is evident that in order to deliver the type of Economic Recovery that our people need we cannot rely solely on a constrained block grant determined by the British Government. Partition has limited economic development across the island, it has had its worst impact on border areas and the north. The limitations of the block grant, loss of EU funding, lack of delivery on New Decade New Approach financial commitments, including a commitment to multi-year budgets, and the lack of powers available to the Executive prevent the type of bespoke solutions our people and economy require. The Executive must seek the necessary powers and resources needed to truly transform our economy for the better.

The Stormont House Agreement included commitments that the Executive would “consider additional fiscal devolution” based on an assessment of the social and economic benefits that a range of taxes could deliver. While the New Decade New Approach Agreement recommended that minimum wage powers are devolved. Sinn Féin remains committed to the further devolution of taxation powers.

Our economic recovery strategy for the North calls for the Executive to have much greater control of its financial resources.





## TO GIVE THE EXECUTIVE THE TOOLS TO AID RECOVERY WE NEED TO:

- ▶ **Evaluate findings of the Fiscal Commission:** The Fiscal Commission will evaluate the devolution of fiscal powers. Devolution of fiscal powers would further enable the Executive to plan its spending and revenue raising to adequately fund public services and to direct resources to areas of need.
- ▶ **Secure increased borrowing powers:** The Executive must be afforded additional powers to borrow on the near-zero interest terms widespread in capital markets, similar to the Public Works Loan Board mechanism available to councils in Britain.
- ▶ **Borrow to invest in high-skilled sectors:** Using greater borrowing powers invest additional resources into creating world-class infrastructure and skill programmes which can stimulate economic activity. With interest rates remaining historically low there has never been a better time for the Executive to borrow.
- ▶ **Maximise the use of Financial Transactions Capital:** secure further flexibility in the use of Financial Transactions Capital allowing long-term investment in social enterprises, community projects, or for the establishment of a model similar to the successful Welsh Development Bank.

