



# THE ALLIANCE PARTY OF NORTHERN IRELAND

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DMCG/MA

13/9/88

Dr John T Alderdice  
55 Knock Road  
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Dear John

Re: Devolution Document

I have recently had the enclosed copy letter from Rupert Laird passed on to me.

I presume it will need to be considered when we are reviewing the document after Council has had the opportunity to make its comments.

Yours sincerely

Dan McGinness  
PARTY CHAIRMAN

COPY

Paul Maguire, Esq., B.L.,  
c/o Alliance Party of Northern Ireland,  
88 University Street,  
Belfast BT7.

R. Stanley Laird Esq.,  
40 Newforge Lane,  
Belfast BT9.

1st September 1988.

Dear Paul,

RE: DEVOLUTION DOCUMENT.

I am very conscious of the fact that only limited time was given at the end of the session to deal with outstanding questions of the Study Groups.

The question that exercises my mind is that relating to the suggested power of any devolved government to raise additional revenue over, and above the expenditure based U.K. budget allocation. This power would seriously worry me on the following counts:-

Applications and arguments for special allocations of funds for housing, social security, environmental improvement, education, industrial training, or subsidising ship building would inevitably be refused, and we would be likely asked to raise the extra revenue within the Province.

The Province at this time enjoys a higher per capita budgetary allocation than other parts of the U.K., and if powers of raising revenue are taken this is likely to be brought into line with the rest of the U.K., and the Province left to raise the additional revenue.

The power would put us in a position of being expected to raise revenue locally for all kinds of ventures; ie. to keep some important industry, or institution afloat, or to carry it over a difficult period, to attract some large industry like I.C.I., or some important order like that of 'Ultimate Dream'.

Dual taxation, or the threat, or possibility of it (especially in an economically depressed area like N. Ireland requiring mammoth funds for housing, social security, environmental improvement, etc.) would be a formidable obstacle to attracting new industries, and jobs to the Province.

Dual taxation is bad in principle, and increases the cost of living.

The powers to impose secondary taxation, or revenue raising would make financial planning, and budgeting an impossible nightmare for individuals, and businesses alike.

To take powers to impose secondary taxation on the most impoverished, and depressed region of the U.K. would be an unmitigated disaster no matter what the arguments in favour of it are.

Powers to raise revenue will smack of independence, and will further alienate us from the U.K., and their budgetary responsibility for our economy.

I do sincerely trust Paul that the committee will discuss the full implications of the foregoing points before coming to any hasty decision on incorporation of the power in question in the draft constitution.

Yours sincerely,

Rupert Laird