

ALD2/2/6/11/1/51



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MINISTER OF STATE

Lord Alderdice  
Alliance Party of NI  
88 University Street  
BELFAST  
BT7 1HE

6<sup>H</sup>  
6 June 1997

*Dear John,*

**NORTHERN IRELAND PUBLIC EXPENDITURE PRIORITIES**

You will be aware that this Government is committed to undertaking a comprehensive review of public expenditure programmes throughout the United Kingdom. This is designed to ensure that public expenditure dispositions reflect our priorities and to enable us to identify opportunities for making savings through improved efficiency.

The Secretary of State will, therefore, be conducting a review of Northern Ireland public expenditure programmes and this will feed into the wider UK review. As Department of Finance and Personnel Minister, I will be assisting the Secretary of State with this exercise. I have agreed with the Secretary of State that it would be extremely helpful if we had an input from the Northern Ireland political parties on the question of priorities, and I would be grateful if you would let me know if you are content for your party to be involved in this process, which will probably take place during the late June to mid August period. If so, it might be helpful if you were to nominate someone in your party through whom further contacts on this might be made.

If you agree to participate in this exercise, and I very much hope that you will, I will provide further information on how the consultation will fit into the Secretary of State's review, and the parameters within which we will be operating. On the last point, you will probably be aware of our Manifesto commitments to stick to planned public spending allocations (including those for Northern Ireland) for 1997/98 and 1998/99; but also to bring forward a welfare-to-work programme to be funded by a windfall levy on the excess profits of the privatised utilities. I would hope to be able

to provide more information about the welfare-to-work programme prior to the consultation on public expenditure priorities which I am proposing.

I look forward to your response.

*You ever,  
Paul*

**PAUL MURPHY MP**  
Minister of State