



Rt Hon David Cameron MP
10 Downing Street
London
SW1A 2AA

12 February 2013

Dear Prime Minister

Reducing corporation tax rate in Northern Ireland

Grow NI is the umbrella group formed by the largest business, enterprise and academic organisations in Northern Ireland, including the CBI, the IOD and the Chamber of Commerce, to support the devolution of corporation tax varying powers to the Northern Ireland Assembly.

We fully engaged in the consultation process "Rebalancing the Northern Ireland Economy" and each of the Grow NI members gave their overwhelming support for the devolution of corporation tax powers. We were supportive of the subsequent Joint Ministerial Working Group process between the Treasury and the Northern Ireland Executive and we were pleased to hear that they submitted an agreed report to you before Christmas. It is now nearly 2 years since the launch of that consultation paper and we understand that this issue is now with you for your decision on whether to proceed with the necessary devolution of powers to the NI Assembly.

In those 2 years the Northern Ireland economy has become even further divergent with the wider UK economy and youth unemployment has reached almost 1 in 4.

Recent events in Northern Ireland in relation to the issue of the flying of the Union flag at Belfast City Hall have been making all the wrong type of headlines around the world. The business community in Northern Ireland have been dismayed by this needless outbreak of civil unrest not to mention the damaging financial consequences. At the same time, pictures broadcast from Beijing to Los Angeles are entirely misrepresentative of the massive strides that have been made in Northern Ireland in the last two decades and are hugely damaging to our region. Indeed the negative images are also damaging to your own efforts in promoting Northern Ireland, such as the courageous and positive decision to host the forthcoming G8 summit in Fermanagh.

The impact in Northern Ireland of having disaffected youth who perceive they have no future to play in the economy of Northern Ireland is a frightening reality.

Your government has implemented an effective strategy to increase the size of the private sector in England and Wales, and reduce reliance on public sector employment. The consultation paper tabled in February 2011 put the possible strategy of a devolution of corporation tax in Northern Ireland as the

main "big idea" to do the same here, and offer sustainable long-term employment to communities across the region, some of whom endure long-term deprivation.

We appreciate that devolving corporation tax powers does not provide a short-term cure for the recent damage and wider neglect as a result of four decades of civil unrest. We understand that the issue impacts on other parts of the UK. However this is something that all of the NI business community and all of our main political parties agree on and which we have focused on for over 2 years. Indeed, it is an issue that we believe in so strongly that we are prepared to pay the necessary price under EU law to obtain and use this power. This willingness is unique to Northern Ireland and the cross part political support and cross business support does not exist in any other part of the UK.

We therefore urge you to now agree to the devolution of tax varying powers to the NI Assembly and give Northern Ireland a chance to help it promote an economic future that will be compelling to all of our citizens.

Yours Sincerely



Grow NI

Representing

Confederation of British Industry
Institute of Directors
NI Chamber of Commerce
Federation of Small Business
Ulster Society of Chartered Accountants
Momentum NI
NI Centre for Competitiveness
The Law Society
The Construction Employers Federation
Northern Ireland Food and Drink Association
Enterprise NI
Manufacturing NI
Pubs of Ulster
Northern Ireland Independent Retailers Association
NI Arts and Business

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