

# Business priorities for the National Planning Framework

*Planning for sustainable growth*

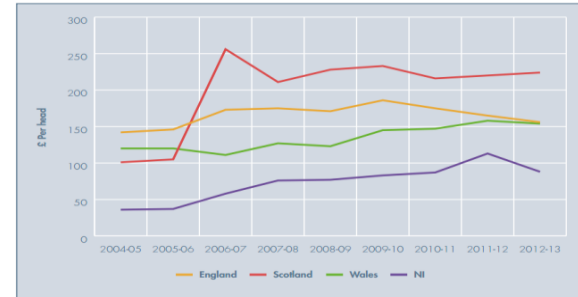
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## CBI .....the importance of infrastructure investment for the NI economy

- Recent decades have seen under investment in NI infrastructure.

Transport expenditure per capita in NI much lower than GB average



Source: HM Treasury

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CBI recognises that good infrastructure :



• REQUIRES:

- 1) Long-term planning and co-ordination
- 2) Sufficient Funding
- 3) The right Skills



• DELIVERS:

**A public benefit** – raising living standards / better access to work, medical care, education.

- **Economic benefits** in terms of Raising Productivity:

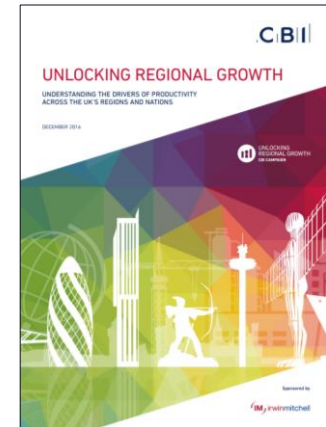
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Unlocking Regional Growth Report (Dec '16)  
CBI / McKinsey



- Answers the question - *what explains the regional differences in economic performance across the UK and what can be done to address this?*
- London as a whole was found to be 60% more productive than Northern Ireland
- This matters because productivity is the foundation of wage growth, living standards, opportunities and prosperity.
- The report identified **4 factors influencing** productivity disparities:
  - 1) Education and Skills
  - 2) Management Practices
  - 3) Higher % firms exporting & innovating
  - 4) **TRANSPORT LINKS**



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## Transport links that widen access to labour



- Transport links matter for two reasons:
- **It broadens the labour market pool**
  - Workers can find employment over a wider geographical area which eases skill shortages
- **Firms can access a wider range of markets and suppliers**
  - Reduces the cost and difficulty of sourcing inputs
  - Reduces time wasted in traffic congestion travelling between offices, visiting a client site or meeting with a supplier



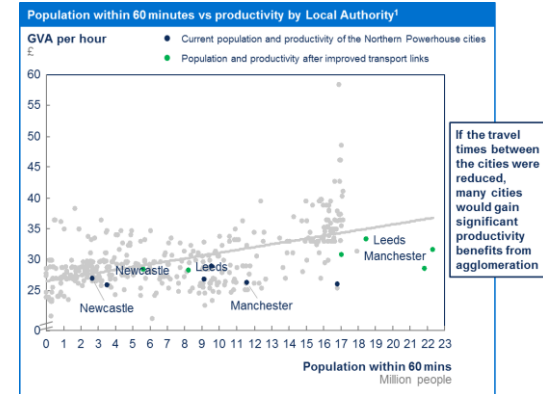
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## Infrastructure investment has a clear impact on a region's economic performance



*McKinsey estimated that for every 1 million increase in the population that are within 60 minutes of travel time of a postcode area, this corresponds to an additional £0.50 in GVA per hour*



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## Nov 2016 CBI / AECOM SURVEY



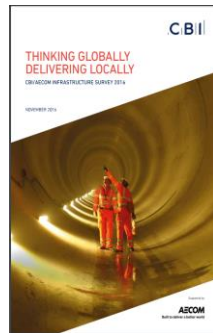
- Key infrastructure priorities for CBI Members:

- *North South Interconnector (energy)*
- *Greater connectivity across island and to UK*
- *The delivery of the A6 Dual Carriageway upgrade schemes from Belfast to Derry/Londonderry*

NOTE:

Over 50% of CBI Members in NI "dissatisfied with local infrastructure

Confidence in NI around future infrastructure was lowest across all UK regions – especially when it came to DELIVERY!!



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## How does this research impact on strategic planning?



- While plans for individual infrastructure schemes exist there **is no comprehensive infrastructure plan**
- There is no plan designed to cater for 10 million people on the island by 2050
- Due to Northern Ireland's small size, large scale transport infrastructure projects should be conducted on an all-island basis
- The CBI/Ibec plan - 'Connected: A prosperous island of 10 million people' sets out an ambitious transport vision for the island



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