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<b>Title:</b>	Department of Foreign Affairs briefing document for the meeting at Chequers, England, between the Taoiseach, Jack Lynch, the British Prime Minister, Edward Heath, and the Prime Minister of Northern Ireland, Brian Faulkner. The document details the Irish Government's view of a Stormont budget speech of 4 May 1971 concerning UK financial transfers to Northern Ireland.
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UK Financial Transfers to Northern Ireland, 1971/2

1 The Stormont budget speech of 4 May 1971 which has just come to hand (a copy was not available in the Department) gives particulars of financial transfers from the UK to Northern Ireland in 1971/2.

The figures are as follows:

	£ million
Social services	57
Agricultural subsidies	30
National insurance fund transfer	15
Additional employment premiums	11
Remoteness grant (agriculture)	<u>2</u>
<u>Total</u>	£115 million

2 Two adjustments are necessary to this figure to arrive at Northern Ireland's net financial advantage. The Imperial contribution (which Northern Ireland pays to the UK) should be deducted (£1m.) and the extra customs and excise revenue attributed to Northern Ireland under the favourable population-ratio formula should be added (£19m., estimated). These adjustments give a net figure of £133m. for the UK subvention.

3 This is a substantial increase over the 1970/71 figure which we recently estimated at £94m. (Our estimate is in line with the 1970/71 figure of £77 million given in the Northern Ireland budget speech, since it includes £18 million (estimated) for over-attribution of customs and excise, and allows for an Imperial Contribution of £1 million).

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