

JUSTIN'S COMMENTARY

Justin Urquhart Stewart is one of the most recognisable and trusted market commentators on television, radio and in the press. Originally trained as a lawyer he has observed the retail market industry for 30 years whilst in corporate banking and stockbroking, and has developed a unique understanding of the market's roles and benefits for the private investor.



FAIR TAX FOR ULSTER

The businesses in Ulster have one very major issue to manage over and above all the other economic and social issues that fellow companies have to address elsewhere across the UK - that is of course its southern neighbour, which sits across a very porous border. This has meant that very often any financial infections and woes suffered in the Republic can be easily transmitted north such that Ulster will feel the waves of economic policies buffeting them from not just one but two directions, Westminster and Dublin.

You only have to look at what happened with the banking crisis as well as the property market, both of which caused huge ructions in the Province where they, unlike the rest of the UK, have seen a property price crash which on some measures was as much as 60% in some areas. Now thankfully the worst of that particular fall is passed and there are some encouraging signs of slow improvement.

However, one area that the Province still has not been seeing is the level of inward investment that the South has certainly been able to attract. One reason for this has been the significant difference in the Corporation Tax rate which is levied. The Republic's level of 12.5% has been a level jealously guarded by Dublin, especially when fellow Euro members saw it as an unfair advantage, but they have protected it and it has been a very enticing benefit in attracting new business.

Time then for some realisation that the Province is therefore at a significant disadvantage to the Republic as they labour under the UK Corporation tax level currently at 23% (although this is due to fall to 21% from April 1st). Westminster should wake up and realise that if they want a more vibrant Ulster they should adjust this. After all, the more economically exciting the Province, the more chance that it will be able to operate without so much financial support from Westminster.

It would be wholly logical for such local tax setting such as Corporation Tax to be devolved to Stormont and thus to allow them to lower the rate to the same as the Republic. Whilst the UK Government might balk at losing tax revenue, what they should do is to look at the maths. Actually the corporation tax take in Ulster is a mere 6% of the whole Revenue collected and compared to 57% for National Insurance and Income Tax (for they are the same thing in effect) and 27% for VAT, it looks especially paltry.

In fact I would argue that a lower Corporation Tax for Ulster would quite probably increase the tax take in due course if new inward investment can be attracted and this unfair disadvantage removed.

I find that there is a great business vibrancy in the Province and this is especially illustrated by the success of the Ulster Business School. With this institution producing trained and enthused business babies, we need to make sure that they have at least a level playing field to be able to compete in the market.

Such a reform isn't just about fairness it's also about sound business and economic sense. Reform!

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Flawed borders and social stress

We have all seen the unrest in the Ukraine as that desperate nation comes to terms with a divided nation between a pro western and pro Russian view. This is not going to be easily resolved, especially with a huge neighbour whose paws are on the gas taps.

However, there is another area which gets little coverage in the West, as most will never have heard of it. Moldova we may have heard of, although it shouldn't be confused as the country visited by the old American soap of Dynasty. Moldova is a sad nation that was part of the detritus of the breakup of the Soviet Union. Almost forgotten, it was torn between Romania and Russia according to the makeup of its population.

Already there has been the dispute between the EU and Russia over its region of Transdnistria, but now we have another semi-autonomous region of Moldova which is also becoming somewhat fractious; Gagauzia. This region is ethnically not the same as the majority Romanian related population and is generally Russian Orthodox in its religion. So yet again we see a split between those that see themselves facing west towards the EU, and those who feel closer ties to Moscow and Mother Russia.

The Romanian president has not helped matters as he wants to see Moldova and Romania merged together, and this of course just further raises the ire amongst those who not only don't want to lose their Russian ties, don't want to be part of the EU and certainly don't want to be taken over by another nation.

The Russians are playing at what they do best - chess - political chess. The EU I fear don't seem to have such experience. Oh yes and of course one other thing - Putin's got the gas.

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And finally...this is not fair. There are lots of us, me along with Captain Hook, who have a dreaded fear of crocodiles. To me bathing in Lake Victoria was never the most comforting of experiences. Now they seem to have some new tricks.

Reuters reported that although the reptiles lack obvious physical features to suggest this is possible, crocodiles in fact can climb trees all the way to the crowns, according to University of Tennessee researcher Vladimir Dinets.

Researchers in the climbing study observed crocodiles in Australia, Africa and North America. The study documented crocodiles climbing as high as six feet off the ground. But there are anecdotal reports from people who spend time around crocodiles of the reptiles climbing almost 30 feet.

Apparently the crocodiles lack the toe and foot structure that would be expected of a climber. However, smaller and juvenile crocodiles in particular were observed climbing vertically while larger ones tended to climb angled trunks and branches, all of which is a measure of the reptiles' spectacular agility.

"The most frequent observations of tree-basking were in areas where there were few places to bask on the ground, implying that the individuals needed alternatives for regulating their body temperature," the authors wrote.

"Likewise, their wary nature suggests that climbing leads to improved site surveillance of potential threats and prey."

Dinets also was co-author of a widely reported study in 2013 that demonstrated crocodiles used sticks and twigs to hunt, balancing nest-building material on their snouts just above the water line to lure birds. The crocodiles lay in wait for hours and lunged when a bird ventured near.

Just wait for the next headline - crocodiles build swings in trees for amusement and construct holiday chalets to attract tourists.

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