

**Opening Remarks – 30<sup>th</sup> March 2021**  
**Minister for Transport, Eamon Ryan T.D.**  
**Select Committee on Revised Estimates 2021**

**General opening**

Thank you for the opportunity to present the 2021 Estimate for the Department of Transport and for Programme ‘A’ of the Department of the Environment, Climate and Communications.

Taking Transport first and following on from the pattern established in the 2020 estimates, from time to time, I will make a distinction between the budget planned for core services and investment, and additional funding provided in emergency Covid funding. The reason for this is to make a distinction between the general trend of services and investment in the budget and temporary expenditure that to a large degree will be unwound in the coming years, once the crisis eventually abates.

**General Overview**

The set of Transport Estimates before you provide an overall gross allocation to the Department of Transport, of **€3.556 billion**, which constitutes **€1.029 billion** in current and **€2.527 billion** in capital. In addition, **€151.48 million** in capital carryover from 2020 will be invested in 2021. We are using the funding to provide ongoing services, protect services which are impacted by the Covid 19 emergency and to continue to invest in maintaining existing infrastructure, as well as continuing to develop new infrastructure with a focus on climate change. This funding for 2020 represents a **€500 million or 16.4%** increase on our investment levels for 2020.

In line with the Central Exchequer guidance in advance of the 2021 budget, the Department has stayed largely within its existing level of expenditure for current expenditure which excludes emergency supports. Non-Covid current expenditure has increased from **€546.85 million** to **€574.23 million**, an increase of **€27.38 million** or **5%**. Capital increased from **€1.981 billion** to **€2.527 billion**, broadly in line with the profiled capital ceiling for 2021, as set out in the five-year capital ceilings underpinning the National Development Plan. As the Committee will be aware, revised capital ceilings will be negotiated as part of the revision of the NDP presently being co-ordinated by the Department of Public Expenditure and Reform. In total **€443.1 million** in additional emergency funding has been provided in 2021. This constitutes **€426.6 million** in current and **€16.5 million** in capital.

My budgetary focus for 2021 is threefold. First, to ensure that where non-Covid current expenditure is concerned, the Department remains within budget. Second, to monitor Covid expenditure closely, in order to identify pressures as early as possible. Finally, I want to ensure that the capital budget is fully invested and that existing capital programmes are progressed as quickly as possible under the circumstances to deliver the infrastructure planned under our Project 2040 and Programme for Government ambitions. Investing our capital effectively in the right projects will be instrumental in recovering from the present crisis and in attaining our long terms ambitions concerning sustainably absorbing the forecast population increase, decarbonisation, compact growth and enhanced regional connectivity.

## **Civil Aviation Programme – A**

Turning now, to the Aviation Programme. Core “Non-Covid” investment in the Regional Airports during 2020 will be approximately **€31.5 million**. Much of the work we do in this programme involves working with regulators and international partners. The international commercial nature of air travel means that my Department’s involvement in investments focusses mainly on regional access. This includes ongoing PSO support to the Regional Airports via the Regional Airports Programme. **€10.15 million** is allocated to cover costs associated with our membership of international organisations such as Eurocontrol, and recurring costs such as Air Accident Investigation insurance.

The Covid crisis has severely impacted the Aviation Sector. To mitigate the impact in Aviation an additional **€41.6 million** has been provided. The purpose of this funding is to provide additional supports to the Regional Airports and to Cork and Shannon. **€16.5 million** in capital supports has also been provided for investment in Cork and Shannon airports. One of the earliest manifestations of stress in the Aviation Sector was in the Tour Operator market, which, although not strictly an Aviation matter, is in practice bound up heavily in aviation through flight bookings as part of holiday packages. Under **EU Directive 2015/2302** passengers are entitled to refunds for packages and the cost of repatriation to Ireland. In 2020 the Government sanctioned **€15 million** to meet the costs of repatriating or refunding customers affected by the collapse of tour operator businesses. **€1.9 million** of this contingency was required in 2020. **€15 million** has again been provided in 2021 and the situation concerning travel and tour operators will continue to be monitored.

## **Land Transport - B**

The Land Transport programme, Programme B, which is the largest programme by far in my Department's Vote, representing about **94%** of our overall budget, will increase this year by **€459 million** to **€3.339 billion**.

Most of that increase is a step up in investment in our roads and mass transit services. The main components of the programme are:

- public service provision payments at **€674 million** (PSO), comprised of **€304 million** in core funding and **€340 million** in emergency supports.
- Additional PSO supports of **€30 million** to commercial bus companies
- Sustainable Mobility investment of over **€1.1 billion**, an increase of **€297 million**.
- roads improvement and maintenance funding with an overall budget of just over **€1.413 billion**, an increase of **€174 million**.
- The programme also includes provision of **€64.1 million** towards the Carbon Reduction Programme and the EV grant support schemes.
- The operating costs of the National Vehicle Driver Licencing system at just under **€23 million**. This system helps us to collect motor taxes and fees such as toll fees on the M50.
- In addition, **€68.4 million** is provided for the main investment agencies, TII and the NTA.

## **Public Transport – B**

The most significant current expenditure allocation is **€674 million** to Public Transport PSO funding. We will continue to strongly support the delivery of

these socially necessary but financially unviable services throughout the country. This constitutes **€304 million** in existing level of service funding for 2020 and **€370 million** in emergency funding. The **€340 million** was provided in the budget to provide additional support to PSO services. The outlook was uncertain at budget time and continues to be uncertain, with ongoing Level 5 restrictions since Christmas meaning that public transport has been running at 25% of total capacity since then. The crisis also continues to have an impact on Commercial Bus services. **€30 million** has been provided to continue to support temporary PSO contracts entered into in late 2020.

Sustainable Mobility investment continues apace. There is a significant ramping up of investment in active travel measures in order to meet the **€360 million** average investment agreed in the context of the Programme for Government. 2021 sees funding provided to support 468 different cycling and walking projects. This includes key urban primary cycle routes such as Clontarf to Amiens St in Dublin and Mahon to Marina Greenway in Cork. Some of the early statistics on cycling in urban areas starting to accrue in the context of the Covid-19 pandemic indicate that, if the right facilities and conditions are in place, there is significant latent demand for cycling that will continue to crystallise as infrastructure develops.

In relation to the existing rail networks, **€623 million** will be invested in heavy rail, light rail and bus maintenance and development. Of this, **€203 million** will be invested in the IMMAC rail maintenance and renewal programme. Investment in 2021 will progress rail fleet renewal and expansion, in particular the transition away from a reliance on fossil fuels towards low emission vehicles. Construction will continue on the National Train Control Centre and the Dublin City Centre re-signalling project, as well as progressing the construction of new railway stations. Funding is also available for line speed improvements and investment in climate resilient railway projects. Progress will

continue on the major Dublin projects, Dart+ and Metrolink, as well as the Luas Green Line capacity enhancement programme. Funding is also provided to progress planning and design of future light rail network extensions and commuter rail enhancements in the metropolitan areas of Dublin and the Regional Cities.

Improvements in Bus Services also continue, with over **€130 million** in funding provided for the transition away from diesel to hybrid and LEV fleets. The BusConnects programme in Dublin continues to progress and plans are being developed to progress BusConnects for our regional cities. Funding is also being provided for park and share facilities as well as roadside infrastructure.

We continue to target new and innovative ideas to help decarbonise the transport sector, including pilot initiatives for low emission technologies and incentives to encourage the national taxi fleet toward greener fuels and private car drivers toward electric vehicles. We have provided **€36.5 million** for the EV Grant scheme as the EV market continues to grow steadily.

## **Roads – B**

Approximately **€1.413 billion** is available for the Roads Improvement and Maintenance Programme. With this we will continue to provide grant support for the National, Regional and Local Road networks. This investment will be used to:

- maintain and renew the national, regional and local road surfaces (total network is some 99,000 km);
- meet our contractual obligations under Public Private partnerships that delivered parts of our Motorway network
- Maintain Motorways in safe and usable conditions
- undertake safety works and bridge maintenance and rehabilitation;
- carry out improvement schemes across the country on some minor roads;

- undertake essential routine maintenance e.g. signing and lining, verge maintenance and preparatory winter maintenance

With our partners in Transport Infrastructure Ireland and Local Authorities, we are progressing a number of major Project Ireland 2040 projects during the course of 2021, including:

- Coonagh/Knockalisheen Distributor Road
- Westport to Turlough
- N8 Dunkettle scheme
- Sligo Western Distributor road

## **Road Safety**

Road Safety is something which is of paramount importance and our support for the operations of the Road Safety Authority and the Medical Bureau of Road Safety will continue. There are ongoing significant driver theory testing and driver testing backlogs at the Road Safety Authority due to public health measures in place. We are continuing to monitor the situation in conjunction with the Road Safety Authority. The Road Safety Authority is primarily self-financed and is continuing to meet its statutory obligations without Exchequer assistance.

## **Maritime - C**

Funding for the Maritime Programme in 2020 is at **€108.15** million or **3%** of the Vote. Most of that funding is directed to the Irish Coast Guard and the main cost here relates to the Search and Rescue Helicopter contract. The programme also funds the Commissioners for Irish Lights which operates buoys and lighthouses and keep seafarers and their cargoes safe while in Irish waters. We also cover various administrative costs associated with the Irish Maritime Administration. We will be continuing the Coast Guard building programme to ensure that the

volunteers have adequate facilities for their operations and equipment and we are investing in I.T. infrastructure to enable the teams to further enhance how they work together. **€1 million** has also been provided to Wexford County Council to assist in the cost of environmental remediation works in Rosslare Port as part of the transfer of the port to management by the Local Authority.

## **Programme A - DECC**

I will now turn my attention to Programme A of the Department of the Environment, Climate and Communications.

Overall almost **€248.5 million** is being allocated to the Communications programme in 2021. This consists of **€14.98 million** current and **€233.5 million** capital, including **€15.247 million** capital carried over from 2020.

The biggest item of investment within this programme is the National Broadband Plan at **€225 million** including capital carryover of **€15.2 million**. High speed broadband has the capability of completing transforming how people live and work, where they work and will have a significant impact on the design and provision of future services.

The National Broadband Plan (NBP) contract is the largest infrastructural project in rural Ireland since rural electrification, spanning 96% of Ireland's land mass. It will deliver fast, reliable broadband to people living and working in nearly 540,000 premises in the intervention area. It will involve the laying 140,000km of fibre cable, utilising over 1.5 million poles and over 15,000 kilometres of underground duct networks. The network will offer a high-speed broadband service with a minimum download speed of 500Mbps from the

outset. The current deployment plan forecasts premises passed in all counties within the first 2 years and over 90% of premises in the State having access to high speed broadband within the next 4 years.

The 2021 Estimate includes **€1.5 million** for Eircodes. Eircode usage continues to grow and they are used widely among the public, businesses and public sector. In March 2020, the daily lookup limit on the free Eircode Finder website was increased from 15 to 50 in response to the Covid-19 crisis for members of the public and businesses locating addresses. As a result the 10 month total for March to December 2020 was 24.3 million lookups, a 46% increase on the same period in the previous year.

The Estimates also include **€5.1 million** operational funding for the National Cyber Security Centre and **€3.5 million** for the National Digital Research Centre. The National Cyber Security Centre is the central cyber security authority in the State, with its key roles being to monitor and respond to respond to cyber security incidents and to manage and share intelligence relating to threats to network and information security. The Centre leads efforts to improve the resilience and preparedness of the State, including Government, critical national infrastructure and business.

I am happy to take any questions on the 2021 estimate of expenditure for the services provided by my Department on this programme.