



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

TUAIRISC OIFIGIÚIL—*Neamhcheartaithe*  
(OFFICIAL REPORT—*Unrevised*)

*Thursday, 11 March 2004.*

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## DÁIL ÉIREANN

*Déardaoin, 11 Márta 2004.*  
*Thursday, 11 March 2004.*

Chuaigh an Ceann Comhairle i gceannas ar 10.30 a.m.

*Paidir.*  
*Prayer.*

The Dáil divided: Tá, 58; Níl, 38.

Tá

Andrews, Barry.  
Brady, Johnny.  
Brennan, Seamus.  
Callanan, Joe.  
Carey, Pat.  
Carty, John.  
Collins, Michael.  
Cooper-Flynn, Beverley.  
Coughlan, Mary.  
Cregan, John.  
Cullen, Martin.  
Curran, John.  
Davern, Noel.  
Dempsey, Tony.  
Dennehy, John.  
Devins, Jimmy.  
Ellis, John.  
Finneran, Michael.  
Fitzpatrick, Dermot.  
Fleming, Seán.  
Gallagher, Pat The Cope.  
Glennon, Jim.  
Grealish, Noel.  
Hanafin, Mary.  
Healy-Rae, Jackie.  
Jacob, Joe.  
Keaveney, Cecilia.  
Kelleher, Billy.  
Kelly, Peter.

Níl

Boyle, Dan.  
Connaughton, Paul.  
Costello, Joe.  
Cuffe, Ciarán.  
Deenihan, Jimmy.  
Durkan, Bernard J.  
Enright, Olwyn.  
Ferris, Martin.  
Gilmore, Eamon.  
Gormley, John.  
Harkin, Marian.  
Healy, Seamus.  
Higgins, Michael D.  
Howlin, Brendan.  
Kehoe, Paul.  
Kenny, Enda.  
Lynch, Kathleen.  
McCormack, Pdraic.  
McGinley, Dinny.

## Suspension of Member.

**An Ceann Comhairle:** Before coming to the Order of Business I must deal with a postponed division relating to the suspension of a Member. Yesterday, 10 March, on the question, “That Deputy Stagg be suspended from the service of the Dáil”, a division was claimed and, in accordance with Standing Order 61, that division must take place now.

Question put.

Killeen, Tony.  
Kirk, Seamus.  
Lenihan, Conor.  
McCreevy, Charlie.  
McDowell, Michael.  
McGuinness, John.  
Moloney, John.  
Moynihan, Donal.  
Moynihan, Michael.  
Mulcahy, Michael.  
Nolan, M.J.  
Ó Cuív, Eamon.  
Ó Fearghaíl, Seán.  
O’Dea, Willie.  
O’Donnell, Liz.  
O’Donovan, Denis.  
O’Keeffe, Batt.  
O’Malley, Fiona.  
O’Malley, Tim.  
Parlon, Tom.  
Power, Seán.  
Ryan, Eoin.  
Sexton, Mae.  
Smith, Brendan.  
Smith, Michael.  
Treacy, Noel.  
Wallace, Dan.  
Woods, Michael.  
Wright, G.V.

McGrath, Finian.  
McGrath, Paul.  
McHugh, Paddy.  
McManus, Liz.  
Mitchell, Gay.  
Mitchell, Olivia.  
Morgan, Arthur.  
Moynihan-Cronin, Breeda.  
Murphy, Gerard.  
Noonan, Michael.  
Ó Caoláin, Caoimhghín.  
O’Keeffe, Jim.  
O’Sullivan, Jan.  
Penrose, Willie.  
Ring, Michael.  
Ryan, Seán.  
Shortall, Róisín.  
Stagg, Emmet.  
Upton, Mary.

Tellers: Tá, Deputies Hanafin and Kelleher; Níl, Deputies Durkan and Stagg.

Question declared carried.

*Deputy Stagg withdrew from the Chamber.*

### **Request to move Adjournment of Dáil under Standing Order 31.**

**An Ceann Comhairle:** Before coming to the Order of Business I propose to deal with a number of notices under Standing Order 31. I will call on the Deputies in the order in which they submitted their notices to my office.

**Mr. Gormley:** I seek the adjournment of the Dáil under Standing Order 31 to debate a matter of national importance: the announcement by the Minister for Justice, Equality and Law Reform that the Government is to hold a referendum on new rules regarding Irish citizenship, the inappropriateness of holding the referendum on the same day as the local and European elections and the need to publish a White Paper on the issue in order that proper consultation can take place and possible racial tensions can be avoided.

**Caoimhghín Ó Caoláin:** I seek the adjournment of the Dáil under Standing Order 31 to raise a matter of national importance: the need for the Taoiseach and the Minister for Justice, Equality and Law Reform, to come into the House today to be held accountable for this Government's outrageous decision to hold a referendum on the citizenship rights of children coinciding with the local and EU elections, the grave implications of this reckless decision for inter-community relations in Ireland, the prospect of this referendum providing a platform for racist bigots and the serious implications for the Good Friday Agreement.

**An Ceann Comhairle:** Having considered the matters they are not in order under Standing Order 31.

### **Order of Business.**

**Minister for Defence (Mr. M. Smith):** The Order of Business today shall be as follows: No. 9*b*, motion re referral to joint committee of proposed approval by Dáil Éireann of Customs and Excise (Mutual Assistance) Act 2001 (section 8) (Protection of Manual Data) Regulations 2004; No. 18*a*, Social Welfare (Miscellaneous Provisions) Bill 2004 — Order for Report and Report and Final Stages; No. 1, Equality Bill 2004 [*Seanad*] — Second Stage. It is proposed, notwithstanding anything in Standing Orders, that No. 9*b* shall be decided without debate; the Report and Final Stages of No. 18*a* shall be taken today and the proceedings thereon shall, if not previously concluded, be brought to a conclusion at 3.30 p.m. by one question which shall be put from the Chair and which shall, in relation to amendments, include only those set down or accepted by the Minister for Social and Family

Affairs. The Dáil on its rising today shall adjourn until 2.30 p.m. on Tuesday, 23 March 2004.

**An Ceann Comhairle:** There are three proposals to put to the House. Is the proposal for dealing with No. 9*b* agreed?

**Mr. G. Mitchell:** No. I asked a question yesterday about the number of births to foreign persons in Irish hospitals and I was told in a written reply that the information was not available. This refers to the compilation data. If such basic data is not available how can the country be put to a referendum? It is appalling.

**An Ceann Comhairle:** We are dealing with the proposal on the customs and excise regulations.

**Mr. G. Mitchell:** The information on children being born in this county was not available.

**An Ceann Comhairle:** We are dealing with the proposal on the customs and excise regulations.

**Mr. G. Mitchell:** However, there is to be a referendum. It is only a gimmick.

Question, "That the proposal for dealing with No. 9*b* be agreed to," put and declared carried.

**An Ceann Comhairle:** Is the proposal for dealing with No. 18*a* agreed?

**Mr. Kenny:** I have made the case already. We are opposed to the guillotine propositions. The social welfare (consolidation) Bill promised would provide an opportunity for the Government to reverse the inequitable cut imposed on widows and single parents by the withdrawal of their entitlement to disability and unemployment benefit, even though they pay PRSI. This is a matter of considerable importance to many people. Therefore, I am opposed to the Bill being guillotined. Deputy Ring will deal with the matter later.

**Ms McManus:** We also oppose the guillotine. It is unacceptable that such a major Bill would be guillotined. Thirty amendments have been tabled, some of which will not be reached. There is also the issue which Deputy Kenny has raised, that of iniquitous cuts that hurt people. There is a further issue that is unacceptable to us. An amendment is being introduced on Report Stage that will take away rights of gay people that have been gained as a result of a landmark decision by the Equality Authority. This amendment has only been published today. It was introduced after Committee Stage was concluded. It will deny people rights they have gained as citizens of this country. We are extremely concerned about it and ask that the guillotine be lifted and that we have a proper debate in a proper manner appropriate to this Parliament.

**Mr. Gormley:** We have always said we are opposed to the repeated use of the guillotine. On

the issue raised by Deputy McManus, this is yet another last minute amendment on a very serious issue, which overturns the rights of gay partners to free travel. It is totally unacceptable so far as the Green Party is concerned to introduce this amendment at the last minute. It goes back to the lack of consultation. Yesterday we saw another example of lack of consultation on the question of holding this referendum. It is cynicism of the highest order and that is why we are opposed to it.

**Caoimhghín Ó Caoláin:** I also wish to register the Sinn Féin opposition to the guillotine of the Social Welfare (Miscellaneous Provisions) Bill. Given the volume of amendments, tabled by the various Opposition spokespersons, they will not be addressed in any substantive manner, with the guillotine applying by 3.30 p.m. and one question being put to the House. The issue raised by Deputies McManus and Gormley is one of concern also to my party. It concerns the introduction of amendments following Committee Stage that are designed to wrong-foot everybody regarding real and substantive address. This is a serious issue where rights gained are being taken away. That is not acceptable. Therefore, we will oppose this proposition vehemently.

**Mr. Boyle:** May I raise a point of order on the points raised? The amendment referred to is No. 19. I seek the Chair's guidance because it is unlikely this amendment will be discussed. Perhaps the Clerk could advise the Chair. Is it possible that an amendment will be made to a Bill that was not discussed on Second, Committee or Report Stages?

**An Ceann Comhairle:** We will wait and see if we arrive at it.

**Mr. Boyle:** It is unlikely to be discussed because of the guillotine.

**An Ceann Comhairle:** If we spend all morning on the Order of Business we certainly will not arrive at it.

**Ms O'Sullivan:** My understanding is that Report Stage amendments must arise out of Committee Stage.

**Mr. Durkan:** That is correct.

**An Ceann Comhairle:** During Report Stage a Bill can be recommitted to Committee Stage in respect of a new amendment.

**Ms McManus:** If that amendment is not reached it cannot be recommitted.

**Mr. Howlin:** It would be out of order.

**Ms McManus:** This is an important issue in terms of how legislation is dealt with in this

House. If, as Deputy Boyle has stated, it is unlikely to be reached, how can it be recommitted?

**An Ceann Comhairle:** Deputy O'Sullivan asked whether Report Stage amendments must arise from Committee Stage proceedings. I wish to point out to Deputy O'Sullivan that an amendment can be recommitted on Report Stage. Deputy McManus has asked a different question.

**Ms McManus:** I have not.

**An Ceann Comhairle:** Deputy McManus asked whether the amendment can be reached. It is a matter for the House to decide now whether it wants to proceed in accordance with the proposal. I will hear the Minister for Defence.

**Mr. Durkan:** This is through the backdoor.

**Ms McManus:** I wish to raise a point of order. The point of order is not whether we agree to have a guillotine but whether it is legal and proper if we end up in a situation where an amendment that was not introduced on Committee Stage, requires to be recommitted on Report Stage and that procedure is not proceeded with because time runs out as a result of the guillotine.

**An Ceann Comhairle:** The Deputy has made her point.

**Mr. Gormley:** May we have an answer?

**Mr. Durkan:** On a point of order. We require clarification on that issue. The understanding and the practice has always been that the introduction of an amendment on Report Stage needs to have been heralded previously, in other words, indicated during the course of that debate.

**Mr. Howlin:** Yes.

**Mr. Durkan:** That did not happen in this case.

**Mary Coughlan:** It did.

**Mr. Durkan:** We are not aware of that.

**Mr. Treacy:** Deputies are confused.

**Mary Coughlan:** Deputy Ring was there.

**An Ceann Comhairle:** We cannot have a debate on what took place on Committee Stage.

**Mr. Durkan:** We need clarification.

**An Ceann Comhairle:** The simple issue is one of clarification.

**Mr. Ring:** It was indicated that an amendment would be forthcoming.

**Mr. Durkan:** It now appears it was indicated that a further amendment would be forthcoming——

**Mary Coughlan:** Deputies Ryan and Penrose were there.

**Mr. Durkan:** ——but the nature or text of that amendment was not indicated.

**A Deputy:** It was.

**An Ceann Comhairle:** On the question raised by Deputy McManus, when the question is put to the House at 3.30 p.m. or before, a proposal will come before the House and at that stage it will be up to the House to decide what it wishes to do.

**Mr. Boyle:** It will not be reached.

**Mr. M. Smith:** There is a long-standing practice in the House whereby on Committee Stage a Member may indicate if he or she intends to table

amendments on Report Stage. This was done and it was explained.

**Mr. Boyle:** This will not be debated.

**An Ceann Comhairle:** Allow the Minister to speak without interruption.

**Mr. M. Smith:** It appears to me, and I am sure there are many who would agree, that we spend a long time debating why we cannot have an opportunity to debate something which, if we stopped doing that, we would have an opportunity to discuss in the four and a half hours available to debate this legislation. There is a time limit on this legislation. On 1 April, benefits, including child benefit, have to be paid and Deputies are well aware of that. There is a time limit on it.

**Mr. Gormley:** Why do we not come into the House next week?

Question put: "That the proposal for dealing with No. 18a be agreed."

The Dáil divided: Tá, 59; Níl, 40.

Tá

Andrews, Barry.  
Brady, Martin.  
Brennan, Seamus.  
Callanan, Joe.  
Callely, Ivor.  
Carey, Pat.  
Carty, John.  
Collins, Michael.  
Cooper-Flynn, Beverley.  
Coughlan, Mary.  
Cregan, John.  
Cullen, Martin.  
Curran, John.  
Davern, Noel.  
Dempsey, Tony.  
Dennehy, John.  
Devins, Jimmy.  
Ellis, John.  
Fahey, Frank.  
Finneran, Michael.  
Fitzpatrick, Dermot.  
Fleming, Seán.  
Fox, Mildred.  
Gallagher, Pat The Cope.  
Glennon, Jim.  
Grealish, Noel.  
Hanafin, Mary.  
Jacob, Joe.  
Keaveney, Cecilia.  
Kelleher, Billy.

Kelly, Peter.  
Killeen, Tony.  
Kirk, Seamus.  
Lenihan, Conor.  
McCreevy, Charlie.  
McGuinness, John.  
Moloney, John.  
Moynihan, Donal.  
Moynihan, Michael.  
Mulcahy, Michael.  
Nolan, M. J.  
Ó Cuív, Éamon.  
Ó Fearghail, Seán.  
O'Dea, Willie.  
O'Donnell, Liz.  
O'Donovan, Denis.  
O'Keeffe, Batt.  
O'Malley, Fiona.  
O'Malley, Tim.  
Parlon, Tom.  
Power, Seán.  
Ryan, Eoin.  
Sexton, Mae.  
Smith, Brendan.  
Smith, Michael.  
Treacy, Noel.  
Wallace, Dan.  
Woods, Michael.  
Wright, G. V.

Níl

Boyle, Dan.  
Broughan, Thomas P.  
Bruton, John.  
Bruton, Richard.  
Burton, Joan.  
Connaughton, Paul.  
Cuffe, Ciarán.  
Deenihan, Jimmy.  
Durkan, Bernard J.  
Enright, Olwyn.  
Ferris, Martin.  
Gilmore, Eamon.

Gormley, John.  
Harkin, Marian.  
Healy, Seamus.  
Howlin, Brendan.  
Kehoe, Paul.  
Kenny, Enda.  
Lynch, Kathleen.  
McCormack, Padraic.  
McGinley, Dinny.  
McHugh, Paddy.  
McManus, Liz.  
Mitchell, Olivia.

Níl—*continued*

Morgan, Arthur.  
Moynihan-Cronin, Breeda.  
Murphy, Gerard.  
Naughten, Denis.  
Neville, Dan.  
Noonan, Michael.  
Ó Caoláin, Caoimhghín.  
O’Keeffe, Jim.

O’Sullivan, Jan.  
Pattison, Seamus.  
Penrose, Willie.  
Perry, John.  
Ring, Michael.  
Ryan, Seán.  
Shortall, Róisín.  
Upton, Mary.

Tellers: Tá, Deputies Hanafin and Kelleher; Níl, Deputies Durkan and Broughan.

Question declared carried.

**An Ceann Comhairle:** Is No. 3, the proposal for the adjournment of the Dáil, agreed?

**Ms McManus:** We oppose the proposal that the Dáil should adjourn until 23 March, which is almost 12 days away. A pattern has been set by the Government wherein the Dáil only sits when it suits the Government, and that is unacceptable. We should be attending to important business and everyone else in the country will be working all next week, apart from the annual holiday of 17 March. Major legislation is proposed by the Government within a very restricted timeframe and it is important we have an opportunity to do our work and to ensure proper scrutiny of legislation and other Government proposals. We oppose this proposal and we will be seeking a vote on it.

**Mr. Gormley:** For quite some time we have been calling for more sitting days but our calls have gone unheeded. We are now trying to get through more and more legislation, such as legislation on electronic voting and the new referendum Bill, by cramming it into less and less time. That is why we do not have enough time to discuss legislation and why the guillotine is used. That rushed legislation will inevitably be bad legislation and that is why we oppose this proposal.

**Caoimhghín Ó Caoláin:** I am not prepared to accept No. 3, the proposal that the Dáil should adjourn until 23 March, particularly as last night the Minister for Justice, Equality and Law Reform announced details of a proposed referendum that would seek to take citizenship away from Irish-born children. That move has serious implications for the Good Friday Agreement and will unleash an untold tide of bigotry and racism.

**An Ceann Comhairle:** Sorry, Deputy, we cannot have a debate on promised legislation. We are discussing the adjournment of the Dáil.

**Caoimhghín Ó Caoláin:** We are not talking about promised legislation. We are talking about the right of the House to address a very important issue.

**An Ceann Comhairle:** Yes, Deputy, we can have a brief comment but we cannot have a detailed statement.

**Caoimhghín Ó Caoláin:** If the Chair will allow me for one day to speak without interruption, I ask that the Minister for Justice, Equality and Law Reform—

**An Ceann Comhairle:** The Chair does not interrupt, the Chair intervenes.

**Caoimhghín Ó Caoláin:** —or the Taoiseach should come to the House and allow a full debate on the implications of the Minister’s proposals. This is the man who proclaimed himself last night to be a great republican, but one of the tenets of real republicanism is citizenship and the Minister clearly has no understanding of that. He must come to the House as this is a very important issue. If this is to be the backdrop to the local and European elections on 11 June we face a difficult and disgraceful period in the lead-up to those elections. Every platform will be turned into a tirade of bigotry and racism, creating inter-communal strife which is already apparent in different parts of the island. This will only fuel the worst excesses within the Irish body politic. It needs to be stopped now.

**An Ceann Comhairle:** The Deputy cannot debate the issue now.

**Caoimhghín Ó Caoláin:** This referendum should not proceed and I demand that the Minister and the Taoiseach come before the House today.

**An Ceann Comhairle:** A brief comment is allowed on the issue. I ask the Minister to respond to the issue before the House.

**Mr. M. Smith:** We on this side of the House will not be lectured on who fuels excesses, on democracy or on allowing people to have a full debate.

**Caoimhghín Ó Caoláin:** The Minister might learn something.

**Mr. M. Smith:** Deputies were made fully aware of the timescale which was laid out for sittings of the Dáil. That was done in the most professional

[Mr. M. Smith.]  
way ever used in the House and it was agreed by the Whips a long time ago.

**Ms Burton:** When was that agreed?

**Mr. M. Smith:** We sat on two Fridays to give the House the time that would be lost next week——

**Mr. Ring:** Not many Ministers were there.

**Mr. M. Smith:** ——and a number of committees will meet next Friday. The time will be fully utilised by Ministers in different parts of the world to promote trade and so on for Ireland.

**Mr. Ring:** They are junkets.

Question put: “That the Dáil, on rising today, shall adjourn until 2.30 p.m. on Tuesday, 23 March 2004.”

The Dáil divided: Tá, 52; Níl, 34.

Tá

Andrews, Barry.  
Brady, Martin.  
Brennan, Seamus.  
Callanan, Joe.  
Callely, Ivor.  
Carey, Pat.  
Carty, John.  
Collins, Michael.  
Cooper-Flynn, Beverley.  
Coughlan, Mary.  
Cregan, John.  
Cullen, Martin.  
Davern, Noel.  
Devins, Jimmy.  
Ellis, John.  
Fahey, Frank.  
Finneran, Michael.  
Fitzpatrick, Dermot.  
Fox, Mildred.  
Gallagher, Pat The Cope.  
Glennon, Jim.  
Grealish, Noel.  
Hanafin, Mary.  
Jacob, Joe.  
Keaveney, Cecilia.  
Kelleher, Billy.

Killeen, Tony.  
Kirk, Seamus.  
Lenihan, Conor.  
McCreevy, Charlie.  
McGuinness, John.  
Moloney, John.  
Moynihan, Donal.  
Moynihan, Michael.  
Mulcahy, Michael.  
Nolan, M.J.  
Ó Cuív, Éamon.  
Ó Fearghaíl, Seán.  
O'Dea, Willie.  
O'Donnell, Liz.  
O'Donovan, Denis.  
O'Keeffe, Batt.  
O'Malley, Fiona.  
Parlon, Tom.  
Power, Seán.  
Ryan, Eoin.  
Sexton, Mae.  
Smith, Brendan.  
Smith, Michael.  
Treacy, Noel.  
Woods, Michael.  
Wright, G.V.

Níl

Broughan, Thomas P.  
Bruton, John.  
Burton, Joan.  
Cuffe, Ciarán.  
Durkan, Bernard J.  
Enright, Olwyn.  
Ferris, Martin.  
Gilmore, Eamon.  
Gormley, John.  
Harkin, Marian.  
Higgins, Michael D.  
Howlin, Brendan.  
Kehoe, Paul.  
Kenny, Enda.  
Lynch, Kathleen.  
McCormack, Padraic.  
McGinley, Dinny.

McManus, Liz.  
Mitchell, Gay.  
Mitchell, Olivia.  
Morgan, Arthur.  
Moynihan-Cronin, Breeda.  
Murphy, Gerard.  
Naughten, Denis.  
Neville, Dan.  
Ó Caoláin, Caoimhghín.  
O'Keeffe, Jim.  
O'Sullivan, Jan.  
Penrose, Willie.  
Quinn, Ruairi.  
Ring, Michael.  
Ryan, Seán.  
Shortall, Róisín.  
Upton, Mary.

Tellers: Tá Deputies Hanafin and Kelleher; Níl: Deputies Durkan and Broughan.

Question declared carried.

### Madrid Bombings: Expressions of Sympathy.

**Minister for Defence (Mr. M. Smith):** On behalf of the Government and the Fianna Fáil Party, I wish to express our sympathy to the

people of Spain on the tragic news. So far, up to 130 people are dead and as many as 400 people have been injured in three barbaric and horrendous bomb attacks. It is terrible news for the people of Spain and a great tragedy that people are still prepared to operate on that basis and to do such terrible harm and cause death to

innocent people going to work. I know I express the heartfelt wishes of the people in offering our sincere sympathy to everyone concerned and I hope the people who carried out these atrocious acts will be brought to justice as quickly as possible.

**Deputies:** Hear, hear.

**Mr. Kenny:** I join with the Minister for Defence and the Government in offering the sympathy of the Fine Gael Party and the House following the appalling terrorist atrocity in Madrid this morning where over 130 people are dead and there is a mounting toll of over 400 wounded. This outrageous attack is an attack on democracy and it comes just three days before the Spanish general election. Having been in Madrid in recent weeks at a Christian Democratic international meeting, and having spoken at some length to Prime Minister, José Maria Aznar, it is obvious that his Government has taken courageous steps to outlaw and to deal with terrorism in Spain. It is appropriate that we send our sincere condolences to the Spanish Prime Minister, Government, people and, specifically, to the families of the victims.

In this country, we know something about the families of victims and about the depth of grief and feeling of loss caused by terrorist attacks. In that context, proceeding down the road to democracy has its own implications. I share the views of the Minister for Defence and the Government and extend our deepest sympathies and condolences to the families who have lost loved ones in this outrageous attack. I express the hope that the Spanish Government will continue to be relentless in its pursuit to outlaw terrorism in all its forms.

**Ms McManus:** On behalf of the Labour Party, I too express sympathy to the people of Spain and, in particular, to the families who have suffered such terrible loss as a result of these terrorist bombings. On this island, North and South, we know only too well the grief, pain and suffering caused by such bombings. It is important we stand in solidarity with the people of Spain. This is an attack not only on people, but on the whole concept of democracy. It might be appropriate today that we have an opportunity to have short statements on these bombings to ensure we give due respect and regard to the fight against terrorism across the European Union where a fellow country is now experiencing the suffering and hardship many people in Ireland have suffered over time.

**Mr. Gormley:** On behalf of the Green Party, I wish to extend our sincere sympathy to the people of Spain and particularly those who have lost loved ones in the horrific explosions in Madrid this morning. I believe that 140 people have lost their lives and the death toll is mounting

by the hour. People have also suffered horrific injuries.

This year we are approaching the 30th anniversary of the Dublin and Monaghan bombings. The people who carried out those atrocities have not been brought to justice but it is my fervent wish that those who carried out the bombings in Madrid this morning will be brought to justice. We should have no time for terrorists, either here or abroad.

**Caoimhghín Ó Caoláin:** I join with other speakers in expressing sympathy to the people of Madrid, including the bereaved families and those who have been injured. While not knowing the details, whatever the reason or the cause, whoever was responsible should take note that there must be a better way.

**Ms Harkin:** On behalf of the Independent Members, I express my sincere sympathy to the Spanish people and Government and especially to the families of all those people who have been so cruelly murdered this morning.

#### Order of Business (Resumed).

**Mr. Kenny:** I wish to raise a matter that is of concern to everybody. Yesterday, the Government announced its proposals to hold a referendum on citizenship. Three weeks ago in this House, I asked the Taoiseach a question about the Government's proposals to hold constitutional referenda this year. The Taoiseach answered, as follows: "The Government has no proposals at present to hold a referendum to change the Constitution". He went on to refer to the All-Party Committee on the Constitution's deliberations on property rights, the study being conducted by a sub-committee of the Committee on Procedure and Privileges concerning Seanad reform, and the outcome of the Intergovernmental Conference on the draft EU constitutional treaty, which commenced in Rome on 4 October 2003.

Yesterday, at 4 p.m., my party was contacted by telephone from the office of the Minister for Justice, Equality and Law Reform. Deputy Jim O'Keeffe was given a briefing note for all-party consultations.

**Mr. Gormley:** Some consultation; it was diktat.

**Mr. Kenny:** At the meeting at 4.30 p.m., the Minister for Justice, Equality and Law Reform said he was not a Trappist monk and that arrangements had been made for a press conference and a statement for the 6 o'clock news. The Minister for Defence will be aware that the programme for Government contains a specific reference, quoted in the document of the Minister for Justice, Equality and Law Reform yesterday, that all-party discussions will be initiated on constitutional or other measures that might be required in dealing with applications from non-nationals to remain in this State on the

[Mr. Kenny.]

basis of parentage of an Irish-born child. It is unclear from the Government at this moment whether it intends to hold the referendum on 11 June or on another date, perhaps in conjunction with a presidential election or together with another referendum, for instance, on the introduction of electronic voting.

I warn the Minister for Defence that this is not the way to do business on this sensitive matter. In so far as the Fine Gael Party is concerned, I recognise there is a problem and that a solution to it must be found. I commit my party to participate in this debate in a rational, non-emotional and non-racist manner. Following the Taoiseach's remarks three weeks ago and given that this is a sensitive issue, I would have thought that the Minister for Justice, Equality and Law Reform could have brought this matter to the All-Party Committee on the Constitution as the appropriate forum. In that way, a comprehensive, rational and inclusive series of discussions could have taken place. There are serious questions in respect of whether amending Article 9 of the Constitution is the proper way of going about this. There are also questions concerning the changed position and the implications in respect of the Good Friday Agreement. Clearly, in the run-up to local and European elections, there is a distinct probability that inflammatory comments could be made about this sensitive situation.

I urge the Government not to proceed in the way it now proposes. Given the sensitivity of this matter and while recognising that there is a problem, I recommend strongly that the appropriate forum to deal with this initially is the All-Party Committee on the Constitution. That is where comprehensive discussions on the matter should begin. Fine Gael will contribute constructively and seriously to that important debate in a realistic and rational fashion. I recognise that a solution to the problem must be found and I will contribute to the quest for that solution.

**Ms McManus:** I endorse what Deputy Kenny has said as well as expressing grave concern at the way in which this matter has been dealt with so far. Not only did the Taoiseach say a few weeks ago that there was no proposal to have a referendum to change the Constitution, when the issue was raised by Deputy Quinn at the time of the Good Friday Agreement, the Taoiseach stated:

I can assure you that, in the event of Article 2 and 3 taking effect, no legislation will be promised by this Government to the Oireachtas, which imposes restrictions on the entitlement to Irish nationality and citizenship of persons born in Ireland.

That is a clear statement but it is evident now that the Government has adopted a different approach. While everybody understands that the issue needs to be dealt with, a constitutional

referendum is not necessarily the best way for the Government to do so. We need to see deliberation, assessment and discussion on the constitutional and legal issues to which the Minister has referred, but that will take time.

The previous referendum was on abortion. The All-Party Committee on the Constitution spent a considerable length of time — and it was time well-spent — assessing the issue, holding hearings, examining all the implications and coming to conclusions. On this issue, if anything, we need more time to consider what is being proposed because it is about Irish citizenship and has implications for the Good Friday Agreement. The consultation that is required goes beyond any possible consultation within this House. We need to hear a statement from the Government that this issue will be uncoupled from the local and European elections.

**An Ceann Comhairle:** That matter does not arise. The Deputy should confine herself to the Order of Business. We cannot go into detail on what might be in the legislation. The Chair has been generous with regard to time.

**Ms McManus:** I am setting the matter in a broad context and am not talking about detail.

**An Ceann Comhairle:** I appreciate that.

**Ms McManus:** I am talking about political considerations of which the Government needs to be conscious. None of us should create any increase in racial attitudes. We have a responsibility and, in particular, the Government has a responsibility not to be opportunistic about this matter and not to endanger inter-community relationships in this country in any way. That requires a firm statement rather than the kind of open-ended, wishy-washy statement we heard this morning from the Minister for Justice, Equality and Law Reform that the referendum may or may not happen on 11 June.

There are two aspects to this. First, I urge the Government to ensure that there is proper consultation with parties here and in Northern Ireland. Second, political considerations should be taken into account to ensure that there is no increase in racism as a result of the moves being made by the Government. That is a modest set of requirements. We are being reasonable but it is also a statement of our intent that we will not allow this issue to become a political football in the local and European elections. That would be the wrong thing to do.

**Mr. Gormley:** I regret very much that my constituency colleague, the Minister for Justice, Equality and Law Reform, has decided in the most cynical and opportunistic way to play the race card in the run up to the local and European elections. It is a rush job. With one hour's notice, he summoned the Opposition spokespersons on justice, equality and law reform to his office and

then went to a press conference. That is the wrong way to do business. Proper consultation, hearings and a White Paper are needed. We need to sit down and discuss this issue in great detail. The Government will find if it is reasonable, the Opposition will be reasonable, but, if the Government behaves in such an unreasonable way, rushing to use this issue as a political ploy, it will find we will provide the necessary opposition.

**Caoimhghín Ó Caoláin:** I have on many occasions over the past year asked the Taoiseach what plans he had for referenda and I do not recall him on any occasion signalling such a proposition as the Minister for Justice, Equality and Law Reform announced last evening. I agree this matter would be best addressed in the first instance by reference to the All-Party Committee on the Constitution. It is absolutely imperative that it should be addressed in a sane and sensible arena and that is the place to start. A constitutional amendment has been proposed and, if this committee of the House has not had the opportunity to have proper deliberations on all that is entailed, the relevance of this institution will be bypassed. That is the place to start and I concur with the view expressed. I commend to the Minister to, in turn, reflect that to both the Taoiseach and the Minister for Justice, Equality and Law Reform. No good will come of the Minister's implied intent that this will be brought forward on 11 June, piggybacking the local and European parliamentary elections. If anything, it will be a distraction from the issues in both elections and will only provide a platform for the worst excesses of Irish political life, which I roundly reject.

**Mr. M. Smith:** I thank the Deputies, particularly Deputies Kenny and McManus, for a reasonable and careful approach to a significant problem, which must be addressed. It is not unusual for the Taoiseach to say there have been no decisions and plans until such time as there are and this decision was taken by the Government as recently as two days ago to have a referendum. It has not been decided when the referendum will be held but the most important element, apart from a referendum Bill, will be the legislation that will be enacted if the referendum is agreed by the people. That is where the consultative process in terms of how all this is done should take place in a deliberate way. The response of the Government in that context will be as forthcoming, fair and open as it can make it so that the problem, which leaves Ireland in an exposed position relative to all its EU partners, can be addressed sensibly and remedied in a way in which there is as much unanimity as possible on the provisions needed.

**Ms McManus:** Is the Minister saying there will not be consultation with political parties before the publication of the referendum Bill?

**Mr. M. Smith:** Absolutely not. The Government will be open to maximum consultation but, while the referendum Bill is significant, it is not the most significant part of this process. The most significant part is the secondary legislation, which will be enacted subsequently.

**Ms Burton:** Will that be published before the referendum?

**An Ceann Comhairle:** We have to move on, we cannot have a debate on it. The Chair has been more than generous regarding time and because of the time devoted to this issue, I request that the House moves on to the Social Welfare (Miscellaneous Provisions) Bill.

**Mr. Gormley:** Can the Minister assure the House—

**An Ceann Comhairle:** We are not having more discussion on this. We will not open a debate on it now. The Chair has been more than lenient with Members who wished to raise this issue.

**Mr. Gormley:** I am simply asking a question.

**An Ceann Comhairle:** Members complained that there was not time to debate the Social Welfare (Miscellaneous Provisions) Bill and I request Members to move on.

**Mr. J. O'Keeffe:** What form of consultation has the Minister in mind?

**Mr. Gormley:** Could we have a response on consultation?

**An Ceann Comhairle:** That does not arise. Perhaps the Minister will communicate with the Deputy. I call No. 9b.

**Ms McManus:** On a point of order, the Order of Business is not finished.

**An Ceann Comhairle:** We went well outside the normal Order of Business in allowing a debate of almost half an hour on this issue. The Chair asks Members to facilitate the House in getting on to the other business, which will conclude at 3.30 p.m.

**Ms McManus:** Will the legislation be published before the referendum? If so, how will the consultation process—

**An Ceann Comhairle:** The question is: will the legislation be published?

**Mr. M. Smith:** Yes.

**Mr. Gormley:** What is the likelihood of the referendum taking place on 11 June?

**An Ceann Comhairle:** That does not arise.

**Mr. M. Smith:** No decision has been taken on a referendum.

**Customs and Excise (Mutual Assistance) Act 2001: Motion.**

**Minister of State at the Department of the Taoiseach (Ms Hanafin):** I move:

That the proposal that Dáil Éireann approve the following Regulations in draft:

Customs and Excise (Mutual Assistance) Act 2001 (Section 8) (Protection of Manual Data) Regulations 2004

copies of which were laid in draft form before Dáil Éireann on 10 March, 2004, be referred to the Joint Committee on Finance and the Public Service, in accordance with paragraph (2) of the Orders of Reference of that Committee, which, not later than 25 March, 2004, shall send a message to the Dáil in the manner prescribed in Standing Order 85, and Standing Order 84(2) shall accordingly apply.

Question put and agreed to.

**Social Welfare (Miscellaneous Provisions) Bill 2004: Report and Final Stages.**

**An Ceann Comhairle:** Amendments No. 2 is related to amendment No. 1 and both may be taken together by agreement.

**Minister for Social and Family Affairs (Mary Coughlan):** I move amendment No. 1;

In page 3, line 27, to delete "16" and substitute "19".

These are technical amendments in the main consequential on the acceptance on Committee Stage of an amendment to provide for the introduction of an habitual residence test for social assistance schemes and child benefit. Amendment No. 1 provides that sections 1 to 19, in conjunction with the Social Welfare Act 2003, shall be read together as one. This alteration is consequential on the insertion of a new section 17 on Committee Stage and also, pending their acceptance on Report Stage, on two further amendments inserting new sections 18 and 19.

Amendment No. 2 provides that section 17 in addition to those sections amending the Pensions Act shall come into effect on such day or days as I determine by ministerial order.

**Mr. Penrose:** The amendments are consequential on the new section 17 being agreed and we are not happy with the habitual residence test and so on. A number of these restrictions will eventually come before the European Court of Justice because they are excessive, alarmist and pre-emptive and there is no basis for the suggestion that the accession of ten new EU member states will lead to an influx of social welfare claimants to Ireland. Social welfare

payments are much lower in many other countries than in Ireland and the opposite is also true but it has not led to a major influx or outflow of people to claim social welfare and this suggestion cannot be sustained through objective empirical analysis.

Approximately 5 million out of a total of 350 million EU citizens reside in other member states. Less than 2% of the EU's working population comprises people from one state working in another.

The free movement of workers provisions were drawn up in order to open European labour markets to all EU workers. This included the right to equal treatment in working conditions and the social and economic integration of the migrant worker and his or her family. The Minister stated that people may come here to work, but the essence of the matter is that people who come here to work are allowed to work. We have not covered ourselves in glory with our work permit policy, which has been little more than an *ad hoc* policy. It left a lot to be desired. It created the perception that people did not want to work, whereas it was impossible for some to get the right of residency. I have a case of a couple, now both in their sixties, living and working and paying contributions for the past 16 years, where the husband has the right of residency, but his wife has been refused that right. There is no logic to that.

Entitlement to benefit is predicated on the number of contributions, for example one needs five years PRSI contributions to avail of dental benefit, which is causing a great deal of angst. The public believe we have failed to address the issue of entitlements. People, especially those with conditions such as asthma and inflammatory bowel disease, feel aggrieved about the drugs refund scheme, which has not been reviewed since 1975. May I signal to the Minister and her colleague the Minister for Health and Children that these issues will have to be dealt with.

The *quid pro quo* for opening the goods and services market to member states was the creation of a Single Market. On Committee Stage, we debated the treaty of accession with the ten applicant states which was signed in Athens on 16 April 2003 and the transitional measures for each applicant country. As far as I could see in the annexe documents to the accession treaty, the free movement of workers was identical. The rule was that by way of derogation from Community law for a two-year period from the day of accession, the current member states will apply national measures or those resulting from bilateral agreements on regulating access to the labour markets by nationals of the new states. The Minister is relying on that provision.

The current member states may continue to apply such measures until the end of a five-year period following the date of accession and a member state maintaining such national measures or measures resulting from bilateral agreements at the end of the five-year period may, in case of

serious disturbance of its labour market or threat thereof, and after notifying the Commission, continue to apply these measures until the end of a seven-year period following the date of accession. I argued the point that the Minister was being pre-emptive. The numbers do not stack up. The transitional measures were without prejudice to more favourable measures resulting from bilateral agreements. The Minister will argue that it is a more favourable measure. Not only will we not rely on the five or seven-year derogation, we will not put in place a two-year derogation. We have a right to introduce restrictions at any stage. In the context of a proper policy on work permits, it is fair to warn people of the regime they will face. The free movement of workers and employees, the right to establish and the freedom to provide services by the self-employed amount to a right to be treated in the same way as Irish nationals to enter the State and reside here and to exercise economic activities under the same conditions as Irish nationals. The basic principle is one of non-discrimination.

**Acting Chairman (Mr. Carey):** I do not wish to curtail debate, but I do not want a Second Stage debate.

**Mary Coughlan:** Especially when this amendment has nothing to do with it.

**Mr. Penrose:** This is a technical amendment, but it is consequential on section 17. Is that not right?

**Mary Coughlan:** It is consequential. It is changing section 17.

**Mr. Penrose:** Section 17 deals with the provisions for habitual residence.

**Mary Coughlan:** Yes.

**Mr. Penrose:** That is a very significant change

**Mary Coughlan:** All I am dealing with is the technical part.

**Mr. Penrose:** However, if we accept this amendment, we accept section 17. We are not happy with the way section 17 is framed.

**Mr. Morgan:** It prepares the ground.

**Mr. Penrose:** It prepares the ground. I will take the guidance of the Chair and I appreciate the point. However, I wanted to signal that the measure is pre-emptive and unnecessary at this time. The Minister has put her arguments and I am making my argument again.

**Mary Coughlan:** I appreciate the points the Deputy is making. I will come back later on the issues arising in section 17.

We have had a fruitful discussion on the habitual residence test and I hope that after Question Time yesterday, we were able to clarify the concerns expressed by Members, particularly on the eligibility of Irish expatriates. I have been advised by the Attorney General that the test is legal. I am introducing an habitual residency test which is a permanent inclusion in the social welfare code. As I indicated, I will issue guidelines on the determination of the two-year residency but each person will be dealt with individually on a case-by-case basis and it will be up to people to prove otherwise. We do not know how many people will be involved. Based on the changes by my colleagues in the EU and in particular by the British Government, I was left with no choice but to introduce some restrictions on access to the social welfare system to ensure it will not become overburdened.

It is very important that workers have free access to the economy. There has been no change in Government policy on access to the labour market by people from the accession countries. It is important that we say to people that they are more than welcome to come to Ireland to seek work, and if they wish to reside here, they are welcome. However, they must satisfy an habitual residency test in order to be entitled to social assistance and child benefit schemes. I have been fair and reasonable. I have been asked if this will be challenged in the courts, but I cannot answer that.

**Mr. Ring:** I did not speak on this earlier because we will be addressing the issue later. Yesterday on Question Time I raised a question about returning Irish emigrants. I hope that the guidelines will be quite clear that Irish people who were born and reared here but are now returning having had to emigrate for one reason or another, will be protected and that their children will be protected and that no obstacles will be put in their way. Is this legislation constitutional? Will there be a challenge to the Irish Government in the European Court of Justice? That is a question I cannot answer. The Minister and I spent a day in a certain place. I assure the Minister that it will not be me who will take the case. There is a question mark over this however.

Britain has not gone as far as we have. It has confined its provisions to the ten countries adopting EU membership in May. As the Minister tells us, our legislation covers all member states as one cannot discriminate. The provision must be for everyone or for nobody, which is a position I respect. Irish taxpayers do not want people coming here to abuse our social welfare system. The thousands of people in this city who leave for work at 6 a.m. and do not return home until 9 p.m. do not see their families before the weekend. They work hard and they do not want to see the tax money they pay to the State abused. However, there are many who want

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to come to this country to work and there is a need for them.

Not so long ago, the Tánaiste went to America and countries all over the world to ask Irish emigrants to return to fill the jobs which needed to be filled. It is important that we protect the right of free movement. While people who want to come here to begin a new life should be protected, I agree to an extent with the Minister in that we do not want to see our social welfare system abused by anybody. We must make sure Irish citizens and their Irish born children are protected when it comes to child benefit. If there is a problem in the future, I hope the Minister will deal with it quickly. We do not want a scenario to develop in which returned emigrants are deprived of social welfare benefits due to legislation passed in this House and directives from the Minister's Department. We cannot allow that to happen.

**Acting Chairman:** The House has agreed that this will be addressed at a later stage. I am not excluding anybody.

**Mr. Boyle:** It is touch and go whether it will be reached.

**Mary Coughlan:** We have lost an entire hour.

**Acting Chairman:** If we can move on, it will be reached.

**Mr. Boyle:** It is on that basis I wish to contribute at this stage. I apologise, but the Committee of Public Accounts is sitting at the moment. I am grateful the Committee of Procedures and Privileges has cancelled its noon meeting.

The two technical amendments under discussion presuppose that the House will approve subsequent amendments. They are very important. While the debate has touched on the idea of a two-year residency requirement, it is amendment No. 20, to which amendment No. 2 refers, which contains the substantive provision. That provision falls to be discussed by the House for the first time only on Report Stage. If the debate follows the groupings of amendments, it is likely it will not be discussed in any substantial manner before 3.30 p.m. While I do not accuse the Minister of any sharp practice of the sort which would more likely be engaged in by her ministerial colleagues, the idea that a Report Stage amendment will not be formally discussed before forming part of the legislation is horrendous. I fear the principle might begin to be used on a more regular basis. I am thinking in this regard of the conduct of the Minister's colleague, the Minister for Justice, Equality and Law Reform, ironically.

**Acting Chairman:** Rather than refer to procedural matters which are not germane, the Deputy should focus on the Bill.

**Mr. Boyle:** This matter is important. We have limited time for Report Stage and the two essential elements of the Bill are contained in amendments subsequent to and including amendment No. 18. Those elements are the two-year residency requirements. There are several important issues which will be discussed in detail before we get to those amendments. Amendments Nos. 1 and 2 offer the only guaranteed opportunity Members will have to discuss in any substantive manner amendments Nos. 18 and 19.

**Acting Chairman:** The Chair can only deal with the amendments it has been agreed to discuss. I am not trying to be obstructive, I am trying to facilitate speedy debate.

**Mr. Boyle:** I ask for some guidance on the groupings. While amendments Nos. 1 and 2 refer to different sets of motions, the Minister must recognise that it is unlikely we will get to the substantive issues. Particularly on Report Stage amendments, there are some of us who wish to see an issue debated in the House before a vote on the Bill, despite the briefings we have had as spokespersons.

**Acting Chairman:** I ask the Minister for a brief comment.

**Mary Coughlan:** Deputy Boyle would like to get to sections 17 and 18 quickly. Perhaps, we should motor on and attempt to get there, at which point we could have the discussion.

**Mr. Boyle:** There is no guarantee that will happen.

**Mary Coughlan:** If we stopped talking, we might get there.

**Acting Chairman:** The Chair is trying to facilitate the movement of the debate.

**Mary Coughlan:** The problem is that the amendments must be discussed in order for the process to be legal. Amendment No. 2 might be pre-emptive in many ways but that is the advice I have been given by the Bills Office. This is the way the Stage must be conducted.

**Mr. Boyle:** Yesterday, I had to sit in on Report Stage of the Finance Bill, which reached only amendment No. 8. Several hours more were available for that debate than for this. On those grounds, I fear we will not reach the substantive motion.

**Acting Chairman:** If we take the amendments as presented and move on reasonably speedily, there is every likelihood we will.

**Mr. Boyle:** I record my reservations. The House will excuse my spasmodic appearance over the next few hours. I have to practice tri-location.

Amendment put and declared lost.

**Mary Coughlan:** I move amendment No. 2:

In page 3, line 31, to delete “20 and 21” and substitute “17, 22 and 23”.

Amendment agreed to.

**Mr. S. Ryan:** I move amendment No. 3:

In page 4, between lines 2 and 3 to insert the following:

2.—The Minister shall within 6 months from after the passing of this Act prepare and lay before both Houses of the Oireachtas a report on the operation of the rent supplement scheme.”.

The Labour Party wishes to be as helpful as possible to ensure the core issues of the Bill are discussed and the important amendments reached. Some of my colleagues have said I may have gone somewhat overboard in attacking the Minister during the detailed Committee Stage debate on rent supplement and SWA circular 05/03. The Minister stated clearly that her understanding was that anybody on the housing list would not lose out on rent supplement. While that represents a movement from the original proposal, it is only relevant if the Department works in tandem with the local authority and the community welfare officer. However, that is not the case. I have received further correspondence in recent days from concerned constituents and I have spoken to senior officials in the housing authority.

If a person has not already been renting for at least six months, he or she cannot receive rent supplement unless his or her local authority determines he or she is homeless or in housing need. The critical issue is the manner in which “housing need” is defined. We require clarification and agreement among local authorities, the Minister of State and the Minister. Any 25 year old will aspire to establishing an independent life for himself or herself and his or her family. If lone parents living at home with their parents aspire to establishing a home of their own, they should be eligible for inclusion on the housing list. As far as the local authorities, particularly Fingal County Council, are concerned, if the lone parent is deemed to have suitable accommodation in the family home, the person is ineligible for the housing list.

People are discriminated against and prevented from inclusion on the housing list. This must be dealt with. There is no point in the Minister telling me that everything is fine and that those on the housing list are eligible for rent supplement. When the local authority deems a person to be adequately housed in the family home, there is no way for community welfare officers to deal with this.

If one refuses two social housing offers, even if they are unsuitable, one is removed from the

housing list and will be ineligible for rent supplement. My constituency runs from Balbriggan in the north to Dublin 15 in the south. In it, there are lone parents on the housing list who hope to re-enter the workplace. Many of them have to start with jobs that provide a relatively low income. The benefit of family support is important as members can look after a child while the mother works. If a person living in Balbriggan near the family network refuses the offer of social housing in Dublin 15 it is deemed to be a refused offer. If the person refuses a second offer she will be taken off the list. Being taken off the list means the individual will not be eligible for rent supplement. I have recommended that people do not accept houses in certain areas until such time as the local authorities and Department provide the necessary infrastructure in the area. It is a matter of concern that people are taken off the list for refusing offers.

The amendment suggests that the Minister gives a report to the House of the operation of the rent supplement scheme within six months. This must be done and I hope the Minister agrees to it.

**Mr. McCormack:** This is a straightforward and reasonable amendment and I am sure the Minister will agree to it. It simply seeks that a report be made available to the House six months after the introduction of these new regulations.

There is another aspect of the scheme that I would like to bring to the Minister's attention and I hope she will be able to include it in the report when it comes before the House, namely, anti-social behaviour by tenants on rent supplement. If a tenant in a local authority house is proven to have engaged in anti-social behaviour, the person can be evicted. However, a tenant in receipt of rent supplement can carry on in any way he or she likes and the health board has no authority to withdraw the supplement. Section 16 of the Housing (Miscellaneous Provisions) Act 1997 allows the health board to use its discretion in withdrawing supplementary welfare allowance or rent mortgage interest for private housing in the case of a person evicted, excluded, removed or refused social housing. This is the only way in which this can be done.

The housing list in most local authority areas is now five to seven years long and people on it qualify for rent supplement. In a minority of these cases, they engage in anti-social behaviour in private accommodation. The neighbours have no recourse to redress. The landlord will only laugh at their complaints — he is happy as long as his rent is paid. If the rent supplement were stopped for a period because of anti-social behaviour the landlord would soon deal with the matter.

The amendment does not commit the Minister to an additional financial burden and I am sure she will accept it. It will allow us to see how the new arrangements are working out. In the report

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she will make to the House, I would like the Minister to refer to what she intends to do about the isolated cases of anti-social behaviour of people in receipt of rent supplement. The health boards advise complainants to contact the Garda as it must continue to pay the supplement. Irrespective of the behaviour of recipients, legislation does not provide a mechanism to reduce or withhold rent supplement. The same rules should apply to those in receipt of the supplement as apply to tenants in local authority housing. If a person living in a local authority house is proven to have been involved in anti-social behaviour, the person's tenancy can be terminated.

**Mr. Ring:** This is one of the savage 16 measures the Minister signed into law in January. Like many other cutbacks, it is creating a major problem for many people. As I said to the Minister on Committee Stage, a lady in my constituency who is a lone parent was living with her parents in a three-bedroomed house. There was another boy and girl in the house and the girl was doing the leaving certificate. This lady approached a social welfare officer who told her to find a property and she would be provided with rent supplement. When she went back to the health board, a different man who covered a different area had different rules and regulations in regard to the matter. However, the issue has since been sorted out. The young girl who was doing her leaving certificate was sharing a bedroom with her 19 year old sister and her baby.

There are anomalies in the system. The Minister is saying rent supplement is costing taxpayers €330 million. She will say that this was intended to be a short term supplement for people, particularly for single people. The reason so many people are using the rent supplement is because there are 48,000 people on the housing list. I agree with the Minister that if the €330 million was given to local authorities they could build the houses. However, this will not happen, and there is no point pretending it will. More and more people will be coming onto the housing list. The local authorities cannot build a sufficient number of houses to deal with this increase because the funding is not in place.

This measure was badly thought out by the Minister and the Department. According to the media, some officials in the Department had concerns about the issue. The local authorities had concerns also. The Minister of State with responsibility for housing who had major concerns about it said he had not been consulted by anyone. The Minister said she spoke to the senior Minister who has responsibility for housing. Prior to cutting back of rent supplement, the Minister should have ensured there were sufficient houses for people who need to be housed. If she did so, we would not have half the problems regarding rent supplement. Deputy Ryan and I disagree on this aspect. People say

there is abuse of the system. I have often been critical of the Minister's Department but I must compliment the staff on the ground who saved taxpayers €300 million last year in fraudulent claims. Anyone who frauds the social welfare system is taking the money out of the pockets of taxpayers and social welfare recipients who need the money.

People who have been abusing the rent supplement system have never been prosecuted by the Minister. Anyone who abuses the system should be prosecuted. This is a serious matter, because there is a major problem in regard to housing. Some people would like to live with their parents if they received some assistance from local authorities to provide extra accommodation and if they were not penalised by the social welfare system. Some parents may be concerned that their social welfare benefits may be affected, therefore, they are anxious to send their children out into the world at 18 or 19 years of age. These people find it difficult to live in rented accommodation while on social welfare benefits. These people receive €134 plus an allowance of approximately €19 for a child. It is not a massive amount of money to live on, even though some members of the public think that lone parents abuse the system. They do not abuse the system. There are people who defraud the social welfare system but they are a different category. There are people on social welfare who need to be on it.

I ask the Minister to look again at the rent supplement aspect which is causing problems for people. Deputy Ryan's amendment proposes that the Minister should lay a report on the operation of the rent supplement scheme before both Houses of the Oireachtas. She has already said to the voluntary groups that she will monitor the situation and come back to the issue if there are any teething problems. The Chairman of the committee, Deputy Penrose, has agreed to bring back these groups who will tell us what they are finding on the ground. As practising politicians, we will be the first to learn about the issues. We are already hearing about the anomalies. The Minister will save €57 million on the savage 16 measures, but there is a large surplus of money currently in the coffers. Saving just €57 million is creating problems for the Minister, the Department and for politicians. I can account for €45 million spent last year on programme managers and so on.

**Ms Lynch:** This amendment goes to the heart of everything that is wrong with the rent allowance system as operated by the Department of Social and Family Affairs. The attack in this area began in last year's budget with the cap on rent allowance. I imagine if I were an official in the Department I would be saying it was a great stroke, it worked because all rents have been reduced. Despite what the Department believes or the information it is receiving, rents have not been reduced as a result of this measure. What

has happened is that landlords are now signing documents indicating that they are charging less but, in fact, the poor misfortunates who are living on a pittance are paying more. Rents are still increasing on an annual basis. However, the Minister does not want to hear about it. She swans in and laughs about the whole thing. She does not understand as she has never been in that position, which is unfortunate. It is unfortunate that the Minister simply does not know the hardship she has created for others.

The section deals with discontinuing the rent allowance unless one is six months in private rented accommodation. As we all know, the homeless do not vote so why should the Minister worry about them? If they voted, they probably would not vote for Fianna Fáil. It is likely that more will be spent on research in an entire year than this Administration will spend this year on homelessness. The research indicates that homeless people do not vote, therefore, it does not matter how they are treated. They cannot get their revenge on politicians, including myself.

The most cynical thing I have seen in a long time was the Minister, colour co-ordinated, stating at a press conference that she will make €1 million available for family support measures. Why is she doing this? She is doing it because it is the UN Year of the Family. She did this, even though I stood up here on several occasions to tell her about the family in Cork she made homeless. That family will not benefit from the €1 million, but it helped to keep them in their accommodation. However, the Minister does not care. It is all about press conferences, the soft picture and the nice things in life, and please do not mention the horror stories or the awful things that happen to people as a result of budget cutbacks.

I do not blame the officials for this. Officials on the ground are phoning me desperately trying to figure out how to find a way round the problem. Like myself, they take the matter to heart. They meet the families on a daily basis. At the end of the day, the buck stops on the Minister's desk. When I said last week that I expected better from women, Deputy Cooper-Flynn replied that perhaps I expected too much. In this instance I have been gravely disappointed.

What if a person must leave home through circumstances such as family or neighbours' violence? What if emigrants, a group for whom we all feel so much, return from England and have to spend six months in private rented accommodation? Anyone who lives on lone parent allowance or unemployment assistance knows well that one either pays the rent or eats. The two cannot be done.

The guidelines for welfare officers are amazing. Paragraph 2.5 states that they have discretion:

These new provisions do not restrict the discretion given to health boards to award a supplement in any case where it appears to the board that the circumstances of the case so warrant.

However, paragraph 2.6 states:

Nevertheless, it is expected [it must be remembered that this is case of someone having to answer to someone else] that the type of cases referred to in paragraph 2.5 should, by their nature, be exceptional and consequently the Department expects that the number of such cases should be minimal.

On the one hand, the Minister for Social and Family Affairs is telling the health boards to use their discretion and, on the other, that such discretion needs to be limited. Though I am probably wasting my energy, I appeal to the Minister to take a second look at this amendment. Her welfare officers have expressed concerns about this measure. The Minister should ask them what effect it is having on the ground and whether they feel they really have discretion.

**Mr. Penrose:** In 2002 there was a 100% increase in the tenant contribution from €6 to €12 when before it was an 8% increase and a subsequent freezing of maximum rent ceilings. In 2003, as part of the savage 16 cuts on which the Labour Party has focused, this change to the rent supplement scheme was announced without any prior consultation. Organisations such as Threshold, Alone and the INOU have indicated to us that, while the rent supplement scheme was in need of reform, it did not need to be withdrawn in such a way without consultation.

The requirement to be accommodated for six months to qualify for rent supplement is unrealistic, arbitrary and unfair as it depends on circumstances. A person who has not rented for at least six months cannot avail of rent supplement unless the local authority determines that they are homeless, in housing need or meet certain narrow criteria. That is all right if there is joined-up Government with a number of agencies and Departments dealing with matters in a freeflowing manner. However, what happens if the system clogs up? Who determines the situation then? Are there emergency procedures in place that will ensure that a specific problem is addressed?

Up to 25% of rent supplement recipients are in receipt of unemployment assistance or unemployment benefit while another 25% are on supplementary welfare allowance payments. How can these individuals be expected to save for a rental deposit if it is six months' rent in advance?

The other major change to the system is the 30 hour limit. If one person in a couple works 30 hours or more, both are ineligible for rent supplement. No matter how low the wages, how uncertain the post, how high the market rents in the locality or the number of dependants in the household, if a spouse works more than 30 hours a week, the rent supplement is denied. This is an unemployment trap for the individuals involved. The thrust of social policy should be to get away from unemployment traps and smooth the path

[Mr. Penrose.]  
and the process of getting into gainful employment.

Take the case of a couple — Mary and John — who have no children, live in the Eastern Regional Health Authority area and are in receipt of UA payments. If Mary takes up a job for 29 hours that pays the minimum rate of €7 per hour, the household income is €254.65. However, if John works for 30 hours, their weekly income would be down to €88.65 because the ERHA's maximum rent supplement is €178. That highlights the difference from going from 29 hours to 30 hours. The Minister may not think this is relevant. However, if a man with a dependent spouse and four children is offered a full-time job for 39 hours a week at €380 per week, the family subsequently are ineligible for rent supplement which results in the household income being less than €150 per week, even including the family income supplement top-up. How can anyone survive on that amount of money? If that man's wages were below €370, he would be able to keep his secondary benefits, including rent supplement. This shows the income threshold for the retention of these benefits is unrealistically low. These are real examples of how these measures will impact on people. They creep in like a thief in the night, envelop those affected and wipe out whatever hope and confidence they have. It leaves them in despair.

The community welfare officers, who do a good job of determining eligibility, know local circumstances and the individuals involved. This is why it is an area where there cannot be major problems of abuse. They evaluate the situation in a holistic way. Their ability to apply discretion and to ensure the humane application of the rules has been severely curtailed. The Minister points out in the circular that the rent supplement can be given in exceptional circumstance such as when a person becomes homeless. However, as Deputy Lynch has pointed out, it also stipulates that such exceptions should be minimal and each must be specifically reported to the Department. The new rules deny people in the throes of crisis and transition who need their accommodation situation resolved yesterday. Deputy Seán Ryan also referred to lone parents who are involuntarily living at home with elderly parents.

Only €57 million was saved by this measure. Every day the House adjourns, some other cut is announced. I pointed out the cutbacks for wardens yesterday. Every day a further calamity comes down the line curtailing people's ability to qualify for benefits. When one door opens, another slams shut. The eligibility criteria now ensure people are further restricted in claiming benefits. To review the rent supplement scheme in six months' time is a reasonable proposal. Many difficulties will arise for individuals on the ground. We will be the first port of call and, when we report, we will expect that these urgent and human situations will be addressed.

**Mr. Morgan:** I support amendment No. 3 in the name of Deputy Seán Ryan. It is a good idea to revisit the rent supplement area again in six months' time. Ideally, it should be a shorter timeframe. By that stage we would have a picture of what is happening in the area.

The effects of the rent supplement are dreadful and profound. Only last week, I dealt with a case in my constituency of a Traveller woman who had eight young children. To make matters worse, as well as eight young children, she had an estranged and abusive husband who regularly came back to the halting site and the dilapidated caravan. That woman could not get housed because she was not homeless. When the matter was resolved because of the abusive husband, we eventually managed to find accommodation for her. It was a classic case of somebody being debarred because of the new regulation that one must rent for six months before receiving the rent supplement.

Community welfare officers do an excellent job in the main, but nobody would deny that their attitudes are hardened somewhat in some cases by the constant abuse and impoliteness from our constituents who, under immense pressure, go to them for financial help. Who would wonder at our people being impolite, given that their backs are to the wall and they cannot get roofs over their heads because of legislation that we have passed in this House? That legislation's consequences on community welfare officers are profound in some cases. Where will they get the funding to sustain all of the cases that will come before them? They do not have the protection that they had under the previous regulation, under which funding had to be made available for them. That is a very serious issue, and I look forward to a report coming before the House in six months' time to give us some indication of the atrocious effects of the regulation the House passed.

At the back of it all, the Minister is probably a civil person who would not necessarily be in favour of the regulation. I would like to hear the comments she would make on it if she were in Opposition. I have no doubt that she was sent out with the regulation by those right-wing ideologues who are led by the Minister for Finance. It is most unfortunate that the Minister, Deputy Coughlan, did not fight back harder to repel the efforts of the Minister for Finance on the regulation, and I hope that, in the near future, she will see fit to take him on and win.

**Mary Coughlan:** A number of issues have been raised. Deputy Penrose mentioned lollipop ladies. I will write to all the county councils and tell them to advise the lollipop ladies of the implications of lump-sum holiday pay with regard to entitlement to unemployment benefit. One of the problems is that people do not understand the implications of it. If people at least knew what the situation was, they could make a choice. I will write to the county councils explaining the situation on behalf of such people.

Deputy McCormack raised anti-social behaviour, which has been discussed on a number of occasions. One of my problems is that, although CWOs administer schemes on my behalf, their role is only in the payment of the rent supplement and there is nothing attached to that rent supplement to indicate that those who receive it must show good behaviour.

**Mr. McCormack:** There should be.

**Mary Coughlan:** That can be considered, but one of the problems is that, as Deputy McCormack knows, we had enough difficulties making county councils responsible for rent supplement and it has taken many years to get this far. Associated with that is the problem that, in the main, landlords have not registered with county councils and are not up to standard. That is an issue that we will take further with them.

**Mr. McCormack:** It is a different issue.

**Mary Coughlan:** It is a fair and reasonable issue, and I will have to analyse it. I could not agree to attaching a condition to rent supplement, because I do not know what the implications would be. However, I will consider it for Deputy McCormack.

With regard to abuse of the rent supplement system, one of the problems is that the health boards which administer the system, do not access the Chief State Solicitor and prosecutions are not made. I have asked the officials to take legal advice and prepare whatever is necessary so that reforms might be introduced. This will be done in due course and I will take the other matter into consideration.

On determining housing need, at the end of the day I have to be advised by the local authorities which are the housing authorities and determine whether a person has a housing need. We have a number of issues with regard to people who stay at home. Sometimes people want to do that, and for some that is a good idea and is beneficial. If there is abuse or overcrowding, the housing authorities take that into consideration when determining what a housing need is. I am not particularly *au fait* with Fingal County Council. I know that it participated in our pilot programme, was superb and has been very progressive as a housing authority. There will be issues that need to be teased out with regard to determinations.

I agree with joined-up Government. At long last and for the first time, CWOs, environmental health officers and housing officers now work together. It has been decided that there will be one application form. I cannot determine that because I have no right to do so. The professionals themselves have come together and decided that. The application form will be the same for a rent supplement as it would be for a house.

That will ease the administration, which is important, and, once and for all, we will have a

real view of people's long-term housing needs. I have noticed in all of my years in politics that a large part of the problem with people on rent supplement is the fact that they are considered to be adequately housed because they are in rented accommodation and consequently do not get priority over others who move into unsuitable accommodation to get points, for example. It has been detrimental that the long-term housing needs of those on rent supplement have not been dealt with.

In no way is our intention in introducing the changes to make people homeless. That will not happen.

**Ms Lynch:** It did.

**Mary Coughlan:** I will come to Deputy Lynch finally.

I have had the opportunity to meet all the non-governmental organisations. I met the NGOs that did not participate in the Government's partnership process as well as those that are involved in it. I have met Members of this House individually and have met and discussed the issue with the Joint Committee on Social and Family Affairs. I have listened to my parliamentary party and have received representations. The changes are not being made in isolation. They are being introduced hand in hand with an action programme of which I advised the House and which I and the Minister of State at the Department of the Environment, Heritage and Local Government with responsibility for housing, Deputy Noel Ahern, will introduce. When we see the full picture, that will indicate the necessity for and the reasoning behind the changes. Once we have the opportunity to really address housing need, we will be able to work in tandem and for the betterment of those who rely on income support.

Deputy Penrose raised the definition of full-time work. It is a fair and reasonable point. I must be careful because we define full-time work as 19 hours under the family income supplement and 30 hours in other circumstances. I will evaluate the definition of full-time work because, as Deputy Penrose said, if someone works 29 hours, he or she is not in full-time work. The reason that we discuss such issues is so that we can revisit, amend, listen and change.

Members of all parties know I cannot accept amendment No. 3. It has been framed in the only way possible to allow us to discuss the issue. That is fair enough. I would do that myself if I was in Opposition. I have given an assurance to the NGOs, to the House and the members of the committee that I will be reviewing this on a continual basis. The information garnered by the relevant section of my Department will enable it to advise me of difficulties that will arise. My colleague, the Minister of State with responsibility for housing through the local authority system, will also advise me on teething issues. There will be teething issues, but we will

[Mary Coughlan.]  
deal with them as quickly and appropriately as possible.

A number of issues have been raised in this House which must be challenged. I have been a Member of this House for 17 years, and I have never and would never say to any other Member that I did not understand his or her job. Nor have I ever said that another person, regardless of his or her political position, did not care about or understand an issue. Each one of us is entitled to express a fair opinion on behalf of his or her constituents and to make a valuable contribution to ensure that legislation, for example, is dealt with to the best of our ability.

Since I became a Minister, I have refrained from becoming involved in the attacks from certain members of the Labour Party, although not all of them. What I wear, how I look and my personality have absolutely nothing to do with anyone else.

**Ms Lynch:** I was not talking about the Minister's clothes.

**Mary Coughlan:** The Deputy's leader had much to say about the way I react and the way I perform. I do not intend to change the way I am to suit somebody else.

**Ms Lynch:** So it was not the officials.

**Mary Coughlan:** I am as sincere as any other Member of the House and I care as much as any other Member. I represent a constituency with the highest level of unemployment in Ireland, yet the Deputies think I do not understand what I am talking about. I do. Like every other Member, I have clinics and I meet people who are less well off. I have also worked for 18 years in local government so I understand and appreciate the implications of any changes I introduce here.

**Ms Lynch:** Then why make the changes?

**Mary Coughlan:** It is easy to get a headline on the strength of one or two proposed changes. I would appreciate if Deputy Lynch would give me the background and information on the family of which she spoke. I am as approachable as any other Minister and when difficulties arise I like to deal with them on people's behalf.

One of the problems with the administration of the supplementary welfare allowance is that community welfare officers are given much flexibility. Such a system can never have uniform administration. That is the nature of the system. I have heard a number of colleagues in Kildare saying that one CWO will do this or give that while another will not. One must appreciate that the CWOs are given great powers under the regulations. Reading these regulations, a copy of which I forwarded to all Members for the first time, one can see that section 31 grants more power than has ever before been given to public servants. They have complete flexibility in

making decisions. It is on that basis that I will not make changes.

I appreciate that there are people who do not fit into a particular box. How could they? That is the reason behind the introduction of the provisions for exceptional needs. It is the whole tenor of the system. Rightly or wrongly — in my view, rightly — people should still be entitled to that flexibility, and the CWOs will continue to have that flexibility. Everyone here will agree that these officers have a tremendously difficult job. Deputy Morgan spoke about people being under pressure, which is true. Not too many public servants can be seen out on a Saturday morning giving a cheque to someone who is stuck, but that is the nature of the work of CWOs. The flexibility is part of this.

People can also be over-flexible. I have seen this happen and I have expressed concerns about it to the CEOs of the health boards. Under no circumstances can I stand over exceptional needs payments being given to people to do forklift courses. It would be bad enough if there was only one case — if it was some kind of disaster — but when I examined the exceptional needs payments granted by Deputy Lynch's health board I nearly died. I have no problem with individual cases but I have a serious problem with my Department paying for forklift courses for 25 people. I must make sure these things do not happen. We must take account of individual circumstances and support people who are experiencing problems, but I cannot condone that kind of carry-on under the supplementary welfare scheme.

Somebody asked me how I was going to save money if there were to be so many exemptions. That is a good question. I have exempted people over 65 and those on disability allowance, invalidity pension and blind pension as well as anyone who is determined homeless under the relevant Acts. I have categorically stated on a number of occasions — the CWOs are acutely aware of this — that where there are difficulties, dysfunction, violence or issues arising from marital breakdown, these cases should be dealt with under section 31 and exemptions granted to the six-month rule. By the same token, anyone on a housing list——

**Mr. Morgan:** That does not always work.

**Mary Coughlan:** The Deputies should think about it. The impositions and changes will not create homelessness or result in undue hardship. Exemptions can be made for people under section 31 in terms of the six-month rule. I have been as fair and reasonable as possible. As I indicated to the House a number of times, I will be evaluating the circumstances, considering trends and ascertaining the impact of the changes.

We all agree that this will need to be done hand in hand with a new action programme. Equally, we all agree that this is not a housing programme. My Department does not provide houses. It is an emergency support system which, as Deputy Ring

correctly stated, was introduced to look after single men but has expanded. It had to stop on the basis that we were supporting the problem rather than dealing with it. I hope that with greater co-operation with county councils, CWOs, environmental health officers and my Department, with better joined-up government and better analysis and support for people, we will have a more progressive way of dealing with people's housing needs.

If there are issues that need to be dealt with, Deputies should let me know. I need to know about these matters, as a public servant, if I am to be aware of the implications of these changes. I can be as fair and reasonable as anyone else when it comes to exceptions, of which there were several last year. Most of these came from the west, which was surprising. Exceptions were agreed on and it is right that I am advised of these so that I may use the information to ascertain the implications of any changes.

Although I cannot accept the amendment, I accept the spirit of the concerns expressed by Members. I will be reviewing and analysing trends and the implications of any changes that are made in the social welfare code, particularly on this issue, not just over six months but on a weekly basis.

**Mr. McCormack:** I am disappointed the Minister is not accepting Deputy Seán Ryan's reasonable amendment. If the Minister had accepted that amendment we could end the debate straight away. There would be no need to say any more because we could say it all in six month's time. That is the reality of the situation. All the amendment proposed was for the Minister to come back before the House in six months so we can review the situation. It is the duty of the House to do that. The Minister may say she is fair and reasonable but I do not think the Minister is fair and reasonable in refusing to accept this amendment. If the Minister was fair and reasonable, she would have accepted the amendments. There is nothing to hide and she could return to the House in six months and go through all the points now being raised. Given the Minister did not accept the very reasonable amendment, we must now make the points today instead of in six months and prolong the debate further than necessary.

The Minister will exempt anybody declared homeless from this provision. I do not think that is the case.

**Ms Lynch:** No.

**Mr. McCormack:** I know of a case in Galway where the anti-social behaviour of a parent who is a local authority tenant led to a court case and a prison sentence being imposed. The 22 year old daughter is minding the younger siblings and is being evicted from the house because of the anti-social behaviour of her mother. According to the

regulations, that person cannot now go on a housing list and cannot get rent supplement.

I refer to a letter I received from Deputy Noel Ahern, Minister of State at the Department of the Environment, Heritage and Local Government with responsibility for housing. He states in the letter that section 16 of the Housing Act provides discretion to the health boards to withdraw supplementary welfare or rent mortgage interest supplement for private housing in the case of a person evicted, excluded or removed from a local authority house. A person removed from a local authority house cannot qualify for rent supplement.

I suggest that the easiest solution would be for the Minister to accept the reasonable amendment. The House should be allowed have a reasonable debate on this issue in six months. That is all Deputy Seán Ryan asks for in his amendment. I appeal to the Minister who is a reasonable person to accept the amendment and allow us to debate it in six months.

**Ms Lynch:** I support the last speaker. This affects more than families. I know of the case of a man in his 40s who was employed in a fairly good job. Just before Christmas he moved into private rented accommodation because he is in his 40s and should be living independently. Unfortunately at the end of January, he lost his job in the construction industry. He waited a month in the belief that things would pick up and then applied for rent allowance. As he had not been in private rented accommodation for the past six months, he was refused the rent allowance.

The Minister may try to divert attention with talk of forklift truck drivers but that is not the issue. I recognise the ploy which is a very good one. The ploy is to send out the message that the system is being abused, hand over fist, and that the Minister must personally take control of every issue. Unless in exceptional circumstances where only the Minister can do the job, it is ludicrous and ridiculous for anyone to have to go to any Minister with individual cases when the framework is there and the case can be dealt with at local level. Ministers are far too busy for that kind of thing. Ministers work very hard and that they work too hard for me to bring individual cases to their attention. The Minister's diversionary tactic of forklift truck drivers, whether it is true or not—

**Mary Coughlan:** That is the truth. It happened in the Deputy's health board area.

**Ms Lynch:** —it does not resolve the issue of people who have been rendered homeless as a result of this measure. The reasonable amendment, which I believe is probably far too reasonable, tabled by Deputy Seán Ryan, is the least we can expect. The Minister has stated that she will do what the amendment proposes in any case. Why then does she not share it with the rest

[Ms Lynch.]

of us? That is all we are asking and no more. These diversionary tactics should not be used in this debate.

**Mr. S. Ryan:** I do not think any of the vicious 16 cuts have caused more debate than this one. When this proposal was brought to our attention initially, it was never envisaged that people on the housing list would be covered. There has been much debate and movement on the issue. We are now debating the significant areas in which anomalies still exist. I hope the Minister will act as a consequence of this debate and not wait until the six months have elapsed to examine the situation in consultation with the people on the ground, to get the feedback and try to deal with the genuine cases. There are still anomalies that need to be dealt with. The Opposition Members such as Deputy Penrose and myself have exerted pressure. The Minister will say she has consulted Members on her side. I acknowledge there have been improvements. I hope that if some of the other issues which we have outlined can be dealt with, it will be a fair scheme. On that basis, I will withdraw the amendment. Will the Minister give a commitment that she will review the matter and will report back?

**Mary Coughlan:** I made a promise on Committee Stage. I am aware of the committee's deliberations. I will look at this issue and it could be reconsidered on the basis of future announcements that will be made with regard to the housing action programme.

On a point of clarification, I thought I was entitled to speak only once on the amendment, is that correct?

**An Leas-Cheann Comhairle:** The Minister may speak twice but she may speak three times on her own amendments.

Amendment, by leave, withdrawn.

**An Leas-Cheann Comhairle:** Amendments Nos. 4 and 9 are related and may be discussed together by agreement.

**Mr. Penrose:** I move amendment No. 4:

In page 4, between lines 2 and 3, to insert the following:

2.—The Minister shall as soon as may be after the passing of this Act prepare and lay before both Houses of the Oireachtas a report on the implications of abolishing the means test for carer's allowance.”.

I raised this matter and I am aware that the Minister is dealing with it by means of an interdepartmental group involving the Department of Health and Children, her Department and members of the Joint Committee on Social and Family Affairs. Both Deputy Ring and I have indicated that we look

forward to some significant improvements and the implementation of some of the 15 recommendations made by the committee in its report on full-time carers which was published last November, quite close to the time of the budget. I hope the Minister will address some of the significant matters in that report.

I draw the Minister's attention and that of her officials to last night's television programme. Mr. Enda Egan, chief executive officer of the Carers' Association made a number of very relevant and salient points. Some of the points made by Mr. Egan would be familiar to us who wish to improve the situation of the 150,000 carers.

On the basis that the Minister has given a commitment to deal with us at that level, I will withdraw the amendment.

**Mr. Ring:** We have discussed the position of carers on Committee Stage. Like Deputy Penrose we have put in a good deal of work and have made recommendations. There is great demand for the booklet. As Deputy Penrose has said, we have spent months debating this issue at the committee. There are approximately 170,000 carers who receive no recognition for the wonderful job they do. I hope when the Minister comes back she will take up some of the recommendations we have made.

A carer, who has been a carer for many years, came to my clinic last week. She is pregnant and not in good health. She would like to get maternity leave but that is not possible. She will have to get somebody else in to help look after her mother in law during the month before and after the birth. Will the Minister examine this case? The Minister will say she can continue to draw the carer's allowance and, perhaps, give it to somebody else. She is entitled to maternity benefit or whatever. Her husband works. I do not know whether she will be eligible under the stamp rule. Will the Minister examine this anomaly when considering her own recommendations at the committee?

Amendment, by leave, withdrawn.

**An Leas-Cheann Comhairle:** Amendments Nos. 5 and 23 are related and may be discussed together, by agreement

**Mr. Penrose:** I move amendment No. 5:

In page 4, between lines 2 and 3, to insert the following:

2.—The Minister shall as soon as may be after the passing of this Act prepare and lay before both Houses of the Oireachtas a report on the implications of extending the social welfare free schemes to widows and widowers who do not currently qualify in that regard.

We have discussed this matter for a considerable period. Any changes in regard to the extension of the availability of the household benefit package

is welcome. There were some changes which were of benefit to a number of people, not least to some of the carers. Obviously we will advocate a further extension for them. As indicated, widows and widowers who lose their spouse in their mid-30s or early 40s, are left with two or three children at a critical time. At that time they are vulnerable and need a compassionate response and all the assistance they can be given. The various schemes in the household benefit package would be important to many at that stage.

We have strongly advocated the extension of those schemes to those who do not qualify. I appreciate the Minister is continually examining it in the context of the various committees which are assessing the cost implications. Deputy Ring and I indicated it was crucial that assistance be provided, even for a short defined time, when people are left on their own having had a spouse who brought home a significant income. They are now reduced to the survivor's contributory pension and nothing else and yet must look after children and meet all the household expenditures.

In the wider context, one of the 16 savage cuts related to the impact on widows, especially the abolition of the half payment for disability benefit, unemployment benefit or injury benefit. Certainly many widows and widowers in receipt of the widow's or widower's pension subsequently returned to work and paid their contributions and stamps. We have made a rush to individualisation and individualism in this respect. Despite this, when it does not suit the situation, we put a blanket around it and say it does not apply in a particular case, that it was meant to apply only to the taxation system or elsewhere. After five, six or seven years those people are able to become independent again. That is the reason we seek an extension of the benefits package for a few years to help them become independent again, something widows and widowers would wish to achieve. After seven, eight or nine years, when the family is reared and they continue to work, they may suffer an injury, sickness or become unemployed.

In the past they used to get half the rate of benefit. One irate widow asked why they did not get the full entitlement. What type of discrimination is involved? I got an earful of this last night. I was trying to explain that it is half the rate.

**Mr. S. Ryan:** It was half the rate.

**Mr. Penrose:** She said it was a disgrace. In any event, she said, they should be entitled to their full benefit. The airwaves resonated this week to the sound of widows expressing their deep-felt ire and anger. They do not want sympathy but a right which they had reasserted that they get at least the half rate and recognition for the contributions they made into the social insurance fund, which is sacrosanct. It belongs to the employers and employees and it is not for the Government to raid it at will. It is a solemn contractual obligation

so they feel let down. The widow's or widower's pension would arise because of the contribution of the other spouse. It has already been paid in for them. They are getting only what the person who passed on to his or her reward would have made many years ago. They now find that what they themselves have paid has been taken away in a fairly significant cut——

**Mr. S. Ryan:** With a hatchet.

**Mr. Penrose:** ——that impacts on them. How many does this impact on?

**Mary Coughlan:** Two thousand.

**Mr. Penrose:** That amounted to a saving of almost €6 million. For the sake of clarity, perhaps the Minister would set out how much was saved on each of the individual 16 cuts. One of the cuts amounted to a saving of €10.5 million and one or two others amounted to savings of €1.5 million or €2 million. I would appreciate if they could all be set out in sequence. For the sake of €6 million, this cut is having a huge impact on those people. The signal it sends out to them is negative. These people have survived the trauma of the loss of a loved one. When they have asserted their independence and are back at work, their feet are taken from under them at a time of vulnerability, when they are either ill, become unemployed or injured. Why was it necessary to take away their eligibility in this circumstance at a critical time?

It goes back to how measly, niggardly and insidious are these cuts and how they operate and undermine many people's eligibility for benefits to which they thought they had made contributions. As a nation how can we justify the abolition of the entitlement to the half rate of payment for disability, unemployment or injury benefit? This country is awash with funds and, for the sake of €6 million, we have taken that right away. People who are contributing to the social insurance fund do not get anything. There is no free lunch. They are paying for it and it is taken away. It is an injustice that must be remedied.

The Minister could tell me the Department of Social and Family Affairs budget is now approximately €11.3 billion. In the context of that sum, what is €56 million? There are many other areas for which the Minister for Finance can find money at will. However, in areas which impact at a human, individual and family level, he does not.

**Ms Lynch:** It is a family-friendly Government.

**Mr. Penrose:** Widows often have young families but must go out to work to give their families a chance for education and so on. This cut is the perpetration of an injustice against the most vulnerable who have made social welfare contributions and feel they are entitled to this payment as of right. While they feel they are entitled to the full rate, the half rate has been wiped out at the stroke of a pen.

[Mr. Penrose.]

There is anger which manifested itself in the past week when the impact of the cut was realised. I spoke out strongly on this issue and am amazed the media did not pick up on the points I have made since November last when the cuts were announced. Perhaps the Opposition made their points in such a clear and focused way that the media assumed we were simply giving out about something. However, we knew that the insidious nature of the cuts when they impacted at individual level would draw the wrath and ire of those upon whom they impacted. This issue has erupted like a volcano and it will not rest until the cut is rescinded and benefit restored to those who are duly entitled to it.

**Mr. Ring:** Widows and widowers are the forgotten of this country. They have had tragedy in their lives due to the loss of a partner and, in many cases, have then to raise young families. They have been let down and forgotten since the foundation of the State. An example of this is in regard to the free schemes. If the partner of a widow or widower had been entitled to the free schemes but the widow or widower is under 60 years of age, he or she is not entitled to them. The Minister should deal with this in the next budget because widows and widowers should be entitled to the free schemes, even if they are under the 60 years of age guideline. It would give them a great lift. When a partner is lost, in many cases all or part of the family income is lost. It is wrong that this is not dealt with.

I agree with Deputy Penrose that the media did not take up this issue, despite it being raised in debate on the Social Welfare Bill in December last, because it did not concern many people. When widows and widowers drawing widow's pensions move to unemployment benefit or disability benefit — this also affects lone parents — they do so because they have paid money into the system and have social welfare stamps. This has now been cut back and such people are told they can only draw one payment, which is wrong.

The cut involves €5.8 million but affects more than 2,000 widows and widowers. They recently began a campaign and appeared on the Joe Duffy radio show this week, and some are in the Visitors Gallery in Leinster House today. They are incensed and upset by what has happened. The Minister must address their concerns immediately and return to the old system in which they were entitled to the payment which applied before 19 January this year when the Minister signed the measure into law.

Widows and widowers have been forgotten by all Governments since the foundation of the State. I plead with the Minister to deal with this issue. Widows and widowers are beginning to organise a campaign and will not let the matter go because an injustice is involved, which must be dealt with. The Government gave almost €15 million to Punchestown racecourse, with no strings attached and without the need for it to

apply for the money. Despite this, for the sake of €5.8 million, 2,000 of the most vulnerable in society who need as much income as they can get have been let down by the State. What upsets me most is that they are not looking for something for nothing; they have paid into the system. Widows and widowers have paid, through their work, into the social welfare fund, which is in credit. All they seek are their entitlements.

This cut was mean and wrong. It should be re-addressed and the money returned to widows and widowers. Over the coming weeks, the campaign will develop and the widows and widowers involved will contact their local Deputies. This change should be overturned because it is wrong and affects many people. The Minister should give an immediate commitment that she will discuss this with her Department and return to the House to tell us the matter has been addressed. In that event, Deputy Penrose and I will not criticise the Minister.

**Mr. Penrose:** We will not.

**Mr. Ring:** We will not say she made a mistake but will support her. This cut is wrong and unjust and must be dealt with as it does not make sense that those who have paid their dues to society and the State are penalised.

When people are widowed, the free schemes would be of great benefit to them. In the next budget, the Minister should ensure that all widows and widowers at least have access to the free schemes. This would give a boost at a time when a partner has been lost and it is important to have support. I reiterate that they have been forgotten since the foundation of the State simply because they were not as organised as other groups. They were not able to fight their corner because most had enough troubles raising their families on their own and looking after their homes.

The Minister should do right by widows and widowers. Only €5.8 million is involved, which is not a great deal in terms of the overall budget, but some 2,000 people are affected. The cut is wrong and one on which the Minister was ill-advised. I ask her to reverse it. I did not listen to the Joe Duffy radio show but know that many widows and widowers explained their cases on the show this week. The Minister should make the correct decision and, in doing so, she would have the full support of all sides in this House.

**Mr. S. Ryan:** It is important in the context of the debate taking place on the airwaves and throughout the country over the past week to put on record the position of the Opposition, the Labour Party and community platform groups before Christmas. During this run-in period before the local and European elections, Fianna Fáil Ministers took opportunities to con the people with promises about what they are going to do, although I do not include the Minister for Social and Family Affairs in this. Nonetheless,

other Ministers inform us that they did one thing or will do another.

To try to get into the Fianna Fáil mould of making promises, it is important in the context of this amendment to note the position of the Labour Party before Christmas. We stated that the Government, in the recent Book of Estimates, had decided to cut €58 million from the most vulnerable in society while, at the same time, believed it justified to spend €67 million on horses and greyhounds. They have chosen to prioritise the interests of the rich rather than the needs of the poor.

These cuts are petty and mean and make life more difficult for people, as was stated before Christmas. The following were scrapped: the supplementary welfare allowance for couples where one person gets a full-time job; the supplement given to those on SWA who are being supported by the Money Advice and Budgeting Service; the crèche supplement to cover emergency child care; the half-rate child benefit allowance for those on disability; the half-rate payment for lone parents when they earn more than €293 per week; and the cut that is now all over the airwaves, namely, the half-rate disability payment on unemployment benefit for new claimants when the person already receives a widow's or widower's pension or the one-parent family payment.

The Minister for Finance said the country's finances were in a despicable condition and that we had to make savings of €58 million. That was the context for the €5 million cut for widows and widowers. The reality is that there has been an upturn in the country's economic performance. The so-called experts said there would be a drop in the finances and now they are saying there will be a further surplus in the finances at the end of the year. Let us be clear, when the Minister was bringing in these vicious cuts there was a surplus at the end of last year. Now 2,000 people who served this country well, who reared and educated their children in difficult times, will be affected by these cuts, with the half payment they receive being stopped.

This is scandalous. Not all Ministers take Opposition views on board. Those outside the House who have been hit by these cuts need to come together and build up opposition to the cuts. I ask the Minister to accept the legitimate concerns expressed in the House and outside. If she does I will not be behind the door in saying she examined this and dealt with the unfairness of the situation. Let us see her responding positively.

**Mr. McCormack:** I join with Deputies Ring and Ryan in offering our support to the Minister on the decision she will inevitably have to make — restoring this entitlement to widows and widowers. This amendment may not force her to do so but public opinion will eventually encourage her to act, as this is now a matter of public concern and has been aired on the

airwaves. The media is taking up the issue of the serious cuts faced by widows and widowers. What good are the contributions made by those people if they cannot now enjoy the fruits of those contributions?

There is also an anomaly facing widows who are carers and a later amendment deals with that. If a person who is a full-time carer, 365 days a year, becomes a widow or widower, he or she loses the carer's allowance. I have asked previous Ministers for Social Welfare about this anomaly as well as the incumbent. I have raised the matter for six or seven years and I thought this compassionate Minister — maybe that is the wrong word — might address the situation. However, she has failed to deal with this serious anomaly.

If a full-time carer for someone who is incontinent and bed-ridden suddenly becomes a widow or widower, he or she continues as a full-time carer. The person gets the widow's or widower's allowance but the very week he or she receives that allowance the carer's allowance is stopped, though he or she continues to act as a full-time carer. The Minister should deal with this when she eventually concedes that this cut was slipped past her in the budget. She should restore to widows and widowers their entitlement to half benefits while on the widow's or widower's pension. Public opinion will encourage the Minister to make that brave decision, though I hope it does not force her to do so. Then I will join with other Deputies in praising her rather than condemning her. We hope we do not have to put the amendment to a vote as we expect the Minister to say she will be looking at this area with a view to eliminating that anomaly. Then there will be no need to put the amendment. All the credit will accrue to the Minister rather than to us and we will be very glad of that.

**Ms Lynch:** Apart from rent allowance, this is probably the second greatest change that has been made in this year's budget. It has been done strictly on the numbers, and 2,000 people are involved. I am not inclined to blame civil servants, as the buck stops on the Minister's desk no matter who the Minister is. However, when a Minister is being presented with cuts, they are always presented in this way: "If you make this cut then it only affects 2,000 people." That is probably how this was presented. The unfortunate thing is that those 2,000 people will lose out dramatically if they find themselves out of work. The Minister is affecting 2,000 families.

The Minister made an announcement this week about the year of the family and about giving €1 million to support families. On one hand we have €1 million to support families while on the other hand there is a direct attack on the incomes of families. These are families which need support and which do not have two people to rely on. These are not families like mine and the Minister's. If either of us were unemployed we would have another income to fall back on, but

[Ms Lynch.]

these people have lost spouses. They lost those spouses at a young age, because we are not talking about those over 65 years, and they had to go to work to do those things they planned with their spouses. It was not an intentional loss. Most of them have children in primary or secondary school or at third level and they usually fit their working hours around being at home when their children return from school.

I am not certain it is legal to ask people to pay a social insurance contribution for the following reasons while saying they will never receive the benefit of it. A social insurance contribution is to protect people from difficulties which may befall them in life, such as illness, and where the State comes in and gives them a degree of comfort and support. We are asking people to pay a social insurance contribution — tax is different — while saying they will never reap the benefit of it. I hope they will never want the benefit of the contribution and that they can continue working. Even if they need it, we are saying to them that they will never be able to draw down this benefit despite the fact they are obliged to pay it. The widow's pension relates to the husband's contribution. These contributions are their own contributions. It is a point that needs to be dealt with.

I know — I am sure the Minister does as well because we go out and meet people each week — a young widow whose husband died tragically and who was left with two children in secondary school and one in third level. After the trauma of something as sudden as that happening, she asked me what she would do if she got sick. I said we would deal with that if it happened. I assumed she would have her disability benefit if that happened because she had to work as she had three teenage children. If that woman came back to me now — her circumstances have not changed dramatically — and asked me what she would do if she got sick and what would happen to her children, I am afraid I would have to say to her that her income would be greatly reduced and that I wonder why she is paying into a social insurance fund.

I will not patronise the Minister because, as she probably knows better than anyone else, that is not my style. I will not say to her that if she does the right thing, we will give her the credit for it and so on. She knows that is not true.

**Mary Coughlan:** Exactly.

**Ms Lynch:** Sometimes it takes courage to do the right thing, and it should be done for the sake of €6 million. Unlike the homeless, widows vote and they are organised. That should not come into the equation, but it does. For the sake of €6 million, the Minister should reverse this cut. If she does, the widows and widowers affected by it will be eternally grateful to her.

**Mary Coughlan:** Deputy Penrose wanted a brief summary of all the changes, and I will send that to him as there is no point reading it out.

**Mr. Penrose:** Thank you.

**Mary Coughlan:** When given this job, one must make decisions which one must stand by. One has choices, and I had a couple to make. The amount of money made available to me, for which I had to bargain fairly hard, was €630 million. One must establish what is the best use of that money. We had a commitment to pensioners, and I wanted to continue that commitment of increasing the pension by €10 so that we can reach the target of €200. There was much criticism from people and non-governmental organisations that base line payments were low. I decided that out of the €630 million made available, I would increase everyone's payment by €10 and also the respective qualifying adult allowances. By making that decision, I spent €518 million. That did not leave me with a huge amount of money.

I felt that as a priority — Members may agree or disagree — we should give more money to child benefit, and those supports cost me €93 million. Carers were another priority to whom I was in a position to give another €10.71 million. I still believe we need incentives and supports for people working — technical assistance training and so on — and I had €4 million available for that. That left me with little money to do all the things we would all like to do. Not unlike the Members opposite, I would like to see many changes. On that basis, with the freeze and so on, all I had left was €850,000 with agencies, including the Combat Poverty Agency, the family support and other agencies, costing €3 million. That was the funding provided, not to mention the billions I must pay everybody each week. I must pay the staff and even the press office.

**Mr. Ring:** They must be paid.

**Mary Coughlan:** One is left in a difficult position. If one does not have enough money, one cannot do everything. One must pick the priorities, and those were the priorities I chose this year.

It is easy to talk about principles, and I suppose we can all be principled about many things in life. In common with social security systems throughout the world, our system is primarily a contingency-based one, and Deputy Lynch is right in that regard. One's entitlements are based on pre-defined contingencies, such as sickness or unemployment. People can have more than one contingency at the same time — for example, a person could be unemployed and become sick. The general principle that usually applies is that where a person experiences more than one of the contingencies at any one time, he or she only receives one payment.

**Mr. S. Ryan:** In general.

**Mary Coughlan:** That has been the rule. One of the exceptions is the blind person's pension. People who are blind have enough trouble. That exemption was made a long time ago. Bad as Members opposite might think I am, I would not even consider changing that.

There are other short-term insurance benefits available. That limited exception has been widows and widowers. I agree with many of the sentiments expressed by Members and by individuals who have been in touch with my office. I think the girls in my office will resign because they cannot get their work done as they spend 90% of their time on the telephone. I empathise with widows. We have all had to deal with death. My mother, my aunt and many young women have had difficult and traumatic experiences. Following the deaths of their husbands, whether through sickness, an accident or whatever, they have had to pick up the pieces and most of them have had children to look after. We have all encountered the experiences faced by widows and widowers in our personal lives and even in this House recently.

This is not a victimisation of widows. A number of years ago, there was an exemption from PRSI contributions and then it was felt best that people progress on to the half rate. In the preparation of my spending Estimates, I could only deal with the amount of money I knew I would have. The subsequent buoyancy in the economy did not occur during the timeframe in which I had to make decisions. I had to make my decision last June on what we would do. It was on that basis I had to consider a number of savings — up to €55 million. I agree that the removal of any social welfare entitlement is not palatable. I had to do this in the circumstances which prevailed at that time, that is, with a certain amount of money being made available to me and certain decisions having to be made to accumulate a saving of €55 million. I had other choices to making in doing that.

On the law of averages will the impact be more or less? The Government decisions were made in accordance with collective Cabinet responsibility. However, on the basis of quite a number of representations, I have given a commitment to meet the association. I did not get a chance to do so this week because I ended up doing three sets of legislative work. My secretary has been in touch with the association, however, to set an appointment the week after St. Patrick's week to meet with its representatives and discuss the issues. I have also given a commitment to re-evaluate the situation.

**Mr. Penrose:** I realise the situation is a difficult one and that the Minister is faced with choices. The Labour Party would make different choices, however, because as a left of centre party, it has a different philosophy and ideology. We would ensure that this measure would not impact disproportionately on such vulnerable people who have made their contributions to society and

who have a due entitlement. They are certainly not rich, they are struggling to make ends meet having worked hard all their lives. The Minister understands the difficulty. Elderly people who have made a contribution, feel emotive about this matter. The only reason they made the contributions is to ensure that they would have an entitlement. Can we unilaterally breach such a contractual commitment? Employees, including widows and widowers, entered into the contracts on the understanding that they would receive a benefit arising from injury, unemployment or disability.

The Minister should examine this measure carefully from a legal perspective by obtaining the relevant legal advice. She is committed to meeting the National Association of Widows in Ireland the week after next so she should bring along a purse containing €6 million from the Minister for Finance, Deputy McCreevy, because this was a cut too far. It behoves the Minister for Finance to give the Minister, Deputy Coughlan, the €6 million in this instance to deal with the problem on behalf of the 2,000 widows and widowers who feel deeply aggrieved. I urge the Minister to reverse the cut and I hope she will be able to give a commitment to do so when she meets the NAWI in the coming weeks. If the Minister can give that commitment to the House we will not press the amendment. In the absence of such a commitment, however, we will have no option but to press the amendment.

**Mr. Ring:** The Minister said she has to make choices, but on this occasion she made a bad choice. It is hard for widows and widowers to have to listen to the Minister, her Department and the Government on this issue. Yesterday, the Minister announced an expenditure of €1 million but the Government is spending €40 million on electronic voting that nobody wants. The Government spent €15 million for a harbour and pier in Kerry that had to be taken down. Now we find that the Minister has made a choice concerning widows by taking away something they were receiving up to now. One does not take sweets from children and, likewise, this cut affecting widows and widowers should not have been made. This was a mean cut that should be reversed immediately. The Minister will meet the widows' association next week but I will press the amendment because the cut is wrong. We cannot say one thing in the House and then not do something about it. I will push this amendment to a vote to let people know the choice the Minister has made. I agree that she has difficult choices to make but this scheme was already in place.

Yesterday, the Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, announced that there is a sum of €300 million in dormant accounts. Surely the Minister could have taken €5 million from that for social welfare. I am pressing the amendment because widows and widowers have made a major contribution to Irish life. The Minister should re-examine this matter

[Mr. Ring.]

because they are the forgotten people. The Minister is honest enough to have said that she and her family experienced this situation and she knows the difficulties involved. I should not have to press the case any further.

**Mr. S. Ryan:** Ministers should be able to consider a situation objectively and admit with hindsight that they might have done something differently. My mind goes back to the 2 o'clock so-called “dirty dozen” cuts that were introduced by the Minister for Finance, Deputy McCreevy, in the 1989-1992 Government. A campaign was embarked upon concerning the “dirty dozen” and we were told nothing could be done to reverse them. The Government said it was not prepared to move on the cuts. It was the decision of the Minister for Finance, Deputy McCreevy, who has been taking all the money from the Minister, Deputy Coughlan, as she outlined earlier. When there was a change of Government, however, the Labour Party gave a specific commitment to change the cuts. During the period of office of the subsequent Government, almost all the “dirty dozen” cuts were removed or changed, so there is a mechanism for changes to be made.

The economy is buoyant this year and at the end of 2003 when these cuts were introduced, the Minister for Finance had a surplus of €400 million, yet we are talking about finding only €5 million. The Minister should find that €5 million

in order to deal with the situation. I hope she will do so on the basis of justification, merit and need. It has nothing to do with elections.

**Mary Coughlan:** I do not really have anything else to say. I have given a commitment to meet the National Association of Widows in Ireland when I return. I also said that I would re-evaluate the situation.

**Acting Chairman (Ms Keaveney):** Is the amendment being pressed?

**Mr. S. Ryan:** Notwithstanding the commitment given by the Minister to meet the widows' association, the matter goes beyond that. Since the Minister is not in a position to give us a commitment to row back from that vicious cut, I will press the amendment.

Amendment put.

The Dáil divided by electronic means.

**Mr. Broughan:** This is an important amendment relating to the rights of widows and widowers. I would like to give the Government an opportunity to vote individually on this through the lobbies.

**An Ceann Comhairle:** As Deputy Broughan is a Whip, under Standing Order 69 he is entitled to call a vote through the lobby.

Amendment again put.

The Dáil divided: Tá, 46; Níl, 56.

Tá

Boyle, Dan.  
Broughan, Thomas P.  
Bruton, John.  
Bruton, Richard.  
Burton, Joan.  
Costello, Joe.  
Coveney, Simon.  
Crowe, Seán.  
Cuffe, Ciarán.  
Deenihan, Jimmy.  
Durkan, Bernard J.  
Enright, Olwyn.  
Ferris, Martin.  
Gilmore, Eamon.  
Gormley, John.  
Gregory, Tony.  
Harkin, Marian.  
Higgins, Joe.  
Higgins, Michael D.  
Howlin, Brendan.  
Kehoe, Paul.  
Lynch, Kathleen.  
McCormack, Padraic.

McGinley, Dinny.  
McGrath, Finian.  
McGrath, Paul.  
McHugh, Paddy.  
Mitchell, Gay.  
Mitchell, Olivia.  
Morgan, Arthur.  
Moynihan-Cronin, Breeda.  
Naughten, Denis.  
Neville, Dan.  
Noonan, Michael.  
Ó Caoláin, Caoimhghín.  
Ó Snodaigh, Aengus.  
O'Dowd, Fergus.  
O'Sullivan, Jan.  
Pattison, Seamus.  
Penrose, Willie.  
Quinn, Ruairí.  
Rabbitte, Pat.  
Ring, Michael.  
Ryan, Seán.  
Shortall, Róisín.  
Upton, Mary.

Níl

Ardagh, Seán.  
Brady, Martin.  
Brennan, Seamus.  
Callanan, Joe.  
Carty, John.  
Cassidy, Donie.

Cooper-Flynn, Beverley.  
Coughlan, Mary.  
Cregan, John.  
Cullen, Martin.  
Curran, John.  
Davern, Noel.

Níl—*continued*

Dempsey, Tony.  
Devins, Jimmy.  
Ellis, John.  
Fahey, Frank.  
Finneran, Michael.  
Fitzpatrick, Dermot.  
Fleming, Seán.  
Gallagher, Pat The Cope.  
Glennon, Jim.  
Grealish, Noel.  
Hanafin, Mary.  
Haughey, Seán.  
Hector, Máire.  
Jacob, Joe.  
Keaveney, Cecilia.  
Kelleher, Billy.  
Kelly, Peter.  
Killeen, Tony.  
Kirk, Seamus.  
Lenihan, Brian.  
Lenihan, Conor.  
McCreevy, Charlie.

McGuinness, John.  
Moloney, John.  
Moynihan, Donal.  
Moynihan, Michael.  
Mulcahy, Michael.  
Nolan, M. J.  
Ó Cuív, Éamon.  
Ó Fearghail, Seán.  
O'Connor, Charlie.  
O'Dea, Willie.  
O'Donnell, Liz.  
O'Donovan, Denis.  
O'Malley, Fiona.  
Parlon, Tom.  
Power, Peter.  
Power, Seán.  
Ryan, Eoin.  
Sexton, Mae.  
Smith, Brendan.  
Treacy, Noel.  
Wallace, Dan.  
Wright, G. V.

Tellers: Tá, Deputies Hanafin and Kelleher; Níl, Deputies Boyle and Harkin.

Amendment declared lost.

**Mr. S. Ryan:** I move amendment No. 6:

In page 4, between lines 2 and 4, to insert the following:

2.—The Minister shall as soon as may be after the passing of this Act prepare and lay before both Houses of the Oireachtas a report on the operation of the social insurance system insofar as it affects persons whose entitlement is determined by reference to historic rather than recent contributions.”.

There has been some movement on the historic operation of the social insurance scheme and pre-1953 contributions. A number of anomalies, however, remain to be dealt with. We discussed this matter in great detail on Committee Stage. Rather than get into a wide-ranging debate, I ask the Minister to comment on how she proposes to deal with this issue.

**Mr. Penrose:** I will not delay the Minister as she has a firm grasp of the significance of this issue. It might have even greater resonance in Donegal where many people may have registered six to eight months stamps before emigrating to Scotland for 25 years. As it is 2004, a person who left in 1960 and returned in 1985 must elongate the average over 44 years rather than, for example, 19 years. It causes a reduction for them.

This is an anomaly the Minister recognises. As it is important in this game to be fair no matter how we argue about our differences, I acknowledge that the Minister's senior pensions officials are examining this problem among others. I understand that the Minister must be careful to ensure that in wiping out one anomaly, she does not create others. Deputy Ring and I will press this amendment simply to indicate to

the Minister the seriousness of this issue and its dilutive impact on a returned emigrant who worked here for only a year or two in the late 1950s or early 1960s before leaving. We move the amendment as a way of asking the Minister to accelerate her work.

**Mr. Ring:** As Deputies Seán Ryan and Penrose have said, we discussed this issue on Committee Stage. The Minister has informed us that a review of pensions is under way in the Department. It is not only those who have worked abroad who are affected, but also women who left employment to raise their families before re-entering the workplace. I spoke at my clinic recently to a woman who worked from 1954 to 1956. If she had not worked previously and entered the workforce only in the past ten years, she would have received her contributory pension. That is a very serious anomaly which I ask the Minister to address. As I said to her on Committee Stage, it will be difficult.

While one is always afraid that in resolving one issue, one will open up another, there is an injustice in this instance which must be dealt with. It especially affects women, particularly those who stayed at home to raise families. They should not be penalised because they earned two or three years' worth of stamps before the regulations were introduced where people could get their ten years stamps and qualify for the contributory pension.

I hope the Minister will have this report dealt with as quickly as possible and deal with this unfair anomaly.

**Mary Coughlan:** We have discussed this issue on a number of occasions. This is being considered as part of the phase 2 review of the qualification conditions of the old age contributory and retirement pension. The first phase report was made in 2000 and I am

[Mary Coughlan.]  
expecting the second phase report shortly. When this is received, we will examine the operation of the average contribution tests and we will put together options for a system based on a total contribution, as suggested in the phase 1 review. One of the issues regarding any changes in the permutations and eligibility criteria for social welfare is the knock-on effect this can have on others. I will be examining this issue shortly.

**Mr. Penrose:** In view of the Minister's commitment, which we know is honourable, I will withdraw the amendment.

Amendment, by leave, withdrawn.

**Mr. Ring:** I move amendment No. 7:

In page 4, between lines 9 and 10, to insert the following:

"3.—The Minister shall, as soon as may be, after the passing of this Act prepare and lay before both Houses of the Oireachtas a report:

(a) contrasting the increase in 2003 of the Consumer Price Index with the increases paid to the entitled persons under the Act of 2003;

(b) evaluating the suitability and appropriateness of the items and weightings used by the Central Statistics Office in computing the rates of increase in the Consumer Price Index to the needs of the principal categories of entitled persons under the Principal Act;

(c) setting out the Department's assessment of those groups potentially most seriously affected by significant inflationary pressures which may arise because of internal and external factors in 2004."

I raised this on Committee Stage and will not go into it in depth now. This amendment refers to the consumer price index and how inflation is determined. The basket used to calculate inflation includes holidays, luxury goods and second cars. I have asked that the basket be determined on the basis of foodstuffs. This would more accurately show how inflation affects people in receipt of social welfare. We have seen increases in the price of foodstuffs in recent months. We have also seen increased charges for electricity and the introduction of stealth charges. People's entitlements are being wiped away. Individuals in receipt of social welfare do not have second cars or take two annual holidays.

**Mary Coughlan:** We will have to agree to differ on this. Inflation is determined by a professional organised valuation, based on 55,000 prices covering 1,000 different items. The general consensus is that the standard measure of CPI is the best method to ascertain price changes and

inflation levels. My Department does not feel that a change in the usage of the CPI indicator would give added value to social welfare customers.

Amendment, by leave, withdrawn.

**Mr. Ring:** I move amendment No. 8:

In page 4, between lines 20 and 21, to insert the following:

"(3) The Minister shall establish an internal departmental committee to assess the extent to which the amounts provided for in *subsection (1)* adequately meets or assists in meeting the costs of maintaining a child in the State."

The Minister and I have often clashed over the issue of child benefit. All statistics have shown that when child benefit is paid to mothers, they use it on their children. In 2001, the Minister for Finance made a commitment to parents and told them that he had set out what he was going to give them in child benefit for the following three years. He broke this promise in both 2002 and 2003. I want to see this broken promise rectified in the next budget.

While I could cite facts from CORI about the number of children that live in poverty, I will not do so as we have discussed this twice in committee in the last three months. In December 2001 the Minister for Finance made a promise to the women of Ireland. He has broken the promise and I ask that he honour it in the next budget. He should give mothers the increases that were promised in 2002 and 2003 and complete it with an increase for 2004. If the Minister can persuade the Minister for Finance to do this, she will be doing the right thing for the women and children of this country.

**Mary Coughlan:** The Government's intention is to reach the target set. We currently have a considerable investment in child benefit. I firmly believe that child benefit is the best methodology for supporting child care and addressing child poverty. We have established increases in child benefit this year. There has been a huge investment in child benefit in recent years; the benefit was €38.09 for the first child in 1997 and it is €131.60 this year. This is true investment and it is our intention to continue this investment.

Amendment, by leave, withdrawn.

Amendments Nos. 9 and 10 not moved.

**Mr. Ring:** I move amendment No. 11

In page 6, between lines 46 and 47, to insert the following:

"7.—The Minister shall, as soon as may be, after the passing of this Act prepare and lay before both Houses of the Oireachtas a report:

(a) setting out the mechanisms by which family income supplement could be paid through the tax system, the estimated additional numbers of entitled persons who would benefit from such a change and the estimated cost of such additional take up;

(b) evaluating the potential numbers of beneficiaries under family income supplement if the self-employed persons were to qualify for participation.”.

This amendment refers to the take-up of family income supplement for families on low incomes. Only 30% of those entitled to income from this scheme do so. While this is a good scheme, a large number of those entitled to it do not avail of it because it is a social welfare payment. Many of those in receipt of low incomes do not want to be seen to be getting a social welfare payment. The Government is great for collecting money and my party feels FIS should be allocated through the taxation system.

I have been critical of the Minister and the Department for the amount of money wasted and squandered on press releases and photographs. The Minister is photogenic——

**Mary Coughlan:** It does not cost money to send a press release. The Deputy does it himself and is something of a star.

**Mr. Ring:** There are press releases to inform people of what has been allocated in the budget, new schemes and the family day that is coming up in May. The Minister could have her spin doctors and programme managers promote the FIS scheme.

**Mary Coughlan:** I do not have a programme manager.

**Mr. Ring:** The Department should try to identify and target the people that would qualify for the scheme. Were the Department to do this, it would spend taxpayers' money wisely. The FIS should be paid through the taxation system rather than having people make an application to the Department of Social and Family Affairs.

**Mr. Penrose:** I support this amendment. The family income supplement is an important income support for those on low incomes. It is often the crutch that brings people over the threshold of survival. It is important to promulgate and advertise the availability of this scheme. In fairness, the Department has made a sum available for the scheme and it is important that information about it is explained and disseminated to the greatest degree. It is important that this is done in places of employment.

I believe in the social welfare offices, post offices and the Garda stations. I believe in using whatever vehicle of the State is available. It is crucial to ensure the scheme receives maximum

exposure so that people are aware of their rights and entitlements. It is an excellent scheme, which has been improved over the years. It is important to ensure that the thousands who are entitled to it, but do not avail of it, obtain it. This is why Deputy Rings is proposing that it be dealt with through the tax system. It would be a better way to ensure that those who are entitled to the supplement receive it.

**Mr. Crowe:** I support the amendment, which is a sensible one. Many people who are entitled to this allowance are on low wages and have a poor educational background. I do not know if the leaflet issue works, particularly for this target group. Many people do not read these leaflets. Deputy Ring is proposing that the issue be dealt with through the tax system. It is a scandal that fewer than one-third of those entitled to the funding access it.

**Mary Coughlan:** We all agree that the family income supplement has been progressive. This year we increased the baseline payment. It has been exempted from the supplementary welfare rent allowance scheme. It is not that we do not advertise the scheme. It is included in the child benefit book, we advertise it to those who apply for the lone parent family allowance and the information is included with employers' PRSI mailshots. It is also on the Department's website but I appreciate that everyone cannot access this or understand it. It has been advertised extensively in the local and national media. There are also poster campaigns and so on.

There are two or three issues relating to family income supplement which need to be re-assessed. Some employers do not want people to know their business so they do not encourage it. Employees are sometimes afraid to ask for it because they might be seen to have a problem with their employer. It is a better system of family income support because it is a yearly based scheme. It is a continuum of a year and there is no evaluation in the middle of it. I have asked the information section of the Department to look at a couple of other ideas to see what can be done to encourage people to participate in the family income supplement scheme. The funding is available and we should try to reach that target group.

On the interaction between the tax and welfare system, this has been going on since I was in college. We have not been able to reach a firm decision on the best way forward. A working group was established under the Programme for Prosperity and Fairness to examine the role of refundable tax credits, including their role within the tax and welfare system. It also examined the payment of FIS through the taxation system, which Deputy Ring raised on a number of occasions. The report, which is expected to be published shortly, indicated that responsibility for the administration of the scheme should remain within my Department and not within the tax

[Mary Coughlan.]

system. One of the reasons for this is that tax cannot deal with an immediate situation. One gets one's credits for the previous year but the family income supplement can deal with an immediate issue. It would cause difficulties if people attached their application to the tax system. I appreciate the views expressed about the take up of the scheme, which I will examine.

**Mr. Ring:** I welcome the Minister's response. I am pleased that she will take on board this issue because it is important. We always talk about people on social welfare but we forget about the people who are working six and seven days a week for low pay. Some of these people do not qualify for medical cards; they must pay for everything. Some of them have mortgages and find it difficult to make ends meet. It is important to promote the scheme. It is wrong if 70% of people who are entitled to benefit from the scheme do not avail of it. Given that the Minister has promised to take on board the issue, I will withdraw my amendment.

Amendment, by leave, withdrawn.

**Mr. Ring:** I move amendment No. 12:

In page 7, before line 1, to insert the following:

"8.—The Minister shall, as soon as may be, after the passing of this Act prepare and lay before both Houses of the Oireachtas a report setting out the cost of giving effect to the new arrangements for payments after death in April 2004 rather than May 2004."

If people lose a loved one, they will now get the six weeks——

**Mary Coughlan:** That is all sorted.

**Mr. Ring:** It is sorted. I welcome that because we must be positive when something is done correctly. It is a good move because certain sections of people on social welfare did not avail of this. I am pleased to hear they will now get it. If a member of a family dies, it takes a number of weeks to sort out matters. If two pensions are coming into a house, and one partner dies suddenly, there is a problem. I welcome this measure.

Amendment, by leave, withdrawn.

Amendments Nos. 13 to 17, inclusive, not moved.

**An Leas-Cheann Comhairle:** Amendment No. 18 is consequential on amendment No. 36. Amendment 37 is an alternative to amendment No. 36. Amendments Nos. 18, 36 and 37 will be discussed together.

**Mr. Penrose:** I move amendment No. 18:

In page 10, to delete lines 28 and 29.

**Mary Coughlan:** This relates to the provision of a new section which looks at the habitual residence test. There has been some discussion on the issue. I reiterate that one of the fundamental freedoms which will be guaranteed under community law is the right to live and work in another member state. That right is being upheld in regard to the accession countries.

I have introduced a number of measures that will restrict access to qualification for certain social welfare payments by introducing what is called an habitual residence test. This will act as an additional condition to be satisfied by a person claiming a social assistance payment or child benefit. It is designed to safeguard the social welfare system from abuse by restricting access to social assistance and child benefit payments for people from other countries who have little or no connection with Ireland. The new condition will require a claimant for social assistance to be habitually resident in the State or the rest of the common travel area. If they have been present in the State for fewer than two years, it shall be presumed they are not habitually resident and the onus will be on the person to prove otherwise. A person must establish a degree of permanency to be considered habitually resident. The term is well-known in other jurisdictions and in EU legislation as it has been clarified by an EU court judgment. It is intended to convey a degree of permanency in the person's residence in Ireland. The duration and continuity of their residence will be important factors, as would their intentions.

The following factors will be set down in the habitual residence test: length and continuity of residence, employment prospects, reasons for coming to Ireland, future intentions and centre of interest. I assure Deputies that each case will be examined on the facts and the person's degree of permanency in the State. No single factor will be conclusive. A person who claims welfare but does not satisfy the habitual residency test will be assisted to return home and the necessary arrangements will be made in co-operation with the Department of Justice, Equality and Law Reform.

It is anticipated that the majority of Irish emigrants returning from abroad, where the need arises, will qualify under the habitual residency test. In other cases, it is possible that a returned emigrant will qualify for social insurance-based entitlements, for example, a contributory pension, if they have been working in an EU member State or a state with which Ireland has a bilateral social security agreement. Under EU Regulation No. 1408, it is possible for an unemployed person, under certain conditions, to export his or her unemployment benefit for up to three months while seeking work in another member state. The regulations also allow people to exercise their right to free movement in the EU and have their social insurance-based

entitlements, such as a contributory pension, exported to another member state.

These are sensible measures and introduced on the basis of the change of attitude by at least seven other member states. It can be done legally under the EU accession laws. However, I am changing the habitual residency test on a permanent basis as an additional condition to be satisfied for entitlement to social welfare benefits. It is legal on the basis that it will be expressly for all members of the European Community.

**Mr. Boyle:** I strongly disagree with the Minister for Social and Family Affairs on this issue and the general thrust of Government social policy. Not only is this two year residency requirement for all EU member and accession state nationals being introduced in this Bill, the Minister for Justice, Equality and Law Reform, Deputy McDowell, has said that those EU immigrants whose children are born in Ireland cannot apply for Irish citizenship unless they have lived here for three years. This raising of the threshold in all aspects of Irish social policy does us no credit as a nation. It is directly opposed to our own experience as an emigrant nation.

As the child of an emigrant, I am ashamed that our national Parliament is putting in place measures that make Ireland out as some paradise to which people will stampede. The reality for many of our citizens dependent on the social welfare system is that life is barely adequate. The idea that thousands of people in countries, that will be welcomed into the EU in Dublin on 1 May, will bleed this country dry should be seen as offensive to everyone who has argued in favour of a wider and broader Europe. This is an offensive amendment that makes poor legislation.

The Minister has, without any empirical evidence, failed to convince that a threat exists from these people entering the State. The only empirical evidence we have is when Ireland joined the EU as a proportionately poorer country. Many Irish people chose not to go to other European countries. There was the experience of when Spain, Portugal and Greece joined the EU. Each of those countries had a *per capita* income and social welfare system that were less developed than ours, yet we did not see Spaniards, Portuguese or Greeks flooding into this country. There are low levels of social provision in some of the EU accession states; I believe it is the equivalent of €19 in Hungary. The buying power of €19 in Hungary is equivalent to, if not greater than, the buying power of €134 in this State which has the highest cost of living in the EU.

This proposal and the proposal of the Minister for Justice, Equality and Law Reform on citizenship are nothing other than an exercise of deflection as the three month's run-in to local and European elections approaches. This is an exercise by a Government that is intent not to have its record on social provision open to scrutiny and examination leading to the proper

political reaction at the ballot box. Instead, it wants to change the agenda to issues of race and ethnicity, and to raise scares that do not exist.

My role and that of my party and others on this side of the House should be four square in opposing this cynicism. There is no risk from people coming into this country. If 1 May is to mean anything, welcoming people into the Union must be on an open basis. If it proves to be a risk, then we can adjust rules and legislate accordingly. Experience has shown that it has not happened in the past and is unlikely to happen now. I appeal to the Minister to remove this barrier. As 1 May approaches, the Minister will not just be aware of what the European Commission has said about the likely number of people who will come to Ireland, but also that the existing regulations put in place by other EU member states and the subsequent changes by the seven member states to which she referred are all open to scrutiny by the Commission. They are likely to be turned down due to poor application of EU law in terms of freedom of movement and labour across all EU member states.

To be fair to the Minister's officials, they have made as decent an attempt as they can not to breach those rules. Any attempt to have a distinction between Irish citizens, other EU citizens, British subjects — both have existing rights — and citizens of the accession states will be seen as a breach of EU law. The Minister for Social and Family Affairs must know that. The only reason Cabinet has asked her to proceed with these measures is due to the elections in three months. That one of those elections will be for the European Parliament should shame us further. The Minister has failed to produce any evidence. As of yesterday's answers on Question Time, she has shown she has not conversed with any of her counterparts in the accession states. If that is the basis on how we make decisions and inform the public as to what threats exist, or are likely to exist, the Government is doing an even worse job than I feared.

**Mr. Penrose:** This is nothing less than anticipatory legislation. It is not based on the realistic assessment or objective analysis of the situation and certainly not backed up by any empirical evidence. Legislation should be based firmly on a set of facts, not anticipated facts or vacuous arguments.

One is obviously concerned. Everybody knows that we have a system and are continually trying to improve it for those who are in Ireland.

Deputy Boyle made the point that, if our system was highly attractive to those from other countries, such as the Portuguese, the Spanish and the Greeks, there would be evidence that they had flooded the country, but there is no evidence that they have come in any numbers. That is because there is more to life than social assistance: purchasing power, family upheaval and disruption, and

3 o'clock

[Mr. Penrose.]

cultural changes can be significant for those coming to a strange country.

We would not have done anything had Britain not moved. That is the clear position. It appears to be the corollary of this argument. Britain moved in reaction to some of the arguments that were made in the British red-top media organs — there is no two roads about that — and we have some of those organs in Ireland. The Minister probably then found herself in an invidious position and had to do something.

When a safeguard amounts to a discrimination, it is illegal, but the Minister has applied it to everybody, including those from existing member states. People who have rights that have been established under European law over a sustained period of time will find that those rights have been cut adrift. Some residents from one of the other 13 EU member states — we already have a bilateral agreement with Britain, so we will leave that to one side — will bring a case to the European Court of Justice saying that a right that they had and that was firmly established has been cut adrift unilaterally by a member state. The Minister might say that is a crazy argument, but it is surprising how the direct impact of measures will find a level at which there is a basis for a case.

**An Leas-Cheann Comhairle:** I point out to the Deputy that he is subject to two minutes but has the right of reply at the end.

**Mr. Penrose:** I would rather give away my right of reply and do it now.

**An Leas-Cheann Comhairle:** The Minister has not, so perhaps she wants to comment. I call Deputy Crowe.

**Mr. Crowe:** Like my colleague, Deputy Boyle, I opposed the Nice treaty when it was debated in this House. Members said at the time that, if we were opposed to the treaty, we were indifferent to the plight of the candidate countries. It is ironic that many of those who made that argument are the ones who to some extent promote the politics of fear. The Bill cannot be taken in isolation from what the Minister, Deputy McDowell, proposes.

**Mary Coughlan:** It is a social welfare bill.

**Mr. Crowe:** It must be considered as a package.

**Mary Coughlan:** It is not a package.

**Mr. Crowe:** It is considered to be a package, because it is coming from a direction——

**Mary Coughlan:** That is Deputy Crowe's interpretation. It is not a package. I cannot under any circumstances pre-empt what the people will decide.

**Mr. Crowe:** Most fair-minded people would see that we are going in the direction of the politics

of fear. We heard a great deal about the concept of fortress Europe, but are we now in fortress Ireland? Is that the sort of message that we are sending out?

This morning, I was at an event for children in my area. Children from throughout the world were in one school in my constituency. The President, who was there, talked about how good the children were. She said that they were the best in the world and that they were great because they included all the children in the class who were from all races. She said that, when she was growing up, one had to look at a map to find out about a country and now a child only has to talk to his or her school pals and they will talk about what is happening in their own countries.

Unfortunately, we are going in the direction of fortress Europe. That is wrong. We are being asked about evidence, but we do not know what it is. However, the evidence that we have is that those who will travel to Ireland are young, better-educated than Irish people in many cases and coming here to work, not with a begging bowl.

**Mary Coughlan:** Who is stopping them? Not one person is stopping them.

**Mr. Crowe:** That is the evidence coming from other countries. Deputy Boyle talked about what happened in a previous situation. In many cases, those who travelled went to the nearest country, and Ireland is far away from many of the accession countries.

The Government's policy is wrong and there is no evidence to back it up. It is yet more legislation being made on the hoof. We seem to be introducing changes all the time. They are negative changes and are designed to attack the most vulnerable people who are the ones who come to this country looking for a fresh start for their children. In many cases, they risk their lives and those of their unborn children to come here for a better start, and the answer that they receive is that the door is closed and we do not want them.

**Mr. Ring:** I find the topic difficult, because, yesterday, I spent an hour and a half in the United States Embassy meeting officials from the US Government to discuss Irish illegal immigrants and trying to get something done for them on the basis that they live in America and want to work there. In some cases, they cannot come home because, if they do, they will not get back in because, since 11 September 2001, a great deal has changed in the US.

I have listened to all politicians, especially pro-European politicians, over recent years and have found it hypocritical that, every time that there has been a referendum in this country, we have been told how wonderful free movement in an enlarged Europe would be. That reminds me that we are the greatest hypocrites that there ever were. I will give the example of how we treat our own people who return from America or Britain.

The first question we ask when they come home is how they are, the next is how long they are staying and the last is when they are going back. We cannot get rid of them quickly enough. At night, when we are in the pub with them, we sing songs such as Goodbye, Johnny Dear.

**Mr. Penrose:** A Chuisle Mo Chroí.

**Mr. Ring:** How great they are. We let these people leave the country. We are the greatest crowd of hypocrites that was ever known.

We are debating an Irish solution to a European problem. What I see happening in Ireland is what I see happening in Europe. The European Union is breaking down, and it looks as though we will have a three-tier Europe. The supers, namely, the Germans, French and British, want one tier with the Irish and a few others in another tier and the 10 accession states in a further tier. We cannot have that. We either have a common European policy or we do not.

Many people come to this country. At a recent constituency clinic of mine, I had a husband, wife and daughter from, I think, Slovakia. The husband is here on a work permit. His employer came with him and told me that he is the finest worker that he ever had. He will work day and night and never ask any questions once he gets paid, and the employer pays him well. The daughter came to Ireland 18 months ago and — this is the truth — started the course six months before the leaving certificate examination. Members should listen to this: she got 430 points in the examination. I saw my own children's scores. They got near enough the same, but they worked hard and it took them more than six months to get it. I must compliment the immigrants. They are bright, looking for an opportunity, work hard and, as I said to the Minister earlier, are needed.

I am concerned about the measure we are debating. It will be challenged. Questions must be asked about the European Union in the context of a debate on a European constitution. If this is the kind of policy the Minister, Deputy McDowell, has in mind, the people will think seriously about European referenda in future. The Government should not tell us one thing during a referendum and another afterwards. It reminds me of the referendum on abortion. Great assistance was promised to lone parents, but Ministers now have a social policy of cutting off rent supplement and making life difficult for lone parents by removing either their benefit when they work or the back to education scheme. We cannot have it both ways. We cannot say one thing when it suits us coming up to an election or referendum and something else when it is over. That is what has happened in this country in the past. It is a bit like the fact that, when we joined the EU, we were told that there would be free movement of cars in Ireland, but the Government obtained a derogation on that.

**Mr. Penrose:** The VRT.

**Mr. Ring:** That was a major substitute and is wrong. We are either in the Union or out of it. We must take the good as well as the bad, and there is much that is bad when it comes to EU directives and so on. People are sick and tired of hearing about directives day in and day out.

I am concerned about this legislation. This country has exported thousands upon thousands of people all over the world. There is no part of the world in which one cannot meet an Irish person. As I said to the Minister on Committee Stage the other day, it was not always the good people who left. A book I read recently referred to an article in a local newspaper from the 1950s about a man from my town who had got into a lot of trouble. The judge told him he could take the boat to Manchester or America, or else he would be sent by car to Mountjoy Prison. That is the kind of person we exported. They were not all great and we were glad when they got to the UK or America. If they found employment it was great, if they got into difficulty we were glad of the social schemes that existed in those countries. We saw the "Prime Time" programme about the thousands of Irish who are on the streets in Britain. They did not all do well.

We must give a chance to the people who want to come here and work. I do not want to be hypocritical — I said earlier that I do not want spongers coming here to clean out our social welfare system. At the same time, however, we should provide for people who want to make a contribution to Ireland and to their families.

**Mary Coughlan:** The Deputy mentioned various issues and it is important we do not mix them up. People who wish to come to work here are more than welcome. There have been no changes or U-turns in that policy. The freedom of people to move around and reside anywhere in the EU has not been removed, nor has the freedom of people to seek and enjoy work throughout the Union. Those are two basic principles of EU law. This is the last country in the EU to introduce a residency requirement. We do not have residency requirements — we have never needed them. Everybody knew everybody else and people did not come here to live.

A person who wants to work and live in Belgium cannot open a bank account unless he or she obtains a residency permit. One must have an identification card. Things have changed, for better or worse. Accordingly, I was obliged to change the social welfare code to introduce a residency requirement. This is fair and reasonable on the basis that we must protect our social welfare scheme so that it is not overburdened. People are asking for empirical evidence. There is no empirical evidence to the contrary either. What has happened is that there has been a change in attitude in seven other member states, which are legally entitled to introduce changes, as are the accession states. At a Council of Ministers

[Mary Coughlan.]  
meeting last week I met representatives of all the accession states.

**Mr. Boyle:** Did the Minister talk to them about these changes?

**Mary Coughlan:** We discussed numerous issues.

**Mr. Boyle:** That is not the answer the Minister gave me yesterday.

**Mary Coughlan:** The only person who raised the issue was the Minister from Poland. His ambassador came to my office seeking information, and I told him if he needed additional information I would be delighted to speak to him. The matter was raised within the Council and noted as part of the discussions on the key messages to the spring summit. The Commissioner was there. We had a press conference and she indicated that the current member states were legally entitled to introduce changes under the accession treaties.

I had no choice but to make these changes on the basis of much scaremongering by the media in the accession states. There was much publicity which would certainly have been detrimental to this State. We could have waited until 31 July but it might have been too late. The day that has been decided for accession is 1 May and it is on that basis I am introducing the habitual residency requirement. Will it be legally challenged? I am not sure. People are entitled to challenge anything in this State. I have been advised by the Attorney General that this is legally sound and it is certainly within the European parameters of legality. It is not tied to any other changes that may be proposed and accepted or not accepted by the Irish people. This is merely a requirement for habitual residence, something the UK has had for the past ten years. It is not an alien concept within the EU, nor within any social welfare codes, which, I am advised, I can change as long as the change affects all EU citizens equally.

**Mr. Boyle:** I do not know whether the Minister remembers when the Taoiseach was the Opposition spokesperson on labour in the mid-1980s. He made a heartfelt plea to the American Government to introduce an immediate amnesty for Irish illegals. The day after the Minister introduced her amendments on Committee Stage, the Minister for Foreign Affairs was in Washington doing precisely the same thing. In the run-up to the second Nice referendum the Minister for Foreign Affairs sent a letter to his equivalent Ministers in all European accession countries guaranteeing that Ireland would make no changes when the accession countries became full members of the EU on 1 May.

**Mary Coughlan:** We have not done so.

**Mr. Boyle:** The Minister should examine the letter, which was written by the Minister for Foreign Affairs.

**Mary Coughlan:** We have not changed the labour laws. Contrary to what people believe, people cannot work without a visa in the USA. That is the problem. It is on that basis the Minister is trying to persuade the US Government to grant an amnesty to Irish people who are illegally working there.

**Mr. Boyle:** That does not change the fact that a double standard is at work.

**Mary Coughlan:** It is not a double standard.

**Mr. Boyle:** I speak as someone whose parents emigrated to the USA. I was born there. I am speaking from family experience.

**Mary Coughlan:** The Minister is not lobbying for the right to social welfare but for the right to reside and work.

**Mr. Boyle:** We should consider this from the point of view of our cultural experience and in light of commitments given by the Government as recently as 2002. The Government has reneged on promises made to the EU accession countries. How can we welcome an enlarged EU on 1 May? On all these grounds, the Minister has failed to convince us. We are creating a European Union with first, second and third-class citizens. We are putting in place regulations to which we would have reacted with horror and anger if they had applied to Irish citizens when we joined the European Community in 1973.

**Mary Coughlan:** No, we would not. We are not entitled to these things in other countries either.

**Mr. Boyle:** They were not applied to us when we joined. Why should they be applied to others? The threat that has been implied does not exist. I appeal to the Minister to live up to the promises made by her Government to the other EU accession states and face the fact that the restrictions introduced in all other EU countries will be struck down as illegal by the European Commission.

**Mr. Penrose:** I speak as somebody whose seven or eight uncles ended up behind the mixer with John Laing, Murphy, McAlpine and so on. They all worked hard. They were part of the 1940s and 1950s brigade who got a one-way ticket. They were allowed to work, but many people here are not allowed to do so. Until recently the spouses or partners of nurses from the Philippines, who have done important work here, were prohibited from coming here even though they could make an economic contribution.

The work permit system is the genesis of my distrust in this area. It is all right for the Minister to say that people can come and work here but

that has not been the experience to date. People have come to my clinic saying their partners are not allowed to come here. One woman who has been paying PRSI for 16 years in this country has not been granted residency even though her husband has. She is over 60 years of age. The whole thing is up in the air. There is no coherent policy. We have a reactionary policy which is fomenting antagonism.

At present, freedom of movement is guaranteed only for persons pursuing or wishing to pursue an economic activity. It only covers the pursuit of effective and genuine activity and excludes activity on such a small scale as to be regarded as purely marginal and ancillary. As a general rule, a person looking for a job has no more than six months entitlement or sometimes three months, I think, to remain in another state unless he or she is genuinely seeking employment.

**Mr. Boyle:** It is already guaranteed.

**Mr. Penrose:** It is already guaranteed and if there is a genuine chance of obtaining employment. These are the two criteria. There is, therefore, no question of a right to shop around for the country with the most favourable social assistance and then, by asserting Community law, set oneself up as a welfare tourist. This also applies to Irish people. They do not have a right to State-subsidised economic inactivity either because they must be available and capable of work.

**Mr. Boyle:** If not they will be cut off.

**Mr. Penrose:** Correct. Social security as opposed to social assistance are entitlements which are acquired as a result of work in any of the member states or aggregated and paid to the state where the individual now finds himself or herself. There is no freedom of movement to Ireland by, for example, the Poles or Hungarians, in order to avail of Irish social assistance. They must be genuinely seeking work and have a genuine opportunity of getting work. We do need people to come in to supply particular advanced skills.

As a person whose family was forced out of this country, I hope we would treat people coming to this country in the way we would like our own people to be treated. In the past we were very angry when signs were put up about our people in other countries. Now we are saying to people coming here, "Hold on, you must satisfy residency rules."

Child benefit is not benefit-based and I question why it is included. The restrictions will only apply to or are focused upon people coming from the applicant states. The Minister has

already given guarantees about the expatriates——

**Mr. Boyle:** The vast majority. There will be exceptions.

**Mr. Penrose:** I agree. What will happen to people who have been long-term resident abroad, our own people, and who wish to return to this country? There will be great resentment and dissension.

**Mr. Durkan:** It will foment it.

**Mr. Penrose:** I agree. People have spent 30 or 50 years away. They did not go of their own volition. Some of them were given the one-way ticket. The first time I got a pair of football boots was when one of my uncles who was working on a building site in London bought them for me. One of them said, "We got one great legacy from de Valera, we got a one-way ticket." It may not be remembered but at that time the work was very hard. When people sending back the remittances were asked when they were coming home, they would reply, "If it freezes up, we might get home." In other words, if the sea froze over, they would slide back.

Those days have left an indelible imprint on my mind. I have seen a football team with the Cloonans, the Jordans, the Penroses, the Mahers, wiped out of Ballysallagh and a football team decimated. They all bid goodbye to gnashing and weeping of teeth and crying at Mullingar station and the train took them away. I have never forgotten that scene as a child.

As a nation we should remember where we come from, what we had to go through and what our people suffered. We should never impose that great sorrow and heartbreak upon anybody else. We are a nation that has developed and that is big enough.

A lot of people pay hard-earned taxes to sustain many important services. If those services were under attack from a mass influx there is a seven-year derogation after three or six months. The Minister for Justice, Equality and Law Reform, Deputy McDowell, will advise the Minister in three seconds. He makes legislation on the hoof. We had better watch out tomorrow morning because he may have something else coming in.

**Mr. Boyle:** He loves non-nationals.

**Mr. Penrose:** I do not know. I have a great feeling for all our fellow humans. As a socialist that is what I hope distinguishes socialism, born of fraternity, solidarity, compassion and sense of community in the wider sense of the word.

Question put: "That the words proposed to be deleted stand."

## The Dáil divided: Tá, 60; Níl, 44.

## Tá

Andrews, Barry.  
 Ardagh, Seán.  
 Brady, Martin.  
 Callanan, Joe.  
 Callely, Ivor.  
 Carey, Pat.  
 Carty, John.  
 Cassidy, Donie.  
 Cooper-Flynn, Beverley.  
 Coughlan, Mary.  
 Cregan, John.  
 Curran, John.  
 Davern, Noel.  
 Dempsey, Tony.  
 Dennehy, John.  
 Devins, Jimmy.  
 Ellis, John.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Dermot.  
 Fleming, Seán.  
 Gallagher, Pat The Cope.  
 Glennon, Jim.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Haughey, Seán.  
 Hoctor, Máire.  
 Jacob, Joe.  
 Keaveney, Cecilia.  
 Kelleher, Billy.

Kelly, Peter.  
 Killeen, Tony.  
 Kirk, Seamus.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 McCreevy, Charlie.  
 McDowell, Michael.  
 McGuinness, John.  
 Moloney, John.  
 Moynihan, Donal.  
 Moynihan, Michael.  
 Mulcahy, Michael.  
 Nolan, M.J.  
 Ó Fearghaíl, Seán.  
 O'Connor, Charlie.  
 O'Dea, Willie.  
 O'Donnell, Liz.  
 O'Donovan, Denis.  
 O'Keeffe, Batt.  
 O'Malley, Fiona.  
 Parlon, Tom.  
 Power, Peter.  
 Power, Seán.  
 Sexton, Mae.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Dan.  
 Walsh, Joe.  
 Woods, Michael.  
 Wright, G.V.

## Níl

Boyle, Dan.  
 Broughan, Thomas P.  
 Bruton, Richard.  
 Burton, Joan.  
 Connaughton, Paul.  
 Coveney, Simon.  
 Crowe, Seán.  
 Cuffe, Ciarán.  
 Durkan, Bernard J.  
 Enright, Olwyn.  
 Ferris, Martin.  
 Gilmore, Eamon.  
 Gormley, John.  
 Gregory, Tony.  
 Harkin, Marian.  
 Higgins, Joe.  
 Higgins, Michael D.  
 Howlin, Brendan.  
 Kehoe, Paul.  
 Kenny, Enda.  
 Lynch, Kathleen.  
 McGinley, Dinny.

McGrath, Finian.  
 McGrath, Paul.  
 McManus, Liz.  
 Mitchell, Olivia.  
 Moynihan-Cronin, Breeda.  
 Murphy, Gerard.  
 Naughten, Denis.  
 Neville, Dan.  
 Noonan, Michael.  
 Ó Caoláin, Caoimhghín.  
 Ó Snodaigh, Aengus.  
 O'Sullivan, Jan.  
 Pattison, Seamus.  
 Penrose, Willie.  
 Perry, John.  
 Quinn, Ruairi.  
 Rabbitte, Pat.  
 Ring, Michael.  
 Ryan, Seán.  
 Sargent, Trevor.  
 Shortall, Róisín.  
 Upton, Mary.

Tellers: Tá, Deputies Hanafin and Kelleher; Níl, Deputies Broughan and Boyle.

Question declared carried.

Amendment declared lost.

**An Ceann Comhairle:** I am now required to put the following question in accordance with an

order of the Dáil of this day: "That the amendments set down by the Minister for Social and Family Affairs and not disposed of are hereby made to the Bill, Fourth Stage is hereby completed and the Bill is hereby passed."

Question put.

## The Dáil divided: Tá, 61; Níl, 45.

## Tá

Andrews, Barry.  
 Ardagh, Seán.  
 Brady, Martin.  
 Callanan, Joe.  
 Calley, Ivor.  
 Carey, Pat.  
 Carty, John.  
 Cassidy, Donie.  
 Cooper-Flynn, Beverley.  
 Coughlan, Mary.  
 Cregan, John.  
 Curran, John.  
 Davern, Noel.  
 Dempsey, Tony.  
 Dennehy, John.  
 Devins, Jimmy.  
 Ellis, John.  
 Fahey, Frank.  
 Finneran, Michael.  
 Fitzpatrick, Dermot.  
 Fleming, Seán.  
 Gallagher, Pat The Cope.  
 Glennon, Jim.  
 Grealish, Noel.  
 Hanafin, Mary.  
 Haughey, Seán.  
 Hoctor, Máire.  
 Jacob, Joe.  
 Keaveney, Cecilia.  
 Kelleher, Billy.  
 Kelly, Peter.

Killeen, Tony.  
 Kirk, Seamus.  
 Lenihan, Brian.  
 Lenihan, Conor.  
 McCreevy, Charlie.  
 McDowell, Michael.  
 McGuinness, John.  
 Moloney, John.  
 Moynihan, Donal.  
 Moynihan, Michael.  
 Mulcahy, Michael.  
 Nolan, M. J.  
 Ó Fearghaíl, Seán.  
 O'Connor, Charlie.  
 O'Dea, Willie.  
 O'Donnell, Liz.  
 O'Donovan, Denis.  
 O'Keeffe, Batt.  
 O'Malley, Fiona.  
 Parlon, Tom.  
 Power, Peter.  
 Power, Seán.  
 Ryan, Eoin.  
 Sexton, Mae.  
 Smith, Brendan.  
 Treacy, Noel.  
 Wallace, Dan.  
 Walsh, Joe.  
 Woods, Michael.  
 Wright, G. V.

## Níl

Boyle, Dan.  
 Broughan, Thomas P.  
 Bruton, Richard.  
 Burton, Joan.  
 Connaughton, Paul.  
 Coveney, Simon.  
 Crowe, Seán.  
 Cuffe, Ciarán.  
 Durkan, Bernard J.  
 Enright, Olwyn.  
 Ferris, Martin.  
 Gilmore, Eamon.  
 Gormley, John.  
 Gregory, Tony.  
 Harkin, Marian.  
 Higgins, Joe.  
 Higgins, Michael D.  
 Howlin, Brendan.  
 Kehoe, Paul.  
 Kenny, Enda.  
 Lynch, Kathleen.  
 McGinley, Dinny.  
 McGrath, Finian.

McGrath, Paul.  
 McHugh, Paddy.  
 McManus, Liz.  
 Mitchell, Olivia.  
 Moynihan-Cronin, Breeda.  
 Murphy, Gerard.  
 Naughten, Denis.  
 Neville, Dan.  
 Noonan, Michael.  
 Ó Caoláin, Caoimhghín.  
 Ó Snodaigh, Aengus.  
 O'Sullivan, Jan.  
 Pattison, Seamus.  
 Penrose, Willie.  
 Perry, John.  
 Quinn, Ruairí.  
 Rabbitte, Pat.  
 Ring, Michael.  
 Ryan, Seán.  
 Sargent, Trevor.  
 Shortall, Róisín.  
 Upton, Mary.

Tellers: Tá, Deputies Hanafin and Kelleher; Níl, Deputies Durkan and Broughan.

Question declared carried.

### Ceisteanna — Questions.

#### Priority Questions.

#### Community Employment Schemes.

**An Ceann Comhairle:** I point out that Deputy

James Breen is not present. Therefore, we will take Question No. 1 but not Question No. 5.

1. **Mr. Murphy** asked the Tánaiste and Minister for Enterprise, Trade and Employment the instructions that have been issued to FÁS on the way regulations are to be interpreted by them that allow community employment participants in various age groups to continue in schemes after three years' continuous participation. [8151/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):**

[Mr. Fahey.]

As part of the Government decision in 1999 to restructure community employment, future participation in community employment by an individual was capped at three years, effective from April 2000. This change was introduced to discourage repeated participation in community employment and to encourage unemployed persons to avail of training and education options where possible, which are shown to have more successful progression outcomes for individuals.

The three-year cap was amended in August 2001 to allow particularly disadvantaged persons to remain on the programme for a further period. Participants are considered for such an extension if on reaching the end of their normal entitlements on community employment they are likely to experience difficulty in getting employment. A number of community employment participants have difficulty in progressing to open labour market employment due to their age, literacy or numeracy problems, or a lack of suitable jobs available locally.

FÁS has discretion to give 20% of participants under 50 years of age extensions of up to one year to meet the needs of individuals who would clearly benefit from an extension in terms of their future employment prospects. In addition, participants over 50 may be given a further year on community employment, with provision for review at the end of that year — further discretion may be given to extend participation beyond this on a case by case basis, subject to continued annual review. In general, approximately 20% of participants on community employment may benefit from an additional year on the programme under the current flexibility guidelines.

The future structure of the community employment programme is currently under review by a group of senior officials and FÁS, and this group is expected to report to Ministers on the outcome of their deliberations very shortly. The outcome of this review will inform any future adjustments in the structure and the terms and conditions of participation on community employment.

**Mr. Murphy:** In the run-up to the Estimates last year, when community employment and the problem of people on schemes not progressing to full-time employment was being discussed, the Minister of State constantly said there was enough flexibility within the FÁS system to deal with this. I have been in contact with FÁS on numerous occasions to try to establish the criteria they use and as far as I can establish the only criterion they use is that 20% of any age group can remain on a scheme. If five people over 55 years want to stay on a scheme then only one of them can stay on. The chances of that happening

in any one scheme are minimal so for all intents and purposes that flexibility is worth nothing.

The other measures the Minister mentioned have obviously not been made clear to FÁS or else FÁS is not implementing them with the kind of flexibility which the Minister of State wants it to use, to judge from his comments today and before Christmas. It is time the Minister of State gave FÁS instructions on the flexible implementation of these guidelines.

I am particularly concerned about those aged over 55, a matter we discussed here several times before Christmas. At that time the Minister of State was confident he would be able to put a social employment scheme or something similar in place for those over 55 years and he told us we would see that in the Estimates. I appreciate the Minister for Community, Rural and Gaeltacht Affairs hi-jacked that measure from the Minister of State with his rural social scheme and Deputy Ó Cuív now has a slush fund from the dormant accounts for community grants. He obviously wants to steal some community workers from the enterprise and trade schemes.

This measure is not working properly. I understand the Minister for Community, Rural and Gaeltacht Affairs is to set up a totally separate mechanism to administer the rural social scheme. Under the FÁS umbrella there are community groups which administer the community employment scheme, with supervisors employed by the actual community groups and any duplication of that would be an utter waste of money. Those aged over 55 outside the farming community are in serious trouble. The Minister of State and the Government gave a commitment before last year's Estimates that there would be facilities in place for those over 55 but they have not materialised.

Will the Minister of State review this situation with reference to flexibility for those over 55 years and to make sure FÁS understands that there should be flexibility, as tight interpretation of the rules does not allow that.

**Mr. Fahey:** The position is as outlined. If the Deputy misunderstands that FÁS does not. I am not aware of any situation in which one needs five people over 55 years in order to retain one or five people over 50. The criteria are quite clear and FÁS has the discretion to allow for 20% of participants being under 50 years and to give extensions for a further year when the individuals involved would clearly benefit from the year. There is no difficulty with that interpretation by FÁS.

Participants who are over 50 may be given a further year on CE with a provision for review at the end of that year and there is further discretion to extend participation beyond that on a case by case basis. The Deputy is clearly not aware of the policy FÁS is implementing. I am not aware of

the regulations he describes but if there are areas where that is happening we will put that right.

### **Competition Authority.**

**2. Mr. Howlin** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on the recent annual report of the Competition Authority; her views on whether the authority's target of prosecuting one cartel a year is adequate in view of the widespread public concerns regarding the extent to which consumers are being exploited by anti-competitive behaviour; and if she will make a statement on the matter. [8148/04]

**Mr. Fahey:** I welcome the Competition Authority's annual report for 2003, which has been laid before the Houses of the Oireachtas and which is currently being examined. The report demonstrates the authority's wide range of activities in the areas of competition law enforcement, controlling mergers and acquisitions, undertaking studies and promoting competition generally.

Regarding the authority's expectation to prosecute one cartel per year, I understand this takes account of the authority's experience to date in investigating cartels both at national and international level. Cartels are conspiratorial by nature, making them difficult to detect and prosecute successfully. It should be borne in mind, therefore, that undertaking the prosecution of a cartel case is an arduous and time-consuming process which involves the investment of significant legal and economic resources.

For example, I am aware that the Director of Public Prosecutions has commenced the prosecution of a particular cartel, the investigation of which began more than two years ago. More than 50 summonses have been issued in 11 District Courts to companies and individuals and the authority does not view the number of defendants in this case or the length of time that it has taken to get the case to court as unusual in cartel investigations.

Achieving a successful outcome to any prosecution brought is of greater importance than the number of prosecutions initiated. As we have seen from developments in other countries, a single successful prosecution of unlawful business activity can have a very wholesome effect on potential wrongdoing by others.

In view of the harm caused by cartels to consumers, the authority has identified the pursuit of cartels as a priority and to this end it introduced a cartel immunity programme in December 2001 in conjunction with the Director of Public Prosecutions. I understand the programme has been operating successfully.

Furthermore, the authority's law enforcement role is not just confined to cartel investigations. I note that the authority's annual report for 2003

shows a considerable increase in overall enforcement of competition law compared with previous years. Last year was the first in which the authority operated with the full range of its current powers and functions under the Competition Act 2002. The report shows that the authority has made a good start across the whole range of its responsibilities and I look forward to further success in the years ahead.

**Mr. Howlin:** I am taken aback by the complacent response from the Minister of State.

**Mr. Naughten:** The Deputy should not be taken aback.

**Mr. Howlin:** I suppose not. If one issue resonates across the land it is the perception of rip-off Ireland. The Minister of State says the prime agent of the State, the Competition Authority, is doing a grand job, that all is well and that we can sit back because the proof of the pudding is in the eating. That is an extraordinary attitude.

The report referred to states that out of 200 complaints received 174 were closed following an initial review and only five proceeded to full investigation. In effect only one case in 40 was investigated and the vast majority of complaints were dismissed without any follow-up. In the face of widespread public concern about rip-off Ireland, is the Minister of State content with that?

The chairman's foreword to the report effectively states that the enforcement target set for the authority is the same as was achieved in 1998 and 1999 despite the fact that staff numbers have been increased by vote of the House by 86%, from 21 to 39, with two additional Garda detective sergeants. The budget has virtually doubled and, as the Minister of State rightly said, the legislative powers have also been beefed up to enable effective enforcement. Is the Minister of State saying that notwithstanding the new legislation, new resources and new staff, an enforcement target at that level is acceptable to him?

**Mr. Fahey:** Yes, I am satisfied. The authority's target is based on a number of criteria it has set down for itself. As the Deputy is aware, the Competition Act 2002 came into operation in July 2002. Last year was the first full year of its operation. Based on the authority's experience from the first full year of the Act's operation, on previous and current cartel investigations, from the first year with full staff complement, from international experience of investigating cartels, from its relationship with the Garda Bureau of Fraud Investigation and the Office of the Director of Public Prosecutions, the authority concluded that a target of one major cartel investigation per year was appropriate.

[Mr. Fahey.]

This is a highly complex and time-consuming exercise. The evidential standard for indictable offences is onerously high with a beyond reasonable doubt burden of proof on the prosecutor. Following investigation, the authority is required to prepare a file for the DPP after which the preparation of a book of evidence can take several months. Following a decision by the DPP to proceed with the prosecution, the authority assists and works with the DPP, the chief prosecution solicitor, legal counsel and the Garda Síochána in getting a case ready for trial.

By way of illustration of the extent and size of individual cartel investigations in the coming months, I refer to prosecution of a case arising from a Competition Authority investigation of a cartel. This investigation commenced over two years ago. In excess of 50 summonses have been issued in 11 different court districts to companies and individuals to answer charges being brought by the DPP. The trial will involve the largest number of defendants collectively in one case in the history of the State.

**Mr. Howlin:** How many successful prosecutions have there been?

**Mr. Fahey:** It is not about the number of investigations; it is about the depth and effort made to break these notorious cartels.

**Mr. Howlin:** I deliberately kept my question short but the Minister of State went on and on. He said the proof of the pudding is in the number of prosecutions. How many successful prosecutions against cartels have there been to date?

**Mr. Fahey:** I do not have that information, but I will make it available to the Deputy.

**Mr. Naughten:** On a short piece of paper.

### **Health and Safety Regulations.**

3. **Mr. Crowe** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of workers killed in work related accidents in 2003; the reason for the delay in the bringing forward of legislation to strengthen the Safety, Health and Welfare at Work Act 1989; and when legislation will be brought forward to provide for the offence of corporate manslaughter in view of the unacceptable level of workplace deaths. [8149/04]

**Mr. Fahey:** The number of workers killed in workplace accidents in 2004 is 56, or three per 100,000 workers. While any workplace fatality is one too many, worker fatality rates have been steadily falling to the extent that the rate per 100,000 workers is now 45% lower than in 1995.

Legislative proposals to repeal and amend the Safety, Health and Welfare at Work Act 1989 are at present the subject of legal drafting by the Office of the Parliamentary Counsel. Drafting is at an advanced stage of development. However, it involves a detailed revision of the current legislative framework dealing with occupational health and safety and is a long and complicated process. There is ongoing consultation between officials of my Department and the Office of the Parliamentary Counsel and I expect to be in a position to introduce a Safety, Health and Welfare at Work Bill in April.

The Law Reform Commission published a consultation paper on corporate killing in October last. The Commission recommends that a new offence of corporate killing be established which would be prosecuted on indictment, without exclusion of any entity whether incorporated or not. The offence would apply to acts or omissions of a high managerial agent, which would be treated as those of the undertaking. This is much wider than in the context of workplace safety.

To give practical effect to these recommendations, I am taking the opportunity to provide for the creation of this new offence in law in the Bill on occupational health and safety now being prepared. This will have to be subject to the final views of the Law Reform Commission when its consultation process is complete and also subject to the advice of the Attorney General. My Department is in consultation with the Office of the Parliamentary Counsel and I hope it will be possible to include an appropriate provision in the new Bill.

**Mr. Crowe:** Many people will say these deaths could have been avoided. The tiny sums of money given to the families of those who have died, particularly in construction accidents, have been an insult. There is a view that if the legislation had not been delayed, many of these accidents could have been avoided.

I wish to ask the Minister of State about construction related deaths, of which there were 19 last year and six to date this year. Studies by the Health and Safety Authority and HSE have revealed that a significant proportion of clients, designers and project supervisors are failing to meet their statutory obligations. Proposed new construction regulations, which would place a range of new responsibilities on clients and supervisors have been approved by the Health and Safety Authority and its construction advisory committee, which included trade union representatives. The trade union movement and others are concerned that the Minister of State is planning to roll back on those proposed regulations as a result of coming under some political pressure from vested interests, including professional bodies such as the Royal Institute of

Architects of Ireland, the Association of Consulting Engineers and the society of chartered supervisors. There is a belief that they wish to stonewall this legislation.

Will the Minister of State outline exactly what was discussed when he met these professional bodies on this matter? Did he make any commitments to roll back on proposed legislation? Will he state categorically that he does not intend to roll back on proposed construction regulations as approved by the Health and Safety Authority?

**Mr. Fahey:** The level of fatalities in the construction industry, in particular, is a cause of great concern. Despite considerable effort being made by the partnership involved — management and unions in the construction sector — those fatalities continue. I am intent on introducing legislation, which will ensure people in the design, architectural and consulting engineering sectors have an important part to play in health and safety. We must have a joined-up system when it comes to health and safety involving the architectural, design and consulting engineering sectors. I recently met representatives of the organisations mentioned by the Deputy.

It is my intention to ensure we have effective legislation. We do not want legislation, which will cause bureaucratic blockages or difficulties for any sector. The objective must be to ensure that everybody involved in the construction sector should be under the health and safety legislative banner. That is my intention, and I will not roll back on anything.

I am prepared to listen to the case being put as to the type of legislation. Discussions are ongoing between the representative organisations and the management of the Health and Safety Authority to ensure we come up with the best formula which will be acceptable to everybody. I am particularly concerned about mobile structures where we have seen a number of fatalities in the past 12 months. It gives rise to serious concern and we propose to address that issue in the legislation.

#### **Insurance Industry.**

4. **Mr. Naughten** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action she is taking to introduce competition into the insurance market; and if she will make a statement on the matter. [8152/04]

**Mr. Fahey:** One of the key elements of the insurance reform programme the Tánaiste launched on 25 October 2002 is to investigate competition in the Irish insurance market with a view to establishing what actions are needed to improve competition.

The aim of the joint study undertaken by the Department and the Competition Authority is to identify and analyse barriers to entry and limitations on rivalry in the insurance marketplace. The bulk of the study was completed in 2003 and a preliminary report and consultation document on competition issues in the non-life insurance market was published on 18 February 2004. Following a two month consultation period, a final report will be published which will contain recommendations based on its findings.

The insurance reform programme mentioned above contains a wide-ranging set of insurance reforms that have the potential to make the Irish market generally more attractive to insurers, thus encouraging the entry of new players into the market and leading to downward pressure on premia. Improvements in the functioning of the Irish insurance market will reduce industry costs and make the market more attractive to other firms that have not had any previous presence in Ireland. Competition has a vital role to play in ensuring that these cost reductions are fully passed on to the buyers of insurance.

Many of the other measures contained in the Motor Insurance Advisory Board's recommendations will have the effect of encouraging competition, including those relating to transparency and the provision of information to consumers. Examples of recommendations that have been implemented to promote competition include the provision of 15 days' notice at renewal time for motor insurance policies, which give consumers the opportunity to shop around; regulations that prescribe that no claims bonus documentation be provided with renewal notices to assist consumers who wish to shop around; the provision of comparative tables of insurance quotes which IFSRA now publishes on its one-stop website on a three-monthly basis; and the incorporation of the principle of acting against the public interest in the Competition Act 2002.

Codes of practice in the insurance industry, IFSRA and the IIF, now require insurers who refuse to quote for any particular risk to state their reason in writing, upon request. The Irish Insurance Federation in its code of practice has agreed a code of conduct with its member companies on anti-competitive behaviour, subject to any more formalised measures which may be adopted by IFSRA under competition law.

The Competition Authority has a duty to review all further insurance mergers in the interests of the economy, with appropriate reference to IFSRA. The process of consultation seeks to protect the interests of specific policyholder groups, since the effects of mergers may warrant consideration below issues of the market as a whole.

*Additional information not given on the floor of the House*

Over the coming months, I intend to meet representatives of potential new entrants to the market. I have made it known that I am interested in talking to any such potential entrants.

**Mr. Naughten:** I thank the Minister of State for his response but it does not seem to address the fact that there is no competition within the marketplace. I have received an e-mail from a young man who sought insurance cover for a Fiat Punto and received a quote of between €3,500 and €5,700, which is more than the cost of the car. Owing to the lack of competition, cherry-picking is taking place in the market and young people are being persecuted by the insurance industry which does not want to take them on. Competition is badly needed.

Why have all 67 recommendations of the MIAB, which were launched with such fanfare as the answer to insurance problems, not been implemented? How many of them have been implemented and when will the rest be implemented? Costs have fallen for the insurance industry because road deaths have decreased by more than 25% in the last five years. The industry's input costs have fallen, yet that reduction has not been passed on to young drivers who are most vulnerable in this respect.

**Mr. Fahey:** I do not accept the criticisms levelled by the Deputy. Some 32 of the 67 recommendations contained in the MIAB's report have already been implemented.

**Mr. Naughten:** In full?

**Mr. Fahey:** Four of them have been partly implemented and a further 21 are being actively progressed. The Deputy is well aware of the progress that is being made across the spectrum as a result of legislation introduced by the Minister for Justice, Equality and Law Reform, as well as by the work envisaged for the PIAB which is about to be established. There is clear evidence that premium prices are being reduced by up to 32%. While we all accept that reductions are not happening as widely or as quickly as we would wish, it is clear that significant reductions are taking place and a number of companies have reduced premia considerably.

The case the Deputy mentioned is evidence of the wide gap between what companies are quoting and it indicates that competition is becoming more effective. While the Tánaiste and Minister for Enterprise, Trade and Employment is satisfied that there is still a considerable way to go, we are making progress in that respect.

**Mr. Naughten:** Would the Minister of State accept that the only way real competition can be achieved is by having a single European insurance market? Will he outline what measures have been taken by the Government to achieve that?

**Mr. Fahey:** While there is an argument for such a market, the European and domestic situations are quite different. That is one of the issues concerning insurance companies that is being addressed currently within the ambit of European competition law. For instance, data sharing, which is allowed under European competition law, is not provided for here. That is an example of where we need to make further progress and which will bring about an improvement in competition.

*Question No. 5 lapsed.*

### **EU Directives.**

6. **Mr. Howlin** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of EU directives for which her Department has responsibility which have yet to be implemented; the number in respect of which the deadline for implementation has passed; if she has satisfied herself with the rate of compliance by her Department; the number of cases where legal actions have been notified or commenced by the EU Commission arising from a failure to implement a directive; and if she will make a statement on the matter. [8064/04]

**Mr. Fahey:** The current position in relation to the transposition of EU directives for which my Department is responsible indicates a total of 23 directives to be implemented, including seven for which the deadline for implementation, in full or in part, has passed.

Details of the directives, including, in so far as it has been decided, the proposed transposition instruments, are available on my Department's website at [www.entemp.ie/ecd/eudirectives](http://www.entemp.ie/ecd/eudirectives). The website also contains information on directives in respect of which infringement proceedings have been commenced.

In relation to one of the directives that has not yet been transposed and for which the deadline has passed, a letter of formal notice, under Article 226 of the treaty, has been issued by the European Commission. In the case of another three of the directives for which the deadline for implementation has also passed, reasoned opinions have been issued to the Commission.

My Department transposed 25 directives in 2003 and, to date this year, seven more have been transposed. I am satisfied that my Department is giving all due priority to the task of implementing EU directives, in light of the available resources.

**Mr. Howlin:** The Minister of State said that, a formal notice under Article 226 was issued by the Commission in respect of one issue. What was that issue? Of the 23 directives, that have not been transposed, is it a fact that the majority relate to the health and safety sector? Why is it taking so long to transpose these directives, some of which go back to 1995, into Irish law? Is the Minister of State satisfied that sufficient attention is being paid by his Department to ensure that we are up to date?

These directives are agreed at Council of Ministers meetings, as well as being agreed by the European Parliament. The Department knows they are coming up, so why must we wait years before they take effect here? Will the Minister of State provide an assurance that the delays we have witnessed to date will not be replicated in future? As regards the seven directives for which the deadline has passed, will he indicate when specifically we can expect them to be transposed into Irish law?

**Mr. Fahey:** The directive which has been the subject of a letter of formal notice is Directive 2000/34/EC, concerning aspects of the organisation of working time to cover sectors and activities excluded from the working time directive. While my Department has overall responsibility for employment rights legislation, the sectors covered by the directive involve three other Departments.

Significant progress was made in the transposition of directives by the Department in 2003. While I accept the valid criticism that progress had been slow up to then, a total of 25 directives were transposed in 2003, which compares favourably with 2002 when a total of 16 directives were transposed. In addition, Ireland's position on the EU directives internal market scoreboard has shown a remarkable improvement. The latest figures published by the Commission on 12 January show that Ireland was in joint third place among EU member states. Ireland exceeded the EU target of a 1.5% deficit for the transposition of internal market directives. At the beginning of 2003 its deficit was 3.5% and ranked 13 of the 15 member states. By the end of 2003 Ireland's deficit was 1.4%. Therefore, the Department's transposition record last year contributed to a much improved performance. However, I accept further progress must be made to get up to speed and I assure the Deputy every effort is being made to do so.

**Mr. Howlin:** I refer to the Taoiseach's statement at the Fianna Fáil Ard-Fheis last weekend. Will the working time directive be renegotiated during the Presidency or will the directive be fully operational for all employees within the deadlines announced and agreed?

**Mr. Naughten:** What is Ireland's negotiating position on the directive? Has the Department put forward proposals to its counterparts in Europe or have proposals been submitted to the Department in fulfilling its duties during the Presidency?

**Mr. Fahey:** Two issues must be considered and sometimes there is a mix up in regard to both. The working time directive is being renegotiated by the European Commission because of decisions by the European Court of Justice, particularly in the Jaeger case. That is ongoing. I chaired a meeting of employment Ministers in Brussels last week during which we had a discussion on changes to the directive. There will be changes and Ireland is supportive of the general consensus in this regard.

Deputy Howlin is referring to doctors in training. The deadline for the transposition is 1 August. The Department of Health and Children is involved and it has commenced negotiations with the relevant organisations with a view to transposing the relevant provisions of the directive on time.

#### Departmental Staff.

7. **Mr. Gilmore** asked the Tánaiste and Minister for Enterprise, Trade and Employment if the structure and staffing levels of the Personal Injuries Assessment Board have been agreed; when she expects that the board will be operational; if a location has been decided for the board's office; and if she will make a statement on the matter. [8076/04]

**Mr. Fahey:** The structure and staffing levels of the Personal Injuries Assessment Board have been agreed. The PIAB, when fully operational, will have a staffing complement of 85 in addition to the chief executive officer. The PIAB will also utilise an outsourced service centre to assist injured parties in completion of their claim submissions and ensure a comprehensive, fair and independent service is provided.

As the Deputy may be aware a CEO designate has been appointed and she took up duty on 2 February. Advertisements have recently been placed in the national media for various positions in the new body. The PIAB will be based in the Tallaght area. Negotiations are nearing finality in regard to securing a premises. Furthermore, significant progress has been made in regard to procuring the required information technology systems and infrastructure which will facilitate the PIAB in commencing operations.

**Mr. Howlin:** Is the Minister of State aware that when the legislation to establish the board was going through the House, a commitment was made that it would be fully operational as soon as possible and 1 January was mentioned? Will

[Mr. Howlin.]

he give a specific date upon which the PIAB will formally process personal injuries applications?

How does the designation of Tallaght as the location for the board's offices square with the Minister for Finance's statement during his budget speech that all new agencies would be sited outside the greater Dublin area? How can that be reconciled? What is the Minister of State's view on the Tánaiste's assertion that suitably qualified people are not available outside the greater Dublin area to staff the board?

**Mr. Fahey:** I am not aware of such a statement by the Tánaiste. It is expected the PIAB will deal with cases from June onwards.

**Mr. Howlin:** The date has changed from January to March to April to June.

**Mr. Fahey:** The establishment of the PIAB has been complex and has involved a great deal of work but good progress is being made. The Deputy can be assured the location of the offices in Tallaght—

**Mr. Howlin:** Has nothing to do with the Tánaiste?

**Mr. Fahey:** —is a good boost for the area and it is an appropriate location for a new board, which has 85 staff and complex—

**Mr. Howlin:** Road traffic.

**Mr. Fahey:** —work to undertake. Consequently, the location is entirely appropriate.

**Mr. Naughten:** Is the recruitment of staff focused on those with experience of employer liability cases or are staff with experience in all elements of the insurance market being recruited? When does the board hope to commence examination of motor insurance claims?

What measures have been taken by the Department to address fraudulent claims? The Minister for Justice, Equality and Law Reform wants to make this a criminal offence, a view which we support. What is the Department's view? What action is being taken?

**Mr. Fahey:** My Department, particularly in the area of health and safety, has examined the possibility of improving the database that exists in the courts system to make it more transparent and to ensure improved data are available to the public on claims regimes and so on.

With regard to the PIAB, it will deal initially with employer liability cases and then move on to deal with public liability and motor accident

cases. I do not have a date for the move to the latter cases.

**Mr. Naughten:** Will it be before or after the next general election?

**Mr. Fahey:** Before.

#### **Liquor Licensing Laws.**

8. **Mr. Timmins** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of prosecutions against publicans who breach price display regulations; the number of officers employed to enforce the regulations; and if she will make a statement on the matter. [8004/04]

**Mr. Fahey:** During 2003 the Office of the Director of Consumer Affairs investigated more than 55 reports into possible non-compliance with the Retail Price (Beverages in Licensed Premises) Display Order 1999. In addition, ODCA inspectors undertook 214 proactive investigations. Four premises were successfully prosecuted for breaches of the display order in 2003 and proceedings have been initiated in seven cases in 2004.

Twenty officers are employed in the Office of the Director of Consumer Affairs in the general area of enforcement, including the enforcement of the 1999 order.

**Mr. Naughten:** A total of 55 reports have been made and 214 inspections carried out. Does the Minister of State not think a high number of inspections is taking place, given that it should be standard practice to display the price of drinks? Does he agree this is enhancing the perception among the public that we are experiencing a rip off culture? Does the office need additional staff so that it is more proactive in seeking out publicans who abuse the legislation and ensuring prices are transparent?

**Mr. Fahey:** I have not heard complaints in respect of the number of investigations under way. The requirement to display prices is generally being adhered to and where licensed premises fail to do so, they are brought to the attention of the Director of Consumer Affairs and investigated. Proceedings have been initiated in seven cases.

The problem still lies in the disinterest of consumers in ensuring prices are displayed. They should also be discerning in regard to price differences between and within licensed premises.

**Mr. Naughten:** What is being done to make consumers more conscious of making formal complaints? The total number of investigations carried out by 20 inspectors was 269, which on average is not even one inspection per day per annum.

**Mr. Fahey:** The inspectors have a range of duties in addition to this duty. The Deputy will be aware that the Tánaiste established a group to look at enforcement and awareness by consumers. As one drives from the west to Dublin, one sees great variations in the published prices of petrol and diesel, yet for some reason best known to themselves, consumers will go to the most expensive places, which are among the bigger stations. It is really a question of the consumers being discerning and being aware of the price differentials that exist.

Yesterday's announcement by the Tánaiste is a very welcome development which will examine further measures that can be taken to deal with price levels, which I agree are far too high.

#### **Job Losses.**

9. **Mr. Rabbitte** asked the Tánaiste and Minister for Enterprise, Trade and Employment if, in regard to her statement of 2 March 2004, she will outline any steps she intends to take to secure alternative employment for the Donegal area, following the announcement by Unifi Europe that it is to close its spinning operations in Letterkenny; and if she will make a statement on the matter. [8073/04]

37. **Mr. McGinley** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action that has been taken secure replacement jobs in Donegal following the recent spate of job losses in the county; and if she will make a statement on the matter. [8010/04]

**Mr. Fahey:** I propose to take Questions Nos. 9 and 37 together.

It was with deep regret that I learned earlier this month of the decision by Unifi Europe to shut down its polymer and spinning operations, with the loss of 120 jobs. IDA Ireland is in the process of setting up a meeting with the company to discuss its future plans. FÁS has already been in contact with Unifi Europe and has outlined the full range of services available. It is proposed to hold interviews for the workers being made redundant, commencing next month.

The Tánaiste recently had meetings with delegations from IBEC north west and the Donegal County Development Board to discuss the employment situation in the area. The key to enhancing employment in the north west is the development of infrastructure in the area, in particular roads, water, electricity and gas, air access and broadband communications. Recent developments include the provision of funding for the Letterkenny water supply scheme and the approval of a feasibility study grant for the extension of the natural gas pipeline from Derry to Letterkenny.

IDA Ireland continues to strive to secure new investment for Donegal and is committed to the

development of the north west region by maintaining the maximum level of existing jobs in overseas industry and by attracting new foreign direct investment into the region. Efforts to secure investment include working with Invest Northern Ireland on a virtual cross-Border park, which will improve telecommunications infrastructure on a cross-Border basis, the development of property in the region, and the completion of the Letterkenny business park, while work by Donegal County Council to extend the Letterkenny ring road to this park is well advanced. Work has now been completed on the provision of a second IDA advance factory at the park and planning permission has been granted for a third advance facility. Planning permission has been obtained also for new factory facilities at Ballyshannon and Buncrana.

**An Ceann Comhairle:** As two oral questions have been taken together, 12 minutes, rather than six have been allotted to deal with them.

**Mr. Howlin:** The Minister of State's response seems to fall into a category. As soon as there is an announcement of job losses and redundancies, the Tánaiste is in sympathy with the people, but that is about the size of it.

The Minister of State outlined the infrastructural works, which are not his Department's affair and are part of the national plan. What specifically is the Minister who is charged with responsibility for job maintenance doing in the job black-spots? Clearly, Donegal is a jobs black-spot now. What specific action will be taken in response to the loss of 120 jobs at Unifi Europe? In recent weeks job losses have occurred in Donegal, Portlaoise, Mayo and Cork — the litany goes on.

Last year we had the highest level of redundancies in 19 years and in February 2004 redundancy notifications rose by 13% with 2,353 redundancies, one of the highest levels of increase in redundancy notifications for a very long time. Figure provided in reply to a parliamentary question show a continuing haemorrhaging of industrial jobs from our economy in the past number of years. These job losses are being masked by the uptake of public employment directly by the State.

The declining manufacturing base is a real issue. What measures will the Minister's Department take to address unemployment black-spots such as Donegal? What strategies does he want to put in place to stop the decrease in manufacturing employment, which has become a feature of the past three years?

**Mr. Fahey:** Unifi Europe announced that owing to the market for polyester yarn remaining extremely competitive, the company is restructuring in an effort to regain

[Mr. Fahey.]

competitiveness. This involves the lay off of 120 staff. The company will shut its polymer and spinning operations and consolidate its texturing operations in a modern and cost effective plant. It will now fulfil its internal POY needs through world market purchases. The company has closed a dyeing facility in Manchester.

The IDA has been working closely with this company in the past two years to try to address some of the issues facing the company. It will continue to work closely with company in meeting its business needs in the new scenario, although all the issues facing the company are in the area of competitiveness and costs. However, the IDA will endeavour to ascertain what can be marketed as soon as Unifi Europe clarifies and outlines plans for the spinning plant and building and so on.

In the wider context, both the IDA and Enterprise Ireland are involved in a very intensive programme to give support to companies facing competitive pressures from Eastern Europe and the Far East. There is an ongoing programme of upskilling, research and development, of finding new products and processes in companies throughout the country. The three State agencies, IDA, Enterprise Ireland and FÁS, are taking a proactive approach to retraining and upskilling people, and to change in the manufacturing process and products. The Deputy can be assured that pressures from lower wage economies are being addressed in a proactive way.

**Mr. McGinley:** It is probably a coincidence that on the day the Minister is replying to questions on Donegal, one of Donegal's flagship industries, Unifi Europe in Letterkenny, has announced a further 120 job cuts on top of the 250 job cuts last year, a loss of 375 jobs in less than a year. The same scenario is being repeated all over County Donegal. Is the Minister aware that the Central Statistics Office report of the last census shows that unemployment in County Donegal is the highest in the country at 15.6%?

The resources promised for the BMW region in the national development plan are falling far behind target. The report of the three year review of the national development plan shows that investment in these areas is 41% lower than the sum promised. This is one of the reasons for the devastation on the jobs front in the west and north west, in particular in County Donegal.

Can the Minister of State give any indication or hope to the thousands of people in question? In my parish, 1,000 jobs have been lost over the past three years while only 200 have been created. That is a net loss of 800 jobs. People are looking for alternatives and leaving the county in droves.

**Mr. Fahey:** The IDA has been able to attract new investment in emerging sectors in Donegal including international services, medical technology, software and high-end engineering. The transition to a high skill, high technology regional economy will take time to achieve.

Unfortunately, the rate of job creation has not kept pace with the rate of job loss. Job gains in IDA supported companies in Donegal were 67 in 1999, 308 in 2000, 352 in 2001 and 179 in 2002. The IDA has radically changed its policy and is committed to delivering half of all new greenfield jobs in Objective One regions in the coming years. A number of positive initiatives have resulted and they will continue to be developed in 2004. As a result of its expansion, PacifiCare Health Systems Ireland continues to actively recruit, as does Prumerica Systems Ireland. The Keith Prowse project which was announced in 2002 represented a great achievement for the Buncrana area.

**Cecilia Keaveney:** I have often raised these issues with the Tánaiste's office and I mean no disrespect to the Minister of State, Deputy Fahy, in expressing my disappointment that she is not here to answer questions. Despite working on the ground, the agencies are not being seen to deliver. I mean no disrespect to them either when I say that the necessary jobs are not being created.

An innovative approach must be taken in Donegal. I have watched the haemorrhaging of jobs from the textile industry and there has been enough time to examine their replacement. We could diversify into marine tourism, but the Department of Marine and Natural Resources says it cannot involve itself in tourism policy. The dredging needed to allow ferry navigation cannot be carried out because the Department only dredges in respect of fisheries. It is ridiculous.

While I do not underestimate the extent to which action is being taken on job creation and the infrastructural development referred to by the Minister of State, it must be co-ordinated across Departments. If the Derry-Colraine train service closes — and it is under threat — another link to the north west will be gone. That is what happened in the 1960s and it must be prevented.

Someone has to sell our message. We have an international port, an airport, ferry links, third level colleges and a great environment, yet people are emigrating to find jobs. At the same time, people are receiving work permits to take up jobs which cannot be filled in certain parts of Donegal. There are two sides to the equation. I ask that some effort be made. The Minister of State spoke about a virtual park, but why can we not have a real cross-Border park also? According to the national spatial strategy, Letterkenny and Derry should be treated as a unit.

**Mr. Fahey:** The Tánaiste is not here as she is chairing a European Council meeting in Brussels. I accept the opinion of Deputies that circumstances in Donegal are not good. Every effort must be made to prioritise the county and to ensure that agencies promote overseas visits in particular. It is my understanding that the IDA is operating in that manner. Enterprise Ireland is engaged in an intensive effort to create more opportunities and jobs in Donegal.

While infrastructure is a cause of concern, I have outlined some of the developments which are taking place in that regard. I accept Deputy Keaveney's point that there is a need for a greater degree of cross-departmental co-operation in terms of job creation measures. Certainly, I will bring that to the attention of the Tánaiste and the Taoiseach.

### Adjournment Debate Matters.

**An Ceann Comhairle:** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 21 and the name of the Member in each case: (1) Deputy Finian McGrath — the need for rights-based disability legislation and urgent action; (2) Deputy Sargent — that the Minister for Education and Science report on his visit to Loreto secondary school, Balbriggan and indicate the actions he now proposes to take in addressing the wholly inadequate opportunities for physical education and sport at this fast growing school of 1,027 students in the European year for education through sport; (3) Deputy McGinley — an ghéarchéim fostaíochta ar an Eastát Tionscail, Gaoth Dobhair, de bharr 1000 post a cailleadh le cúpla bliain anuas; (4) Deputy Ó Snodaigh — the four murders in the Dublin South-Central area which took place within the last month; (5) Deputy Durkan — the reply to Parliamentary Question No. 258 of 2 March 2004; (6) Deputy O'Sullivan — the need to ensure that 54 school children in Limerick who have no second level school place are accommodated in a school for the academic year 2004-2005; (7) Deputy Mulcahy — the Government's policy with regard to the proposed placing on the market of sweetcorn from a genetically modified maize line BT11; (8) Deputy Shortall — the imminent closure of City Lodge run by the South Western Area Health Board and the serious implications of this for a 17 year old vulnerable youth (details supplied) and other residents who are currently being successfully cared for in this facility; (9) Deputy Harkin — the need for the Minister for Social and Family Affairs to rescind her decision to cut the half benefits available to those on widow's and widower's pension.

The matters raised by Deputies O'Sullivan, Mulcahy, Ó Snodaigh and McGinley have been selected for discussion.

### Adjournment Debate.

#### School Placement.

**Ms O'Sullivan:** I welcome the opportunity to raise this very serious matter. I regret the Minister for Education and Science is not here as I understand he is out of the country. While I thank the Minister of State, Deputy Callely, for taking the matter, I am disappointed the Minister for Education and Science or a Minister of State at that Department is not here to reply. I am aware the Minister knows about this matter as I heard him speak about it on radio.

When I submitted notice of this matter on Tuesday, the figure as I knew it was 54 children. I understand now that the number of children who have yet to receive a place is 77. They are all boys. In raising this issue, I seek to ensure that the Minister and his Department are in a position to do something about it before it becomes a real crisis for the young people involved. I also seek to ensure that the Department of Education and Science is willing to intervene, if necessary, to provide places for these boys.

The problem is not that there are not enough places in Limerick schools. It appears that a very small number of schools are selective about their intake when schools should in no way cherry pick the children they take in. A difficulty in Limerick is the absence of particular catchment areas. The entire city and parts of the surrounding county form the catchment for its schools. As there is not a problem with girls, it seems to be the case that certain schools are choosing their pupils and, as a result, making it very difficult for other schools to strike a social and academic balance among their students. The Department should be willing to intervene if necessary.

I attended a meeting last Monday night at which it was decided to approach secondary school principals as a group to try to find a solution. While that may well work, I want a commitment from the Minister that his Department will intervene if it does not. Under section 29 of the Education Act parents may appeal if their children do not obtain a place. While the parents concerned have been doing that, Department officials and education welfare officers also have a role. I wish to be assured that the Minister is aware of that and of the possible need for his officials to intervene.

I spoke to a primary school principal today who told me that seven boys in her school have not been placed for September. A school, which took eight boys from her school last year, has taken none this year. I suspect this is an issue in other parts of the country as well as Limerick. There is a need to rationalise the system to provide clarity for people in the primary school sector,

[Ms O'Sullivan.] particularly parents and children. They should be informed of the way in which to obtain a second level place.

It is not fair that young people should be made to feel they are not wanted. There is a very serious effect on the young boys concerned. Naturally, they feel that this is somehow the result of a failure on their part, when it is not. The failure is on the part of the system. The Minister for Education and Science is ultimately responsible for ensuring that system works for all children. For that reason I would like him to get involved, rather than leave us to solve the issue at local level. While we will obviously do whatever we can, there may well be a need for ministerial intervention this year.

There is a need for a general examination of the manner in which places are allocated at second level. It is not just a problem for Limerick. I saw that parents in north Dublin queued outside certain schools overnight to get places. In some ways, that system looks fairer. At least, the place in which one lives or one's academic ability at primary school is not at issue. It is about one's willingness to sit up all night to wait for a place. While in some ways that is equitable, it is still not the right way to approach this matter.

There is a need for the Department to examine the issue of transferring from primary to secondary level. When she was Minister, Niamh Bhreathnach abolished entrance examinations and this solved part of the cherry picking problem. From my experience, I think this has started again.

**Minister of State at the Department of Education and Science (Mr. Callely):** I thank the Deputy for raising this matter in this House as it affords me the opportunity, on behalf of the Minister for Education and Science, to outline to the House the current position regarding post primary pupil places in Limerick city.

As a father of two sons and a daughter I can relate to what the Deputy has said about an appropriate mechanism to let people know how the system of school placement works. It was with dismay that I brought to the attention of the principal of the secondary school at which my son is enrolled that the parents of a child had registered him with a number of secondary schools so that they might have a wider choice. If parents did not go outside the normal system, it would allow those who must make the final decision to know the cards they have been dealt.

I concur with the view the Deputy expressed about the media-highlighted queues of parents seeking placement for their children. I do not feel this is the best system and I agree that a better system can be achieved. If the Deputy is not satisfied with my response, I will be happy to provide her with further assistance.

The selection and enrolment of pupils in second level schools is the responsibility of the authorities of the individual school. On the general question of the provision of school places, the main responsibility of the Department of Education and Science is to ensure that sufficient places exist at primary and post primary level to meet demand in a given area. This may result in some pupils not obtaining a place in the school of their first choice. As schools may not have a place for every applicant, a selection process may be necessary.

As regards the application of fair and objective entrance criteria for entry to second level schools, the Department of Education and Science has agreed with the three post-primary managerial associations that the selection of pupils for enrolment in second level schools should not be based on academic ability and selection on that basis, where used heretofore, must be discontinued. Under section 15(2)(d) of the Education Act 1998, each school is legally obliged to disclose its enrolment policy and the criteria used in selecting pupils for enrolment to inform parents of the selection procedures and to allay fears of discrimination. The principle of the school working in and for the community it serves should be emphasised and emphasis should be placed by post-primary schools on catering, in the first instance, for children from their own communities and catchment areas.

Section 29 of the Education Act 1998 provides parents with an appeal process where the board of management of a school, or a person acting on behalf of the board, refuses enrolment of a student. Where an appeal under section 29 is upheld, the Secretary General of the Department of Education and Science may direct a school to enrol a pupil. No application for an appeal under section 29 of the Education Act 1998 has been lodged with the Department in respect of refusal to enrol in any post primary school in the Limerick area for the school year 2004-05.

**Ms O'Sullivan:** I expect that applications have been lodged by now.

**Mr. Callely:** It would be a pity if it were to come to this. As there are 12 secondary schools, two vocational schools and one comprehensive college in Limerick city, the Department of Education and Science is satisfied that there is sufficient capacity to meet the demand arising from pupils leaving primary schools in the area.

I hope this response has been somewhat helpful. If I can be of further assistance, I will be happy to provide it.

### **Genetically Modified Foods.**

**Mr. Mulcahy:** I thank the Ceann Comhairle for selecting this matter for the Adjournment

Debate. This is a matter of the utmost concern to Irish citizens.

A draft Commission decision was taken on this matter last year and came before the EU Standing Committee on the Food Chain and Animal Health on 8 December 2003. For some reason, Ireland voted in favour of the introduction of genetically modified sweetcorn. This decision has not been scrutinised by the Dáil. Neither has it come before the Oireachtas committees on agriculture or health. I raised this matter with the Committee on European Affairs, as a result of which a decision was taken this morning that it will be sent for scrutiny to the committees on agriculture and health.

This is a matter of grave public concern. I do not see why Ireland should support genetically modified food. Certain people will say that scientific advice leads them to believe it is safe. However, no scientist or person can give an absolute guarantee that the food is safe or that the food chain will not be contaminated.

A decision was made in England earlier in the week allowing a test on genetically modified maize to be carried out. The regime under which it is to be carried out is extremely protective and the issue of compensation for adjoining landowners was also discussed.

This draft decision will now come up for discussion at the Agriculture Council in April. Ireland has a reputation as a producer of healthy, natural food. Why support this decision? It is not in our interests. Many countries, including Denmark, Greece, France, Luxembourg, Austria and Portugal, opposed this decision last year. They cannot all be wrong.

This is a serious matter and I am not convinced that it has received enough consideration at Government level. Public opinion is completely

5 o'clock against this. There may already be GM ingredients in food that we do not know about. I ask the Minister of State to involve himself and his Department in this debate. We do not need to introduce GM foods. There is no compelling reason why Ireland should change from being one of the world's leading natural food producers to being just another country that produces GM food. If GM food and agriculture is introduced in this country, our reputation as a food producer is bound to be sullied.

I am totally against this and will argue against it with as much vigour as I can. I do not believe it formed part of any party's policy at the last general election. The balance of advantage is to exclude GM material from the Irish food chain. Farmers do not need it and consumers do not want it. Those who are pushing it should meet with us to explain why GM food should be introduced into this country.

**Mr. Calley:** I thank my good friend and colleague, Deputy Mulcahy, for raising this

matter. His views are appreciated and I have noted the concerns he has expressed.

At a meeting of the EU standing committee on the food chain and animal health on 8 December 2003, member states were asked to give an opinion on a draft Commission decision authorising the placing on the market of sweetcorn from a genetically modified maize line BT11 under regulation (EC) No. 258/97 of the European Parliament and of the Council. The Irish representative at the meeting voted in favour of the Commission proposal.

This decision was based on the scientific risk assessment undertaken on this product, initially by the Netherlands food assessment body and subsequently by the EU Scientific Committee on Food, which concluded that BT11 sweet maize is as safe for human food use as conventional sweet maize.

Ireland's position also reflected the fact that safeguard measures on labelling and traceability are now in place following the completion of the European legislative framework for GMOs earlier this year. This new legislation ensures full traceability of GMOs throughout the chain from farm to table and provides consumers with comprehensive information by labelling all food and feed consisting of, containing or produced from a GMO.

Deputy Mulcahy may be interested to know that this saga is not yet over. As a qualified majority was not achieved in the vote on 8 December, the matter has recently been referred to the Council for a decision. Council has three months from the date of the referral to adopt or reject the proposal by qualified majority. If a qualified majority is not achieved, the proposal will revert to the Commission which may make a decision under its own authority.

**Mr. Mulcahy:** It would be sad if the Commission made a decision.

**Mr. Calley:** I will ask my officials to bring this debate to the attention of the Commission. Perhaps Deputy Mulcahy would like to take up the matter directly with the Commission.

The three month deadline for a decision by the Council expires at the end of April. In the absence of a Health Council in that timescale, it is planned that the Council of Agriculture and Fisheries Ministers will consider the matter at its meeting on 26 and 27 April. Ireland's national position in Council will continue to be based on the scientific risk assessment that BT11 sweet maize is as safe as conventional sweet maize. However, Ireland, as Council President, will be obliged to act in a neutral fashion that will seek to resolve the issue by a qualified majority.

I am satisfied that appropriate arrangements are in place to ensure the safety of authorised GM foods, or foods containing GM ingredients,

[Mr. Callely.]

placed on the market in Ireland. The EU has one of the most rigorous regimes for the assessment of GMOs as well as food and feed derived from GMOs. In this regard only GM foods which, satisfy the highest standards of safety, are allowed on the market.

### Crime Levels.

**Aengus Ó Snodaigh:** Last year, 17 shootings were recorded by the Garda in Dublin South-Central, even though there were more. So far this year, there have been eight more murders and it is now just March. There were three murders by gun attack last year and already this year there have been four murders, all in the space of a month. The majority of these incidents have been drugs gang related, yet so far only one person has been brought before the courts.

While the Minister's attention has been focused on his war on the rights-based society, immigrants, republicans and the Good Friday Agreement, I am sure the Minister of State will agree that this is an absolutely unacceptable situation. The people of Dublin South-Central deserve better. They deserve the same level of protection and response they would enjoy if they lived in, say, Dublin South-East or Ranelagh.

While this is all happening around us and the people of Dublin South-Central are under virtual siege, the Minister has spent the last number of weeks and months launching unsubstantiated, unfounded and reckless attacks on my party. He has spent an inordinate amount of time in the media and on the airwaves declaring his distaste for my party, yet he does not appear to have given a second thought to the decent people in the communities I represent. It is time the Minister got off his high horse, came down from his ivory tower and addressed the issues that concern the ordinary citizens of this State, and not the mythical republican phantoms he has been chasing around Dublin docklands.

Real crime is being committed each day across the city. Real people are being affected by it. Real lives are being lost and real damage is being done to our communities. What has been the Minister's response? In reply to a question on Tuesday on the matter, he stated the Garda management has adequate resources to investigate these murders. I do not doubt that, but the question is whether they have the resources necessary to prevent them, respond to the incidents and provide security for citizens. In my area they do not.

In Ballyfermot where the latest murder occurred on Sunday evening, there is just one Garda patrol car available at night according to the gardaí on the beat, not the 11 cars to which the Minister referred in reply to a recent parliamentary question. Ballyfermot Garda

station was downgraded two years ago, therefore Clondalkin gets first call on resources and personnel. If the 400 or so special branch officers, or the 600 gardaí on traffic duty, were reassigned to working-class communities to tackle drugs crime, a message would go out that the Government was serious about tackling crime in this State. However, the reality is very different.

The reality is that the Government appears to be more interested in horses and greyhounds than it is in people. The latest budget indicated that the Government gave as much to the horse and greyhound racing fund as it did to all the drugs task forces dotted across the State.

A former Garda Commissioner stated that more than 75% of crime in the city is drugs related. The Garda would know because too often it seems a blind eye is being turned at some of the activities of these criminals because they are Garda informers. They are allowed to ply their poisonous trade openly on the streets and now it appears they can murder at will. The Minister's job is to tackle this scandal, tackle the increase in shootings and tackle inequality, poverty and disadvantage, the underlying conditions that give rise to much of the crime and drug abuse that plague my area.

If there were three drugs related murders in his constituency in a month it would make national headlines for days, if not weeks, and the appropriate response to the problem would be forthcoming immediately. The citizens of Ballyfermot, Crumlin or the south inner city are just as deserving of action to tackle the scourge of drugs and the related regular shootings and murders. I am not calling for a Limerick-type response, with the ERU patrolling the streets of Dublin South-Central. I am seeking that drugs crime in this State and city, and in Dublin South-Central in particular, should be taken seriously and given priority by the Government. It should begin to address seriously the problem in a multi-faceted and multi-agency way. It should provide the resources and urgent attention the problem deserves and consider the possible establishment of a task force to take on this task.

Last week the local community policing forum met. They discussed whether to suspend themselves indefinitely because they cannot get resources from the Department of Justice, Equality and Law Reform to pay for stationery and normal office requirements. They asked for a co-ordinator for each division, which was refused, and then for a co-ordinator for all three, which was also refused. They cannot get a penny from the State to try to tackle some of the issues the Minister and the Garda should be tackling. This is not good enough.

The Minister must take seriously drugs crime in this city and State. This is not happening because resources are not being made available from

within the Garda budget. Unless the matter is dealt with, the problem will continue to worsen.

**Mr. Callely:** I thank Deputy Ó Snodaigh for raising this important issue and giving me the opportunity, on behalf of the Minister for Justice, Equality and Law Reform, to update the House on the matter raised.

There have been four murders in the Dublin South-Central division since 1 January this year. There has been a detection in respect of one of these and a person is before the courts. In another case a file is being prepared for the direction of the law officers and investigations are ongoing in respect of the other two murders committed, one of which occurred as recently as last weekend.

With regard to a number of these incidents, the media have used terms such as “gangland murders” and “drugs-related” killings. The Deputy will appreciate that I do not wish to say anything that could jeopardise the proper investigation of any particular incident by ascribing a particular motive to it. Whether these terms are appropriate, I can assure the House that the Garda Síochána subject all murders and violent crimes to detailed investigations. There is no question of the Garda treating some murders with less seriousness than others because some victims are believed to have been involved in crime.

There seems to be an increasing tendency where some of these crimes are reported to assume, simply because the victim may have had some involvement in criminal activity, that these murders are what would be regarded as organised or gangland crime. While I do not want to comment on any particular case, I will say that that approach can be very misleading. The motives for particular offences can vary substantially and, in some cases, may not be related to a person’s involvement or otherwise in crime.

The Minister for Justice, Equality and Law Reform has met the Garda Commissioner and other senior Garda personnel a number of times to discuss crimes which might be put in the category of gangland or organised crime. He is satisfied that the necessary resources, both operational and financial, are being directed towards the containment and detection of such crimes. The Minister has been assured by the Garda authorities that the resources at the disposal of local Garda management to investigate these murders are adequate. It is not considered necessary to set up a taskforce in the Dublin South-Central division.

The Garda authorities have established an operation under the direction of a detective garda superintendent who has initiated a number of different Garda operations specifically aimed at targeting organised criminal gangs in the Dublin

metropolitan region. This operational unit is liaising closely with other specialised Garda units and detectives throughout Dublin. The operation is ongoing and has resulted in the arrest and imprisonment of persons and associates connected with these gangs. The Garda authorities have also assured the Minister that the targeting of these criminal gangs is continuing. No doubt, the Deputy will join with me in condemning all those who perpetrate or are beneficiaries of organised crime.

The establishment of specialist Garda units such as the National Bureau of Criminal Investigation, the Criminal Assets Bureau, the Garda Bureau of Fraud Investigation and the Garda national drug unit, operating under an Assistant Commissioner in charge of national support services, has enabled the Garda Síochána to tackle organised crime effectively. Other smaller units, including the money laundering investigation unit and a unit dealing with the theft of computer components, have also had successes in combating the activities of organised criminals.

I take this opportunity to pay tribute to the Garda Commissioner, the Deputy Garda Commissioner, his management team and each member of the force for the tremendous work they carry out. Sometimes they take huge personal risks in ensuring that our State remains properly policed. However, the difficulties faced by the Garda in successfully investigating such crimes should not be underestimated. Organised crime, by its very nature, creates a climate of fear, not only for the general public but also for the criminals themselves. There are potentially huge profits involved in organised crime, particularly the evil drugs trade. To these criminals money is power and many are prepared to take whatever action is necessary to protect their positions, including violence and murder in some cases.

The Minister for Justice, Equality and Law Reform has spoken to the Garda Commissioner about this category of crime. He has been informed that the necessary resources have been directed to it and that a continued, proactive and integrated approach is taken by the Garda to the investigation of cases where there is a suspicion of involvement of organised criminals. The Garda Commissioner has assured the Minister that no effort will be spared to solve such crimes and bring those involved to justice.

Deputy Ó Snodaigh made the regrettable remark that the Minister does not care. The Minister has taken a strong position on a number of issues and shown his mettle. Whatever Deputy Ó Snodaigh feels about attacks on his party, that matter should be taken up with the Minister. I have no doubt the Minister would not have made those comments unless he had satisfactory and sufficient evidence available to him via intelligence.

[Mr. Callely.]

Every murder, whether it is connected with organised crime or not, is fully investigated by the Garda Síochána and, thankfully, it has a considerable track record in this regard.

### Cailliúint Postanna.

**Mr. McGinley:** Tá lúchár orm an dheis a bheith agam an t-ábhar tábhachtach seo a ardú ar an Athló sa Dáil. Seo é an chéad uair a phléamar cúrsaí dífhostaíochta i dTír Chonaill nó sna cheantair Ghaeltachta. Is maith an rud é go bhfuilimid ag plé cúrsaí dífhostaíochta i nDún na nGall sa Dáil mar tá scéal tar éis teacht amach ó mhonarcain Unifi i Leitir Cheannan inniu go bhfuil 120 post eile á chailliúint ansin. Cailleadh 250 post ansin cúpla mí ó shin. Sin 370 post ar fad. Cé go bhfuil an monarcain lonnaithe i Leitir Cheannan, tá go leor de mhuintir na Gaeltachta ó Chloch an Fhialla, mo pharóiste féin agus an Ghaeltacht lár ag obair sa mhonarcain sin agus tá siad ag fáil scéil um thráthnóna go bhfuil sé scór eile acu ag dul chun bóthair.

Léiríonn sé arís an ghéarchéim fostaíochta atá sa chondae agus go speisialta sa Ghaeltacht. Chuir an phríomh-oifig staidéar tuairisce ar fáil cúpla mí ó shin a bhí bunaithe ar an daonáireamh 2002. Dúirt sé go raibh an ráta dífhostaíochta is airde sa tír — 15.6% — i nDún na nGall. Deireann an oifig go raibh an meán-ráta dífhostaíochta ar fud na tíre faoi 5%. Mar sin, d'fhéadfaí a rá go bhfuil an ráta dífhostaíochta i dTír Chonaill trí huaire an ráta náisiúnta agus b'fhéidir go bhfuil sé níos airde fós sa Ghaeltacht.

Ba mhaith liom tagairt go speisialta don cheantar Gaeltachta agus go h-áirithe na paróistí na Rossa, Gaoith Dóbhair agus Cloch Cheann Fhaola. Is dóigh gurb é an phríomh-ionad fostaíochta a bhí ansin, mar is eol don Aire, ná an eastáit tionsclaíochta Gaoith Dóbhair, nó páirc gnó Ghaoith Dóbhair mar a thugtar air inniu. Le cúpla bliain anuas, tá 1,000 post caillte ansin. Tá 250 cruthaithe agus admhaím agus cuirim fáilte roimhe sin. Fágann sé sin cailliúint de 750 post.

Ní iontas ar bith go mbíonn cruinnithe ag na daoine a chaill a gcuid postanna i nGaoith Dóbhair, na Rossa, Cloch Cheann Fhaola agus ceantair eile Gaeltachta ansin. Bhí cúpla cruinnithe acu le seachtain anuas agus iad ag iarraidh fáil amach cad a bhí in ann dóibh. Níl siad ag iarraidh an ceantar a fhágáil ach níl mórán dóchas acu mar ní fheiceann siad go bhfuil aon fhostaíocht ceart ag teacht isteach chun na 750 postanna a chailliú a dhéanamh suas. Is dóigh go bhfuil freagracht áirithe ar Údarás na Gaeltachta. Tá freagracht cinnte ar Roinn Ghnóthaí Pobail, Tuaithe agus Gaeltachta, ar an Rialtas agus, is dóigh, orainn go léir.

Ceann de na rudaí is mó a chuireann isteach ar phostanna agus tionscail a tharraingt go Tír Chonaill agus an iarthar ná an easpa

infheistíochta. Chonaic mé tuairisc ón ESRI nuair a rinneadh athbhreithniú ar an phlean forbartha náisiúnta a dúirt go raibh an infheistíocht san iarthar agus i nDún na nGall 41% taobh thiar den ráta a dúradh ag an am, agus go raibh an bhearna idir an infheistíochta san iarthar agus an chuid eile den tír ag éirigh níos measa. Nuair a bhíonn tionscail ag cinneadh cén áit tionscail a chur, dár ndóigh, cuireann rudaí mar sin isteach orthu agus cuidíonn sé leo a n-intinn a dhéanamh suas. Tá sé deacair tionscail a mhealladh nuair nach bhfuil an infheistíocht agus infrastruchtúr ceart ann i bhfoirm bóithre. Níl mé ag caint faoi bhóithre go dtí an chontae, ach taobh istigh den chontae. Aithníom go bhfuil scéim na mbóithre idir láimhe ag an Aire agus cuirim fáilte roimh é sin agus is cuidiú é, ach ní leor é chun an t-easnamh atá ann ar feadh na mblianta a dhéanamh suas. Tá cuid de na monarchan a bhí ag an Údarás ar an eastát tionscail ann le deich mbliana is fiche smál chaite. Tá géarghá do iad a dhéanamh nua aimsirthe. Caithimid na monarchan a athchóiriú agus a aththógáil chun tionscail nua aimsirthe a thabhairt isteach.

Tá cúrsaí traenála á reáchtáil sa chontae. Sílim go bhfuil 300 sa cheanntar Gaeltachta ar chúrsaí traenála i láthair na huaire, cuid acu ag FÁS agus Institiúid Teicneolaíochta Leitir Ceanainn. Nuair a mbeidh na cursaí sin déanta, beidh buíon de daoine óga oile ansin le na scileanna. Caithfidh an infheistíocht a tharraing isteach, na monarchan a aththógáil agus a athchóiriú agus an fhostaíocht a chur ar fáil. Tá sé de dhualgas orm é seo a phlé anseo go leanúnach go dtí go bhfuil feabhas cheart curtha ar chursaí sa pháirt sin den chontae, go háirithe sa Gaeltacht.

**Minister for Community, Rural and Gaeltacht Affairs (Éamon Ó Cuív):** Ba mhaith liom buíochas a ghlacadh leis an Teachta Mac Fhionnlaíoch as ucht na ceiste seo a ardú. Tuigim go bhfuil inniú air, mar atá ar mo chomhleacaithe sa Dáilcheantar céanna, an tAire Mary Coughlan agus an tAire Stáit Pat the Cope Gallagher, faoin méid post a cailleadh i gceantar Ghaoith Dobhair le tamall anuas.

Mar is eol don Teachta, an fáth is mo gur cailleadh postanna i nGaoith Dobhair le cúpla bliain anuas ná go bhfuil lagú an-mhór tarlaithe san earnáil déantúsaíochta mar gheall ar chuinsí náisiúnta agus idirnáisiúnta nach bhfuil aon smacht againn orthu. Go bunúsach, tá an iomaíocht domhanda mar chuid lárnach de shaol an lae inniu ann agus ní féidir neamhaird a thabhairt ar na fíricí a bhaineann leis an ngné seo. Mar shampla, caithfear a aithint go bhfuil daoine i dtíortha eile, lena mbaineann eacnamaíocht ar ísealhostas, ag obair ar phá i bhfad níos lú na mar atá i gceist in Éirinn. Tá tionchar mór aige seo ar na seantionscail déantúsaíochta traidisiúnta a bhí mar bhunús don pháirc gnó i nGaoith Dobhair go stairiúil.

Mar a dúirt mé le linn athló sa Dáil ar an ábhar seo cheana, is cúis inní dom féin agus d'Údarás na Gaeltachta aon phostanna a bheith á gcailliúint in aon tionscal Gaeltachta, agus go háirithe i nGaath Dobhair, áit ata buailte go dona le cúpla bliain anuas.

Tá aitheanta ag Údarás na Gaeltachta go bhfuil gá le cur chuige nuálach straitéiseach chun cruthú agus caomhnú fostaíochta sa Ghaeltacht a threisiú, mar aisthreacha ar na hathruithe atá ag tarlú san eacnamaíocht dhomhanda agus náisiúnta. Caithfear dul i ngleic le dúshlán nua maidir le riachtanais, roghanna agus mianta fostaíochta phobal na Gaeltachta. Tá an cur chuige seo sonraithe i Ráitis Chinnbhliana agus i dTuarascálacha Bliantúla an Údaráis le tamall anuas, agus go deimhin sna gníomhartha praiticiúla atá togha ag an eagraíocht, le tacaíocht mo Roinne.

Tá an Teach seo ar an eolas maidir leis na céimeanna atá togha chun borradh a chur faoi chursáí fostaíochta i nGaeltacht Dhún na nGall. Luaim ach go háirithe An Grúpa Oibre ar Chruthú Fostaíochta sa Ghaeltacht a chuir moltaí ar fáil ina thuarascáil i Nollaig 2002. Ag eascairt as an tuarascáil seo, bhunaigh Údarás na Gaeltachta coiste gníomhaíochta agus cuireadh plean i dtoll a chéile chun dul i ngleic le fadhb na difhostaíochta i gceantar Ghaoth Dobhair ach go háirithe. Tá dul chun cinn maith leanúnach á dhéanamh. Mar shampla, tá freagracht ar leith ar fheidhmeannach sinsearach de chuid an Údaráis, i gcomhairle le coiste feidhme, chun plean gníomhaíochta ar chruthú fostaíochta a stiúradh agus a chur i bhfeidhm; tá sprioc fostaíochta de 200 post nua in aghaidh na bliana leagtha síos. Dar ndóigh, is cúis sólais gur gineadh 185 post nua i 2003 do pháirc ghnó Ghaoth Dobhair chomh maith le 274 post a ceadaíodh. Tá comhfhiontar aontaithe idir an tÚdarás agus Ollscoil Éireann Gaillimh chun €2 mhilliún a infheistiú le forbairt a dhéanamh ar ionad oideachais tríú leibhéal agus tionscail seirbhíse san earnáil nua-aimseartha. Thoiligh Ollscoil Náisiúnta na hÉireann, Gaillimh infheistíocht de €1 milliún a dhéanamh ar mhaithe leis an ionad oideachais tríú leibhéal a fhorbairt.

Tá tús curtha le feachtas fuinniúil margaíochta le hinfeistíocht a mhealladh on earnéil seirbhísi go dtí Gaath Dobhair. Thug os cionn fiche dream éagsúil cuairt ar pháirc ghnó Ghaoth Dobhair le deich mí anuas. Ba ionadaithe iad seo ó chomhlachtaí ata ag breathnú ar dheiseanna infheistíochta in Éirinn agus i dtíortha eile san Eoraip. Tuigim go bhfuil toradh maith cheana féin ar dhá cheann de na cuairteanna suíomh seo sa chaoi is go bhfuil tograí ar leith tagtha chun cinn agus go bhfuil idirbheartaíocht ar siúl go fóill le roinnt cuairteoirí eile.

Tá an tÚdarás ag cur tacaíochta ar fáil d'oiliunaithe chun scileanna nua a fhoghlaim trí chursáí oiliúna agus oideachais a chur ar fáil i

gcomharsanacht pháirc ghnó Ghaoth Dobhair. Le linn 2003, mar shampla, chláraigh 199 ar chursáí atá ag plé le hábhair éagsúla cosúil le telesheirbhísi agus cuntasáíocht. Tá na cursaí seo faoi stiúir agus a maoiniú ag FÁS. Tá cursa ar leith do theicneoirí ríomhaireachta, atá creidiúnaithe ag HETAC, a reáchtáil i gcomhar le hInstitiúid Teicneolaíochta Leitir Ceanainn, ar a bhfuil 11 ag freastal. Anuas air seo tá Ollscoil na hÉireann, Gaillimh, ag reáchtáil cursaí eile le 73 ag freastal orthu.

Tá tionscnamh straitéiseach úr ceadaithe ag an Údarás le déanaí chun dlús a chur le tionscail na meán sa cheantar. Tá an comhlacht Telegael Teo. i gcomhpháirtíocht le comhlacht áitiúil, Cúl a' Tí, agus TG4 chun cursa bliana oiliúna i scriptscríobhneoireacht agus léiriúcháin a riaradh. Beidh suas le scór páirteach sa chúrsa seo.

Tá réamhobair ar ullmhúchán plean forbartha d'ionad tráchtála agus áineasa ar pháirc ghnó Ghaoth Dobhair curtha i gcrích anois. I mbliana, foilseofar fógraí poiblí ina dtabharfar cuireadh don phobal, do lucht gnó áitiúil agus d'infheisteoirí a spéis agus a gcuid moltaí i dtaca leis an bhforbairt seo a chur ar fáil.

Tá tuilleadh forbartha agus feabhsúcháin déanta ar uasghrádú an infratruchtúir theileachumarsáide agus an infratruchtúir fhisicigh. Mar shampla, tá an Rialtas ag cur maoiniú ar fáil faoin bPlean Forbartha Náisiúnta 2000 — 2006, agus comhfhiontair ag an AE, chun 4.4 km de chábla snáthoptaice leathanbhanda a chur faoi thalamh sa pháirc ghnó. Mar thoradh air seo beidh réimse seirbhísi ar fáil da thairbhe sin do ghnólachtaí agus d'úsáideoirí eile cumarsáide ardluais i bpáirc ghnó Ghaoth Dobhair.

Tá pleananna á bplé faoi láthair le Cumann Tráchtála Ghaoth Dobhair, Eircom, IFI agus Westbic maidir le spás oibre a sholáthar do ghnólachtaí atá ag tosú amach. Cuirfidh an lárionad nuálaíochta beag seo tacaíocht theicniúil agus bhainistíochta ar fáil d'fhiontrairthe acmhainneacha i dtionscal na faisnéise. San am i lathair, tá maoiniú bainistíochta agus saincheisteanna teicniúla á socrú.

Mar is eol don Teachta, tá sé fógartha agam go bhfuil sé i gceist ceanncheathru Fhoras na Gaeilge a aistriú go dtí páirc ghnó Ghaoth Dobhair. Sílim go bhfuil go leor gur féidir le pobal Ghaoth Dobhair a dhéanamh le fáilte a chur roimh na daoine seo agus cuireadh a thabhairt dóibh cuairt a thabhairt ar an áit álainn i Ghaoth Dobhair.

Is iad seo na céimeanna praiticiúla atáthar ag glacadh le dul i ngleic leis an gcaillteanas fostaíochta a d'fhulaing Gaath Dobhair agus ceantar Gaeltachta an lárthuaiscirt le trí bliana anuas. Leanfar ar aghaidh leis na céimeanna

[Éamon Ó Cuív.]

eagsúla atá riachtanach chun fostaíocht bhuan bhreise a chinntiú don cheantar.

Is féidir leis an Teachta agus an Teach seo a bheith cinnte go ndéanfaidh mise gach dícheall is féidir liom mar Aire tacaíocht a thabhairt don

Údarás chun fostaíocht bhuan inmharthana a chruthú i bpáirc ghnó Ghaoth Dobhair.

The Dáil adjourned at 5.30 p.m. until 2.30 p.m. on Tuesday, 23 March 2004.

## Written Answers

**The following are questions tabled by Members for written response and the ministerial replies received from the Departments [unrevised].**

*Questions Nos. 1 to 4, inclusive, answered orally.*

*Question No. 5 lapsed.*

*Questions Nos. 6 to 9, inclusive, answered orally.*

### Job Losses.

10. **Cecilia Keaveney** asked the Tánaiste and Minister for Enterprise, Trade and Employment the renewed efforts she intends to make, with the assistance of State agencies, to assist existing companies which are experiencing difficulties to diversify and thus remain in business in County Donegal in view of the continuing closure and down-scaling of operations in the county; and if she will make a statement on the matter. [8085/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The issue of job creation is a day to day operational issue for the enterprise development agencies of my Department and not one in which I have a direct function. However, I share the Deputy's concern at the job losses that have occurred in County Donegal.

IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment to Ireland and its regions. Since 2000, IDA Ireland has assisted in the creation of 865 jobs in County Donegal. Unfortunately, during the period there has also been job losses, with net employment in overseas firms falling by 78 people.

IDA Ireland is also working to limit the immediate impact of the global downturn by working closely with foreign owned companies already located in Donegal. This involves concentrating more resources on helping to underpin the competitiveness of these companies by identify new investment opportunities and encouraging them to move up the value chain.

A number of key developments for Donegal include the construction of a new IDA 80 acre business park in Letterkenny and the availability of new advanced buildings. This activity has resulted in an increased level of visits by potential investors and a number of companies are in active negotiation. Successful companies such as Prudential and PacifiCare continue to grow and both are actively recruiting at their Letterkenny locations. Letterkenny has been a priority area over recent years for the job creation agencies. Working together with the local authorities, FÁS

and the institute of technology, a significant amount of work has been undertaken to improve its attractiveness for investors.

IDA Ireland is also working with Invest Northern Ireland, formerly the Industrial Development Board, to promote the north west region as a single location for inward investment. A joint website has been compiled to promote the region.

Enterprise Ireland works with companies in its portfolio to assist them grow their sales and exports and improve innovation in products and processes in order that they can compete on world markets. Enterprise Ireland's range of supports includes strategy development, production and operations, marketing, human resources development, finance and research and development. Companies in Donegal that are facing difficulties in their markets or needing to diversify their product range have the support of Enterprise Ireland through their development adviser. This support is provided through developing new market strategies, independent advice and access to Enterprise Ireland specialist advisers.

At the micro-enterprise level, Donegal County Enterprise Board is actively promoting job creation activities throughout the county, through the range of supports that it provides to small businesses. In 2003, Donegal County Enterprise Board approved a total of €346,767 to 17 projects with the potential to create 36 new jobs in the county. There was a net increase of 223 jobs in CEB assisted businesses in 2003. The board will continue to work to support new and existing businesses.

I am confident that the strategies and policies being pursued by the development agencies, together with the ongoing commitment of Government to regional development, will bear fruit in terms of additional sustainable investment and jobs for the people of the BMW region.

### Organisation of Working Time Act.

11. **Ms Shortall** asked the Tánaiste and Minister for Enterprise, Trade and Employment the proposals she has to increase the statutory entitlement to paid holidays or to increase the number of public holidays having regard to the findings of a number of recent surveys showing that Irish workers had the lowest level of holidays and worked longer hours than workers in other EU countries; and if she will make a statement on the matter. [8063/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** The Organisation of Working Time Act 1997, which implemented EU Council Directive 93/104/EC of 23 November 1993 concerning certain aspects of the organisation of working time, provides for an annual leave entitlement of

[Mr. Fahey.]

four working weeks per annum for full-time employees and *pro rata* entitlements for part-time employees, as well as an average hourly working week of 48 hours averaged generally over a four month period. The Act also provides for an entitlement to nine public holidays per annum. Notwithstanding these provisions, it is possible for employers and employees to negotiate a longer annual leave entitlement or a lower hourly working week between themselves if they so wish. I have no plans at the moment to increase the statutory minimum annual leave or public holiday entitlement nor to lower the threshold on weekly working hours provided for in the Organisation of Working Time Act 1997.

### **Workplace Participation.**

12. **Mr. Eamon Ryan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the way in which the Government intends to meet the targets set out in the Lisbon agenda for increased female participation in the workplace; the current level of full-time and part-time female participation in the workplace here; the way in which this compares with the European average; and the expected increase in participation within the next five years. [8112/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** In pursuit of the goal of full employment the European Council has set employment targets under the Lisbon agenda. These include a female employment rate of 57% by 2005 and 60% by 2010.

One of the main challenges in the area of employment is to increase the overall numbers of those at work, including women. The employment rate for women in Ireland has increased by 15% since 1994 and now stands at 56%. The EU average employment rate for women is 55.6%. The number of women in employment in Ireland is 764,100 of which 528,200, 69.1%, are in full time employment and 236,000, 30.9%, are in part-time employment. This gives a participation rate for women of 49.7%.

Measures are being implemented to encourage greater levels of female participation in the workforce including tax incentives, child income support, a greater commitment to flexible, family friendly working arrangements as well as child care provisions. It is expected that these measures will help to ensure greater female participation and enable the EU employment rate of 60% to be achieved by 2010.

### **Health and Safety Regulations.**

13. **Mr. Sherlock** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she has satisfied herself that there are a

sufficient number of inspectors to carry out an adequate level of workplace inspections; if she has plans to increase the numbers; and if she will make a statement on the matter. [8097/04]

### **Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):**

The labour inspectorate of my Department is part of the employment rights enforcement section. The inspectorate has 17 inspector posts supported by a further seven administrative posts. The employment rights enforcement section comprises three interlinked units which, apart from the inspectorate, incorporates the employment rights information unit, with ten staff members, and the legal services, with a further five staff members.

The present structure of the employment rights enforcement section reflects full implementation of a key recommendation arising from a thorough business process re-engineering project undertaken in 2001 by consultants PricewaterhouseCoopers. Other proposals to streamline activities have also been put in place.

A further recommendation was that the existing computer systems be retired and replaced by a more modern and robust application. This, too, has been delivered. In June 2003 a new electronic case management system was introduced into the labour inspectorate. For the period following its introduction the old system also continued in use. In December 2003, staff concentrated on ensuring all relevant data were finally committed to this legacy system and its day to day use then ceased.

I am confident that this work and investment in technology, together with other actions that have been completed, such as the streamlining of procedures, and the availability of newly developed user friendly employment rights information in print and on the web, ensure that the inspectorate is enabled to provide an effective and efficient service. There are no plans to increase the complement of inspectors at present.

It should be noted also that in many cases employment rights legislation contains provisions whereby workers who believe that they have been denied their entitlements, or otherwise unfairly treated, can take the matter before a commissioner in the rights commissioner service of the Labour Relations Commission.

### **Decentralisation Programme.**

14. **Dr. Upton** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her Department has yet carried out a risk assessment of the decentralisation plans announced by the Minister for Finance on budget day, in so far as they may impact either directly or indirectly on the Department or on any agency or body operating under the aegis of her Department; when she expects to receive the risk assessment;

and if she will make a statement on the matter. [8069/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I wholeheartedly support the decentralisation programme announced by the Minister for Finance in budget 2004. I am a member of a Cabinet sub-committee which has been established to oversee the implementation of the decentralisation programme as set out in the budget speech in December. My Department is fully engaged with the process and we have set up internal structures to drive the process forward.

As part of the decentralisation programme, it was decided that 250 of my Department's core staff would decentralise to Carlow. It was also decided that four of my Department's agencies, FÁS, the National Standards Authority of Ireland, the Health and Safety Authority and Enterprise Ireland, are also to decentralise to Birr, Arklow, Thomastown and Shannon respectively. My Department, through internal structures established to support the decentralisation process and through representation on the Department of Finance's liaison officers group, is actively engaged in driving the programme across the Department and its agencies.

While an absolute timescale for completing the decentralisation programme has not yet been finalised, my Department is committed to fulfilling its obligations under the Government decision as efficiently and expediently as possible. I have instructed my Department's officials to undertake a comprehensive risk assessment of the decentralisation of the Department and agencies, including direct and indirect risks, and of risks to the synergies between the Department and agencies following decentralisation, to identify any and all threats to the effective and efficient roll out of the programme.

The decentralisation committee of my Department is meeting today to commence this process. I cannot at this point give an indication of the likely completion date of the risk assessment but I am confident that a comprehensive risk assessment will be produced as quickly as possible. In tandem with this risk assessment, some of the agencies have indicated that they will undertake separate risk assessments within their organisations to identify potential issues with regard to their own internal and external interfaces.

#### **Job Losses.**

15. **Mr. Boyle** asked the Tánaiste and Minister for Enterprise, Trade and Employment her plans for job creation in the Cork area following recent job losses in companies (details supplied). [8113/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I am disappointed at the recent job loss announcements in Cork at Ridge Tool Company, CG Services, Jetmagic, Schering Plough and Irish Distillers, and I am conscious of the adverse effects on the workers, their families and the local communities. Finding alternative employment for the workers affected is a priority for FÁS and the State development agencies. FÁS is making available its full range of support services, including skills analysis, training and job placement for the workers affected.

In addition to targeting potential new greenfield investment from overseas industrialists, IDA Ireland is working with the existing base of companies in the county with a view to supporting them in expanding and diversifying activities. There is already a diverse range of companies located in County Cork representing a number of sectors, including international services, engineering, pharmaceuticals and consumer products.

There are currently 134 IDA assisted companies in County Cork employing approximately 18,000 people, an increase of 20% in IDA supported employment since 1999. In 2003, the agency announced 11 new projects for the Cork area, with a job potential of 800 including manufacturing, international services and high value research and development based activities. As regards indigenous companies, Enterprise Ireland provided assistance packages of €10.5 million in 2003 for the Cork area, with the companies concerned committed to invest €55.9 million to develop their businesses.

The major decentralisation package announced in the budget includes over 1,000 jobs to be relocated to County Cork. This move demonstrates the Government's commitment to balanced regional development and will provide a further boost to enterprise development in Cork. The State development agencies under the aegis of my Department will continue to actively promote both Cork city and county for investment and job creation.

#### **Work Permits.**

16. **Mr. Costello** asked the Tánaiste and Minister for Enterprise, Trade and Employment when the new rules announced by her on 18 February 2004 in regard to the new arrangements for spouses of skilled non-EEA nationals will come into operation; and if she will make a statement on the matter. [8062/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** My Department, together with other Departments and agencies, is finalising the operational details for implementation of this recently announced initiative in this area. The Department is

[Ms Harney.]  
concerned to ensure the easy identification of the eligible spouses in order to facilitate their employment without undue formalities. I expect that the operational details will be finalised in a matter of weeks.

### **Consumer Protection.**

17. **Ms Lynch** asked the Tánaiste and Minister for Enterprise, Trade and Employment her proposals for a new board to advise the Government on consumer issues and to promote consumers' rights; the terms of reference of the board; the powers that will be available to it; when she expects to appoint the members; and if she will make a statement on the matter. [8082/04]

70. **Mr. English** asked the Tánaiste and Minister for Enterprise, Trade and Employment the progress that has been made in appointing an advisory group on consumer affairs; if a timescale has been agreed upon for the establishment of the group; and if she will make a statement on the matter. [8011/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I propose to take Questions No. 17 and 70 together.

I am announcing today the establishment of a new consumer strategy group with responsibility for advising on consumer policy issues and providing a stronger voice for the Irish consumer. The role of the consumer strategy group, CSG, shall be to advise and to make recommendations for the development of a national consumer policy which will provide consumers with the knowledge, information and confidence to be demanding of quality, service and value; ensure consumers are well informed of their rights and have effective means of redress in the event that those rights are denied; give consumers a powerful voice and effective representation and input in the development of policy proposals at national and local level; ensure the views of consumers are heard and taken into account in national debate on relevant business, trade and social policy issues; and promote among product and service providers best practice in the delivery of quality, service and value for money, and an appreciation of the contribution satisfied consumers make to the growth and development of business.

In performance of this role the CSG shall be entitled to advise in regard to the impact on consumer interests of existing and proposed legislation and to make recommendations accordingly, to examine best international practice in regard to the promotion and representation of consumer interests, to initiate studies which demonstrate objectively whether Irish consumers are getting a fair deal and to

produce such interim reports to the Minister as it considers appropriate.

The CSG shall produce a final report to the Minister within nine months of establishment. It has been agreed that Forfás will provide a secretariat to the new group. I have decided to disband the previous consumer advisory council which had brought together consumer and business representatives to advise on issues relating to consumers. The new group will be chaired by Ms Ann Fitzgerald. The members of the CSG are Mr. Alex Schuster, Mr. Colin Hunt, Mr. John O'Sullivan, Dr. Edward Shinnick, Mr. Dermot Jewell, Ms Orla Ní Chionna, Mr. Simon Nugent, Ms Rosheen Callender and Ms Aileen O'Toole. It is hoped that this group will begin work immediately.

### **Decentralisation Programme.**

18. **Dr. Upton** asked the Tánaiste and Minister for Enterprise, Trade and Employment if, in regard to proposals for decentralisation, she will give details of any survey that has been undertaken to establish the number of persons employed in her Department or in boards or agencies operating under the aegis of her Department who are willing to move to the new locations announced by the Minister for Finance in his budget speech; the results of any such survey; and if she will make a statement on the matter. [8068/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** Following the announcement of the Government's decentralisation programme, under which 250 staff of my Department will decentralise to Carlow, a survey was conducted within the Department with a view to establishing the numbers of staff interested in decentralising to locations outside Dublin. A total of 503 staff responded to the survey, 69 of whom indicated that they would be prepared to transfer to Carlow and 160 of whom indicated a willingness to decentralise to other locations outside Dublin.

With regard to the agencies under the aegis of the Department which will be decentralised, surveys have been carried out in FÁS, decentralising to Birr, and the Health and Safety Authority, decentralising to Thomastown. Out of the 413 Dublin based FÁS staff who were surveyed, 30 expressed an interest in decentralising to Birr. Out of the 110 HSA staff surveyed, 15 expressed an interest. The National Standards Authority of Ireland, which will be decentralising to Arklow, and Enterprise Ireland, which will be decentralising to Shannon, have not conducted a survey of their staff on the issue of decentralisation.

### **Consumer Protection.**

19. **Mr. Deenihan** asked the Tánaiste and

Minister for Enterprise, Trade and Employment the number of prosecutions against retailers who breach price display regulations; the number of officers employed to enforce the regulations; and if she will make a statement on the matter. [8005/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The European Communities (Requirements to Indicate Product Prices) Regulations 2002, S.I. 639 of 2002, came into force on 1st March 2003. Since then the office of the Director of Consumer Affairs has been proactively enforcing this legislation with excellent co-operation from the retail trade. There were no prosecutions under these regulations last year as prosecution is always the last resort as a means of achieving compliance. There are 20 officers employed in the office of the Director of Consumer Affairs in the general area of enforcement, including enforcement of these regulations.

#### **World Trade Negotiations.**

20. **Mr. Costello** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to concerns that a threatened trade war between the EU and the US could considerably raise the cost of raw materials for Irish industry; the steps she intends to take in her capacity as President of the Council of Ministers to seek a solution to the dispute; and if she will make a statement on the matter. [8071/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern):** The dispute to which the Deputy refers concerns the ruling by the World Trade Organisation, which found the US foreign sales corporation measures to constitute an illegal subsidy. In May 2003, the WTO endorsed the EU request for countermeasures. The EU however, avoided any immediate recourse to countermeasures so as to give a reasonable period of time for the US Administration and Congress to adopt the necessary amending legislation to comply with the WTO ruling. Subsequently, in December 2003, the EU Council unanimously adopted Council regulation No. 2193/2003 which set a deadline for compliance of 1 March 2004.

The EU's objective remains the withdrawal of the US illegal subsidy and in this regard the EU has opted for a measured and gradual response geared towards focusing the minds of the US legislators to implement amending legislation which complies with the WTO ruling. In order to minimise the negative consequences that possible EU countermeasures could cause to EU economic operators, the EU Commission, in preparing the list of products to which sanctions

apply, included only products on which dependency from the US was considered low. Thus the product list was confined to imports from the US which represented a maximum 20% of total imports into the EU, and which were also exported from the EU. The product list was finalised following a public consultation process with EU industry.

In Ireland, we implemented our own national consultation process with a wide range of key stakeholders, including with Forfás, IDA Ireland, Enterprise Ireland, and with business interests including IBEC and the chambers of commerce. Many Irish companies applied to the EU Commission successfully to have their products removed from the list. I am satisfied, therefore, that every effort was made to minimise the impact on Irish industry and users of the imposition of these trade sanctions.

The EU stands ready to respond positively should Congress approve legislation which brings the United States into compliance with the WTO rulings. During its Presidency, Ireland will look at opportunities to facilitate discussion at the Council leading to the resolution of this dispute and be ready, in conjunction with other EU Ministers, to consider and enact a new regulation rescinding the countermeasures on the basis of WTO compatible legislation being enacted by the US. I am sure that EU member states and the European Commission fully subscribe to this approach, on which we can work successfully.

#### **Job Creation.**

21. **Mr. Penrose** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of new jobs announced during 2003 from new investments or expansion of IDA backed plants; the expected level of announcements during 2004; the steps being taken to promote job creation; and if she will make a statement on the matter. [8093/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment to Ireland and its regions. In 2003, 32 green field and expansion job creation projects were announced by IDA Ireland with a projected total job content of nearly 5,600 jobs. This result was achieved against the backdrop of two consecutive years of falling global inflows of foreign direct investment, FDI. In 2002, for example, global FDI inflows declined by one fifth to \$651 billion, the lowest level since 1998. The main factor behind the decline was slow economic growth in most parts of the world, a phenomenon that had an inevitable impact on a small, open, trade dependent economy such as Ireland.

Looking to 2004, IDA believes that this year will be its best since 2000 in terms of new

[Ms Harney.] investments into Ireland and of growth in the value and scale of activities in overseas companies operating here. This view is based on contacts with client companies and strong indications of a substantial recovery in growth in the global economy and consequent increased flows of FDI. The IDA is now competing for some significant, high value investments. I believe vigorous pursuit by IDA Ireland of its main policy objectives is the best response to the current challenging environment.

Key features of this approach include: continuing investment promotion activities to generate new flows of FDI into Ireland, which involves pursuing high quality sustainable projects that are in keeping with the competitive characteristics of the Irish economy today and seeking out niches of business in which Ireland can carve out world market leadership, so as to continue the growth and development of the economy; limiting the immediate impact of the global downturn by working closely with foreign owned companies already located in Ireland, which involves concentrating more resources on helping to underpin the competitiveness of these companies by identify new investment opportunities and encouraging them to move up the value chain into higher value products and services and into higher order functions, such as R&D; and working to maximise investment levels from sectors less affected by the global economic downturn, such as health care and pharmaceuticals.

As the ultimate decision regarding where to locate a project rests with overseas investors, it is difficult to predict the exact number of IDA supported investment projects announcements that might be made in 2004. However, I am confident that the strategies and policies being pursued by IDA, together with the ongoing commitment of Government to regional development, will bear fruit in terms of maximising new investment and jobs.

22. **Ms McManus** asked the Tánaiste and Minister for Enterprise, Trade and Employment the results of her recent investment promotion trip to the United States; if specific commitments were made in regard to investment projects; and if she will make a statement on the matter. [8072/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I recently visited the US from 23 to 27 February on a promotional programme organised by IDA Ireland. IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment, FDI, to Ireland. The primary objective of my visit was to market “Ireland Inc.” as an ideal business location for US companies wishing to invest or

increase their investment overseas and also to further enhance and develop the existing relationships Ireland has with US companies which already operate here. The programme involved meeting with chairmen, CEOs and other senior executives of leading companies in pharmaceuticals, medical technologies, information and communications technology and other sectors that offer high quality sustainable FDI that is in keeping with the competitive characteristics of the Irish economy today.

While many of the companies involved already have substantial and valuable activities in Ireland, I also met with companies that are considering major investments here for the first time. The feedback from these meetings confirmed to me the high standing in which Ireland is viewed as a business location by leading global companies. They are aware of, and impressed by, the high standards of performance that are achieved and maintained by Irish management and staff within foreign owned companies who have existing operations here. The meetings also underlined to me the importance of the Government's commitment to strengthen research and education capabilities, while retaining the flexibility and responsiveness of our operating environment and low tax regime.

While no specific commitments were made in regard to new investment projects during my visit, I am not surprised at this as most major FDI projects can involve a lengthy evaluation/decision making process. It is often the case following such visits that a considerable number of meetings and discussions will take place between the company and IDA Ireland before the company makes a final decision on location. However, I am optimistic that new investments and jobs will follow in time, particularly given the positive views expressed to me about Ireland and the high standing in which Ireland is viewed as a business location by leading global companies.

#### **Export Controls System.**

23. **Mr. Wall** asked the Tánaiste and Minister for Enterprise, Trade and Employment when she expects to receive phase 2 of the report from the economic consultants, Fitzpatrick Associates on export licensing for military and dual-use goods; if it is intended to publish the report; and if she will make a statement on the matter. [8067/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern):** I understand that the report of phase II of the review of the operation of Ireland's export controls system is nearing completion and I hope to receive it shortly. It is my intention to make the report publicly available.

#### **Job Losses.**

24. **Mr. Deenihan** asked the Tánaiste and

Minister for Enterprise, Trade and Employment if her attention has been drawn to further job losses at a company (details supplied) in County Kerry ; if she will visit Listowel to discuss the jobs crisis in the town with the chamber of commerce, the local UDC and community leaders; and if she will make a statement on the matter. [7968/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I regret very much the announcement by Imperial Stag Ltd., Listowel, that 28 employees are to be made redundant. The company has stated that its decision was based on a decline in demand for its products and strong competition from the Far East, putting the company in an increasingly tighter position in terms of overall costs. IDA Ireland will continue to monitor the situation closely and provide every assistance to the company. FÁS has already been in contact with the company and offered to make available its full range of support services to the workers affected with a view to finding alternative employment.

IDA Ireland continues to actively promote Kerry to potential investors from across the sectors in either manufacturing or international services via its network of overseas offices and project divisions, with every effort being made to secure new investments for the area. In addition to targeting potential new projects, the State development agencies continue to work with the existing base of companies in the region, with a view to supporting such companies with potential expansions and diversification of activities.

In February 2004, Shannon Development launched plans for a business development centre in Listowel involving an investment of almost €1.7 million. The building, which will be located in a two acre site at Listowel Business Park, will mark a departure in the style of premises available to indigenous start-up businesses in the area.

The State development agencies participate in the Listowel Development Group, an initiative which brings together all of the resources relevant to the promotion of Listowel and includes the key development agencies for the region, together with representatives of local industry. A key function of the group was to secure a tenant or project for the BES building in the town. I understand that a tenant has now been found for the building.

The major decentralisation programme announced in the budget includes 50 jobs to be relocated to Listowel and a further 165 jobs for Killarney. This move demonstrates the Government's commitment to balanced regional development and will provide a further boost to enterprise development in Kerry. I will be glad to discuss the job situation in Listowel with the relevant interests during my next visit to the area.

### State Guarantees.

25. **Mr. Boyle** asked the Tánaiste and Minister for Enterprise, Trade and Employment if a £10 million bond has been surrendered by the Government to a company (details supplied); and the reasons such a bond may have been returned. [8114/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** It is assumed that the question relates to certain security provided to the State as counter cover for State guarantees that remained in place following the sale of Irish Steel to Ispat Mexicana in 1996. Specifically, at the time of the sale, Irish Steel Ltd. had outstanding loans from ACC Bank and the European Coal and Steel Community, ECSC, that were covered by State guarantees. As part of the sale agreement, it was agreed that Irish Ispat Ltd. would take over all the liabilities of Irish Steel Ltd., including the servicing of these two loans. The Government undertook to continue to provide guarantees on these two loans and this continuation was covered in section 7 of the Irish Steel Act 1996.

To protect the Government in the event of Irish Ispat Ltd. defaulting on the repayment of these loans, the sale agreement also provided the following protections for the State. A capital contribution of €5.86 million due to Ispat as part of the agreement for the purchase of Irish Steel Ltd. was lodged to an escrow account opened in the joint names of the Minister for Enterprise, Trade and Employment and Ispat Mexicana. It was agreed that the balance in this account could be unilaterally withdrawn by the Minister in the event that Irish Ispat defaulted on either of the ACC or the ECSC loans. Ispat Mexicana was obliged to provide a letter of credit from the Midland Bank in the amount of €5.09 million and Ispat Mexicana was also obliged to provide mortgage and pledge agreements in respect of certain assets as security against Irish Ispat's liabilities under the ECSC loan.

Irish Ispat Ltd. repaid the ECSC loan in full with a final payment made in July 1999. Once this loan had been repaid, Ispat Mexicana's obligations under the mortgage and pledge agreements, which had been provided specifically as security against this loan, were discharged and the company was formally released from these agreements.

Following the liquidation of Irish Ispat Ltd. in 2001, an amount of €10.6 million was paid to ACC on 30 November 2001 on foot of the State guarantee. The Department then proceeded to secure the reimbursement of this amount from the counter cover provided by the escrow account and the letter of credit. On 4 March 2002, the balance of just over €7 million in the escrow account was received while the balance, that is, nearly €3.6 million was recovered from the letter

[Ms Harney.] of credit in April 2002. As the State had been fully reimbursed for the amount paid out on foot of the guarantee, the Minister then agreed to the cancellation of the letter of credit. It should be stressed that the securities outlined above were provided specifically and exclusively as cover against the two loans, that the security was drawn on to the full extent possible and that the security was not available to cover any other liabilities.

### Industrial Employment.

26. **Mr. Quinn** asked the Tánaiste and Minister

Average Annual Industrial Employment 1998-2002

1998	1999	2000	2001	2002	2003 (Sept.)
257,900	257,000	266,700	269,000	256,500	241,500

Source: CSO — Industrial Employment

The decline in industrial employment since 2001 undoubtedly reflects the difficult business conditions in the global marketplace in recent years. However, we must also bear in mind that the numbers in employment overall have continued to rise throughout this period. The fact that employment has grown by over 440,000 since 1997 reflects favourably on the Government's management of the economy in difficult circumstances. While industrial employment has tended to reduce in the past two years, employment in international and financial services has displayed remarkable resilience to international difficulties and has more than offset the contraction in industrial jobs. Among firms within these sectors, supported by agencies under my Department, employment has grown consistently from 39,500 in 1998 to over 66,500 in 2003, an increase of 68.5%. Employment in these sectors remained relatively stable last year, which is quite an achievement given the readjustment of financial markets after a period of international upheaval.

Our business support agencies are undertaking co-ordinated strategies to sustain and promote growth in industrial employment. More resources are targeted towards underpinning the competitiveness of existing companies in Ireland, by encouraging existing clients to move into higher value products and higher order functions, such as R&D and more complex or demanding services. IDA Ireland, for example, is pursuing high quality new FDI that is in keeping with the competitive characteristics of the modern Irish economy.

Our objective is to excel in niche areas of biotechnology, software and information and communications technologies. In conjunction with the private sector, Enterprise Ireland, EI, has developed a range of seed and venture capital

for Enterprise, Trade and Employment the figures for the level of industrial employment at the latest date for which figures are available; the way in which they compare with the equivalent date in each of the previous five years; the steps being taken to counter the decline in industrial employment; and if she will make a statement on the matter. [8095/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The figures for average annual level of industrial employment between 1998 and 2002 together with the latest provisional figure, which is for September 2003, are as follows:

funds, in many cases dedicated to specific emerging technologies or focused on business development in the regions outside of Dublin. More companies are being persuaded to put product and process innovation at the centre of their growth plans and for this to become an embedded feature of their strategic development. EI's other focus on increasing export capacity in indigenous firms has not diminished.

Furthermore, I have set up the enterprise strategy group, under the chairmanship of Eoin O'Driscoll. I want the group to recommend and prioritise new strategies and policies to ensure that the prosperity we enjoyed in the last decade will continue into the future. It will examine how to strengthen our enterprise environment, to promote an innovation and a knowledge driven economy while helping sustain those industries already providing employment here. The group will report to me in a few months.

### Consumer Protection.

27. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will identify the ten items, goods or services, which have recorded price increases, most in excess of inflation in the past two years and thereby negatively affecting competitiveness of the economy; if she has in mind proposals to deal with the issue; and if she will make a statement on the matter. [8029/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** According to the Central Statistics Office, the ten categories of goods and services within the consumer price index which have recorded the greatest percentage change over the period January 2002 to January 2004, the latest period for which data is available, are the following:

Good/Service	% Change Jan 02-Jan 04
Water supply, refuse and misc. services	49.5
Hospital Services	32.5
Motor Cycle Insurance	30.2
Sea Transport	28.7
Health Insurance	28.0
Sports Admittance	26.8
Financial Services	26.7
Spirits (purchased in an off licence or supermarket)	25.9
Television Services	25.2
Second Level Education (private)	23.7
Overall CPI	6.7

The ten categories indicated in the table account for 4.25% of the total CPI basket of goods and services and contributed 1.2% to the overall change of 6.7% in the CPI over the period January 2002 to January 2004.

#### Job Losses.

28. **Ms Enright** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action that has been taken to secure replacement employment following the deferral of new jobs in Birr, County Offaly, and the loss of 160 jobs in Limerick at Thomson NETg's facilities; and if she will make a statement on the matter. [8006/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I regret very much the job losses announced by Thomson in Limerick and the consequent effect on the workers and their families. FÁS has been in contact with the company and is offering its full range of services to the workers being made redundant, as is Enterprise Ireland. I understand that Thomson NETg announced, in November 2003, that as part of an ongoing assessment and reorganisation of its global business operations, a decision had been made to consolidate its global product development activity in Naperville, Illinois. As a result of this decision, the company's product development facility in Limerick would cease operations with the loss of 173 jobs. The company had earlier decided that it would not undertake the establishment of an operation in Birr due to the adverse economic climate, particularly in the e-learning sector.

IDA Ireland continues to actively promote Limerick to potential investors from across all sectors in either manufacturing or internationally traded services via its network of overseas offices. The agency is also actively marketing Birr and the Thomson NETg facility for potential new investment. The current economic slow down has meant that there are a lower number of companies actively seeking to invest and consequently there are fewer companies visiting Ireland. There were 17 first time site visits to the

mid-west in 2003, with 13 first time site visits to Limerick. So far this year, there have been four first time site visits to the mid-west and three to Limerick.

The decision where an overseas company decides to locate lies, of course, ultimately with the company itself. In addition to targeting potential new projects, IDA and Enterprise Ireland continue to work with the existing base of companies in the region with a view to supporting companies with potential expansion and diversification objectives. The major decentralisation programme announced in the budget includes 180 jobs to be relocated to County Limerick and a further 455 jobs for County Offaly. This move demonstrates the Government's commitment to balanced regional development and will provide a further boost to enterprise development in these areas.

#### World Trade Negotiations.

29. **Mr. Sargent** asked the Tánaiste and Minister for Enterprise, Trade and Employment if deregulation will take place in the process of the GATT agreement in view of the fact that the WTO does not in practice regard public services as exempt from international trade and that the GATT process involves progressive deregulation in order to facilitate trade. [8121/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern):** As indicated by my colleague, the Minister for Enterprise, Trade and Employment, Deputy Harney, in her address to the National Forum on Europe, on 4 March 2004, the multilateral trade negotiations currently under way in the area of trade in services are considered in the context of the WTO General Agreement on Trade in Services, otherwise known as the GATS negotiations.

Ireland's and the Union's objectives in the services negotiations are to seek better access for European service providers in third country markets and to secure a more transparent and predictable regulatory environment for services. The formal requests submitted by the EU to our WTO partners do not seek to dismantle public services nor to privatise state owned companies. No requests are being made on health services or audio-visual services to any country by the EU. In relation to education, only the US has received a request from the EU, limited to privately funded higher education. On environmental services, EU requests do not touch on the issue of access to water resources.

As regards the initial offer made by the EU, some WTO partners have requested that the EU open its services markets to third country providers beyond that committed under the Uruguay round. The European Union has made no offer to them in the areas of education, health or social services. GATS negotiations are about opening up trade, not about deregulating public services. These are regulated for very good

[Mr. M. Ahern.]

reasons, be it to uphold, for example, safety standards or quality of services. Governments across the full membership of the WTO remain free to set levels of quality, safety, price and other objectives they see fit. The EU has no intention to promote or request privatisation or the dismantling of public services in any sector in the GATS or in any country. The GATS expressly provides that all WTO members can legitimately regulate economic and non-economic sectors within their territory to guarantee the achievement of public objectives.

#### **Labour Standards.**

30. **Mr. Stanton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the measures the Government has in place to ascertain whether imported manufactured goods are not produced by slave or child labour in other countries; her views in this regard; and if she will make a statement on the matter. [8100/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern):** Irish trade is regulated in accordance with the common commercial policy rules of the European Union. The EU has a long standing commitment to the promotion of core labour standards and social development and the charter of fundamental rights of the EU confirms the aim to fully integrate these standards in all its policies and actions. Co-operation agreements between the EU and other countries, as a matter of course, include human rights and core labour standard clauses as set out in International Labour Organisation conventions. In addition, the EU uses its trade policy mechanisms to encourage other countries to improve standards by offering additional preferential access dependent on adherence to ILO conventions.

Within the World Trade Organisation also, the EU, with our support, has been pursuing improved international regulation in the area of trade and labour standards. Ireland has consistently supported the International Labour Organisation in its efforts to promote core labour standards. In 1998, we supported the adoption by the ILO of a declaration on fundamental principles and rights at work. This commits the ILO's 175 member states world-wide to respect the principles inherent in the core labour standards and to promote their universal application. Ireland has ratified all eight core labour standards, including those addressing the abolition of forced or compulsory labour and child labour.

#### **Economic Competitiveness.**

31. **Ms O'Sullivan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will make a statement on the outcome of the meeting of the EU high level group on competitiveness held in Dublin Castle on 25

January 2004; and if she will make a statement on the matter. [8091/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The high level group on competitiveness and growth held an informal meeting on Dublin Castle on 25 January 2004. This group is the main preparatory working group of the EU competitiveness council and is chaired by a senior official in my Department. The agenda for the meeting included a discussion of the competitiveness council contribution to the spring European Council and a discussion of the role and work programme of the group.

Following consideration by the group of key competitiveness issues facing the EU in the short to medium term, the Presidency drafted the contribution of the competitiveness council which was considered at a formal meeting of the group in Brussels on 18 February. This document will form the basis for discussion by Ministers at the EU competitiveness council, which takes place on 11 March 2004.

#### **Insurance Industry.**

32. **Mr. English** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of recommendations of the motor insurance advisory board that have been implemented; the timeframe for implementation of those outstanding; and if she will make a statement on the matter. [8007/04]

35. **Mr. Gilmore** asked the Tánaiste and Minister for Enterprise, Trade and Employment the progress made to date with regard to the implementation of her action plan for the insurance industry; the elements of the plan yet to be implemented; the timetable for the implementation of the different elements of the plan; and if she will make a statement on the matter. [8075/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I propose to take Questions Nos. 32 and 35 together.

The insurance reform programme that I announced on 25 October 2002 comprises a comprehensive set of inter-related measures designed to improve the functioning of the Irish insurance market. I chair a ministerial committee established to drive the co-ordinated implementation of this reform programme across the relevant Government Departments and other bodies concerned. Substantial progress is being made on a range of measures that will radically overhaul the functioning of the insurance market and help tackle the high cost of insurance.

One of the key measures in the reform programme is the implementation of the recommendations in the motor insurance advisory board action plan within a target timeframe. To date, 32 of the recommendations have been fully implemented, four partially implemented and work is in progress on the implementation of the other recommendations.

Precise information on each of the recommendations is shown in the table.

Another key measure is the establishment of the Personal Injuries Assessment Board. As the Deputy will be aware, the Personal Injuries Assessment Board Act 2003 was signed by the President on 28 December 2003. The provisions of this Act will be commenced in the near future. A CEO designate has been appointed and commenced duty on 2 February 2004. The proposed structure and staffing levels of the new body are finalised and a recruitment campaign commenced in February. The board will be operational when the necessary staff and IT systems are in place, which is expected to be in the second quarter of this year. The PIAB interim board has made significant progress in this regard.

In addition, my Department and the Competition Authority are undertaking a joint study into the insurance market. The study will identify and analyse barriers to entry and limitations on rivalry in the insurance marketplace. It aims to make recommendations to ensure that competition works well for consumers in the Irish market. It will also make recommendations for changes in the case of problems identified at EU level. A preliminary report and consultation document on competition issues in the non-life insurance market was published in February. Following a two month consultation process, which will end on 18 April

2004, a final report will be published containing recommendations resulting from the findings.

Significant progress has been made by the Department of Transport on the implementation of the road safety strategy. The Minister for Justice, Equality and Law Reform published the Civil Liability and Courts Bill on 11 February. This Bill contains measures to streamline the law on personal injury claims including measures to deal with fraudulent and exaggerated claims.

Indications to date are that the reform programme is having its desired effect. The CSO publishes monthly indices of costs for a number of classes of insurance. These statistics show that there was a reduction of 11.8 index points, 11.1%, in motor car insurance between the months of January 2003 and January 2004. Further, the CSO noted a significant contribution from insurance to the recent reduction in inflation. As implementation of the reform programme continues, I expect further reductions to occur in all forms of insurance. I am also confident that the measures the Government is putting in place to reform the Irish insurance market will attract new players into the market and lead to further downward pressure on premia.

*Summary Report on MIAB recommendations March 2004.*

In summary: of the 67 MIAB recommendations, 32 have been implemented; 4 have been partially implemented; 21 are being actively progressed; 1 cannot be further progressed at present; 9 are under consideration.

## Recommendations Relating to Department of Transport

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
1	Further road safety improvements.	That priority be assigned to achieving the objectives set in the Government's Strategy for Road Safety for a wide range of reasons, which extend far beyond the cost of insurance.	2	Penalty Points system now in operation.	New strategy statement has been brought to Government.
2	Provisional Licences, Road Safety Driver Education in schools.	That the current system of unsupervised driving by provisional licence holders be reviewed and consideration be given to the introduction of a road safety and driver education syllabus in schools.	3	This has been agreed in principle, and will be introduced following completion of a review of the provisional licensing system currently underway. Driver education syllabus is for the Dept of Education. The report commissioned by the NCCA on the introduction of a road safety and driver education syllabus in schools, has been completed and is with the Minister for Education.	
34	Insuring the Vehicle rather than the use of the Vehicle. Study needed to see if this would reduce premiums.	That detailed consideration be given to amending the Road Traffic Acts to require insurance on the vehicle, as in mainland Europe, rather than allowing claims to be declined on the basis of the driver's use but with appropriate measures to address the rights of insurers where premiums have been underpaid.	4	Implementation would involve fundamental changes in the arrangements for motor insurance, in Ireland. The complex risk assessment, civil liability issues and potential costs and advantages of implementation will have to be evaluated before coming to a decision. Also awaiting results of UK preliminary study.	

Recommendations Relating to Department of Transport — *continued*

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
35	Fourth EU directive on Harmonisation. Irish citizens' right to sue the insurer direct.	That, when the Fourth EU Directive on Harmonisation of Motor Insurance is incorporated into national law in 2003, Irish citizens are extended rights equal to those of visiting EU citizens to sue the vehicle insurer direct for compensation entitlements arising from motor accidents occurring in Ireland.	3	Direct right of action against Irish insurers provided for in case of accidents to which the Fourth Motor Insurance Directive applies. S.I. 651 of 2003 transposed the provisions of the Fourth Motor Insurance Directive into Irish Law.	S.I. 651 of 2003 signed by Minister on 27 November 2003. An extension of this provision to all traffic accidents will be considered in the context of amending legislation.
36	Motor Insurance Bureau of Ireland agreement to be amended, to ensure victims of uninsured/defectively insured vehicles get equally favourable treatment.	That the agreement between the Motor Insurers Bureau of Ireland and the Minister for the Environment & Local Government be amended to clearly ensure that victims of uninsured or defectively insured vehicles can pursue their claims on no less favourable terms than apply to insured cases as consistent with the jurisprudence of the European Court of Justice lest they be doubly disadvantaged by involvement in such occurrences.	3	A revised Agreement, primarily to take account of cost reduction, is being prepared for signature by the Minister and the MIBI. More detailed review to follow to reflect planned developments in EU Law.	Discussions with the MIBI are ongoing.

Recommendations Relating to Department of Transport — *continued*

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
37	<p>Road Traffic Act to be amended, in line with EU Directives on harmonisation, to protect victims of defectively insured vehicles;</p> <p>Better clarification on insurance certs.</p>	<p>That the Road Traffic Acts, and other relevant legislation, be amended to fully adopt the Articles of the various EU Directives on harmonisation of compulsory motor insurance so as to clearly uphold the rights of victims under European law in accidents involving uninsured, untraced, defectively uninsured or allegedly defectively insured vehicles or drivers and that the prescribed content of insurance certificates be reviewed for clarity of communication with the addition of wording highlighting that the rights of Third Parties are not affected by cover limitations in the policy document.</p>	5	<p>Legislation to deal with this may be included in draft bill to deal with the withdrawal of unlimited cover by the insurance industry, which is expected to be introduced this year.</p>	<p>The EU commission is preparing consolidated legislation on motor insurance, and certain aspects of this recommendation may be most effectively dealt with in that framework.</p>
61	<p>Access of insurers to National Driver File, after introduction of penalty points.</p>	<p>That following introduction of the penalty points system, and subject to the provisions of data protection legislation, insurers be permitted access to relevant information on the national driver file under provisions similar to Section 28 of the Road Traffic Act, 1994.</p>	3	<p>The Minister is in correspondence with the insurance industry on this issue.</p>	<p>Discussions are currently underway with the DOEHLG with a view to making penalty point information available to the one insurance company which has agreed to reflect "safe driving" records in reduced premia.</p>

## Recommendations relating to Department of Transport &amp; Department of Justice, Equality and Law Reform

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
3	Higher Fines, Detaining vehicles, Earmarking of fines for Motor Insurance Bureau of Ireland.	That the sanctions for flagrant breach of compulsory insurance obligations should be fines at a level more consistent with premium charges and should provide for vehicle confiscation, as applies to non-payment of road tax, with proceeds being assigned to the Motor Insurers Bureau of Ireland who are responsible for claims from victims of uninsured accidents.	2	Road Traffic Act 2002 increased fines, but level imposed is up to the Judiciary. Power to detain Vehicles already exists. Discussions with the Garda in progress about activating secondary legislation. The parent department needs to seek Department of Finance approval for the earmarking of fines.	The Department is in discussion with the Garda authorities to address the logistics of the transport and storage of impounded vehicles.

## Recommendations relating to Department of Justice, Equality and Law Reform

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
38.	Constitutional balance between rights of defendants and genuine injured parties.	That Court procedures for personal injury litigation be radically reviewed in the interests of both genuine injured parties and premium paying policyholders, the majority of whom have not been involved in any culpable motor accident.	3	Committee on Court Practice & Procedures has sought public comment on court procedures.	
40.	Improved access to justice. Independent mechanism for assessing disputes on legal costs. Transparency. Promotion of competition.	That the current Court based system for assessing legal fees be reviewed as to its cost effectiveness in satisfactorily resolving disputes on litigation costs and that consideration be given to a framework which the public might regard as more independent of the legal establishment and from which more transparent information might be available to litigants on the allowable levels of fees.	5	Minister for Justice, Equality & Law Reform is considering an alternative system. This issue also forms part of the Competition Authority's study on the Legal Profession	
42.	Abuse of legal loophole. Cost of legal fees.	That the legislation on accrual of 8% interest on legal costs from date of trial should be revised in a manner consistent with the Prompt Payments of Accounts Act 1997 with a significantly reduced rate of interest and a reasonable period allowed from the date of bill presentation for payment or the resolution of legitimate queries.	3	This is included in the General Scheme of the Civil Liability & Courts Bill published on the 11th February 2004.	

Recommendations relating to Department of Justice, Equality and Law Reform — *continued*

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
46.	Public interest. Constitutional balance. Macro-economic consequences.	That consideration be given to the concept of amicus “curiae” for representations from the Office of the Attorney General and/or IFSRA if an issue before the Courts has radical implications for the cost of insurance with consequent effects on the Irish economy particularly where the effect is retrospective.	3	As for Rec. No. 42	
47.	Public policy. Claims costs reduction.	That stringent measures be introduced to tackle fraudulent and exaggerated claims with loss of all compensation entitlements and appropriate criminal sanctions.	3	Addressed in the Civil liability and Courts Bill	
48.	Consumer protection. Public policy. Promotion of enhanced quality of justice. Claims costs reduction.	That all claims which include allegations of earnings losses be supported by proof of declared earnings history from the Revenue Commissioners and records of benefits sought under social insurance with any earnings from “the black economy” to be excluded from claim assessments or negotiations.	3	As for Rec. No. 47	
49.	Restoration of constitutional balance when wrongly sued people have been vindicated.	That awards on costs to defendants are made automatic upon successful defences either on liability or on the extent of loss, to restore equity between litigants while acknowledging that methods of payment enforcement will always be a matter for judicial discretion under Examination Orders.	3	The Dept/ Justice, Equality & Law Reform has asked the Courts Service to consider changes in Circuit Court Rules to bring them into line with Rules of the Superior Courts in relation to costs.	

Recommendations relating to Department of Justice, Equality and Law Reform — *continued*

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
50.	Enhancement of justice and protection for victims. Avoidance of need for victims to rely on the state.	That the system of lump sum compensation payments be reviewed on the basis that the long term needs of the seriously injured may be better served by guaranteed annual payments.	5	This is not being actively progressed at present. The impact on insurance costs is neutral.	
51.	Improved compensation delivery for victims.	That a system be introduced to facilitate pre-trial interim payments to the seriously injured in cases where liability is not a substantial issue but there is a financial need to replace lost earnings or seek medical treatment.	5	See R. 50.	
52.	Promotion of enhanced quality of justice.	That a system be introduced to facilitate the award of provisional damages where there is a substantial risk that the injured party's medical condition may deteriorate in the future.	5	See R. 50.	
54.	Promotion of enhanced quality of justice. Better consistency between judgements. Speedier disposal of non-complex cases. Reduction in legal costs.	A system of case management be adopted by the Courts, with a panel of judges specialising in injury claims, to secure early hearings of non-complex cases which could be disposed of by a short trial and that the Small Claims Court system be extended to deal with property claims up to £5,000 arising from motor accidents.	3	The Civil Liability and Courts Bill will provide for pre-trial hearings to determine the issues on which the parties differ. The Committee on Court Practice and Procedure is reviewing to practice and procedure in relation to personal injuries litigation and will make such recommendations as it thinks appropriate for improvement.	

Recommendations relating to Department of Justice, Equality and Law Reform — *continued*

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
55.	Promotion of enhanced quality of justice. Facilitation of earlier settlement. Reduction in legal costs.	That claimants be obliged to state their minimum settlement terms in litigation, supplementary to the current procedure which permits a defendant to tender their maximum offer whereby they secure protection from liability for further litigation costs.	3	See Rec. No. 42.	
56.	Promotion of enhanced quality of justice. Better consistency between judgements. Reduction in legal costs.	That information on Irish compensation levels for various injuries be collated, such as a book of quantum or guidelines as produced by the Judicial Studies Board in England, and that this data be published to assist earlier settlements between defendants and plaintiffs.	3	Chair of Interim PIAB currently obtaining and examining data from the courts.	Book of Quantum will be available early 2004.
57.	Transparency. Prevention of further increases in claims costs and in legal fees.	That the Court Bill 2001, entering the second stage in the Dáil, be amended so as NOT to increase current financial limits of the Courts beyond expressing the existing figures in convenient Euro amounts.	1	In effect, by not commencing the relevant provision in the Courts and Court Officers ct 2002, this recommendation is being implemented, to the extent that the financial limits of the courts are not being increased. Experience gained when PIAB has been in operation for some time will be considered for future action in this matter.	

## Recommendations relating to Department of Justice, Equality and Law Reform &amp; the Incorporated Law Society of Ireland

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
43.	Consumer protection. Legal costs. Promotion of competition among the legal profession.	That the draft 1998 legislation on advertising by Solicitors be progressed, with the additional requirement that all advertisements quote a revised rule by the Law Society summarising Section 68 of the Solicitors (Amendment) Act 1994 which prevents a percentage being deducted by lawyers from the compensation awarded to claimants. If an entitlement to advertise for personal injury claims is secured under competition law, that sufficient information be displayed to enable consumers to make price comparisons between professionals.	1	Implemented. Changes in the Law Society's rules regarding advertising by solicitors have been in effect since 1 Feb 2003	
44.	Consumer protection. Linked to Recommendation No. 43 concerning advertising by solicitors.	That, aside from legislation, the Incorporated Law Society of Ireland as a service to the public should require all advertisements by their members to state that a lawyer is not permitted to seek a percentage of a claimant's compensation and that such action is regarded as misconduct under Section 68 of the Solicitors (Amendment) Act 1994.	1	Implemented — see 43	

## Recommendations relating to Department of Enterprise, Trade &amp; Employment

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
13.	Promotion of competition. Consumer protection.	That a regulation be introduced requiring a minimum period of notice, of not less than 15 working days, to policyholders of the terms upon which renewal is offered to allow sufficient time for consumers to “shop around”.	1	Implemented.	May be reviewed — brokers issue
14.	Linked to Recommendation No. 13.	That a regulation be introduced to prescribe the issuing of “No Claims Bonus” documents with renewal notices to enable clients to market their business elsewhere for comparative quotes.	1	Implemented	As above. CONP to monitor the situation and refer to RED if necessary
39.	Promotion of enhanced quality of justice. Cost-effective, speedy redress. Claims costs reduction.	That an alternative to adversarial litigation be made available to parties where liability for a motor accident is not disputed but independent assessment of compensation is required. The MIAB endorses the model of the Personal Injuries Assessment Board proposed for employer’s liability claims which might be extended to motor claims at an early opportunity.	2	Interim PIAB established. PIAB Bill was enacted on December 28th 2003.	PIAB will begin dealing with cases in mid 2004.
62.	Promotion of coherent and cohesive policy formulation and implementation.	That a forum be established drawn from the various Government Agencies whose actions affect the cost of compulsory motor insurance so that the full financial consequences of proposed legislation or administrative action are understood and factored into decisions.	1	Implemented in the context of the Ministerial Committee.	
64.	Promotion of competition.	That, in the context of the Competition Bill 2001, consideration be given to incorporating the principle of “acting against the public interest”.	1	Implemented in the Competition Act 2002.	

## Recommendations relating to IFSRA from 1st May 2003, formerly relating to Department of Enterprise, Trade &amp; Employment

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
29.	Transparency. Public Information. Informing Policy.	That the format and content, as published in the "Blue Book", of insurers' annual Statutory Returns be amended to show clearly the accrual for the current accident year separately from movements in prior years' reserves.	3	'Best Practice' exercise ongoing to compare Irish supervisory regime with those of a number of other states, focusing on the nature and frequency of information submitted.	Best Practice review to be completed by end June 2004. Consultation process to take place in the second half of 2004. Revised returns expected by the Annual Report 2004, due for publication in mid 2005.
30.	Linked to Recommendation No. 29.	That all relevant information in Statutory Returns be shown separately for private car, commercial motor, motorcycles and other main classes of motor business by coverage types.	3	As in Rec. 29. Discussion opened with Industry regarding detail of Recs. 29 & 30	As in Rec. 29
31.	Linked to Recommendation No. 29.	That the format and content of Statutory Returns be reviewed in line with practice elsewhere in Europe to improve the quality and quantity of public information.	3	As in Recs. 29 & 30. Is being addressed as part of the Best Practice' review.	As in Rec. 29
32.	Transparency. Enhanced prudential supervision. Comparison of data between insurance companies. Informing policy.	That the new insurance regulator issue revised guidelines to insurers to ensure more consistent completion of existing Statutory Returns in a manner which facilitates consistent comparisons and eliminates the current variations in practice between companies.	1	Implemented — Guidelines revised: INREG system allowing electronic submission of returns is now in place and provides for the cross-checking of data in returns.	
33.	Transparency. Provision of clear record of the cost of uninsured driving. Public information. Informing policy.	That the preparation and publication of Statutory Returns be amended to clearly reflect the cost of uninsured driving recording numbers of cases, amounts of payments and provisions for outstanding claims with other relevant information as deemed appropriate.	2	Discussions initiated with MIBI and relevant Form 8 info to be published in 2003 Annual Report	

Recommendations relating to IFSRA from 1st May 2003, formerly relating to Department of Enterprise, Trade & Employment — *continued*

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
59.	Achievement of the Single Market. Balance between supervision and consumer interests.	That a Motor Policyholders' Protection Fund be established to pay claimants in the event of the insolvency of an insurer regulated in Ireland.	5	The Insurance Compensation Fund comprising €24.13m of the PMPA levy is available for use in the event of an Irish Insurance Company failing, subject to the approval of the High Court. Meetings at EU level on the question of possible EU-wide policyholder protection arrangements have been attended. Further meetings are planned during 2004.  See R. 59.	Department of Finance ultimately have the final word on the establishment of a PPF. The No. 2 Bill opens up the possibility of a PPF.
60.	Linked to Recommendation No. 59.	That a Policyholders' Protection Fund be allocated an opening balance, estimated at £19m, from the motor insurance levy collected up to 1993 from which sufficient allocation has been made to satisfy administration of the liabilities of the old PMPA.	5		See Rec. 59

Recommendation relating to Department of Finance

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
58.	Level of premium charges. Adequate funding for enforcement issues.	That the stamp duty (formerly levy) on motor insurance, if not abolished as repeatedly recommended by the Board, should be ring fenced for related matters which include road safety initiatives, such as funding of the National Safety Council and the maintenance of a Policyholders' Protection Fund to safeguard claimants' interests in the event of an insolvency of an insurer regulated in Ireland.	5	This was considered but not implemented in the 2003 budget.	

Recommendations relating to Department of Finance in relation to IFSRA Legislation

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
4.	Balance between prudential supervision and consumer protection.	That the unique position of compulsory motor insurance should be adequately reflected in the responsibilities of the new Irish Financial Services Regulatory Authority (IFSRA) as the Board are of the view that there is currently no effective regulatory mechanism to balance the legitimate concerns of consumers with requirements for effective solvency supervision.	1	IFSRA now established; CBFSAI Act sets out responsibilities	
27.	Enforcement/ redress. Consumer satisfaction. Level of premium charges.	That a Statutory Office of Insurance Ombudsman be established with an extended brief including issues of quotation refusals and denials of policy indemnity for compulsory cover (IIF dissent) and allowing provision for moderate compensation to successful complainants.	3	2nd CBFSAI Bill is before the Houses of the Oireachtas	

## Recommendations relating to IFSRA

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
5.	Transparency. Accountability. Consumer protection. Gathering a consistent set of data over an adequate period of time to assess equitable charging. Discriminatory action. Linked to Recommendation No. 5.	That central gathering of statistics on motor insurance premium and claims costs by driver profile be formalised by IFSRA, including monitoring by the new insurance regulator of data quality, to ensure that reliable information is available to inform public policy in future years and to improve market intelligence as provided for in EU Regulation No. 3932/92.	3	In progress	Data as captured end 2002 has been received from the Industry and work is expected to commence on this in mid-March.
6.		That IFSRA supply regular marketwide statistics on motor premium differentials to the Equality Authority to assist in assessing insurers' compliance with the Equal Status Act 2000 and subsequently its proposed extension.	3	In progress	As above
7.	Public information. Promotion of competition.	That IFSRA publish regular surveys of motor insurance quotations to engender price competition and to educate the public on premium variances within the market and that IFSRA liaise with the Central Statistics Office on assessment of motor insurance inflation.	1	Implemented	Comparative tables released December 2003.
8.	Public information. Promotion of competition. e-Government.	That IFSRA pursue the concept of a "one stop website" to provide consumers with across market information on the motor premiums available for specific risks — the placing of an obligation on insurers to notify their rates does not appear to offend EU law on freedom of services.	1	Implemented	Website live since 26th November 2003.

Recommendations relating to IFSRA — *continued*

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
21.	Transparency. Independent monitoring of insurance industry behaviour.	That the Declined Cases Committee, currently consisting solely of insurer representatives, should include external representatives to report to IFSRA on the operation of the scheme.	1	Implemented	A representative from Consumer Association of Ireland attends and reports to IFSRA.
22.	Independent standard — setting for insurance industry behaviour. Consumer protection.	That IFSRA agree standards of business practice with insurers governing dealings with private consumers and small businesses.	1	Implemented	Code distributed December 2003.
23.	Consumer protection. Level of premium charges.	That IFSRA set rules for insurers to implement in concrete terms the duty of utmost good faith as it applies to insurers, as a corollary to the consumer's duty of utmost good faith, to redress the imbalance in bargaining power between insured and insurer. The objectives of these rules should include ensuring that direct clients do not pay for unnecessary or inappropriate cover offered by insurers and to require an appropriate duty of consultation with policyholders before liability payments are made on their behalf.	1	Implemented	Code distributed December 2003.
24.	Consumer protection. Enforcement of Insurance Act 2000.	That regulation by IFSRA of insurance intermediaries should encompass the principle of "good faith dealing" to achieve the objectives as set out in Recommendation no. 23 (on rules — setting for insurers).	1	Implemented	Included in the "Brokers Handbook". Also included in Code distributed December 2003.

Recommendations relating to IFSRA — *continued*

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
25.	Public information. Level of insurance costs. Law enforcement.	That IFSRA issue clarification of the Consumer Credit Act 1995, or if necessary introduce alternate legislation, to control premium instalment plans.	1	Implemented	Included in IFSRA Code covering letter.
63.	Public information. Consumer protection.	That IFSRA should be pro-active in responding to media statements by insurers on trends in premium charges and related matters.	1	Implemented	Comparative tables published December 2003
66.	Promotion of: Consumer protection Competition. Social inclusion.	That the proposed Consumer Director in IFSRA would have a duty to highlight at EU level the unacceptable consequences for segments of the Irish market of further mergers in the interests of social inclusion, given our island location at the far west of the EU with a small, although rapidly growing, market which may be unattractive to many players.	1	Implemented	IFSRA through the Consumer Director, will fully implement its obligations to monitor competition, but does not have a duty to highlight at EU level, the consequences of mergers.(new section 33S in Principal Act)

Recommendation relating to Department of Health and Children

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
45.	Claims costs reduction. Equal status as regards Irish and other EU nationals.	That the Health (Amendment) Act 1986 be reviewed to the extent that it represents a discriminatory charge levied only on those involved in motor accidents at multiples of the rate charged to providers of health insurance and inconsistent with rates charged to visiting EU nationals in a manner that may offend the Equal Status Act 2000 given that victims of motor accidents represent less than 1 % of users of hospital services.	5	Further discussions to be held with the Dept/Health & Children	

## Recommendations relating to the Irish Insurance Federation

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
9.	Discriminatory action. Accountability. Transparency. Consumer protection. Promotion of competition. Enforcement of Equal Status Act. Promotion of competition.	That a regulation be introduced to require insurers who refuse to quote for any particular risk to state their reasons in writing upon request, acknowledging the fact that insurers cannot be required under EU law to provide cover for any particular risk but equally subject to the anti-discrimination provisions of the Equal Status Act 2000.  That insurers undertake to comply with the provisions of the Equal Status Act 2000 in respect of drivers aged 65 and over including advising them of their rights to freedom of contract and to improve procedures for retirees who have a record on employers' fleet policies but are now seeking private motor insurance.  That insurers undertake to desist from applying policy terms, limitations or loadings that may be encountered by policyholders with disability issues relating to drivers or passengers unless there is evidence of additional risk.	1	Implementation of Recs. 9, 15, 16 & 19 will be on administrative basis via incorporation into the Code of Practice. Also being addressed in Code of Business Conduct drawn up by IFSRA.	Codes distributed December 2003.
10.			1	Introductory NCD for retired fleet drivers implemented. 1/08/02 — IIF's Code of practice. (Also decision of Equality Tribunal in <i>Ross v Royal Sun Alliance</i> .)	
11.	Public policy. Discriminatory action.		1	Additional limits on cover restrictions & loadings 1/08/02 — IIF Code of practice.	

## Recommendations relating to the Irish Insurance Federation

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
12.	Achievement of the Single Market. Discriminatory action.	That insurers operating in Ireland undertake to recognise EU driving experience and "No Claims Bonus" certification presented by other European citizens.	1	Implemented 1/09/02 τ IIF Code of Practice.	
15.	Transparency (cost unbundling). Promotion of competition. Consumer protection.	That a regulation be introduced to standardise renewal notices — detailing the calculation of premium from compulsory cover to the full coverage offered with elective elements clearly indicated and showing any loadings or discounts applied in both monetary and percentage terms.	3	See Rec. 9	See Rec. 9
16.	Transparency. Consumer protection. Promotion of competition.	That a regulation be introduced to tackle potential "confusion of illusion of choice" by requiring insurers who offer motor quotations under a number of business names and product images or through any direct outlets to state the identity of the insurance group of which they are part and that equally brokers should be obliged to provide each client with a list of the motor insurers for which they hold an appointment consistent with the provisions of the Investment Intermediaries Act 1995.	1	Discussions on implementation have taken place between the DETE and IIF in the context of the Tánaiste's Reform Programme. Also being addressed in Code of Business Conduct drawn up by IFSRA.	Codes distributed December 2003.
17.	Age-related discriminatory action. Promotion of competition.	That insurers adopt rating practices that allow sufficient credit for accident free driving experience rather than filtering out risks solely on the basis of age.	1	Insurers committed to fair rating based on objective assessment of relevant risk factors. Underpinned by Equal Status Act and Declined Cases Agreement provisions on age-related declinations. Also see case law as in <i>Ross v Royal Sun Alliance</i>	

## Recommendations relating to the Irish Insurance Federation

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
18.	Promotion of competition.	That insurers desist from any practice of requiring collateral business to be placed with the company before a motor quotation is supplied and that this practice be reviewed by the Competition Authority should it persist.	1	Included in IIF Code of Practice-effective 1/08/02 and IFSRA Interim Code of Practice	
19.	Transparency. Consumer information. Promotion of Competition.	That the existing Declined Cases Agreement between the Minister and insurers operating in Ireland, under which a quotation cannot be refused on the grounds of age alone, should be formalised by legislation.	1	See Rec. 9	Codes distributed December 2003.
20.	Linked to Recommendation No. 19	That the number of refusals required under the existing Declined Cases Agreement be reduced from 5 to 3 in light of the market consolidation resulting from mergers	1	Implemented 24/07/02. Observers added to Declined Cases Committee from Insurance Ombudsman's Office (July 2002) and CAI (invitation July 2003)	
28.	Promotion of competition.	That IIF agree a code of conduct with its member companies on anti-competitive behaviour subject to any more formalised measures, which may ultimately be required by IFSRA under competition law.	1	Revised draft prepared for adoption by IIF Autumn 2003.	
53.	Prioritisation of genuine victims.	That insurers pursue a policy of seeking to assist in the rehabilitation of injured parties where such action is appropriate.	1 (Subject also to development of legal and medical infrastructure.)	See R. 10 (subject also to development of legal and medical infrastructure).	

Recommendation relating the Irish Insurance Federation & IBEC

No.	Issued Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
26.	Unwarranted nuisance value settlements. Claims costs reduction. Constitutional balance.	That IIF agree with IBEC and other business associations on a set of guidelines for the handling of Third Party claims incorporating appropriate referral to commercial policyholders before compensation payments are made on their behalf.	11 1	IIF/IBEC Communication Guidelines for insurers and policyholders produced. In effect from 1/05/03	Similar codes are available for business associations.

## Recommendations relating to the Competition Authority

No.	Issues Addressed	Recommendation	Status	Progress to date	Future plans/target date for implementation
41.	Promotion of competition. Consumer protection.	That the Competition Authority's investigations of the professions should assign priority to the fees which impact on the cost of motor insurance given its compulsory nature and the recent high inflation rate recorded for insurance and that, on completion of those investigations, their findings be taken into account in a review of the effectiveness of self-regulation by the legal profession.	3	The Indecon report to the Authority on the professions was published on 20 March 2003. This will be used as a basis for individual papers on all the professions, (including the legal profession,) which are expected by the Middle of 2004.	
65.	Promotion of competition.	That the Competition Authority would have a duty to review all further insurance mergers in the interests of the Irish economy with appropriate reference to IFSRA and that the process of consultation seek to protect the interests of specific policyholder groups since the effects of mergers may warrant consideration below issues of the market as a whole.	1	The Competition Authority has taken on this responsibility from 1 January 2003, but to date no mergers requiring review have occurred.	
67.	Promotion of competition.	That when the Competition Authority assumes the new roles proposed under the Competition Bill 2001 it should review the area of compulsory motor insurance.	2	The Competition Authority published its 'Preliminary Report and Consultation Document' in February 2004	

## Totals

1. Implemented 32
2. Partially implemented and being further implemented 4
3. In progress 21
4. Cannot be further progressed at present 1
5. Under consideration 9

33. **Mr. Howlin** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on the recent report of the Competition Authority on the insurance market, particularly its recommendation for reform of the broker market which is stated could reduce by tens of millions of euro the amount that consumers and businesses are paying for insurance; and if she will make a statement on the matter. [8056/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I welcome the publication of the Competition Authority preliminary report and consultation document on competition issues in the non-life insurance market. The Competition Authority undertook this study jointly with my Department. This study is only one of a number of measures in the insurance reform programme that I announced on 25 October 2002 designed to improve the functioning of the Irish insurance market.

Based on the information that the Competition Authority has received through its own research and from its various consultancy projects, the authority identifies a number of issues that caused competition concerns including the concerns relating to insurance brokers mentioned by Deputy Howlin. These issues are currently the basis of a public consultation process with a request for views by 18 April 2004. Following the two month consultation period, a final report will be published which will contain recommendations based on its findings. I fully intend that the recommendations made will be implemented.

#### Departmental Inquiries.

34. **Mr. Stagg** asked the Tánaiste and Minister for Enterprise, Trade and Employment the current position in regard to each of the inquiries being carried out by or on behalf of her Department; if she will give a projected date for the conclusion of each such investigation; the inquiries in respect of which reports have been referred to the DPP; and if she will make a statement on the matter. [8065/04]

43. **Mr. Stagg** asked the Tánaiste and Minister for Enterprise, Trade and Employment the total costs incurred by the State at the latest date for which figures are available, arising from the various inquiries instigated by or on behalf of her Department; the element of these costs that have been recovered from any of the other parties involved; and if she will make a statement on the matter. [8066/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I propose to take Questions Nos. 34 and 43 together.

Sixteen investigations into company law matters have been initiated by me since I first came into office as Minister for Enterprise, Trade and Employment. In respect of three of these, the High Court appointed, on an application by me,

inspectors under section 8 of the Companies Act 1990. The inspectors appointed to Ansbacher (Cayman) Limited presented their report to the High Court on 10 June 2002. The report was subsequently published. The report has been passed to the Director of Public Prosecutions. Section 8 inquiries into the affairs of National Irish Bank Ltd. and National Irish Bank Financial Services Ltd. are continuing. I understand the inspectors made a submission to the court in February 2004 to inform the court of the latest position with the inquiries.

One investigation under section 14 of the Companies Act 1990 was completed in 1998. The report on this has been passed to the DPP. Eleven investigations were initiated by me under section 19 of the Companies Act 1990. Six of these have been concluded. Of the six investigations completed, two of the reports were passed to the DPP.

A number of summary prosecutions have since been successfully concluded in one case. One report provided an input into the successful application to the High Court for the appointment of inspectors under section 8 while the fourth report was passed to the relevant High Court inspectors. One report was completed in September 2002 and a further report was completed in March 2003. Both reports have been referred to the Director of Corporate Enforcement.

Three investigations under section 19 are ongoing and the authorised officer is working towards completing reports of these investigations by mid-2004. Two investigations were held up in legal appeals. These inquiries are now the responsibility of the Director of Corporate Enforcement. One investigation was undertaken under section 59 of the Insurance Act 1989. The report on this has been referred to the DPP as well as to the inspectors undertaking the section 8 investigation into that company.

The costs incurred since 1997 on company investigations initiated by or on behalf of my Department currently amount to approximately €10.3 million. This amount does not include the salary costs of Civil Service staff working on a number of these investigations or the legal costs which are primarily being borne by the Vote of the Chief State Solicitor. Most of this €10.3 million derives from the costs to date of the High Court inspectors appointed under section 8: €5.3 million in the case of National Irish Bank Limited/National Irish Bank Financial Services Limited and €3.5 million in the case of Ansbacher (Cayman) Limited.

The question of recovering costs from the section 8 investigations does not arise until such time as the inspectors complete their investigations. In the case of the Ansbacher inquiry, the High Court proceedings taken by the State to recover the costs of the inquiry were settled out of court for the sum of €1.25 million

[Ms Harney.]  
in favour of the State. Section 19 as originally enacted did not provide for the recoupment of costs. This has now changed with the enactment of the Company Law Enforcement Act 2001.

*Question No. 35 answered with Question No. 32.*

### **Health and Safety Regulations.**

36. **Mr. M. Higgins** asked the Tánaiste and Minister for Enterprise, Trade and Employment the position with regard to her consultation with the social partners on proposals to increase penalties for breaches of the health and safety legislation, especially in view of the ongoing level of death and injury being caused to workers; and if she will make a statement on the matter. [8078/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** Currently proposals to repeal and amend the Safety, Health and Welfare at Work Act 1989 have been developed at departmental level and are at present the subject of legal drafting by the Office of the Parliamentary Counsel. These proposals are largely the result of a review carried out by the tripartite board, representing the social partners, of the Health and Safety Authority which had been requested to carry out a fundamental review of the Act with a view to identifying where changes and improvements could be made to the existing principal legislation. The new Bill will have provision for increased fines following conviction in the courts and will also provide for on-the-spot fines. I expect to be in a position to introduce a Safety, Health and Welfare at Work Bill after Easter and I intend to consult the social partners before publication of the Bill.

*Question No. 37 answered orally with Question No. 9*

### **Company Law Enforcement.**

38. **Ms Burton** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to the very significant increase in company law crime reported in the review of the Office of the Director of Corporate Enforcement for 2003; if she has satisfied herself that there are sufficient procedures in place to ensure compliance with company law and to detect offences; and if she will make a statement on the matter. [8059/04]

48. **Ms Burton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the steps she intends to take arising from the warning in the review of the Office of the Director of Corporate Enforcement for 2003 that there is an ongoing problem with insolvent companies that

are continuing to trade; and if she will make a statement on the matter. [8058/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern):** I propose to answer Questions Nos. 38 and 48 together.

Section 12(5) of the Company Law Enforcement Act 2001 provides that the director shall be independent in the performance of his functions. As such it would be inappropriate for me to comment on the day to day activities of the director. While the 2003 end of year statement issued by the Director of Corporate Enforcement indicates that there was a very significant increase in the number of reports and complaints of suspected corporate misconduct reported to the Office of the Director of Corporate Enforcement in 2003 over 2002, it would not be correct to draw any inference from this that there has been an increase in corporate misconduct.

The year 2003 was only the second full year of operation of the Office of the Director of Corporate Enforcement. As the existence of the office becomes better known and the reporting obligations under the Company Law Enforcement Act 2001 are fully acted upon, there is likely to be an increase in the level of reporting of misconduct in the short term. It will take another couple of years of operation by the office to get a valid benchmark against which increases or decreases in the levels of corporate misconduct can be measured. The results available from the Companies Registration Office, which has a much longer track record, show a continuing and very significant improvement in the level of compliance by companies with their reporting obligations under the Companies Acts.

In regard to the comments in the director's end of year statement concerning insolvent companies continuing to trade, the Deputy will have noted that the director goes on to explain how he is addressing this issue. While it is too early to assess the full impact of the regime introduced by the Company Law Enforcement Act 2001, I am satisfied at this stage that the increased activity and detection of offences by the Office of the Director of Corporate Enforcement show that the law and the office is working well.

The director has a range of powers available to him to oversee and act against errant companies, company directors and others. His office is well resourced with professional, administrative and Garda staff. If it emerges over time that there are shortcomings in the existing regime in identifying and pursuing wrongdoing, I have no doubt that the director will bring these to my attention so that they can be addressed.

### **Economic Competitiveness.**

39. **Mr. Morgan** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on whether there will be a flow of jobs out of this State as multinationals relocate to the EU accession states following enlargement; if the

Government has a strategy to deal with this eventuality; and if she will make a statement on the matter. [8024/04]

74. **Mr. Rabbitte** asked the Tánaiste and Minister for Enterprise, Trade and Employment the steps she intends to take to counter the growing trend of jobs being transferred to lower cost countries; and if she will make a statement on the matter. [8094/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I propose to take Questions Nos. 39 and 74 together.

It has been obvious for some time that our economy is undergoing fundamental change, which has affected both the manufacturing and service sectors. It fair to say that our strengths and competitive advantages, especially compared with low wage economies, have changed fundamentally. Ireland's economy is now one typified by high output and productivity together with high returns to labour in the form of wages, salaries and better living standards. Ireland has become a more prosperous and wealthy economy, converging with the broad income and prosperity levels of other member states of the EU. I doubt anybody would have it any other way.

Naturally a more attractive cost environment abroad will inevitably attract some firms that are unable to generate the return from the modern enterprise economy into which we have transformed ourselves. The change taking place across our enterprise base will continue and is inevitable. With this, some plant transfers and other adjustments are bound to come, but where relocation has occurred to date, it has largely been limited to relatively low technology, labour intensive activities. In a borderless Europe that places no restrictions on where people can work or where investors can do business there will always be competition for investment.

One of my key objectives is to develop a competitive economy that will be resilient to the toughest competitive pressures, either from within the EU or elsewhere. At the end of the day, however, it is entrepreneurs that decide where to invest. Consequently, I am committed to making sure that when companies decide to invest, Ireland has the reputation as a secure world class investment location to meet the most demanding business requirements and our citizens have the skills to blend creativity and adaptability with the resourcefulness that knowledge businesses need. To a large extent, our destiny is in our own hands.

Government policy is focused on ensuring this happens. Arising from the most recent work of the National Competitiveness Council, the Government has decided that it will assess our competitive status every six months. My Department's focus on helping generate sustainable employment growth complements work that I am pursuing at a European level. As President of the competitiveness council I am

acutely aware that we have to work together with other member states to reinforce our national objectives.

We are working to accelerate the Lisbon agenda in the many areas that are essential to making Europe the enterprise region of the world. Items on our agenda that we must progress include entrepreneurship, strengthening the internal market and putting in place EU framework conditions to deliver greater and more effective research, development and innovation.

Last July, I set up the enterprise strategy group to be the architect of new enterprise policies for the coming decade. I asked its chairman, Eoin O'Driscoll, to specifically look at what we need to do to be a competitive, knowledge based enterprise economy and asked that the group specifically take account of international trends in globalisation and EU enlargement. I expect to receive this report around the middle of the year.

#### **Insurance Industry.**

40. **Mr. Hogan** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on the need for greater transparency in the setting of insurance premiums following the recent posting of high profits by a number of insurance companies; and if she will make a statement on the matter. [8017/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The pricing and underwriting of insurance is a matter for individual insurance companies and EU law prevents governments from intervening in the matter of premium levels. Insurers make decisions on provision of cover based on their assessment of that risk in the market. Governments are free, however, to take action to improve the functioning of the insurance market.

As part of the insurance reform programme, a joint study on insurance is being undertaken by the Competition Authority and my Department. The bulk of the study was completed in 2003 and a preliminary report and consultation document on competition issues in the non-life insurance market was published on 18 February 2004. In its preliminary and consultation report one of the findings of the Competition Authority on brokers' fees is that there is a lack of transparency in that buyers do not necessarily know what incentives and commissions the broker might receive, nor which insurers the broker has contacted on their behalf. Following a two month consultation period, a final report will be published by the Competition Authority which will contain recommendations based on its findings. I fully intend that the recommendations made should be implemented.

The insurance reform programme that I launched on 25 October 2002 contains many recommendations that relate to transparency as follows: requiring brokers to provide each client with a list of the motor insurers for which they

[Ms Harney.] hold an appointment consistent with the provisions of the Investment Intermediaries Act 1995 — implemented in IFSRA's code of business conduct; introducing regulations to tackle the confusion of illusion of choice by requiring insurers who offer motor quotations under a number of business names and product images or through any direct sales outlets to state the identity of the insurance group of which they are a part — implemented in IFSRA's code of business conduct; amending the format and content of the insurance annual report, the Blue Book, to show clearly the accrual for the current accident year separately from movements in prior years reserves — in progress; that the preparation and publication of statutory returns be amended to clearly reflect the cost of uninsured driving, recording number of cases, amounts of payments and provisions for outstanding claims with other relevant information as deemed appropriate — in progress; that the gathering of statistics on motor insurance premium and claims costs by driver profile be formalised by IFSRA — in progress; that the declined cases committee should include external representatives to report to IFSRA on the operation of the scheme — implemented; that a regulation be introduced to require insurers who refuse to quote for any particular risk to state their reasons in writing upon request — implemented in IFSRA's code of business conduct; and that a regulation be introduced to standardise renewal notices — partially implemented, further standardisation desired by regulators.

#### Work Permits.

41. **Mr. Howlin** asked the Tánaiste and Minister for Enterprise, Trade and Employment when the promised legislation to put the employment permit regime on a comprehensive and sound statutory footing will be introduced; and if she will make a statement on the matter. [8057/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** While drafting of the Employment Permits (No. 2) Bill 2003 has been completed by my Department and the Office of the Parliamentary Counsel, I have asked for further work to be done on a number of legal issues arising. In the meantime, work on examining the draft Bill is continuing within my Department. I am most anxious that this Bill, which seeks to put the instruments of economic migration on a sound statutory basis, be published before the end of this session and that the outstanding issues be resolved as expeditiously as possible.

#### Social Inclusion.

42. **Cecilia Keaveney** asked the Tánaiste and Minister for Enterprise, Trade and Employment the nature of the relationship her Department has

with other Departments, such as the Department of Social and Family Affairs; the way in which she envisages co-operation between Departments to develop to ensure that those without a job and those looking for employees can be matched more effectively than currently seems to be occurring; and if she will make a statement on the matter. [8086/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** My Department has an ongoing close relationship with several Government Departments, in particular the Department of Social and Family Affairs. In this connection, an official has recently been nominated to act specifically as a liaison person with the Department of Social and Family Affairs on matters of social inclusion, from a labour market perspective. In addition, there has traditionally existed between FÁS and the Department of Social and Family Affairs a relationship of close liaison and co-operation at central, regional and local levels in the provision of a range of services and supports to the unemployed, to employers and to the public generally.

FÁS and the Department through its executive agency, social welfare services, have recently acknowledged and copper-fastened the specifically close nature of this relationship by agreeing a new memorandum of understanding and framework for co-operation. This document commits the two organisations to harmonising their endeavours to increase the effectiveness of their services for unemployed people and other socially excluded groups and includes engaging with unemployed clients through the national employment service to ensure how their needs and the needs of employers in relation to guidance, referral and job match are best met. The level of co-operation between FÁS and DSFA can be seen most explicitly in the operation of activation measures under the national employment action plan, supports for persons with a disability who wish to avail of training interventions, efficient exchange of data to promote effective service delivery and the development of compatible IT systems.

The high support process is a particular example of co-operation. In January 2003 FÁS introduced a new high support process, HSP, for jobseekers who are suffering personal barriers to employment. A budget of €1.2 million was assigned for the piloting of the HSP in seven regions. Service providers including the Department of Social and Family Affairs, the Department of Health and Children and the Department of Education and Science, participate in and drive flexible local networks of relevant service providers to deliver progression routes to customers under the HSP. The objective of the HSP is to deliver progression routes to clients identified as having extreme barriers to employment. With the agreement of the participant, the identified employability barriers

will be presented to a multi-agency case conferencing group. Participants identified for inclusion include long-term participants on the job initiative programme as well as job seekers referred to FÁS under the national employment action plan.

There are many other instances where FÁS is involved in co-operation on issues of general social inclusion. For example, FÁS works, in conjunction with the Department of Social and Family Affairs, to assist and provide employment supports to people with disabilities and lone parents in accessing employment. Additionally, Government collaboration includes working with the Department of Justice, Equality and Law Reform in meeting the needs of ex-prisoners and ex-offenders and in promoting child care initiatives to assist women returnees into the labour market.

FÁS also works with the Department of Health and Children to bridge the transition from rehabilitative training to vocational training for disabled people as part of their progression pathway into employment. Furthermore, early school leaver initiatives are developed and initiated jointly with FÁS and the Department of Education and Science.

*Question No. 43 answered with Question No. 34.*

#### **Economic Competitiveness.**

44. **Mr. O'Shea** asked the Tánaiste and Minister for Enterprise, Trade and Employment the progress made by the monitoring process established to consider and track progress in implementing the recommendations of the National Competitiveness Council's annual report for 2003; and if she will make a statement on the matter. [8090/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** At its meeting on 20 November 2003, the Government noted two documents prepared by the National Competitiveness Council, namely, the council's annual report for 2003 and its competitiveness challenge 2003. The Government also agreed at that meeting that Ireland's competitiveness status would be considered by the Government every six months.

My Department will be following up, with the relevant Departments, on the recommendations and issues set out in both documents, with a view to making a report to the Government in June of this year. The recommendations set out in the competitiveness challenge 2003 focus on two different but complementary agendas: first, the short-term need to improve the cost competitiveness of the enterprise sector and, second, the medium-term challenge of putting in place the foundations for a more entrepreneurial, dynamic and innovation driven economy. Addressing issues of competitiveness at national and EU level remains a major priority of the

Government and the NCC's recommendations will be taken forward in that light.

#### **Proposed Legislation.**

45. **Mr. Wall** asked the Tánaiste and Minister for Enterprise, Trade and Employment when she intends to bring forward the promised amendments to legislation to provide for increased penalties for breaches of industrial relations law and especially for breaching the terms of registered building agreements; and if she will make a statement on the matter. [8070/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** During the passage through the Oireachtas of the Industrial Relations (Miscellaneous Provisions) Bill 2003, I brought forward an amendment to the First Schedule of the Industrial Relations Act 1990. This amendment, which received all-party support, will increase the maximum fines that can, upon summary conviction, be imposed by the courts for breaches of registered employment agreements. Under this amendment, the maximum fine that may be imposed by the courts on a person who has failed to carry out an order of the Labour Court regarding registered employment agreements will increase from €1,269.70 to €3,000. In the case of a continuing offence, such a person shall be liable for a further fine of up to €1,000 — increasing from €253.94 — for every day during which the offence is continued. The Bill has now passed all Stages in the Oireachtas.

#### **Departmental Programmes.**

46. **Ms McManus** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of persons who have participated in the FÁS social economy working programme; if it is intended to discontinue this programme; if the decision was made by her Department or by FÁS; the options open to those who have been participating in the programme; and if she will make a statement on the matter. [8081/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** The social economy programme supports the development of social economy enterprises and provides sustainable jobs for the long-term unemployed. A total allocation of €351 million is being provided in 2004 to support up to 25,000 places across the three employment schemes, community employment, CE, job initiative, JI, and the social economy programme, SEP. Of this sum, more than €40 million is being allocated to the social economy programme. There are currently 2,412 grant supported employees on the programme.

The demands for assistance under this programme far exceed the budget available. FÁS is scheduling the support to approved projects so as to ensure as equitable a distribution of funds

[Mr. Fahey.]

as possible. In the circumstances, it is not possible to satisfy all demands and some enterprises will be disappointed. FÁS will review each project with the managing agents and, in particular, will evaluate the sustainability of the projects after the third year. Where projects are considered not sustainable the possibility of supporting essential social services through community employment will be considered. In addition, special attention will be paid to needs of the participants on these projects.

A review of the social economy programme was undertaken and is being considered by FÁS and my Department. The review will inform the future direction of the programme.

#### **Job Losses.**

47. **Mr. Naughten** asked the Tánaiste and Minister for Enterprise, Trade and Employment, further to Parliamentary Question No. 176 of 10 February 2004, the progress she has made to address the job losses in the towns of Ballinasloe and Athlone; and if she will make a statement on the matter. [8014/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I have been advised by IDA Ireland that since the Square D closure announcement in January 2003, there have been nine site visits to Ballinasloe. Construction of a second advance technology building of approximately 27,000 sq. ft., on the IDA business and technology park, is expected to commence shortly. In addition, the IDA has reached an agreement with the ESB for the development of a 38 KV sub-station on its estate which will significantly enhance the electricity supply infrastructure to the site and the surrounding area. The IDA and other State agencies have actively participated in locally generated marketing initiatives and are involved in an ongoing series of meetings with members of Ballinasloe Town Council and Ballinasloe Chamber of Commerce.

Enterprise Ireland has approved a management development grant of €38,000 for the Ballinasloe area community development group towards the employment of a manager for the community owned enterprise centre in Ballinasloe and I understand that the position was advertised recently. At Loughrea, where I announced an expansion in March 2003 of the Signa facility to create an additional 220 jobs, recruitment is ongoing.

As regards Athlone, a comprehensive IDA property programme is in place on the Athlone business and technology park; two new technology buildings of approximately 25,000 sq. ft., and a further office unit of 14,000 sq. ft. which are complete are being marketed by IDA Ireland. Alienware Corporation's official opening of its European operations centre in Athlone on 17 September 2003 creating 80 jobs is a welcome development, as is the announcement on 13

October 2003 that Mapics Incorporated would establish a technical support and shared services centre in Athlone, creating 55 new jobs.

FÁS continues to help people to find suitable employment in Athlone and Ballinasloe and has enhanced the delivery of services to the unemployed in Ballinasloe through alliances with other groups in the Ballinasloe area, such as RAPID, the VEC and Ballinasloe Community Resources Ltd. The major decentralisation package announced in the budget includes 110 jobs to be relocated to Ballinasloe and 145 to Athlone. This move demonstrates the Government's commitment to balanced regional development and will provide a further boost to enterprise development in these areas.

The State development agencies are fully committed to ensuring an equal distribution of job creation opportunities and to encouraging the establishment of industry in the regions, in particular, the Border, midlands and west region, of which Athlone and Ballinasloe are an integral part. I assure the Deputy that the State development agencies, under the auspices of my Department, will continue to work closely together and with local interests in promoting Ballinasloe and Athlone for additional investment and job creation.

*Question No. 48 answered with Question No. 38.*

#### **Job Creation.**

49. **Mr. Naughten** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action she is taking to bring green field investment to the BMW region; and if she will make a statement on the matter. [8013/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment to Ireland. In pursuit of this objective the agency is committed to ensuring a more equal distribution of job opportunities and to encouraging the establishment of additional foreign investment in the Border, midlands and west region.

IDA Ireland is seeking to achieve 50% of all new green field jobs in the BMW region over the 2000-06 period and substantial progress is being made in this regard. Since 2000, a total of 46% of all new green field jobs have been created in the BMW region. In 1999, prior to the start of the Government's current national development programme, some 25% of all new green field jobs were locating in the region.

Strategically important investments for the BMW region announced during 2003 include Abbott in Longford, ABB in Dundalk and SAP Galway. While IDA Ireland is optimistic that further progress will be made during 2004, I stress that this is heavily dependent on short to medium term developments in the world economy, which

can heavily influence overall international flows of mobile investment.

IDA Ireland is actively marketing the region to overseas investors through its project divisions and network of overseas offices. The agency's strategy includes an ongoing programme of developing a network of business and technology parks within the BMW region to ensure that the property needs of potential investors can be met. Typically, new jobs on the ground come on stream within three to five years of approval. I am confident that the strategies and policies being pursued by IDA Ireland, together with the ongoing commitment of Government to regional development, will bear fruit in terms of additional sustainable investment and jobs for the people of the BMW region.

### **Common Commercial Policy.**

50. **Mr. Eamon Ryan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will elaborate on her statement at the National Forum on Europe that the Government is in favour of retaining the unanimity requirement on international trade in health education and cultural-AV services; and her views on whether the necessity of maintaining a unanimity requirement on national taxation matters may require a concession on certain issues in relation to the opening up of trade in health, education and cultural-AV services. [8111/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern):** As stated by my colleague, the Minister for Enterprise, Trade and Employment, Deputy Harney, at the National Forum on Europe on 4 March, Ireland, along with a number of partners, has proposed in the Intergovernmental Conference that unanimity be retained in regard to the negotiation and conclusion of international agreements in the fields of trade in social services and health and education services. That remains our position.

As the Tánaiste also said at the forum, from a national perspective we will take a view on the overall balance of the final IGC texts in the light of the issues and the preferences we have raised. As regards taxation, we believe that the agreement reached at Nice should remain in place. The existing arrangement on taxation is beneficial for the diversity and dynamism of the European economy. For the information of the Deputy, a copy of the Tánaiste's remarks at the forum follow.

Address by the Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Harney, to the National Forum on Europe on 4 March 2004 Provisions in the draft Constitution relating to the Common Commercial Policy:

I am very pleased to be invited to address the National Forum on Europe. The Forum has proven its importance as a means of

bringing the debate on the future of Europe to the wider community and in allowing full participation in that debate from all interested parties.

2004 is an important and historic year for Ireland in the European Union and for the Union as a whole. We are honoured to have the Presidency at a time when the greatest enlargement will take place, on May 1st. It is a momentous step in unifying the peoples of Europe in our common objective of peace, security and prosperity. It also marks a new era in developing our European neighbourhood, where European nations who are members of the Union and those who are not work together in a new way on common issues.

The European Parliament Elections in June and the new Constitution will provide new opportunities to bring debate about the Union to the people and to underline the relevance of Union policies to our daily lives. It is important that we keep our eyes firmly on the fundamental objectives we have for common action. I believe this is as relevant to common commercial policy as it is to any other area of Union policy.

EU policies and the benefits of international trade:

At the outset today I would like to take the opportunity to put this in the overall context of international trade, open markets and the Union's basic policies. Trade benefits both sides in the transaction. All the evidence is that free trade helps poor countries become less poor. It raises standards of living. It provides resources for public services. It enables mutual understanding and exchange. One only has to compare North and South Korea — both starting from the same point, but one following the model of a closed, planned economy and the other, an open market, trading economy. Since 1970, the income per capita of South Korea has increased to 19 times that of North Korea.

This difference in living standards over 30 years could hardly be greater. It is not just about measures of economic production. It is about meeting and improving the basic needs of millions of people, like health care, food, clean water, sanitation and education. That is what trade has delivered in South Korea, and is now delivering in countries like China and India.

I don't think there is any developing country in the world that wants to trade less. All their efforts are to open up markets for more trade for their goods and services. Nelson Mandela has called for a new partnership through rules-based trade and investment, not a dismantling of trade

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and investment. And Kofi Annan put it well when he said, 'The poor are not poor not because of too much globalisation, but because of too little'.

Trade is essential for raising global living standards, and most essential for those with the greatest need for higher living standards. I agree with the view that while trade is not the answer to all our economic and political concerns, meaningful solutions are inconceivable without it.

#### European Union policies

The European Union has been built since the start on economic policies of free trade and open markets. The present treaty provision in Article 4 and in the proposed Articles III-69 and 70 say that the Union shall adopt an economic policy 'Conducted in accordance with the principle of an open market economy with free competition'.

In regard to our common commercial policy, the treaties' aims are: "The harmonious development of world trade, the progressive abolition of restrictions on international trade, the lowering of customs barriers, and the achievement of uniformity in measures of liberalisation".

Again, the draft Constitution reiterates these goals. These are the long-standing, unshakeable foundation stones of the Union's economic policy. Through five referenda over 30 years they have been ratified by Irish people. And we have built a large part of our success as an open, trading economy on these foundation stones of the European Single Market. In 1973, Ireland had a trade deficit of €342 million. In 2002, our trade surplus was €38 billion. Since 1973, our total trade in goods and services has increased from 81 per cent of GDP to over 170 per cent of GDP in 2002. Our approach to questions of economic governance within the Union, such as those we are discussing today, is in the context of a continued and firm adherence to these foundation stone policies.

We affirm the value of an open market economy, of competition and of free international trade based on clear rules. In Ireland, the government has permitted private enterprise in the provision of health, transport and education services. Many people would say it matters little whether these services are purchased by the State for public use rather than provided and organised by the State. Many people would say they are less concerned about the ownership of service providers than quality of services and access to services. The European Union is neutral

on these questions of ownership of social services.

The EU respects that Member States have their own history and traditions in organising public and social services. The attitude of both citizens and Member States, who together constitute the Union, suggest that they wish this to continue. Nothing in the draft Constitution would prevent that happening. It is absurd to suggest that the European Union is, deliberately or unwittingly, set upon the destruction of public social services. There is no evidence whatsoever that the European Union is hostile to public service broadcasting, that it wishes to close down public museums or that it wishes to undermine public education — the type of claims that have been made in some quarters.

For example, there was no issue arising from EU legislation for the Irish government's decision to raise the public licence fee by over 40 per cent in December 2002. There would be no issue under the new Constitution either. There is nothing in existing or proposed EU law that would require us ever to charge an entrance fee to our National Gallery. There is nothing in existing or proposed EU law that would require us to privatise any utility. These are matters of our national choice, and will remain so.

#### Services of General Interest

I would like to turn now to the specifics of the draft Constitution in relation to Services of General Interest and the Common Commercial Policy of the Union. This is the particular focus of today's Forum session. This debate about the regulatory regime that should apply to public utilities and services is not new. It is and will remain a constant issue for national governments and for the Union as markets and services change.

What is new in the debate is the term 'Services of General Interest'. It refers to both public services, such as education and health, and public utilities, such as telecommunications and transport. It covers services delivered by both public and private sectors.

In addition, a new provision has been added to the draft EU Constitution relating to means of deciding common commercial policy. There is also the background of the European Commission, in a Green Paper, having prompted some debate on whether a single model for the provision of public services is appropriate for the EU. The constraints of time mean I won't address the Green Paper in these opening remarks.

The draft EU Constitution includes provisions on services of general interest in a number of Articles. While existing Treaty language is retained, Article III-6 of the Convention text gives the Union the right to adopt a European law defining the principles and conditions under which services of general interest operate.

This issue was further discussed in the IGC when the Italian Presidency proposed the inclusion of the safeguard that such European laws would be 'Without prejudice to the competence of member states in compliance with the Constitution to provide, to commission and to fund such services.'

While agreement has yet to be formally reached on this amendment, it appears to have found widespread acceptance amongst our partners. This wording reflects the actual policy and long standing approach of the Union. In my view, it should be seen more as a clarification for the avoidance of doubt than any significant change to the existing draft.

The European Convention also proposed that the Council, in line with the general use of QMV in the trade area, should no longer act unanimously in regard to the negotiation and conclusion of international agreements in the fields of trade in social services and health and educational services. Ireland, along with a number of partners has proposed in the IGC that unanimity be retained. This is because it would be more consistent with our general approach to subsidiarity and the use of QMV. The IGC is still underway, as we are all aware. Our national preference remains to keep unanimity in this area.

As Presidency we will work for a generally acceptable outcome on this as on all other matters.

From a national position, we will take a view on the overall balance of final IGC texts in the light of the issues and preferences we have raised. Over the years, Irish governments have acted in the belief that the national interest is achieved by approaching all issues on a balance of interest basis, and not always one by one, isolated from each other.

This reflects the complex realities of living and working with 14, and soon 24, other Member States and more than 100 times more our population. In any case, I wish to make it absolutely clear that, under the draft Constitutional Treaty, the common commercial policy cannot affect the delimitation of competences between the Union and its Member States. Nor can it lead to harmonisation where such

harmonisation is excluded by the Constitutional Treaty.

I think we should also recall the very limited competence the Union has in the areas of health, education and social services, which are all clearly the primary responsibility of the Member States. In education, for instance, Union action is limited to incentive actions aimed at contributing to the developing of quality education. Harmonisation is excluded. Measures taken must 'Fully respect the responsibility of Member States for the content of teaching and the organisation of education systems'.

Union competence in the area of health is similarly limited. It must 'Fully respect the responsibilities of the Member States for the organisation and delivery of health services and medical care.' Agreements concluded under the common commercial policy cannot extend the competence of the Union in these fields.

#### WTO negotiations

Today's discussion also takes place in the context of the World Trade Organisation's trade talks under the Doha Development Agenda (DDA). The Doha work programme encompasses a very wide agenda with the promotion of market access and market opening across the full range of economic sectors, including services. These are being conducted on the basis of requests being made to non-EU WTO partners to open their markets to European exporters and a concomitant request from these partners to gain access to Europe's services markets. WTO members have committed themselves to further liberalisation of trade in services, governed by the WTO's General Agreement on Trade in Services — otherwise known as GATS negotiations.

As you are aware, following the failure of the Cancun Ministerial WTO meeting, the WTO membership is endeavouring to re-launch and restart the DDA negotiations. Having consulted with the Council and the Parliament, the European Commission last November issued a communication, which sets out the strategy designed to get the Doha talks restarted. The EU Council of Ministers endorsed this approach and urged the EU Commission to actively negotiate with the EU's trading partners with the aim of an early re-launch of the Doha Round.

Any fair examination will show that the EU's formal request, and initial offer, to our WTO trading partners, which were finalised and submitted to our WTO partners in July 2002 and April 2003 respectively, are fully in line with publicly stated objectives. That is, the EU has no

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intention to promote or request privatisation or the dismantling of public services in any sector in the GATS or in any country.

It is important to repeat this point in response to some of the more exaggerated claims that have been made. The EU's approach to the GATS negotiations does not threaten public services. The reality is that we in Ireland fully agree that government must remain free to make their own choices regarding public services in the context of the current WTO Trade Round.

GATS negotiations are about opening up trade, not about deregulating services, which are regulated for very good reasons — be it to uphold quality standards or to protect consumers. Nor does it mean that we mustn't open these sectors up to competition. In the appropriate regulatory and economic framework, competition will enhance and expand the services provided to consumers without calling into question the principle of public service. The GATS negotiations are not about de-regulating public services.

Ireland's and the Union's objectives in the services negotiations, under the Doha Round, are to seek better access for European service providers in third country markets and to secure a more transparent and predictable regulatory environment for services. The formal requests submitted by the EU to our WTO partners under the current round of negotiations do not seek to dismantle public services nor to privatise state-owned companies. No requests are being made on health services or audio-visual services to any country by the EU. Only the US has received a request, limited to privately funded higher education.

On environmental services, EU requests do not touch on the issue of access to water resources and in no way undermine or reduce governments' ability to regulate pricing, availability and affordability of water supplies as they choose. Some WTO partners have requested that the EU open its services market to third country providers beyond that committed under the Uruguay Round. The European Union has made no offer to them in the areas of education, health or social services.

In all these cases, governments across the full membership of the WTO remain free to set levels of quality, safety, price or other objectives they see fit. It is inconceivable that any WTO member would agree to surrender such a right. The EU, which attaches great importance to maintaining its own right to regulate in

these areas, will certainly not question the right of others to do likewise.

Mr. Chairman, I thank you and members of the Forum for the opportunity to set out the facts as I see them in regard common commercial policy of the Union and the draft Constitution and the approach the government has taken so far. I welcome the opportunity also for debate and for an exchange of views on these matters.

### **Job Creation.**

51. **Mr. P. McGrath** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action that has been taken to secure replacement jobs in County Longford following the decision by Cardinal Healthcare to defer a 1,300 job project in the county; and if she will make a statement on the matter. [8008/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I am very disappointed that Cardinal Health Inc. has decided not to proceed with its proposed investment in a new pharmaceuticals facility in Longford. According to the company, the decision was due to significant changes in its business priorities. In 2002, IDA Ireland reactivated its focus on Longford and put in place a comprehensive marketing and development programme. This marketing programme has already yielded significant results for the area. In March 2003, Abbott Laboratories announced a €70 million investment and the creation of 600 new jobs for the town. Most of these jobs will be for third level graduates. Site acquisition is completed, planning applied for and granted, and construction of the new Abbott facility is well ahead of programme. This is very real progress and a significant success for Longford and the region.

IDA Ireland is also committed to the development of a new business park in Longford town. Furthermore, the Longford County Enterprise Board is seeking planning permission for a community enterprise centre in Longford which will support start-up businesses. Enterprise Ireland continues to work with indigenous companies in County Longford. Recent positive developments by Enterprise Ireland supported companies in Longford include expansions by Green Isle Limited and Century Homes which will lead to an additional 120 jobs.

Under the Government's major decentralisation programme announced in the budget, 130 jobs are to be relocated to Longford. This move demonstrates the Government's commitment to balanced regional development and will provide a further boost to enterprise development in the county. I am satisfied that the combined efforts of the State development agencies, under the aegis of my Department, in co-operation with local interests, should provide

an adequate framework to ensure continued job creation and investment in the Longford area.

### **Job Losses.**

52. **Mr. M. Higgins** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of redundancies notified to her Department during 2000, 2001, 2002, 2003 and to date in 2004; the projected numbers for the remainder of 2004; the steps being taken to deal with the sharp increase in redundancies; and if she will make a statement on the matter. [8077/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The number of redundancies notified to my Department in the years mentioned were: 13,316 in 2000; 19,977 in 2001; 25,358 in 2002; 27,702 in 2003; and 4,640 to the end of February 2004. The increasing level of redundancies reflects slower economic activity in Ireland in line with difficult economic conditions worldwide.

The quarterly national household survey prepared by the Central Statistics Office last December, shows that employment growth continued in the third quarter of 2003, with an increase of 26,000 to bring the total number of persons in employment to 1.82 million.

The Government's focus is on improving competitiveness, which is critical to sustaining and developing both the manufacturing and international traded services sectors. Policy initiatives by the Government and the State development agencies are aimed at helping the country progress towards a knowledge and innovation driven economy. The enterprise strategy group, which I established in July 2003, has been given the task of developing strategic policy recommendations for enterprise in Ireland up to 2010.

### **Employment Agency Sector.**

53. **Mr. Stanton** asked the Tánaiste and Minister for Enterprise, Trade and Employment the most recent reviews of the employment agencies sector that has taken place; the actions she intends to take or has taken on regulating or monitoring the activities of employment agencies; the number of employment agencies currently licensed; the number of licences which have not been renewed in each of the past five years and the reasons for such non-renewal; the number of such licences which have been revoked in each of the past five years and the reasons for such revoking; and if she will make a statement on the matter. [8099/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** Under the current social partnership agreement, Sustaining Progress, the Government gave a commitment to review the Employment Agency Act 1971, which currently regulates the activities of employment agencies. A discussion document

addressing the various options that might be considered for the regulation of employment agencies and their recruitment and placement activities is being finalised by my Department. The discussion document will be circulated shortly to all interested parties for their views, to be followed by meetings aimed at seeking a consensus on the most appropriate approach to adopt.

The current number of licensed employment agencies is 420. My Department does not have figures for the number of employment agency licences which have not been renewed in each of the past five years. However, when agency licences which are issued on a yearly basis fall due for renewal, my Department issues application forms for a licence to the agency in question six weeks in advance of the expiry date of the licence.

In the main, the reason for non-renewal of licences is that the employment agencies in question have ceased to trade. No employment agency licences have been revoked in the past five years.

### **Company Closures.**

54. **Mr. Timmins** asked the Tánaiste and Minister for Enterprise, Trade and Employment the position on the liquidation of IFI; and if she will make a statement on the matter. [8009/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I understand that the liquidation is progressing in an orderly and efficient manner and that considerable progress has been made on the realisation of the company's assets. However, while the company's principal properties at Arklow and Marino Point have been placed on the market, I am advised that it may take some time to sell them.

I also understand that most of the company's obligations to secured creditors have now been settled, while payments to preferred creditors, which would include some amounts due to former employees, have been or are in the course of being made. Unfortunately, it is likely to be some time before any payments can be made to unsecured creditors.

I also confirm that all claims received by my Department to date under the redundancy payments scheme and the insolvency payments scheme have been processed. Similarly, all applications received from employees for payments from the *ex gratia* fund of €24.5 million, established by ICI and the State, have been processed. Payments from the fund were made by the trustee of the fund in accordance with the basis for distribution determined by him following consultations with employee representatives. This basis for distribution was endorsed by a ballot open to all employees.

The liquidator has, based on legal advice received, admitted as unsecured creditors in the liquidation claims from the employees of the company who have entitlements to enhanced

[Ms Harney.] redundancy payments. It must be emphasised that the amount to be paid in due course in respect of such claims is a matter solely for the liquidator and does not imply any commitment by the State to pay enhanced statutory payments. At this stage, I do not expect that the State will receive any payment in respect of its shareholding in the company.

### **Competition Authority.**

55. **Mr. Broughan** asked the Tánaiste and Minister for Enterprise, Trade and Employment her views on the recent annual report of the Competition Authority; her further views on whether the authority's target of prosecuting one cartel a year is adequate in view of the widespread public concerns regarding the extent to which consumers are being exploited by anti-competitive behaviour; and if she will make a statement on the matter. [8061/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I welcome the Competition Authority's annual report for 2003, which has been laid before the Houses of the Oireachtas. I am currently examining the report which demonstrates the authority's wide range of functions in the areas of competition law enforcement, controlling mergers and acquisitions, and promoting competition generally.

With regard to the authority's expectation to prosecute one cartel per year, I understand that this takes account of the authority's experience to date in investigating cartels both at national and international level. Cartels are conspiratorial by nature, making them difficult to detect and prosecute successfully. It should be borne in mind, therefore, that undertaking the prosecution of a cartel case is an arduous and time consuming process which involves the investment of significant legal and economic resources. For example, I am aware that the authority is planning to commence the prosecution of a particular cartel, the investigation of which began more than two years ago. In excess of 50 summonses have been issued in 11 different District Courts to companies and individuals. The authority does not view the number of defendants in this case, or the length of time it has taken to get the case to court, as unusual in cartel investigations.

In view of the harm caused by cartels to consumers, the authority has identified the pursuit of cartels as a priority and to this end it introduced a cartel immunity programme in December 2001 in conjunction with the Director of Public Prosecutions. I understand the programme has been operating successfully. Furthermore, the authority's law enforcement role is not confined to cartel investigations. I note that the authority's annual report for 2003 shows a considerable increase in overall enforcement of competition law compared with previous years.

2003 was the first full year in which the authority operated with its current powers and functions under the Competition Act 2002. The report shows that the authority has made a good start and I look forward to its future success.

### **Price Awareness.**

56. **Ms Lynch** asked the Tánaiste and Minister for Enterprise, Trade and Employment when she intends to make an order under the Consumer Credit Act to require doctors, dentists and allied health professionals to publicly display their prices; and if she will make a statement on the matter. [8083/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** This subject is still under examination by my Department in consultation with the medical and dental professions and I hope to be in a position to conclude matters shortly.

### **Employment Market.**

57. **Mr. Morgan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of new jobs created in 2003; the number of jobs lost in the same period; and if she will make a statement on the matter. [8025/04]

82. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of jobs likely to be created in the next 12 months; and if she will make a statement on the matter. [8205/04]

87. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of jobs lost in the past two years; the number of replacement jobs created in the same period; and if she will make a statement on the matter. [8211/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I propose to take Questions Nos. 57, 82 and 87 together.

The main State development agencies under my Department helped companies create more than 21,700 permanent full-time jobs during 2003, and more than 26,500 jobs in 2002, displaying both the resilience of our enterprise society and the efforts that these agencies have made to counteract the force of decelerating global growth. Nevertheless, we are not immune to the impact of world business events and 33,900 and 28,800 jobs were lost among the agencies' client base in 2002 and 2003, respectively.

Last year's reduction in job losses suggests the worst of the job attrition may be over. Employment among clients of the State development agencies, however, is just a part of the job creation picture. The latest data from the Central Statistics Office's quarterly national household survey shows that employment growth across the whole economy has continued, with an increase from 1,745,000 in the December 2001 to February 2002 quarter, to 1,820,800 in the June

to August quarter of 2003, an increase of more than 75,000 jobs.

There are indications that economic prospects are now improving and our propensity to capitalise on trends in global growth is likely to again stimulate business expansion and real employment growth. While it is not possible to predict any rate of employment growth in the year ahead, the economic development agencies are cautiously optimistic that employment among their clients will start to expand again. This is based on contacts they have with their clients and indications of a recovery in growth in the global economy. Recent media reports about jobs advertisements in national newspapers suggest there has been a significant rise in the number of manufacturing jobs on offer, as well as a noticeable increase in the general number of jobs being advertised. It is too early to say whether this trend will last but it does point to a more positive employment environment than for some time.

In the meantime, the Government and the economic development agencies are undertaking a number of co-ordinated strategies to sustain and promote employment growth. We must capitalise on the potential that research and development, new process and product innovation and more complex services activity offers to expand higher quality and more sustainable higher paid employment. We are already making progress in this area. Forfás survey data on productivity and wage growth provides strong evidence of higher quality jobs in clients of the development agencies under my Department. This stems from an increasing focus on more skilled and knowledge intensive activities. According to the data, agency assisted firms enjoyed productivity growth of 4-5% in the period 2000-02, twice the estimated European Union performance over the same period.

Enterprise policy is being actively refocused towards creating the conditions that will make possible a sustained shift to higher skill, knowledge intensive activities in which Ireland can be a significant player and can build truly distinctive competencies. In order to sustain the transition to a more dynamic, enterprising and productive economy, it is necessary to put in place consistent policies in the areas of infrastructure, education, entrepreneurship, research and innovation, all factors required to drive the development of higher skilled, knowledge intensive activities which will be the launch pad for the future growth of enterprise in Ireland.

These issues will be addressed by the enterprise strategy group, which I have charged with developing an enterprise policy blueprint to manage the challenges of changing global and domestic economic environments. I have asked the group to recommend and prioritise new strategies and policies to ensure that the prosperity we enjoyed in the last decade will

continue into the future. The group will report to me in a few months.

### European Council Meetings.

58. **Mr. Quinn** asked the Tánaiste and Minister for Enterprise, Trade and Employment her priorities for the two formal meetings of the competitiveness Council of Ministers which are to be held during the Irish Presidency; and if she will make a statement on the matter. [8092/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The programme for the EU competitiveness Council is firmly rooted in the ten year strategy for growth, economic reform and job creation agreed by the Lisbon European Council in 2000. At the start of the Presidency, I published a priorities paper for the Council. Copies have been placed in the Oireachtas Library and it is also posted on the official Irish Presidency website at [www.eu2004.ie](http://www.eu2004.ie) and on my own Department's website at [www.entemp.ie](http://www.entemp.ie).

Particular stress will be laid by the Irish Presidency on the need for the competitiveness Council to focus on and develop its horizontal remit in line with the Seville European Council in June 2002 and the Presidency conclusions of the 2003 spring summit. It is important that attention is paid at the highest political level to issues affecting the competitiveness of enterprise and the role of the competitiveness Council is central to achieving this. The Council will also discuss a range of issues in areas covered by its remit.

I will chair two formal meetings of the Council in Brussels on 11 March and 17-18 May 2004. The agenda for the Council on 11 March includes the following: preparation for the spring European Council — policy debate and approval of the competitiveness Council's input to the spring European Council; stimulating entrepreneurship — the Council is expected to adopt conclusions under this heading; a proposal for a Council regulation on the Community patent — political agreement; draft directive on the enforcement of intellectual property rights throughout the EU — report on the state of play; competitiveness of business related services and draft framework directive on services — adoption of Council conclusions; draft framework directive on services — presentation by the Commission and exchange of views; proposals on the registration, evaluation and authorisation of chemicals, REACH, — progress report; Europe and basic research — Council conclusions on recent Commission communication; space policy — exchange of views on recent Commission white paper and related communication; draft consumer protection co-operation regulation which aims to create a network of national consumer protection authorities — progress report; adoption of a proposal for a Council regulation concerning a temporary defensive mechanism to shipbuilding.

[Ms Harney.]

The final agenda for the May Council will depend on a number of matters, including the outcome of the Council on 11 March and the level of progress achieved on various issues between now and May. In addition to finalising or further progressing items which will not be disposed of in March, the May Council is expected to deal with issues in the area of company law, innovation policy, proposals for directives on computer implemented inventions, the recognition of professional qualifications and the mobility of third country researchers. It is also anticipated that there will be additional items in the area of consumer policy such as the regulation of sales promotions in the internal market, unfair business to consumer commercial practices and a proposal concerning credit for consumers.

### **Industrial Development.**

59. **Ms Enright** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action she intends to take to support small to medium sized indigenous industry; and if she will make a statement on the matter. [8015/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** Enterprise Ireland has primary responsibility for the development of indigenous small and medium sized enterprises — SMEs — in the manufacturing and internationally traded services sectors. Enterprise Ireland delivers a flexible set of solutions tailored to the needs of individual Irish enterprises. Each client company is assigned a development adviser who works with the company in assessing its needs and capabilities, formulating an agreed growth plan and in assisting the company access the range of services and resources it needs to execute that plan. The plan is based on the holistic principle that all aspects of a business should be addressed by a company in order for it to achieve accelerated profitable growth.

Companies will achieve success through a balanced development that builds strength across six key elements: research and development, marketing, finance, human resources, production and business strategy. Enterprise Ireland provides both financial and non-financial support to client companies in this regard.

Enterprise Ireland aims to support SMEs which wish to expand through increased export activity. In response to client demand, Enterprise Ireland has put in place a range of new initiatives geared towards clients developing export markets for the first time, for example, in-market mentors, training workshops, market visits, winning sales seminars etc. Overseas support is primarily provided through Enterprise Ireland's extensive overseas office network.

Enterprise Ireland has also put in place a range of supports aimed at specific priority areas. In May 2003, it launched the competitiveness fund, a €10 million fund established to build the

competitiveness of SMEs. The final call for proposals under the fund closed on 6 February 2004 with more than €7.5 million already committed to Irish firms. In addition to supporting in-company applied research and development, a key focus for Enterprise Ireland is to increase the rate of commercialisation of research emerging from research institutes, thus leading to new product and process innovation being embedded in indigenous companies. This is being facilitated by the establishment of incubator centres and webworks being created around the third level sector.

Enterprise Ireland, in conjunction with the private sector, has also developed a range of seed and venture capital funds, in many cases dedicated to specific emerging technologies or focused on business development in the regions outside of Dublin. Enterprise Ireland will continue to address client demands and to provide a range of supports aimed at assisting client companies to expand and compete in the international marketplace.

### **Local Employment Service.**

60. **Ms O'Sullivan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she has received an assessment of the labour market needs of the Clare area following the decision of the board of the Clare local employment service to discontinue services; the steps she intends to take to ensure that the needs of the client base dealt with by the Clare LES will continue to be met; and if she will make a statement on the matter. [8096/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** The position with regard to the closure of Clare local employment service has remained as stated in my reply to Question No. 3791 answered on Tuesday, 10 February 2004. The board of Clare LES decided on 15 December 2003 to cease operations from 30 January 2004. I subsequently requested FÁS to conduct an assessment of the labour market needs of the Clare area in the context of the closure of the local employment service.

As part of this assessment, FÁS would bring forward recommendations on the type and level of a dedicated employment service necessary to address the particular needs of marginalised client groups in the region. FÁS is conducting the assessment as requested.

### **EU Directives.**

61. **Aengus Ó Snodaigh** asked the Tánaiste and Minister for Enterprise, Trade and Employment when the Government will stop blocking the EU directive on temporary agency workers; and if she will make a statement on the matter. [8023/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):**

The proposed draft directive on temporary agency workers has been the subject of detailed discussions between the European social partners, which broke down after 11 months negotiations in May 2001, and subsequently at the employment, social policy, health and consumer affairs Council in December 2002, March 2003 and June 2003. Under the Italian Presidency, various high level contacts were undertaken with a view to resolving the outstanding issues in time for the Council on 1-2 December 2003. As there were no developments which would allow agreement on a common position at that stage, the point was removed from the Council's December 2003 agenda.

The key outstanding issues are a review of restrictions and prohibitions regarding the use of temporary workers — Article 4 — and the duration of the exemption or “qualifying period” with regard to the principle of equal treatment — Article 5(4). On Article 4, Ireland has consistently maintained that it is one sided and unwarranted to disrupt an otherwise smooth functioning aspect of our labour market while other member states continue to maintain unjustified national restrictions on agency work, which include: restrictions on types of employment contracts, limitations to the use of agency work and unjustified discrimination of agencies compared to other employers.

On Article 5(4), Ireland, along with the United Kingdom, Germany and Denmark, has been pointing out that temporary agency workers enjoy all workplace rights, while there is a difference of approach as between the European Parliament, on the one hand, which argues that temporary agency workers should receive pay parity immediately on placement, and the Commission and 11 member states, on the other, which can accept parity after six weeks. Ireland, the United Kingdom, Germany and Denmark argue that pay parity should only take place after a considerably longer waiting period, for example, 12 months.

The draft directive on temporary agency workers should also be seen in the context of a number of proposals for legislation and negotiations between the social partners aimed at promoting more flexible forms of work organisation and reforming the regulatory, contractual and legal environment so as to better reconcile flexibility and job security and create more and better jobs, as required by the Lisbon strategy, whereby all available instruments to stimulate the creation of quality jobs, diversify forms of employment and reconcile flexibility and security should be used.

Ireland attaches great importance to the success of the Lisbon strategy and as current EU President we will reflect on how the draft directive on temporary agency workers can be finalised. The Council has constantly given a firm commitment to reaching the Lisbon goals of increasing employment and providing better jobs

and intends to work for a fair and practical solution which takes into account all the legitimate concerns. To this end, Ireland, during its Presidency, intends to reflect on the different possible tracks to be followed in this dossier and will remain alert to any new developments which could help in resolving the outstanding areas of difficulty.

I point out, however, that the recent report of the employment task force chaired by Wim Kok, a former Prime Minister of the Netherlands, raises key questions about EU employment policy, notably the continued existence of unjustified restrictions on employment in some EU countries. The task force report calls on member states “to remove obstacles to the setting up and development of temporary work agencies as effective and attractive intermediaries in the labour market, offering improved job opportunities and high employment standards” and to remove “obstacles to temporary agency work could significantly support job opportunities and job matching.” Ireland fully endorses the calls made in the Kok report about the scope for advancing the Lisbon goals through progressive developments in the temporary agency work sector.

#### **Press Council.**

62. **Mr. J. O’Keeffe** asked the Tánaiste and Minister for Enterprise, Trade and Employment when responsibility for the establishment of a press council or press ombudsman was handed over by her to the Minister for Justice, Equality and Law Reform; and if she will make a statement on the matter. [7999/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The programme for Government, An Agreed Programme for Government, contains a commitment relating to the reform of the libel laws in the context of a statutory press council. Official responsibility for action to implement that commitment is a matter for my colleague, the Minister of Justice, Equality and Law Reform, and that has been the position since the formation of the Government.

#### **Job Creation.**

63. **Mr. Penrose** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to a recently published paper by the Irish National Organisation for the Unemployed on long-term unemployment, highlighting the different barriers facing unemployed people; if her attention has further been drawn to the major policy improvements the paper advocates in regard to active labour market programmes and job creation; and if she will make a statement on the matter. [3882/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** I have noted with interest the document referred

[Mr. Fahey.]

to by the Deputy. Many of the issues and challenges raised in the paper from the Irish National Organisation for the Unemployed are being addressed in the context of the current national employment action plan and through the extension of the preventative strategy on a country wide basis to all those in danger of becoming long-term unemployed.

The long-term unemployment rate currently stands at 1.4% which remains low in historical terms and compares very favourably with our EU partners. At present there are some 26,700 persons who have been unemployed for 12 months or more. We are continuing to engage with all those who remain marginalised and in long-term unemployment through a wide range of labour market measures and activities.

The preventative strategy under the national employment action plan is being rolled out to all persons on the live register, involving a systematic engagement with the unemployed before they cross a threshold of six months unemployment. The high supports process launched last year is a flexible process to assist employment service officers in implementing a range of responses for clients who are experiencing barriers in progressing from unemployment to the workforce. The gateway for women initiative is aimed at proactively encouraging women to return to work.

FÁS also provides assistance and training for low skilled people through a number of programmes such as skills training, community training, bridging foundation and traineeships. In addition, the total funding allocation for employment schemes in 2004 has been fixed at €351 million, which will support up to 25,000 places across the three employment schemes, namely, community employment, job initiative and social economy. FÁS is being given some flexibility in the management of this financial allocation to maximise progression to the labour market while at the same time facilitating the support of community services. This allocation of €351 million is similar to the budgeted amount provided in 2003. Accordingly, there will be no reduction in the total level of provision for the three schemes or in the combined participation levels in 2004.

The commitment to fund a continuing pool of up to 25,000 places across the three schemes brings clarity not only to the levels of activity which will be supported but will enable FÁS to give a clear commitment to the support of local community services.

#### **World Trade Negotiations.**

64. **Mr. G. Mitchell** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will make a statement on the recently published report by Comhlámh, Beyond Cancún EU Agricultural Trade and Policy and the

Majority World; and if she will make a statement on the matter. [4258/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern):** I welcome the recently published report by Comhlámh, Beyond Cancún EU Agricultural Trade Policy and the Majority World. It will contribute to the broadening of the debate on agricultural trade policy and the impact of these policies on the development dimensions of the current trade round.

The EU commenced an internal reflection period with key stakeholders, including the EU member states, the Commission and the European Parliament, to review the DDA negotiations in the aftermath of the failed Cancun conference. The European Commission communication which issued following the conclusion of this period of reflection, in November 2003, notified the approach to reviving the DDA negotiations from the EU perspective. In it, there is clear emphasis on the need for the re-integration of developing countries into the world economy as a necessary condition for development, and that such integration will be deeper and fairer if anchored in the multilateral trading system.

The strategy and approach notified in the Commission communication across the full spectrum of DDA negotiating issues was endorsed by the EU Council of Ministers in December 2003. The Council encouraged the Commission, on its behalf, to actively engage with our WTO trading partners aimed at the immediate re-launch of the DDA negotiations and stated that the “Union give priority to the achievement of real benefits in the short term to the poorest countries through rapid progress on issues of importance to them”.

The EU is, therefore, committed to work hard to secure genuinely pro-development outcomes in all areas of the Doha work programme, in line with the stress placed on this in earlier Council conclusions. Action to achieve these outcomes are those identified in the September 2002 communication on trade and development, endorsed by the Council, including in the areas of market access, multilateral trade rules, trade related assistance and capacity building, including the mainstreaming of trade related assistance into poverty reduction strategy papers, and similar strategies.

Again, I welcome the Comhlámh report and its contribution to the debate which will be considered in the context of the strategies and approach to achieve the desired objectives across the full spectrum of DDA sectors, including agricultural trade policy. In that context, I understand that my colleague, the Minister for Agriculture and Food, Deputy Walsh, as President of the Agriculture Council, intends to hold a debate at the informal Ministers meeting in Ireland in May on how the impact of CAP reform on international trade, as well as

opportunities arising from existing and future international arrangements, can best be communicated to the European Union's trading partners and, in particular, developing countries.

EU trade policy is a community competence. As such, a common EU approach is developed and formulated in the evolution of the common commercial policy of the Union.

### Community Employment Schemes.

65. **Ms B. Moynihan-Cronin** asked the Tánaiste and Minister for Enterprise, Trade and Employment the position with regard to the various reviews or studies of community employment commissioned or undertaken by her Department; the main findings of each; if she intends to publish the reports; and if she will make a statement on the matter. [8079/04]

72. **Ms B. Moynihan-Cronin** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of places available on community employment schemes at January 2000, January 2001, January 2002, January 2003 and January 2004; the number that will be available at the end of 2004; if her attention has been drawn to the continuing difficulties being created for community and voluntary organisations by the reduction in community employment places; and if she will make a statement on the matter. [8080/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** I propose to take Questions Nos. 65 and 72 together.

Year	Places	Year	Places
January, 2000	36,579	January 2003	24,991
January 2001	33,549	January 2004	19,848
January 2002	30,809	December 2004 (estimate)	20,000

The future structure of the community employment programme remains under review by a group of senior officials and FÁS, and this group will report to Ministers on the outcome of their deliberations shortly.

### Grocery Industry.

66. **Mr. Sherlock** asked the Tánaiste and Minister for Enterprise, Trade and Employment when she intends to publish the results of her review of the 1987 groceries order which forbids below cost selling; and if she will make a statement on the matter. [8098/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** My review of the groceries order is ongoing and I hope to conclude my consideration of the matter in the near future.

The review of active labour market programmes, including community employment, job initiative, education and training and back to work programmes, which was mandated by the PPF and outlined in the programme for Government, has concluded without reaching a group consensus on the various elements of the review.

The standing committee on the labour market, chaired by my Department, undertook this review. The standing committee was unable to produce a final report in the absence of efficient consensus on the various elements of the review. As part of the review process Indecon international economic consultants were commissioned by my Department on behalf of the standing committee to facilitate a rigorous assessment of the overall effectiveness of existing programmes, and to help inform the deliberations of the standing committee. The Indecon report may now be viewed on my Department's website at [www.entemp.ie](http://www.entemp.ie).

FÁS has also undertaken a review of community employment and job initiative and has indicated that this report will be published in due course. The total funding allocation for employment schemes in 2004 has been fixed at €351 million, which will support up to 25,000 places across the three employment schemes, community employment, job initiative and social economy. FÁS is being given some flexibility in the management of this financial allocation to maximise progression to the labour market, while at the same time facilitating the support of community services. This allocation, €351 million, is similar to the budgeted amount provided in 2003.

The number of places available on CE since January 2000 is as follows:

### Job Creation.

67. **Mr. Murphy** asked the Tánaiste and Minister for Enterprise, Trade and Employment the action that has been taken to secure replacement employment in Macroom, County Cork, now that the jobs announced by the Taoiseach on 18 April 2002 for the former general semi-conductor plant, due to be created by Elan, are not due to come on stream; and if she will make a statement on the matter. [8012/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** Since becoming available for sale in September 2002, IDA Ireland has, through its national and overseas network of offices, actively marketed the Macroom facility to a range of target sectors and existing client

[Ms Harney.]

companies, including the pharmaceutical, medical technologies, ICT and international services areas. I am informed by IDA Ireland that the facility has now been sold to a private developer, who proposes to construct a business park there. IDA plans to meet with the developer shortly to discuss the future strategy for the facility.

The major decentralisation package announced in the budget includes 70 jobs to be relocated to Macroom. This move demonstrates the Government's commitment to balanced regional development and will provide a further boost to enterprise development in the area. I assure the Deputy that the State development agencies, under the aegis of my Department, will continue to actively promote Macroom for investment and job creation.

### Dentistry Services.

68. **Mr. O'Shea** asked the Tánaiste and Minister for Enterprise, Trade and Employment if her attention has been drawn to a recent survey published by a newspaper (details supplied) which showed that consumers here are paying some of the highest prices in Europe for medical and dental work; if she intends to take action to prevent the exploitation of consumers in this area; and if she will make a statement on the matter. [8089/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** My attention has been drawn to the newspaper article concerned. While there are many factors involved in drawing comparisons between the charges for medical and dental services in Ireland and in other countries, the article confirms that it is appropriate for our competition and consumer protection agencies to be paying increased attention to the professions concerned.

In that connection, I look forward to receiving the report of the study by the Competition Authority into the medical practitioner, dentist and optometrist professions later this year. I also welcome the work which is being carried out by the Office of the Director of Consumer Affairs to stimulate greater price awareness among consumers in relation to medical services generally.

### Consumer Protection.

69. **Mr. Hogan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she intends to review the operation of the Office of the Director of Consumer Affairs to ensure it is given the necessary additional powers to investigate complaints about the public and private sector by consumers; and if she will make a statement on the matter. [8016/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The current level

of investigatory and other powers which are available to the Director of Consumer Affairs are, I believe, generally adequate for the purposes of consumer protection enforcement purposes. There are some instances where there may be some enforcement difficulties and these are under examination by my Department at present.

*Question No. 70 answered with Question No. 17.*

### Job Creation.

71. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the efforts she has made to find alternative employment for the 300 former employees of Schneider Electric, Celbridge, County Kildare; and if she will make a statement on the matter. [8030/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The State agencies, IDA Ireland and Enterprise Ireland, which have responsibility for enterprise development, have been marketing the Celbridge facility for some months. An updated profile of the facility was circulated to IDA's network of overseas offices but efforts to attract a replacement project have not been successful to date. However, interest has been expressed in acquiring the facility for non-manufacturing purposes but agreement has not yet been reached on this issue.

FÁS has and will continue to meet staff who are being made redundant, offering them its full range of support services, including career guidance, access to labour market information and training courses, where appropriate, to enhance employability. To date, with the co-operation of the company, FÁS has interviewed more than 100 workers for this purpose. Outplacement consultants are also working closely with the company in seeking other employment opportunities. Furthermore, Enterprise Ireland and the Kildare County Enterprise Board have provided advice to a number of Schneider employees interested in starting small businesses.

I assure the Deputy that the State development agencies, under the aegis of my Department, will continue to promote Celbridge in the attraction of inward investment and will make every effort to secure alternative employment for the workers affected.

*Question No. 72 answered with Question No. 65.*

### Migrant Workers.

73. **Mr. Crowe** asked the Tánaiste and Minister for Enterprise, Trade and Employment the measures which have taken place by the

Government to ensure that migrant workers, particularly those working as domestics and in caring roles, are not exploited; and if she will make a statement on the matter. [8020/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** Where employers seek work permits in order to employ non-EEA nationals, the Department requires the statement of the main functions of the job, salary-wages, deductions, other than statutory, other benefits and hours to be worked per week. Both the proposed employer and the proposed employee must sign this statement. Work permits are not granted unless there is compliance with minimum wages legislation. Applications for renewals require confirmation that the stated wages have been paid; P60 and other sources are used. Work permits are not granted for sectors such as domestic employment where it is believed that such employment can be met from the Irish-EEA labour market.

In the area of pay and conditions, it is primarily the provisions of the National Minimum Wage Act 2000 and the Organisation of Working Time Act 1997 that apply to employees who are employed as domestics or in caring roles, whether such employees are nationals or non-nationals. The labour inspectorate of my Department is responsible for monitoring certain employment conditions for all categories of workers in Ireland, including immigrant workers. The inspectorate operates without any differentiation with regard to worker nationality as statutory employment rights and protections apply to emigrant workers in exactly the same manner as they do to native Irish workers.

Inspectors pursue allegations of worker mistreatment and when evidence of non-compliance with the relevant employment rights legislation is found, the inspectorate seeks redress for the individual(s) concerned and, if appropriate, a prosecution is initiated. In the pursuit of this remit the inspectors are empowered to enter premises, that is, the place of business usually, at all reasonable times and to demand access to the relevant records that employers are obliged to maintain. Such records, together with other substantiating evidence, for example, a statement from an employee, provide the essentials of a basis for legal proceedings.

It should be noted also that, in many cases, employment rights legislation has provisions whereby workers who believe that they have been denied their entitlements, or otherwise unfairly treated, can, as an alternative to dealing with the Labour Inspectorate, take the matter before a commissioner in the Rights Commissioner Service of the Labour Relations Commission.

*Question No. 74 answered with Question No. 39.*

### Work Permits.

75. **Mr. J. O’Keeffe** asked the Tánaiste and Minister for Enterprise, Trade and Employment if consideration has been given to the issue of work permits to employees rather than employers, in view of complaints that the present system is a type of indentured bondage. [8000/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I am aware of the comments in question. However, the speaker appears not to have been aware of existing policy and practice in this area. At present, the work permit facility grants the permit to an employer to recruit a specific employee to fill a specific vacancy, where the employer has been unable to find a suitable employee within Ireland or the wider European economic area. This arrangement does have the safeguard that the non-EEA employee in question is coming to fill a specific vacancy, an important factor when most of the personnel in question are at the lower end of the skills spectrum.

Despite assertions to the contrary, in recent years, work permit personnel have been readily facilitated in changing employers and in such circumstances a new work permit is issued to a new, eligible, employer. This flexibility has been possible and warranted by the relatively high number of vacancies arising in recent years.

In 2002 some 3,888 work permit employees changed employer, while in 2003 this number was 3,512, or an average of 68 per week. This reality does not support accusations that the work permit facility resembles “bonded servitude”.

If we were to move to a situation where a work permit was given to the individual employee, we would, in effect, be giving an authorisation to such individuals to come to Ireland in search of an employer. Such a system is not impossible but it gives rise to a number of serious policy questions and raises a significant resource issue. Any informed decision to move to a new system should take these into account.

My Department is confident that after 1 May 2004 we should be able to meet the great bulk of our overseas labour needs from within the enlarged EU and such persons will not require work permits.

### Health and Safety Regulations.

76. **Mr. Morgan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the measures the Government is taking to combat the unacceptably high rate of work related deaths and injuries in the State; and if she will make a statement on the matter. [8150/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** Under the Safety, Health and Welfare at Work Act 1989, the Health and Safety Authority has

[Mr. Fahey.]

overall responsibility for the administration, enforcement and promotion of occupational health and safety. The day to day function of the authority is to deal with matters arising from this responsibility.

While any workplace fatality is one too many, worker fatality rates have been steadily falling to the extent that the rate per 100,000 workers is now 45% lower than in 1995. Over the same period, there has been a reduction of 26% in the rate of claims for occupational injury benefit.

The authority's work programme for 2004 includes a wide range of actions to improve safety performance in the high risk sectors of construction, agriculture, mining and quarrying. The authority will be working closely with other bodies in these sectors such as the IFA, Teagasc, CIF, ICTU and IBEC to fulfil its role of encouraging and enabling best practice in occupational safety and health and, where necessary, enforcing compliance with the relevant legislation.

There is still a major challenge to reduce workplace accidents that lead to injuries and death. There are also responsibilities on the main participants in the workplace — the workers and employers. All parties must work together to make the workplace safer.

#### Professional Services.

77. **Dr. Twomey** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she will report on progress to date on the investigation into the competitiveness of professional fees; and when she expects this investigation to be completed. [8153/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The study by the Competition Authority of the professional services market is progressing and is expected to be completed by end 2004. The issue of fees is one element of the study, which has the overall aim of analysing any practice or method affecting competition in the provision of certain professional services.

To date, consultation documents on engineers and architects have been published, and the final reports will issue shortly. A consultation document on veterinarians will issue in late March. Consultation documents containing draft recommendations for the professions of solicitors and barristers should issue in the early summer of 2004. Draft recommendations for medical practitioners and dentists, plus the final reports on the legal professions, should issue in autumn 2004. I look forward to receiving the final reports of the authority in each sector.

#### Work Permits.

78. **Mr. Wall** asked the Tánaiste and Minister for Enterprise, Trade and Employment the

position regarding the application by a person (details supplied) in County Kildare for a work permit; and if she will make a statement on the matter. [8180/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I am informed that a work permit application was received on 4 February 2004 for the individual concerned. Assuming the application is complete and is otherwise in order, it will take between four and six weeks to process.

#### Industrial Competitiveness.

79. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the position in terms of our competitiveness on European or other export markets; and if she will make a statement on the matter. [8202/04]

85. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the price increases that have contributed most to a lack of competitiveness in the economy; the action or actions she has taken or intends to take to address the issue; and if she will make a statement on the matter. [8209/04]

86. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the steps she has taken to combat the ever increasing problem of costs to industry which is causing a lack of competitiveness in the economy; and if she will make a statement on the matter. [8210/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** I propose to take Questions Nos. 79, 85 and 86 together.

The International Institute for Management Development, IMD, in its World Competitiveness Yearbook for 2003 ranks Ireland as the eleventh most competitive country in the world with a population of fewer than 20 million. Ireland performs particularly well in regard to our exports of commercial services, our real GDP growth and our level of high tech exports. With respect to our position *vis-à-vis* our European partners, the EU Commission's spring report, Delivering Lisbon — Reforms for the enlarged Union, includes a comparative study on the performance of EU member states in the various areas of the Lisbon agenda. The report echoes the findings of the IMD competitiveness yearbook and notes that Ireland scores well on productivity levels, on productivity levels per person employed and on educational attainments. The EU Commission's report also notes the significant decrease in long-term unemployment in Ireland and the introduction of more competition in telecoms and new competition rules for both the electricity and the gas markets.

The Government recognises the importance of ensuring that Ireland remains competitive, as a guarantee of our future economic success. We are

committed to providing a pro-business environment, which will enhance the competitiveness of the Irish economy. A pro-business environment with low inflation will stabilise firms' costs and provide them with a solid competitive business environment from which they can successfully compete on both domestic and international markets. The most recent inflation figures from the consumer price index, CPI, show an inflation rate of 1.8% in January 2004. This is the lowest level in more than four years.

The present partnership programme, Sustaining Progress, has at its core the need to underpin Ireland's competitiveness. The goal of Sustaining Progress is to create a virtuous circle of low inflation, moderate wage growth and higher productivity, thereby providing a firm competitive business environment for Irish industry. A key element of Sustaining Progress was the establishment of an anti-inflation initiative. As part of this initiative, a group was created to examine ways of addressing domestic inflationary pressures. The group published its first progress report in November 2003 and in response to its recommendations, the Government has, among other things, agreed new management and control arrangements designed to keep public expenditure on target.

Arising from the work of the National Competitiveness Council, NCC, in its Annual Competitiveness Challenge 2003 report and the Competitiveness Challenge 2003, the Government has decided that it will assess Ireland's competitive status every six months. My Department is currently examining the recommendations and issues set out in both NCC reports, with a view to making a report to Government in June of this year.

I have stated on several occasions that the principal method for reducing costs and maintaining them at an acceptable level is to increase competition in all sectors of the economy. We cannot afford to have sheltered sectors of the Irish economy immune from price competition. It should be noted in this context, that the resources of the Competition Authority have been substantially increased to combat anti-competitive practice in the economy. Competition in all sectors must be encouraged to ensure goods and services are provided at an efficient and affordable price.

#### **FÁS Training Programmes.**

80. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if she has awarded adequate funding to FÁS to facilitate the operation of all training and work experience schemes; and if she will make a statement on the matter. [8203/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):**

A total of €837 million has been provided by my Department to FÁS in 2004. Of this, €366 million is allocated to employment programmes, €307 million to training and integration supports and €22.7 million for capital expenditure.

The allocation to employment programmes includes an amount of €351 million, which will support up to 25,000 places across the three major employment schemes, that is, community employment, job initiative and the social economy programme. This allocation is similar to that provided in 2003. Accordingly, participation levels over the three schemes in 2004 are being maintained at 2003 levels.

The allocation of €307 million to training and integration schemes in 2004 represents a 3% increase on the 2003 provision. FÁS, through the prioritisation and efficient use of resources, will endeavour to maintain activity levels at 2003 levels. The €22.7 million capital allocation to FÁS this year for the maintenance and refurbishment of certain training centres will enhance the delivery of training by FÁS.

#### **Work Permits.**

81. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the number of applications for work permits received in the past 12 months; the number granted, refused or pending; and if she will make a statement on the matter. [8204/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The numbers in respect of work permit applications in the 12 months up to the end of February 2004 are as follows: 47,985 received, 47,846 granted, 1,917 refused and 4,847 outstanding. It should be noted that at the commencement of the period in question approximately 4,000 applications were on hand awaiting decision. Detailed statistics on work permits are available on the work permits page of my Department's website.

*Question No. 82 answered with Question No. 57.*

#### **Commodity Exports.**

83. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the extent to which the profiles of Irish exports have changed in the past five years, having particular regard to Ireland's shift from a low wage economy; and if she will make a statement on the matter. [8207/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern):** The table below sets out, on a year by year basis and ranked in order of magnitude, the top ten commodities exported since 1998. As can be seen from the table, the main commodities exported were computers, organic chemicals,

[Mr. M. Ahern.]  
medical and pharmaceutical products, electrical machinery, apparatus and appliances and miscellaneous manufactured articles. These

commodities have consistently remained at the top of the list until end November 2003 — the latest date for which figures are available.

Commodity	Nov-03	Dec-02	Dec-01	Dec-00	Dec-99	Nov-98	Grand Total
Computers	13,222,386	17,309,439	21,034,504	19,616,838	15,152,683	12,940,209	99,276,059
Organic Chemicals	14,247,984	17,378,629	17,117,880	16,897,510	11,394,108	9,946,284	86,982,395
Medical & Pharmaceuticals	12,407,620	15,669,893	8,975,122	5,311,737	4,815,062	4,212,398	51,391,832
Electric Machinery	4,711,307	10,564,768	10,164,508	7,915,992	5,135,803	4,212,243	42,704,621
Misc Manufactured articles	4,420,248	5,034,547	6,002,668	6,121,857	5,208,985	4,231,431	31,019,736
Telecommunications & Sound Equipment	1,196,699	2,635,456	3,657,621	3,736,537	3,582,147	2,150,442	16,958,902
Essential Oils; Perfume materials	3,754,560	3,160,548	3,140,935	2,355,172	2,448,689	2,012,418	16,872,322
Non-specified	2,594,085	2,588,485	2,782,972	2,561,689	2,110,931	1,930,355	14,568,517
Chemical Materials & other	2,201,766	2,223,569	2,295,192	1,940,869	1,862,762	1,414,117	11,938,275
Professional; Scientific & Controlling Apparatus	3,004,398	2,061,756	1,881,810	1,703,241	1,387,281	1,394,954	11,433,440
Grand Total	61,761,053	78,627,090	77,053,212	68,161,442	53,098,451	44,444,851	383,146,099

The above data refers to all exports, that is, commodities exported by foreign direct investment companies and indigenous Irish companies.

The Government's policy has for long been to assist indigenous companies to move up the value chain towards the higher value added, higher waged end of the market. The policy with regard to the attraction of foreign direct investment into Ireland has also been to target companies engaged in higher value added activities and with a higher wage structure. Enterprise Ireland is actively involved in assisting Irish companies to make the transition to the high end of the market in recognition of the fact that, ultimately, the future security of Irish companies depends on their ability to expand export volumes into international markets.

### Insurance Industry.

84. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the extent to which insurance costs here are out of line with such costs in other European and non-European countries; and if she will make a statement on the matter. [8208/04]

**Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney):** The latest comparative figures available in Ireland are in respect of motor insurance, and are shown in the motor insurance advisory board, MIAB, report published in April 2002. The next MIAB report is due to be published in the middle of this year.

In Table 1 below from the McAuley report — Second Report of the Special Working Group on Personal Injury Compensation 2001 — it can be seen that in 1997 motor premiums in Ireland, as a proportion of GDP, were higher than in all other countries except the United States.

In Table 2 below “1998 Claims and Premiums per Vehicle — Europe” which is taken from the MIAB report, Ireland reflects the highest claims cost and premium per vehicle. It may be noted that the insurance cost reflected for a particular jurisdiction bears no direct relationship to a country's safety record as examined in the chapter on accidents in the MIAB report. The figures in Table 2 are based on figures obtained from the CEA, Comité Européen Des Assurances, 2001 report. CEA is the Association of Insurance Federations.

Caution must be exercised in making comparisons with other countries because there are considerable variances between countries on the extent to which losses arising from accidents are paid by the state rather than through personal insurance policies.

The Deputy will be aware that one of the main aims of the insurance reform programme is to tackle the area of high claims costs in Ireland.

Table 1

1997 Motor Insurance Premium as % of GDP

Country	%
USA	1.8
Ireland	1.6
France	1.1
Germany	1.1
Netherlands	1.0
Canada	0.9
Denmark	0.8
New Zealand	1.0%
	*incl tax & fuel levy
Sweden	0.6

Table 2

## 1998 Claims and Premiums per Vehicle — Europe

Country	No. 000's vehicles	Claims incurred €m	Claims Inc./Veh €	Motor GWP €m	GWP/Vehicle €
B	5,454	2,039	373.85	2,395	439.13
CH	4,085	1791	438.43	2,436	596.33
D	48,502	19,933	410.97	20,032	413.01
DK	2,175	946	434.94	1,124	516.78
E	21,306	4637	217.64	5,307	249.08
SF	2,402	607	252.71	665	276.85
F	34,211	10,828	316.51	13,923	406.97
GB	27,538	11,602	421.31	11,880	431.40
GR	4,323	576	133.24	630	145.73
IRL	1,472	978	664.40	1,097	745.24
I	41,835	13,545	323.77	14,306	341.96
NL	7,055	2,570	364.28	3,279	464.78
P	5,000	1,012	202.40	1,376	275.20
S	4,198	1,234	293.95	1179	280.85
Total	209,556	72,298		79,629	
Average	14,968	5,164	346.31	5,688	398.81

Question Nos. 85 and 86 answered with Question No. 79.

Question No. 87 answered with Question No. 57.

### Company Licences.

88. **Ms Shortall** asked the Tánaiste and Minister for Enterprise, Trade and Employment the legal basis for the requirement that an applicant for a licence to operate an employment agency obtain Garda clearance; the reason this requirement relates only to the applicant and not to the other directors of a limited company; if she has satisfied herself that the current system is sufficient to ensure adequate standards in this area; and if she will make a statement on the matter. [8242/04]

**Minister of State at the Department of Enterprise, Trade and Employment (Mr. Fahey):** The legal basis for the requirement that Garda clearance be obtained in respect of an applicant for an employment agency licence is Regulation 8 of the Employment Agency Regulations 1972 — S.I. No. 255 of 1972 — as substituted by Regulation 3 of the Employment Agency Regulations 1978 — S.I. No. 288 of 1978 — which requires, *inter alia*, that an applicant for an employment agency licence shall, in the opinion of the Minister, “be a person of good character and repute.”

The rationale for seeking this clearance in respect of an applicant for an employment agency licence — rather than in respect of a director of the company in question — is that the applicant is, most usually, the person operating the agency. However, where directors apply for employment

agency licences Garda clearance is sought in those circumstances in respect of such directors. Garda clearance is obtained with the consent of the applicant in accordance with the provisions of section 8 of the Data Protection Act 1988.

In addition, an applicant for a licence must supply two independent references as to his or her character. I am satisfied that the current vetting procedure carried out by the Garda Síochána and the practice of obtaining two independent references ensures adequate standards in this area.

The Employment Agency Act 1971 currently regulates the activities of employment agencies and is the subject of a review under a commitment made by the Government under the current social partnership agreement, Sustaining Progress.

A discussion document addressing the various options that might be considered for the regulation of employment agencies and their recruitment and placement activities in this country is at present being finalised by my Department. The discussion document will be circulated shortly to all interested parties for their views, to be followed by meetings aimed at seeking a consensus on the most appropriate approach to adopt.

### Overseas Missions.

89. **Mr. Wall** asked the Minister for Defence the position regarding serving soldiers in Liberia in regard to holiday release; the position regarding costs in regard to air flights back to Ireland; if his Department will meet the costs of such flights; and if he will make a statement on the matter. [8161/04]

**Minister for Defence (Mr. M. Smith):** Defence personnel serving in the United Nations Mission in Liberia, UNMIL, are entitled to 21 days annual leave for the duration of their tour of duty — six months.

I am advised that the average cost of a return commercial scheduled flight ticket Dublin-Monrovia is €2,200. However, the position is that members of the Irish contingent in UNMIL will have the opportunity to avail of a subsidised leave flight to Ireland during their tour of duty in UNMIL. I have agreed to allow personnel serving in UNMIL to avail of aircraft chartered for the deployment, consignment and/or repatriation of personnel, stores and equipment to and from the mission area. Access to these flights may be made available, space permitting, to personnel who are: availing of leave; travelling to or from the mission area on duty; or being repatriated or repatriating from the mission area.

In the case of personnel who are availing of the flights for leave purposes, a contribution of €500 has to be provided by each individual and a mechanism to have the sum deducted at source from the individual's overseas allowance has been agreed with the Department's financial accounts section.

Two re-supply flights have already taken place on 17-18 February and 9-10 March. The planned dates for the remaining re-supply flights are as follows: 30-31 March, 20-21 April, 31 May-01 June, 7-8 June, 10-11 August, 30-31 August, 22-23 September, 11-12 October, 22-23 November and 29-30 November.

I hope the provision of this type of facility will go some way towards providing a means to enable personnel to avail of leave in Ireland with their families.

90. **Mr. Kenny** asked the Minister for Defence if he will amend legislation and regulations which will allow for the grant of a death benefit in respect of Defence Forces personnel serving overseas with OSCE, EU and NATO on peace missions not mandated by the United Nations; if his attention has been drawn to the fact that the

Army Pensions Act regulations do not allow for this; the number of Army personnel of the Defence Force personnel servicing on such missions currently; and if he will make a statement on the matter. [8221/04]

**Minister for Defence (Mr. M. Smith):** There are currently 798 members of the Permanent Defence Force, PDF, serving overseas, 755 of whom are deployed on international UN mandated or authorised peace-support operations, including 696 personnel with UNMIL, the United Nations Mission in Liberia, and KFOR, international security presence in Kosovo. The other 43 personnel are deployed overseas in an administrative, staff, observer or advisory capacity on other missions, none of which are armed operations. These include the Organisation for Security and Co-Operation in Europe, OSCE, the European Union Monitor Mission, EUMM, to the former Yugoslavia and other military appointments in Europe and New York. A full breakdown of the numbers of personnel on the various overseas missions is given below.

As I indicated to the Deputy in my reply to his Question No. 183 on 3 March 2004, where a member of the PDF is killed in the course of duty or dies from a wound received in the course of duty, whether on duty at home or overseas, enhanced spouse's and children's allowances are payable under the Army Pensions Acts. In addition, the standard death gratuity under the Defence Forces pensions schemes and any widow/er's entitlements under the Social Welfare Acts are payable.

As I also indicated, additional lump sum death benefits would be payable under my Department's special extra-statutory compensation scheme where a member of the PDF was killed in the course of duty while serving overseas with an international United Nations force. The question of extending this special scheme to personnel serving with the OSCE and other such overseas missions is under consideration in my Department.

	Permanent Defence Force — breakdown of numbers serving on overseas duty	No.
1.	<i>UN Missions</i>	
	(i) UNIFIL (United Nations Interim Force in Lebanon)	7
	(ii) UNTSO (United Nations Truce Supervision Organisation) — Israel, Syria and Lebanon	14
	(iii) UNFICYP (United Nations Peacekeeping Force in Cyprus)	6
	(iv) MINURSO (United Nations Mission for the Referendum in Western Sahara)	4
	(v) UNMIK (United Nations Interim Administration Mission in Kosovo)	3
	(vi) UNMISSET (United Nations Mission of Support in East Timor)	1
	(vii) MONUC (United Nations Mission in Democratic Republic of the Congo)	3
	(viii) MINUCI (United Nations Mission in Ivory Coast)	2
	(ix) UNMIL (United Nations Mission in Liberia)	435
	<b>TOTAL</b>	<b>475</b>
	<i>UN Mandated Missions</i>	
	(x) SFOR (Stabilisation Force in Bosnia and Herzegovina SFOR HQ Sarajevo)	12
	(xi) KFOR (International Security Presence in Kosovo)	261

	Permanent Defence Force — breakdown of numbers serving on overseas duty	No.
	(xii) ISAF (International Security Assistance Force in Afghanistan)	7
	Total number of personnel serving with UN missions	755
2.	EU Mission	
	European Union Monitor Mission (EUMM) to the former Yugoslavia	11
3.	Organisation for Security and Co-operation in Europe (OSCE)	
	(i) OSCE Mission to Bosnia & Herzegovina	
	(ii) OSCE Mission in Croatia	1
	(iii) OSCE Mission in Kosovo	1
	(iv) OSCE Presence in Albania	1
	(v) OSCE Mission in Former Republic of Yugoslavia	1
	(vi) OSCE Mission in Macedonia	1
	(vii) OSCE Mission in Georgia	4
	(viii) Staff Officer, Higher Level Planning Group, Vienna	1
	Total number of personnel serving OSCE	11
4.	Head of Military Staff (Brussels)	1
5.	EU Military Staff (Brussels)	6
6.	Liaison Office of Ireland, PfP (Brussels)	2
7.	Permanent Representative to EU (Brussels)	6
8.	Military Representatives/ Advisers	
	(i) Military Adviser, Permanent Mission to UN, New York	1
	(ii) Military Adviser, Irish Delegation to OSCE, Vienna	1
	(iii) Military Representative to Partnership Co-ordination Cell/Supreme Headquarters Allied Powers Europe (SHAPE), Mons, Belgium	1
	(iv) Military Adviser to EU Special Representative in Former Yugoslav Republic of Macedonia (FYROM)	1
9.	Appointments — UN HQ (New York)	
	Officers seconded to DPKO (Department of Peace Keeping Operations)	2
	TOTAL NUMBER SERVING OVERSEAS	798

### Land Access.

91. **Mr. Timmins** asked the Minister for Agriculture and Food if he will offer incentives to farmers to encourage them to open up their lands to facilitate hill walking. [8124/04]

**Minister for Agriculture and Food (Mr. Walsh):** The first rural environment protection scheme included a supplementary measure under which participants could receive payment for granting public access to their lands.

My Department proposed to include a similar provision in the current scheme. However, this scheme is governed by a different EU regulation from its predecessor, and the current regulation does not provide for co-funded payment, under an agri-environment measure, for the use of land for public access and leisure facilities. Recognising this fact, my Department proposed to include the public access supplementary measure as a state aid, fully funded by the Exchequer. The European Commission held, however, that the governing regulation precluded the inclusion of a public access measure in REPS even as a state aid.

There is no other provision under which my Department can offer incentives to encourage use of land for hill walking. I understand that the Minister for Community, Rural and Gaeltacht

Affairs is currently reviewing the situation in regard to public access to land.

### Milk Quota.

92. **Mr. Neville** asked the Minister for Agriculture and Food the position regarding the provision of extra milk quota to a person (details supplied) in County Limerick. [8125/04]

**Minister for Agriculture and Food (Mr. Walsh):** Allocations of milk quota from the national reserve are granted on the basis of recommendations from the milk quota appeals tribunal. The tribunal is a body established to consider and advise on applications for additional quota from individual producers who have suffered severe hardship in the context of the milk quota system.

The tribunal considered an application for additional quota from the person in question at its meeting on 8 December 2003 and an allocation was recommended. The person named was notified of the outcome of his application.

### Collection of Levies.

93. **Mr. Kenny** asked the Minister for Agriculture and Food the range of levies and the extent of such levies paid by farmers covering disease control, promotion of Bord Báinne and

[Mr. Kenny.]

other activities; the extent of levy collection for each of the past three years; the extent of usage of amounts collected for the purposes intended; and if he will make a statement on the matter. [8165/04]

**Minister for Agriculture and Food (Mr. Walsh):** The An Bord Bia Act 1994 provides for payment to the board of a levy per head on slaughtered or exported livestock. The rates of levy are currently set at €1.90 per head on cattle, 25 cent per head for sheep and 25 cent per head

for pigs. The income generated from these levies is used for promotional and marketing activities for the sectors concerned and is matched in equal measure by Exchequer funding.

The Bovine Diseases (Levies) Acts 1979 to 1996 form the statutory basis for the collection of levies under the bovine TB and brucellosis diseases eradication schemes. The moneys which my Department receive through the diseases levies partly fund the schemes for the eradication of bovine tuberculosis and brucellosis.

The information requested by the Deputy regarding the amount of levies collected is contained in the table set out below.

Year	*Bord Bia Levies	Bovine Diseases Levies
	€ million	€ million
2001	5.78	10.36
2002	5.30	11.01
2003	5.59	19.77

\*The bovine disease levies have been reduced by 25% with effect from 1 January 2004.

### Departmental Staff.

94. **Mr. Timmins** asked the Minister for Agriculture and Food the number of supervisory agricultural officers in the potato group who were upgraded to district superintendent, in regard to the restructuring agreement 1/97 for agricultural officer grades, under clause 2(3)A of the Programme for Competitiveness and Work; the headquarters of the upgraded officers; the number of supervisory agricultural officers in the seed production group who were upgraded to district superintendent; the headquarters of the upgraded officers; the number of upgraded officers in both groups who subsequently transferred to other duties in his Department; the number of upgraded officers in both groups who were eligible to transfer to other duties in his Department; the number of officers in the potato group who had less than two years' experience at supervisory agricultural officer level before being upgraded; if supervisory agricultural officers outside groups (details supplied) were upgraded to district superintendent level under the agreement; the number of supervisory agricultural officers on seed production who retired between 1 September 1996 and 1 May 1998; the number of supervisory agricultural officers on potato duties who retired between 1 September 1996 and 1 May 1998; and if an audit was conducted by an independent source on the implementation of the provisions of clause 2 (iii) A of the 1/97 agreement for agricultural officer grades within his Department. [8169/04]

**Minister for Agriculture and Food (Mr. Walsh):** The information requested by the Deputy is set out below. The number of supervisory agricultural officers in the potato group who were upgraded under 1/97 was eight. The headquarters of these officers were:

Donegal, five officers; Galway, one officer; Carlow, one officer; and Meath, one officer. The number of supervisory agricultural officers in the seed production group who were upgraded under 1/97 was five. The headquarters of these officers were: Meath, one officer; Wexford, one officer; Cork, one officer; Waterford, one officer; and Dublin, one officer.

The number of upgraded officers in both groups who subsequently transferred to other duties is three. All the upgraded officers in both groups were eligible to transfer to other duties.

The number of officers in the potato group who had less than two years' service at supervisory agricultural officer level was three. The supervisory agricultural officers in the groups mentioned by the Deputy were upgraded to district superintendent under 1/97. There were no retirements at supervisory agricultural officer level in the potato group during the period 1 September 1996 and 1 May 1998.

The agreement provided for a monitoring group comprising union and management representatives to oversee the implementation of the agreement.

### Animal Diseases.

95. **Mr. Deenihan** asked the Minister for Agriculture and Food if his attention has been drawn to the very serious outbreak of salmonella and BVD on the farm of a person (details supplied) in County Kerry; the measures he intends to take to come to terms with this problem; and if he will make a statement on the matter. [8183/04]

**Minister for Agriculture and Food (Mr. Walsh):** Bovine virus diarrhoea, known as BVD, is not a notifiable disease under the Diseases of Animals Acts, nor is the particular strain of salmonella found in the cattle in the herd in

question. Where individual problems occur, whether with notifiable or non-notifiable diseases, as they do from time to time on farms, the veterinary laboratory service, VLS, of my Department is available to support local veterinary practitioners and their clients. In this context, samples from animals may be submitted for testing to my Department's central veterinary laboratory or regional veterinary laboratories at the discretion of a private veterinary practitioner or upon request by a herdowner through his or her private veterinary practitioner, PVP.

I understand that samples from the herd in question were submitted to the VLS by the herdowner's private veterinary practitioner for testing and that the VLS has advised the PVP of the results of all tests available to date. The investigation continues in regard to the disease situation in the herd and I understand that contact is being maintained between the VLS and the herdowner's PVP in regard to advice. Decisions regarding further treatment or vaccination regimes are in the first instance matters for discussion between the herdowner and his or her private veterinary practitioner.

#### **Installation Aid Scheme.**

96. **Mr. Murphy** asked the Minister for Agriculture and Food the position regarding the installation aid application for a person (details supplied) in County Cork; and the stage the application is at. [8184/04]

**Minister for Agriculture and Food (Mr. Walsh):** The person submitted an application for payment, IAS 2, under the installation aid scheme on 22 September 2003 which was found to be incomplete. On receipt of the additional documentation on 29 October 2003 the application was examined. During the course of this examination, a query arose and additional information was requested from the person. Despite the issue of a reminder to the person concerned on 3 March 2004, no reply has been received to date. On receipt of the information requested the application will be re-examined and the outcome will be notified to the applicant in due course.

#### **Rural Environment Protection Scheme.**

97. **Mr. Connaughton** asked the Minister for Agriculture and Food if his attention has been drawn to the substantial delays in the processing and making of REP scheme payments due to understaffing in both the Tuam and Loughrea farm development offices; and if he will make a statement on the matter. [8185/04]

**Minister for Agriculture and Food (Mr. Walsh):** The processing of REPS payments in both offices is meeting the targets set out in the protocol on direct payments to farmers. The staffing situation is under constant review by senior management and additional resources are made available on a temporary basis as required.

#### **Afforestation Programme.**

98. **Mr. Crawford** asked the Minister for Agriculture and Food the number of acres of land that has been planted for forestry on each of the last ten years; the number of acres that he can fund in 2004; if he has satisfied himself with the progress; and if he will make a statement on the matter. [8228/04]

**Minister for Agriculture and Food (Mr. Walsh):** The number of hectares of afforestation grant-aided in each of the last ten years is as follows: 2003 — 10,000 ha (estimated); 2002 — 15,054 ha; 2001 — 15,464 ha; 2000 — 15,695 ha; 1999 — 12,668 ha; 1998 — 12,928 ha; 1997 — 11,403 ha; 1996 — 20,981 ha; 1995 — 23,710 ha; 1994 — 19,355 ha.

These figures for the area grant aided would closely represent the acreage planted in each year. I am confident that planting levels of at least 10,000 hectares can be achieved in 2004 and funding for this planting has been made available in the estimates for 2004.

#### **State Property.**

99. **Aengus Ó Snodaigh** asked the Minister for Finance when the information to be supplied in response to Parliamentary Questions Nos. 376 of 30 September 2003 and 166 of 2 December 2003, with respect to State land holdings, will be provided as promised in his replies to these parliamentary questions. [8250/04]

**Minister of State at the Department of Finance (Mr. Parlon):** As mentioned in previous replies, the information requested by the Deputy comprises a significant volume of work and necessitates a significant staff resource to compile it. It is still being compiled. I expect that it will be completed by the end of April.

#### **Passport Applications.**

100. **Mr. Carey** asked the Minister for Foreign Affairs the reason the Italian authorities have introduced a requirement that Irish citizens visiting Italy have to hold an Irish passport which is valid for a period of six months after the expiry of the period spent in Italy; if this requirement breaches provisions in the treaties governing the free movement of persons within the European Community; and if he will make a statement on the matter. [8168/04]

**Minister for Foreign Affairs (Mr. Cowen):** I am not aware of any requirement on the part of the Italian authorities that Irish visitors entering Italy must have a passport valid for six months after the date of their departure. I understand, however, that in the case of persons applying for a residence permit to stay in Italy, some local authorities may insist that their passport be valid for at least six months after the date of their application. This is to ensure that they will have a valid identity document throughout the period before their local residence permit is issued, a

[Mr. Cowen.]  
process which can take up to six months in some instances.

My Department is not aware of any complaints from Irish citizens in Italy about this type of requirement. Irish citizens in Italy can renew their passport at the Irish Embassy in Rome during their stay in that country.

### Youth Services.

101. **Mr. Crowe** asked the Minister for Education and Science the Government's plan for implementing the Youth Work Act 2001; and the time scale for its full implementation. [8126/04]

**Minister for Education and Science (Mr. N. Dempsey):** The Youth Work Act 2001 was enacted on 1 December 2001 and provides a statutory basis for the development of youth work in Ireland. The Act followed on a widespread consultation process and provides a legal framework for the provision of youth work programmes and services to be organised by the Minister for Education and Science, the vocational education committees and national and regional youth work organisations.

It was never the intention that the Act would be implemented fully at once. Section 1 of the Act provides for sections to be commenced at different stages. To date, sections 2-17, 18 and 24 have been commenced. A sub-committee of the national youth work advisory committee was established to make recommendations on the requirements necessary for the implementation of the various sections of the Act. This sub-committee comprises representatives of both statutory and voluntary sectors, as well as my Department. The work of this sub-committee is ongoing and preparatory work is taking place in respect of the requirements under sections 19, 20 and 25 of the Act. It will also be necessary for my Department to have further discussions with the IVEA/CEOs' association and the National Youth Council of Ireland on various aspects of the Act. I am not, therefore, in a position at this stage to indicate when the full implementation of the Act will take place.

### Schools Building Projects.

102. **Mr. P. Breen** asked the Minister for Education and Science if he will proceed with public private partnership for Ennis national school; if the situation with regard to EUROSTAT has been resolved; and if he will make a statement on the matter. [8128/04]

**Minister for Education and Science (Mr. N. Dempsey):** Consideration of any new PPP projects will be based on an evaluation of the completed pilot PPP schools project together with a thorough assessment of affordability of any new projects in the context of the competing demands on the capital funding envelopes. EUROSTAT recently announced changes to the

accounting treatment of PPPs and these changes will also be taken into account in the consideration of any new projects.

### Bullying in Schools.

103. **Mr. Stanton** asked the Minister for Education and Science the funding his Department is making available to establish and support anti-bullying programmes in primary and second level schools in the State; his further plans in this regard; and if he will make a statement on the matter. [8129/04]

104. **Mr. Stanton** asked the Minister for Education and Science the action he intends to take to assist former students of day schools here who suffered from bullying while attending school; if he has any indication of the number of students involved; and if he will make a statement on the matter. [8130/04]

**Minister for Education and Science (Mr. N. Dempsey):** I propose to take Questions Nos. 103 and 104 together. I am aware of the issue of bullying in schools and my Department has moved to tackle the issue on a number of fronts. The education of students in both primary and post-primary schools in regard to anti-bullying behaviour is a central part of the social, personal and health education, SPHE, curriculum.

At post-primary level, the implementation of the SPHE curriculum at junior cycle has been supported by the post primary SPHE Support service since September 2000. The support service is being jointly funded by my Department and the Department of Health and Children, together with the health boards. To date the support service has received funding in excess of €1.5 million. An SPHE syllabus for use at senior cycle level is being prepared by the National Council for Curriculum and Assessment.

At primary level, the issue of bullying is addressed in the SPHE curriculum in the strand "Myself and Others" from infant classes onwards. The primary curriculum support programme, PCSP, has organised, on a phased basis, in-career development programmes for all teachers in SPHE and since 2002 the PCSP estimates that it has allocated approximately €2.7 million to this work.

My Department's in-career development unit, ICDU, has also provided support for the cool school anti-bullying programme for second level schools in the North Eastern Health Board region. This programme involves teacher training, curriculum development, a support service for schools, group therapy for persistent victims and interventions with persistent bullies. To date, ICDU has provided funding of €76,200 in support of this programme and has committed further financial support of €25,400 in respect of the 2004/05 academic year.

Individual school management authorities are responsible for implementing effective policies to counter bullying in schools. In 1993 my

Department issued guidelines on countering bullying behaviour to all primary and post-primary schools. The purpose of the guidelines was to assist schools in devising school based measures to prevent and deal with instances of bullying behaviour and to increase awareness of the problem among school management authorities, staff, pupils and parents. A further circular in 1994 reminded school authorities of their responsibility in formulating a written code of behaviour and discipline, which should include specific measures to counter bullying behaviour.

The National Educational Psychological Service is also available as a support service to schools in respect of individual students who encounter difficulties. My Department has not been contacted by or received any representations from former students of day schools who suffered bullying while attending school. Accordingly, my Department has no plans to put in place assistance for former day students who may have experienced bullying while in school.

#### **Disadvantaged Status.**

105. **Mr. Allen** asked the Minister for Education and Science the reason a person (details supplied) in County Cork does not have disadvantaged status in view of the fact that most of the feeder schools at primary level enjoy disadvantaged status but the students lose the status once they transfer to this school. [8131/04]

**Minister for Education and Science (Mr. N. Dempsey):** At present, more than 200 post primary schools are designated as disadvantaged and as such are in receipt of additional staffing and funding supports. There are no proposals at present to designate further schools as disadvantaged. In the event of disadvantaged status being extended to additional schools, the needs of the school to which the Deputy refers will be taken into account.

#### **Schools Building Projects.**

106. **Mr. Allen** asked the Minister for Education and Science the reason stage 2 development for a school (details supplied) in County Cork, promised before the general election in 2002 has not been sanctioned. [8132/04]

**Minister for Education and Science (Mr. N. Dempsey):** The school referred to by the Deputy applied for capital funding for an extension. Following an assessment of the application, it was agreed to initiate architectural planning for the extension based on a projected long term pupil enrolment of 350 pupils. There has been considerable decline in enrolments at the school in recent years and, having regard to the need for prudent investment of capital resources, a decision was taken not to progress the building project to the next stage of architectural planning,

pending a review of the long-term viability of the school.

The views of the school authorities on the decline in enrolments and the future viability of the school have been received recently and my officials will be engaging with the school authorities in regard to determining the way forward for the school.

#### **Resource Teachers.**

107. **Mr. Ring** asked the Minister for Education and Science when the draft circular pertaining to post primary resource teachers will become available. [8172/04]

**Minister for Education and Science (Mr. N. Dempsey):** The drafting of the circular is at an advanced stage and it will be issued when discussions with the representative bodies of teachers and schools authorities are completed.

#### **Inquiry into Child Abuse.**

108. **Ms O'Sullivan** asked the Minister for Education and Science if solicitors acting for abuse victims appearing before the Residential Institutions Redress Board are paid in full by the State. [8191/04]

**Minister for Education and Science (Mr. N. Dempsey):** The issue of costs relating to an application to the Residential Institutions Redress Board is dealt with in section 27 (1) of the Residential Institutions Redress Act 2002. The redress board's newsletter dated 24th October 2003 posted on their web site [www.rirb.ie](http://www.rirb.ie) also addresses the issue of costs.

Section 27 (1) of the Residential Institutions Redress Act 2002 provides that the board will pay to an applicant to whom an award has been made, either by the board or on review, a reasonable amount for expenses incurred by the applicant in the preparation and presentation of the application to the board. This section further provides that the said expenses/costs should be agreed between the board and the applicant, or the applicant's solicitors or other representative. However, if the costs cannot be agreed between the board and the applicant, then the costs will be taxed before a taxing master of the High Court.

Once the costs have been referred to the taxing master, submissions will be made to the taxing master on behalf of the board and the applicant and the taxing master will ultimately decide what costs will be paid by the board to the applicant and or his or her solicitors or representatives. It should be noted that the costs will not be paid until an application has been finally determined and an award has been made.

#### **Schools Refurbishment.**

109. **Mr. Gilmore** asked the Minister for Education and Science if he has received an application from Dalkey School Project, Glenageary, County Dublin, for the summer

[Mr. Gilmore.]

works scheme; the consideration he has given to the application; if he intends to provide funding for the works concerned; and if he will make a statement on the matter. [8192/04]

**Minister for Education and Science (Mr. N. Dempsey):** All summer works scheme applicants will receive a letter from my Department confirming whether they have been allocated funding under the scheme. Unsuccessful applicants will be provided with a reason as to why funding is not being allocated. These letters will issue to schools as quickly as possible.

#### Scientific and Technological Fund.

110. **Mr. Durkan** asked the Minister for Education and Science when the balance of grants awarded to various second level schools to encourage participation in the sciences will be made; if all schools to which such awards were made are likely to receive payments in the near future; and if he will make a statement on the matter. [8218/04]

**Minister for Education and Science (Mr. N. Dempsey):** My Department is currently examining the applications received and upon completion will issue payments to relevant schools.

Therefore, the Deputy will appreciate that I am not in a position to indicate how many schools or the level of funding likely to be provided until the evaluation is completed. It is, however, the intention of my Department's school building unit to have finalised this examination by mid-April 2004 at the latest and to proceed at that time with the issuing of further grant aid in this regard.

#### Teachers' Remuneration.

111. **Mr. R. Bruton** asked the Minister for Education and Science his policy on making work sharing arrangements available to teachers on temporary contracts; and the way in which this policy is consistent with the approach adopted by Government that atypical workers should have equal access to entitlements which are made available to traditional full-time workers as part of a policy of encouraging flexibility in the work force and equality of workers rights. [8222/04]

**Minister for Education and Science (Mr. N. Dempsey):** The terms and conditions of service of teachers generally are matters for consideration by the teachers' conciliation council. Any proposal on behalf of temporary teachers for work sharing arrangements would be considered by the council within the context of the provisions of the Protection of Employees (Fixed Term Work) Act and the requirement to deliver a quality based education service to all students.

#### Company Closures.

112. **Mr. Broughan** asked the Minister for Communications, Marine and Natural Resources if remaining issues relating to the liquidation of a company (details supplied) will be brought to a final closure and specifically the issue of bills for legal fees which have been demanded from former workers of this company. [8198/04]

**Minister for Communications, Marine and Natural Resources (Mr. D. Ahern):** At the request of the Department of Finance, the question of whether the State should pay the legal fees incurred by former employees of Irish Shipping Limited, in its action against the State, has now been referred to the Office of the Attorney General for consideration. The advice of the Attorney General's office is awaited.

Certain other issues recently raised by former employees of Irish Shipping Limited are being examined by my Department.

#### Broadcasting Legislation.

113. **Mr. Broughan** asked the Minister for Communications, Marine and Natural Resources if he will report on the recent Dublin Castle conference on broadcasting and on the progress he views as having been made with regard to his stated policy on broadcasting across frontiers in the EU; and if his key objectives can be progressed before the end of June 2004. [8199/04]

**Minister for Communications, Marine and Natural Resources (Mr. D. Ahern):** The informal ministerial conference on broadcasting, held from 1 to 3 March at Dublin Castle and the Boyne Valley Hotel, Drogheda, County Louth, afforded an opportunity for EU broadcasting ministers to hold a wide ranging and informative discussion on issues of relevance to the process of review currently in train regarding the television without frontiers directive.

Commissioner Reding presented the recently published communication on the future of European audiovisual policy and outlined the Commission's proposals for a two step approach to the review process involving a number of short-term measures such as an interpretative communication on new advertising techniques, updating of the recommendation on the protection of minors and human dignity, and in the longer term, examination of those areas requiring future reflection through the establishment of expert focus groups. Revision of the directive would be considered in the context of the reports by these focus groups. There was broad consensus in support of the Commission's general approach to the review process.

It was clear from the views expressed that there were specific issues that require further consideration, including the issue of regulatory jurisdiction which continues to be of concern to Ireland as well as a number of other member states. The Commission undertook to engage

with this topic in the context of the review process. Copies of the documentation relating to the conference are being made available on my Department's website.

### **Telecommunications Services.**

114. **Mr. Broughan** asked the Minister for Communications, Marine and Natural Resources if he will make a statement on recent media reports regarding the quality of the national communications grid now owned by Eircom; his views on whether these reports are accurate; and if his Department has made estimates of the levels of investment necessary to maintain the network at the highest levels. [8200/04]

**Minister for Communications, Marine and Natural Resources (Mr. D. Ahern):** I am responsible for policy in respect of the telecommunications sector. The responsibility for regulation of the sector rests with ComReg — the telecommunications regulator. Responsibility for the quality and investment in telecommunications networks is a matter in the first instance for the telecommunications operators. The detailed planning and operation of telecommunications networks is also a matter for each operator. ComReg monitors the operators' quality of service performance and periodically publishes its results.

115. **Mr. Broughan** asked the Minister for Communications, Marine and Natural Resources if he will issue a directive to ComReg to amend the universal service obligation for telecommunications operators to define a consumer's basic right to a reasonable level of functional Internet access to address the number of phone lines failing the quality test indicators for broadband. [8201/04]

**Minister for Communications, Marine and Natural Resources (Mr. D. Ahern):** Regulation 3(2)(c) of the universal service regulations provides for the placing of obligations on designated undertakings to provide connections that shall be capable of allowing end-users make and receive data communications at data rates that are sufficient to permit functional Internet access. Implementation of the aforementioned regulations is a matter for ComReg.

I understand that ComReg is currently in discussions with Eircom, the designated universal service provider, about ensuring that the Eircom network is capable of delivering the universal service obligations in regard to functional Internet access. Internet access at a broadband standard is not currently provided for under the USO. However, this can be reviewed by the regulator in the context of the universal service obligations, subject to the Minister's consent, as broadband becomes more widely available.

### **Sports Capital Programme.**

116. **Mr. Perry** asked the Minister for Arts,

Sport and Tourism the lottery funding applications his Department has received from organisations in Counties Sligo and Leitrim; the amount of funding requested; if funding has been granted; if the applications have been reviewed; when a decision will be made; and if he will make a statement on the matter. [8189/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The national lottery funded sports capital programme, which is administered by my Department, allocates funding to sporting and community organisations at local, regional and national level throughout the country. The programme is advertised on an annual basis.

The 2004 sports capital programme was advertised in the national newspapers on 30 November and 1 December 2003. The closing date for receipt of applications was 16 January 2004. A total of 1,304 applications were received before the closing date, seeking a total of €253.22 million in funding for projects estimated to cost €508.38 million. A total of 30 applications requesting funding of €6.16 million for projects estimated to cost €14.53 million were received from County Sligo and a total of 27 applications requesting funding of €4.62 million for projects estimated to cost €7.57 million were received from County Leitrim.

All applications received prior to the deadline are currently being evaluated against the programme's assessment criteria, which are outlined in the guidelines, terms and conditions of the programme. I intend to announce the grant allocations for the programme as soon as possible after the assessment process has been completed. I do not propose to provide details of individual applicants until the assessment process has been completed and allocations have been made.

117. **Mr. Perry** asked the Minister for Arts, Sport and Tourism if he has received an application for lottery funding from Cloonacool Community Park, Tubbercurry, County Sligo; if the funding will be allocated to ensure that the work can commence to complete the work on the football field; and if he will make a statement on the matter. [8190/04]

**Minister for Arts, Sport and Tourism (Mr. O'Donoghue):** The national lottery funded sports capital programme, which is administered by my Department, allocates funding to sporting and community organisations at local, regional and national level throughout the country. The programme is advertised on an annual basis.

The 2004 sports capital programme was advertised in the national newspapers on 30 November 30 and 1 December 2003. The closing date for receipt of applications was 16 January 2004. A total of 1,304 applications were received before the closing date, including one from the organisation in question. All applications are currently being evaluated against the programme's assessment criteria, which are outlined in the guidelines, terms and conditions

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of the programme. I intend to announce the grant allocations for the programme as soon as possible after the assessment process has been completed.

### Hospital Waiting Lists.

118. **Mr. Naughten** asked the Minister for Health and Children when a person (details supplied) in County Leitrim will be called to Sligo General Hospital; the reason for the delay in being called; and if he will make a statement on the matter. [8133/04]

**Minister for Health and Children (Mr. Martin):** Responsibility for the provision of health services to persons living in County Leitrim rests with the North Western Health Board. My Department has, therefore, asked the chief executive officer of the board to investigate the matter raised by the Deputy and to reply to him directly.

### Health Board Expenses.

119. **Ms McManus** asked the Minister for Health and Children the costs expended in 2002 and 2003 on expenses for elected members of health boards; and if he will make a statement on the matter. [8134/04]

**Minister for Health and Children (Mr. Martin):** The information requested by the Deputy is not available in my Department. It is being sought from the Eastern Regional Health Authority and the health boards and I will transmit it to the Deputy as soon as possible.

### Pharmacy Regulations.

120. **Ms O. Mitchell** asked the Minister for Health and Children the action he proposes to take in response to the recommendations and conclusions of the pharmacy review group report; and if he will make a statement on the matter. [8135/04]

**Minister for Health and Children (Mr. Martin):** I established the pharmacy review group in November 2001 to examine the pharmacy issues raised in the OECD report on regulatory reform in Ireland. The group submitted its report on 31 January 2003. I have been examining the complex legal and other issues surrounding the group's recommendations. The Deputy will appreciate that it would not be appropriate for me to comment on the report's recommendations before completion of this examination. I have made the report available on my Department's website, [www.doh.ie](http://www.doh.ie), along with reports prepared for the group by Indecon international economic consultants.

### Medical Council.

121. **Mr. Allen** asked the Minister for Health and Children if he proposes to introduce provisions in the new Medical Practitioners Act to resolve the issue of using transcripts at professional conduct hearings from other

jurisdictions in fitness to practise hearings here. [8136/04]

**Minister for Health and Children (Mr. Martin):** Under the Medical Practitioners Act 1978, the Medical Council was established as a body with the statutory responsibility for the registration of medical practitioners and the regulation of their activities in Ireland.

As the Deputy may be aware, the Supreme Court recently confirmed an earlier decision of the High Court in respect of a case where a doctor had been struck off in another jurisdiction. The Medical Council, due to the unavailability of the original witnesses, had proposed to use the transcript of the proceedings from the foreign jurisdiction in a fitness to practise inquiry to be undertaken by the Medical Council. The Supreme Court ruled that the use of the transcript, with no opportunity for the defendant to cross examine his accusers, would deprive the doctor concerned of his right to fair procedures.

The particular doctor had been registered with the Medical Council before any accusations were made in the other jurisdiction. The Supreme Court ruled that, as the witnesses who gave evidence in the foreign jurisdiction were not prepared to attend hearings in Ireland, the council, not being in a position to proceed with an inquiry into the matter, had no cause or right to remove the doctor's name from the general register of medical practitioners.

A major review of the Medical Practitioners Act 1978 is taking place in my Department. Draft heads of a Bill for significant amendments to the Act have been prepared and will shortly be brought to Cabinet for approval. The implications of the Supreme Court ruling on the use of transcripts in particular circumstances are being fully considered in that context.

### Hospital Services.

122. **Mr. Allen** asked the Minister for Health and Children the information his Department has about the nature and extent of clinical error in hospitals here; the research that has been carried out in the area to date; and his proposals on the issue. [8137/04]

**Minister for Health and Children (Mr. Martin):** My Department does not collect information on the extent of clinical error in Irish health care institutions. As part of the introduction of the clinical indemnity scheme, agencies covered by the scheme are being provided with an electronic information system which will, among other functions, allow them to collect and analyse information on clinical incidents which occur in their services. The State Claims Agency which operates the clinical indemnity scheme will have the capacity to use the system to analyse broad trends in the pattern of clinical error. The agency will not have access to the names of patients or staff involved in such incidents other than in

circumstances where the incident results in a personal injury claim.

I am not aware of any research on clinical error which has been undertaken in this country. However, officials in my Department have held exploratory discussions with the Health Research Board on commissioning research on the extent of clinical error in Ireland.

#### **Drugs Payment Scheme.**

123. **Mr. Neville** asked the Minister for Health and Children the position regarding applications from persons who may be eligible for a refund due to a delay in putting the repayment scheme on statutory basis for a person (details supplied) in County Limerick. [8138/04]

**Minister for Health and Children (Mr. Martin):** My Department put in place a refund scheme to process applications from people who may be eligible for a refund due to the delay in putting the drugs payment scheme on a statutory basis. The scheme was advertised in the national press on 26 June 2003 and again on 12 and 14 September for the extension of the closing date for applications to 31 October.

The GMS Payments Board is operating the scheme on behalf of the Department. I have had enquiries made in the matter and I understand that payment will issue shortly to the person referred to by the Deputy.

#### **Organ Donation.**

124. **Mr. Carey** asked the Minister for Health and Children if his Department plans to discuss with the Department of Transport the issue of a new plastic card formatted driving licence; and if he will explore the option of licence holders electing to become organ donors with an opt-out provision, along the lines that currently apply in the majority of EU countries. [8166/04]

**Minister for Health and Children (Mr. Martin):** There are two systems that can be used to ascertain an individual's wishes on organ donation: the opt-in system and the opt-out system. The former system, which operates in this country, requires that the specific consent to donation of each person, or their relatives, be obtained before organs or tissues are removed. The opt-out system presumes that all citizens consent to donation unless they have specifically expressed a wish to the contrary.

The practice in this country is that where a person has indicated his or her willingness to donate organs by way of carrying an organ donor card, or a driving licence marked accordingly, the consent of the next-of-kin is always sought. Even where opt-out systems are in operation, the relatives of the deceased are approached as part of the donor screening process to seek a medical history of any high risk behaviour. Thus, the relatives will always be aware that a donation is being considered and can register an objection to the donation.

I understand that the European Commission is considering the question of legislation in respect of organ transplantation, including the issue of consent, and proposes to conduct a thorough scientific evaluation of the situation. It will present a report to the Council of the European Union on its analysis as soon as possible.

In the meantime I am proposing to establish, in the near future, an expert group to examine organ donation, procurement and utilisation policy in Ireland as part of the national health strategy's commitment to develop organ transplantation services with a view to increasing donation and utilisation rates. I would be happy to have the issue raised by the Deputy considered by the group in the course of its work.

#### **Services for People with Disabilities.**

125. **Mr. Durkan** asked the Minister for Health and Children if mobility or other allowance can be made available to a person (details supplied) in County Kildare to facilitate their child who is wheelchair bound; and if he will make a statement on the matter. [8167/04]

**Minister of State at the Department of Health and Children (Mr. T. O'Malley):** Mobility allowance is payable by health boards, subject to a means test, to a person with a severe disability between the ages of 16 and 66. Such eligible persons can continue to receive payment after they reach their 66th birthday. The allowance provides financial support to eligible people who are unable to walk or use public transport and is intended to enable them to benefit from a change in surroundings.

However, I wish to draw the Deputy's attention to domiciliary care allowance. DCA is a monthly payment administered by health boards and may be paid in respect of eligible children from birth to the age of 16, who have a severe disability requiring continual or continuous care and attention which is substantially in excess of that normally required by a child of the same age. The condition must be likely to last for one year. Where medical confirmation is supplied which pre-dates the actual date of application and the health board's senior area medical officer is satisfied that the child required continual or continuous care and attention, substantially in excess of that normally required by a child of the same age, then payment may be made from the date the senior area medical officer is satisfied that such additional care and attention was required. The current rate of payment is €204 per month.

#### **Health Board Services.**

126. **Mr. Durkan** asked the Minister for Health and Children when the South Western Area Health Board will provide a wheelchair for a person (details supplied) in County Kildare; and if he will make a statement on the matter. [8178/04]

**Minister of State at the Department of Health and Children (Mr. T. O'Malley):** The provision of aids and appliances, including wheelchairs, is a matter for the relevant health board. Accordingly, the Deputy's question has been referred to the regional chief executive officer, Eastern Regional Health Authority, with a request that he examine the matter and reply directly to the Deputy as a matter of urgency.

127. **Mr. Durkan** asked the Minister for Health and Children if and when proper funding for chiropody services will be offered for practitioners in County Kildare; and if he will make a statement on the matter. [8179/04]

**Minister for Health and Children (Mr. Martin):** Arrangements for the provision of services, including chiropody, in County Kildare are the responsibility of the regional chief executive of the Eastern Regional Health Authority. Accordingly, the question has been referred to the authority for direct reply to the Deputy.

128. **Mr. McGuinness** asked the Minister for Health and Children the supports and entitlements available from his Department for a person (details supplied) in County Kilkenny; and if he will make a statement on the matter. [8224/04]

129. **Mr. McGuinness** asked the Minister for Health and Children, further to Parliamentary Question No. 414 of 16 December 2003, the progress which has been made in this case; if the chief executive officer of the SEHB will respond as promised; and if he will make a statement on the matter. [8225/04]

**Minister of State at the Department of Health and Children (Mr. T. O'Malley):** I propose to answer Questions Nos. 128 and 129 together.

Responsibility for the provision of services for persons with an intellectual disability or autism is a matter, in the first instance, for the South Eastern Health Board. My Department has, therefore, asked the chief executive officer of the South Eastern Health Board to investigate the matters raised by the Deputy and reply, as a matter of urgency, directly to him.

130. **Mr. McGuinness** asked the Minister for Health and Children, further to Parliamentary Question No. 494 of 4 November 2003, if the matter has been investigated by the chief executive officer of the SEHB and if a report will be issued; the action which has been taken or will be taken; and if he will make a statement on the matter. [8226/04]

**Minister of State at the Department of Health and Children (Mr. B. Lenihan):** As this is a matter for the health board the Deputy's previous question was referred to the South Eastern Health Board for direct reply. I have been advised that the health board has responded to the Deputy.

131. **Mr. McGuinness** asked the Minister for Health and Children, further to Parliamentary Question No. 280 of 21 October 2003, the payments that have been made in this case by the SEHB; the steps the board have taken to assess the family relative to their request for further assistance; and if he will make a statement on the matter. [8231/04]

**Minister for Health and Children (Mr. Martin):** Responsibility for the provision of drug treatment services rests with the health boards, in this case the South Eastern Health Board. My Department has asked the chief executive officer to investigate the matter raised by the Deputy and to reply to him directly.

132. **Mr. McGuinness** asked the Minister for Health and Children the reason home help was not granted to a person (details supplied) in County Kilkenny in view of the fact that they were promised home help two years ago; and if he will make a statement on the matter. [8232/04]

**Minister of State at the Department of Health and Children (Mr. Callely):** As the Deputy will be aware, the provision of health services in Kilkenny is, in the first instance, the responsibility of the South Eastern Health Board. My Department has, therefore, asked the chief executive of the board to investigate the matter raised by the Deputy and reply direct to him as a matter of urgency.

#### Drug Treatment Services.

133. **Mr. McGuinness** asked the Minister for Health and Children, further to Parliamentary Questions Nos. 926 of 30 September 2003 and 281 of 21 October 2003, if he will now insist on a comprehensive response from the SEHB; the action taken to date in this case; if he has satisfied himself with the policy of the SEHB in this regard; and if he will make a statement on the matter. [8233/04]

**Minister of State at the Department of Health and Children (Mr. T. O'Malley):** I presume the Deputy is referring to Parliamentary Questions Nos. 23914/03 and 20419/03.

Parliamentary Question No. 23914/03, put down by the Deputy for answer on 21 October 2003, was answered on the day in question. Parliamentary Question No. 20419/03, put down for answer on 30 September 2003, was also answered on the day in question. It dealt with issues related to the transfer of a property in Myshall from my Department to the South Eastern Health Board.

The current position on the transfer of the property in question is that on 27 January 2004 the South Eastern Health Board informed my Department that the board's solicitors were in a position to revert to the Chief State Solicitor about the finalisation of the transfer process. The

board had informed my Department that it was anticipated that the group set up by the board to look at the potential uses of the lands and buildings at Myshall would be in a position to report back by the end of February 2004.

I have asked the chief executive officer of the board to write directly to the Deputy outlining the current position with this report.

#### **Health Board Services.**

134. **Mr. McGuinness** asked the Minister for Health and Children, further to Parliamentary Question No. 233 of 2 December 2003, if he will make the information available. [8234/04]

#### **Minister for Health and Children (Mr. Martin):**

As the Deputy will be aware, the provision of services to people living in the counties of Carlow, Kilkenny, Waterford, Wexford and south Tipperary is a matter for the South Eastern Health Board. My Department has already asked the chief executive officer of the board to investigate the matter raised by him.

As the issue raised by the Deputy concerns the provision of direct assistance or home help services to persons who suffer from Parkinsons disease, my Department has been informed that the board has asked the administrators of its four local community care offices to provide information about the query raised. I understand that the SEHB will collate the information received from the four community care offices and reply directly to the Deputy as soon as possible.

135. **Mr. McGuinness** asked the Minister for Health and Children, further to Parliamentary Question No. 708 of 27 January 2004, the progress that has been made in the case; if the report from the CEO is available; and if he will make a statement on the matter. [8235/04]

#### **Minister of State at the Department of Health and Children (Mr. T. O'Malley):**

The provision of health related services for people with physical and/or sensory disabilities is a matter for the Eastern Regional Health Authority and the health boards in the first instance. Accordingly, the Deputy's question has again been referred to the chief executive officer of the South Eastern Health Board with a request that he examine the matter and reply directly to the Deputy, as a matter of urgency.

#### **Health Authority Contracts.**

136. **Ms Shortall** asked the Minister for Health and Children if he has satisfied himself that the basic criteria stated in the invitation to tender were met in the award of a contract by the ERHA (details supplied). [8237/04]

#### **Minister for Health and Children (Mr. Martin):**

Responsibility for the award of contracts by the ERHA rests with that authority. My Department has therefore asked the chief executive officer of

the authority to investigate the matter raised by the Deputy and to reply to her directly.

137. **Ms Shortall** asked the Minister for Health and Children the reason a contract for the provision of locum nurse services for the ERHA, with an estimated value of €20 million, was awarded exclusively to one company; if he has satisfied himself that a monopoly has not been created in the ERHA/DATHs by awarding a contract of this magnitude to one supplier to the exclusion of all of the existing suppliers; and his views on whether, at a time of nurse shortages, a significant percentage of the available pool of agency nurses will not now be available to the ERHA/DATHs; and if he will make a statement on the matter. [8241/04]

#### **Minister for Health and Children (Mr. Martin):**

Responsibility for the award of contracts by the ERHA rests with that authority. My Department has therefore asked the chief executive officer of the authority to investigate the matter raised by the Deputy and to reply to her directly.

#### **Health Board Services.**

138. **Mr. Ring** asked the Minister for Health and Children when a person (details supplied) in County Mayo will be called for orthodontic treatment. [8247/04]

#### **Minister for Health and Children (Mr. Martin):**

As the Deputy is aware, responsibility for the provision of orthodontic treatment to eligible persons in County Mayo rests with the Western Health Board. My Department has asked the chief executive officer to investigate the matter raised by the Deputy and to reply to him directly.

139. **Mr. J. O'Keeffe** asked the Minister for Health and Children if his attention has been drawn to the fact that there are over 4,000 children on the assessment waiting list for orthodontic treatment in the Southern Health Board area, and a further number of over 3,000 on the treatment waiting list; his views on whether this is the worst by far in the country; and the reason therefor. [8248/04]

#### **Minister for Health and Children (Mr. Martin):**

The provision of orthodontic services in the Southern Health Board is the responsibility of the chief executive officer of that board in the first instance.

I am aware of the unacceptable number of cases on the board's assessment and treatment waiting lists; this is due in part to the limited availability of trained specialist clinical staff to assess and treat patients. At the end of December 2003, the chief executive officer of the board reported the highest number of cases awaiting assessment for orthodontic treatment. However, the chief executive officer has informed my Department that at the end of the same period, there were 3,400 children getting treatment from the board. This means that almost one out of

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every six children getting treatment from the public orthodontic service is from the Southern Health Board area.

I am pleased to advise the Deputy that I have taken a number of measures to address the shortage of specialists and so increase the treatment capacity of the orthodontic service. The grade of specialist in orthodontics has been created in the health board orthodontic service. In 2003, my Department and the health boards funded 13 dentists from various health boards for specialist in orthodontics qualifications at training programmes in Ireland and at three separate universities in the United Kingdom. These 13 trainees for the public orthodontic service are additional to the six dentists who commenced their training in 2001. Thus, there is an aggregate of 19 dentists in specialist training for orthodontics. These measures will complement the other structural changes being introduced into the orthodontic service, including the creation of an auxiliary grade of orthodontic therapist to work in the orthodontic area.

Furthermore, the commitment of the Department to training development is manifested in the funding provided to both the training of specialist clinical staff and the recruitment of a professor in orthodontics for the Cork Dental School. This appointment at the school will facilitate the development of an approved training programme leading to specialist qualification in orthodontics. The chief executive officer of the Southern Health Board has reported that the professor commenced duty on 1 December 2003. In recognition of the importance of this post at Cork Dental School my Department has given approval in principle to a proposal from the school to further substantially improve the training facilities there for orthodontics. This project should see the construction of a large orthodontic unit and support facilities; it will ultimately support an enhanced teaching and treatment service to the wider region under the leadership of the professor of orthodontics.

In June 2002, my Department provided additional funding of €5 million from the treatment purchase fund to health boards specifically for the purchase of orthodontic treatment. This funding is enabling boards to provide both additional sessions for existing staff and purchase treatment from private specialist orthodontic practitioners. The Southern Health Board was allocated an additional €0.720 million from this fund for the treatment of cases in this way.

Finally, the chief executive officers of the health boards/authority have informed my Department that at the end of the December quarter 2003 there were 21,727 children receiving orthodontic treatment in the public orthodontic service. This means that there are over twice as many children getting orthodontic treatment as

there are children waiting to be treated and 4,432 extra children are getting treatment from health boards since the end of 2001.

140. **Mr. McGuinness** asked the Minister for Health and Children, further to Parliamentary Questions Nos. 337 and 339 of 9 December 2003, if a comprehensive response will be issued immediately. [8249/04]

**Minister of State at the Department of Health and Children (Mr. T. O'Malley):** Responsibility for the provision of services for persons with intellectual disability is a matter, in the first instance, for the South Eastern Health Board. My Department has, therefore, asked the chief executive officer in the South Eastern Health Board to examine the matter raised by the Deputy and reply, as a matter of urgency, directly to him.

### Driving Tests.

141. **Mr. Wall** asked the Minister for Transport when a person (details supplied) in County Kildare will be allocated a driving test date and time; and if he will make a statement on the matter. [8160/04]

**Minister for Transport (Mr. Brennan):** An appointment for a driving test is being arranged for the person concerned.

### Rural Transport Initiative.

142. **Mr. Crowe** asked the Minister for Transport the amount of money which has been allocated for 2004 in regard to the ADM rural transport initiative; the individual allocations by ADM to each of the 34 projects and the way in which they were calculated; and his Department's long term plans for the initiative. [8146/04]

**Minister for Transport (Mr. Brennan):** Area Development Management Limited administers the pilot rural transport initiative on behalf of my Department. Under this scheme, 34 rural community groups are being financed to operate pilot rural transport services in their areas. Specific allocations for individual RTI projects are made by ADM from funds provided for this purpose by my Department. My Department also finances ADM's administration costs arising from its management of the RTI.

Some €3 million has already been provided annually by my Department for the initiative in the two year period ending December 2003 and further funding of €3 million is being provided in 2004. This €6 million commitment so far compares with €4.4 million earmarked for the RTI in the national development plan.

While the RTI funding allocations for individual RTI projects, together with the manner in which they are calculated, are matters for ADM, I understand that the specific allocations for 2004 are as outlined in the attached table.

ADM has recently commissioned an external evaluation of the RTI to measure, among other things, the effectiveness of the scheme in addressing the transport needs of rural Ireland.

The evaluation is due to be completed by the summer and I will take its conclusions into account before making any further decisions in relation to rural transport.

Area Development Management Limited

Rural Transport Initiative

Group Name	2004 Allocation
	€
Aughrim-Kilmore Development Association Ltd.	40,000
Avondhu Area Transport Partnership	81,051
Bantry Integrated Development Group	45,436
Bealach (Connamara Local Transport Partnership)	79,360
Borrisokane Area Network Development Ltd.	40,000
Carlow, Kilkenny, Sth Tipperary Rural Transport	172,883
Comharchumann Chleire Teo (Cape Clear)	53,194
Community of Lougharrow Social Project	49,600
County Limerick / North Cork Transport Group	109,060
County Sligo LEADER Partnership Company Ltd.	49,594
East Clare Accessible Transport	98,696
I.R.D. Duhallow	58,900
Kerry Community Transport	274,367
Kilnaleck Community & Cooperative Soc.(Cavan)	40,000
Laois Rural Regeneration Partnership	93,117
Longford Community Resources Ltd.	58,064
Meath Accessible Transport	72,710
Meitheal Mhaigh Eo	99,372
MFG Teo	86,924
Monaghan Partnership	40,000
North Fingal Rural Transport Company	40,000
Oak Partnership (Offaly / Kildare)	124,575
Rural Lift (Co. Leitrim, Nth Cavan)	72,439
Seirbhis Iompair Tuaithe Teo	69,126
South East Galway Integrated Rural Dev.	58,910
South Kildare Rural	129,215
South Westmeath (Mount Temple)	86,797
Tipperary LEADER Group	40,000
Tumna Shannon Development Co.	43,460
Waterford Rural Transport Working Group (CDB)	90,734
West Coast Wexford Rural Transport Initiative	60,890
West Offaly Partnership	74,400
Wexford Area Partnership	49,600
Wicklow Rural (Aughrim Tidy Towns Ltd.)	86,794
Total	2,669,268

**National Development Plan.**

143. **Mr. Naughten** asked the Minister for Transport the amount of NDP underspend to date within the BMW region on public transport; the plans he has to address this shortfall; if he will consider part funding the western rail corridor to help address the current shortfall; and if he will make a statement on the matter. [8220/04]

**Minister for Transport (Mr. Brennan):** Under the national development plan, a total of €206 million was invested directly in public transport

projects in the BMW region between 2000 and 2003. Further expenditure is underway and planned. The figure to 2003 represents 52.4% of the forecast expenditure at the start of the plan.

While financial progress specific to the BMW region in the period was slower than anticipated, significant physical progress has been, and continues to be, made on key rail infrastructure projects such as rail trackwork and associated works under the rail safety programme and the rail network re-signalling project. Key rail lines into the BMW were completely upgraded to

[Mr. Brennan.] continuous welded rail on concrete sleepers at the end of 2003. Work on the rail network re-signalling project in the BMW is proceeding satisfactorily and, in relation to the Dublin-Galway line, work was completed in June last. The Sligo line is on target for completion in 2005.

In addition, expenditure on certain projects, such as the diesel rail depot at Drogheda, the upgrading and improvements at Heuston Station and the large investment in new rolling stock, while recorded in the south and east region, has benefits common to both regions, through additional capacity, shorter journey times and improved quality of service.

In the context of the priority investment plans over the remainder of the national development plan, my Department is discussing with CIE mechanisms for progressing investment in the BMW region to increase the spend in the region.

As regards the western rail corridor, the Deputy will recall that this was not included in the recommended investment strategy in the strategic rail review primarily because, among other things, it was not supported by complementary land use and settlement strategies. The present position is that, at the request of the various groups promoting the western rail corridor, I propose to establish an expert working group to examine its potential. I will be announcing the composition and remit of the group in the coming weeks.

At the present time, the regional authorities along the route of the corridor have prepared draft regional planning guidelines as part of the implementation of the national spatial strategy at the regional level. These are currently the subject of public consultation. One of the core issues that the western rail corridor group will have to consider carefully is the extent to which the rail proposal is facilitated by the land use strategies emerging from these guidelines when they are adopted over the coming weeks.

#### **Road Safety.**

144. **Mr. Naughten** asked the Minister for Transport if flashing yellow beacons are illegal on agricultural tractors; if so, the reason therefor; and if he will make a statement on the matter. [8239/04]

**Minister of State at the Department of Transport (Dr. McDaid):** Under the Road Traffic (Lighting of Vehicles) Regulations 1963 to 1996, amber flashing lights are permitted on patrol vehicles used by the Customs Service and on a number of categories of stationery or slow moving vehicles but not agricultural tractors. I am, however, open to amending the regulations to permit the fitment and use of amber flashing lights on agricultural tractors, subject to

consultation with the Garda Síochána and farm organisations.

#### **Residency Applications.**

145. **Mr. Durkan** asked the Minister for Justice, Equality and Law Reform the status of the residency application in the case of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [8181/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** The person in question is a 17 year old female. Her father came to the State in December 1999 and made an asylum application. He subsequently withdrew the asylum application and applied for residency based on parentage of an Irish born child and this was granted in January 2002. I understand that the 17 year old, the subject of the Deputy's question, arrived in the State on 31 December 2002 to join her father, but without his prior knowledge. She arrived illegally and has no legal status in the State.

An application was made on behalf of the minor for permission to remain in the State with her father. This is currently being processed and the immigration division of my Department has recently requested documentation in this regard. On receipt of the information requested a decision will be made on her case.

#### **Visa Applications.**

146. **Mr. Durkan** asked the Minister for Justice, Equality and Law Reform when a multi-entry visa will issue in the case of a person (details supplied); and if he will make a statement on the matter. [8182/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I can inform the Deputy that the application in question was approved on 9 March 2004.

#### **Interdepartmental Committees.**

147. **Mr. Kenny** asked the Minister for Justice, Equality and Law Reform the interdepartmental committees on which members of his Department sit and attend; the date upon which such committees were set up; the role and remit of such interdepartmental committees; the person to whom each interdepartmental committee reports; and if he will make a statement on the matter. [8139/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** Officials from my Department are involved in a large number of committees and advisory and working groups dealing with a range of issues and including members from other Departments as well as individuals from non-governmental organisations. In the table, I have included those interdepartmental committees whose principal activities come under the remit of this Department and whose membership is in the main confined to representatives from other Departments.

Name of Interdepartmental Committee	Date Committee founded	Role and Remit of Committee	Person to Whom Each Committee Reports
Working Group on Speed Cameras	December, 2003	To examine the scope of Garda speed detection process.	Minister for Justice, Equality and Law Reform
Interdepartmental Committee to oversee Piloting and Maintenance of Garda Helicopter	20 November, 2001.	To contract out the piloting and maintenance of the helicopter for a trial period.	Minister for Justice, Equality and Law Reform.
Monitoring Committee on the 3% Target for the Employment of People with Disabilities in the Public Service.	March, 1999	To monitor and guide progress towards achievement of the 3% target for the employment of people with disabilities in the public service.	Minister for Justice, Equality and Law Reform.
National Child-care Co-ordinating Committee.	December, 1999	To oversee the development of an integrated child-care infrastructure and provide a forum for the development of child-care policy.	Minister for Justice, Equality and Law Reform
Programme Appraisal Committee, Equal Opportunities Child-care Programme 2000-2006	August, 2000	To assess grant applications under the Programme and make recommendations to the Minister in relation to applications for funding.	Minister for Justice, Equality and Law Reform.
National Steering Committee on Violence Against Women	December, 1997	To provide a multi-disciplinary, multi-agency, and cohesive response to female victims of violence.	Minister of State at Department of Justice, Equality and Law Reform.
Interdepartmental Group on Asylum and Immigration Issues	May, 2003	To enhance co-operation between Departments and gardai on asylum and immigration matters.	To both the Minister for Justice, Equality and Law Reform and Minister for Social Community and Family Affairs.
Committee to Monitor and Co-ordinate the implementation of the recommendations of the Task Force on the Travelling Community.	June 1998	To co-ordinate and monitor the recommendations on the Report of the Task Force on the Travelling Community and to serve as a forum for consultation on national issues concerning Travellers.	Progress report is submitted to Government periodically.
Working Group on Equality Proofing.	November, 1998	To develop administrative procedures for equality proofing.	Minister for Justice, Equality and Law Reform.
National Development Plan/Community Support Framework Equal Opportunities and Social Inclusion Co-ordinating Committee.	14 March, 2001	To secure the maximum application of commitments on equal opportunities, particularly gender equality, and social inclusion across the National Development Plan.	The Committee reports to the National Development Plan/Community Support Framework Monitoring Committee.
Cross Departmental Group on Immigration.	April, 2001.	To give the Departments concerned with the issue an input into the development of immigration policy to identify issues requiring a cross-Departmental approach which need to be catered for in comprehensive new immigration legislation in fulfilment of the Government's commitment in this regard and to consider how to address them.	Minister for Justice, Equality and Law Reform.

### Garda Deployment.

148. **Mr. Timmins** asked the Minister for Justice, Equality and Law Reform the cost of providing additional gardaí at Ballinamore, County Leitrim, during the controversy surrounding the removal of livestock from the An Teagasc centre; the breakdown of these costs; and if he will make a statement on the matter. [8140/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I have been informed by the Garda authorities, who are responsible for the detailed allocation of resources and personnel, that the total cost of providing gardaí at Ballinamore on the occasion concerned is as follows:

Expenditure Type	Amount
	€
Ordinary Hours	4,800.00
Overtime	3,477.33
Travel & Subsistence	1,401.26
Total Cost	9,678.59

### Crime Levels.

149. **Mr. Wall** asked the Minister for Justice, Equality and Law Reform the number of persons arrested for illegal drug misuse or sale in the Kildare/Carlow division for each of the past three years; the number of convictions in regard to each case; and if he will make a statement on the matter. [8156/04]

150. **Mr. Wall** asked the Minister for Justice, Equality and Law Reform the number of gardaí attached to the Kildare/Carlow division dealing exclusively with illegal drug misuse and the sale of such illegal drugs; the number of seminars the gardaí have attended about educating persons on the danger of such substances; and if he will make a statement on the matter. [8157/04]

151. **Mr. Wall** asked the Minister for Justice, Equality and Law Reform the amount of illegal substances apprehended by the gardaí in the Kildare/Carlow division for each of the past three years; the number of substances apprehended; and if he will make a statement on the matter. [8158/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I am informed by the Garda authorities that the personnel strength, all ranks, of the Carlow/Kildare division as at the 9 March 2004 was 325. The numbers of gardaí attached to drug units in the Carlow/Kildare division is ten, all ranks. I am further informed that there were 61 seminars/talks on the dangers of illegal substances given by the Garda Síochána in the Carlow/Kildare division in 2003.

All gardaí in the Carlow/Kildare division have a responsibility, *inter alia*, for illegal substance detection. It has not been possible in the timeframe allowed to compile the information

requested by the Deputy about the number of persons arrested for illegal drug misuse or sale and the amount of illegal substances apprehended by the gardaí in the Kildare/Carlow division. I will revert to the Deputy as soon as the information is made available to me.

### Garda Strength.

152. **Mr. Wall** asked the Minister for Justice, Equality and Law Reform the number of gardaí in the Kildare/Carlow division; the number allocated to each station within the division; the number of vacancies by division and station; the methodology used in regard to replacements for sick leave, maternity leave or retirees from the division; and if he will make a statement on the matter. [8159/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I have been informed by the Garda authorities, who are responsible for the detailed allocation of resources and personnel, that the personnel strength, all ranks, of the Carlow/Kildare division together with the strength of each station within the division is as set out in the tables.

Station	Strength
Athy	18
Ballon	1
Ballymore Eustace	1
Ballytore	1
Baltinglass	22
Blessington	13
Carbury	2
Carlow	50
Castledermot	2
Celbridge	19
Clane	6
Donard	1
Dunlavin	1
Hacketstown	1
Hollywood	1
Kilcullen	3
Kildare	27
Kill	3
Leighlinbridge	1
Maynooth	15
Monasterevin	3
Muinebheag	7
Myshall	1
Naas	79
Newbridge	29
Rathangan	3
Rathvilly	1
Robertstown	2
Shillelagh	1
Tinahely	2
Tullow	9
Total	325

The current personnel strength, all ranks, of the Carlow/Kildare division of 325 represents an increase of 33 or 11.3% in the personnel allocated to the Carlow/Kildare division since 31 December 1997.

With regard to the question of vacancies and absences on sick and maternity leave, the assistant commissioner, human resource management, in consultation with divisional officers, arranges for the allocation of Garda personnel throughout the State. He is assisted in this regard by a model known as the Garda establishment redistribution model, GERM, which is a scientific, rational and pragmatic model and is the most effective means of distributing Garda personnel.

#### **Visa Applications.**

153. **Mr. Hogan** asked the Minister for Justice, Equality and Law Reform the reason for the refusal of an immigration card in November 2003 for a person (details supplied) in County Kilkenny; and if he will make a statement on the matter. [8193/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** The person concerned entered the State in 1998 and was given permission to remain in the State on visitor's conditions. Extension of this permission was refused in December 2003 because there was insufficient documentation to enable the immigration officer to make a decision on the application. The person in question should apply in writing to the immigration division of my Department which is located at 13/14 Burgh Quay, Dublin 2, clearly setting out the grounds on which she seeks to have her permission to remain in the State extended. On receipt of her request the application will be fully considered.

#### **Crime Levels.**

154. **Mr. Gregory** asked the Minister for Justice, Equality and Law Reform if a report can be provided by the Garda authorities regarding the action taken in response to the spate of repeated tyre slashing at Ostman Place, Dublin 7; if arrests have been made; if the area is being adequately patrolled; and if he will make a statement on the matter. [8194/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I am informed by the Garda authorities that on 26 February 2004 there were two reports to gardaí of criminal damage to vehicles on Ostman Place. I am also informed that on 4 March 2004 there were three further reports of criminal damage to vehicles on the same street. The damage to the vehicles consisted of vehicle tyres being slashed in each case. Technical examinations have been carried out on some of the vehicles involved and results are awaited. There is no apparent motive for these incidents and to date there have been no arrests.

The area receives regular attention from both uniform and plain clothes beats and mobile patrols. In addition, there is one community garda assigned to this area, who continually liaises with residents in the area. Finally, I am informed that every effort is being made by local Garda management to deal with this matter.

#### **Visa Applications.**

155. **Mr. Durkan** asked the Minister for Justice, Equality and Law Reform if a person (details supplied) can obtain a holiday visa to visit their family here; and if he will make a statement on the matter. [8214/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** If the person wishes to travel to the State, it is open to them to make an application for a visa for such visit and this will, of course, receive full consideration. My Department has no record of having received a visa application from the person in question.

#### **Refugee Status.**

156. **Mr. Durkan** asked the Minister for Justice, Equality and Law Reform if corroborative evidence was sought from the authorities of the Democratic Republic of Congo in the case of application for refugee status in the name of a person (details supplied) in Dublin 7; and if he will make a statement on the matter. [8215/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** Under the Refugee Act 1996, two independent statutory offices have been established to consider applications for refugee status and to make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted. These two offices are the Office of the Refugee Applications Commissioner, which considers applications for a declaration of refugee status at first instance, and the Refugee Appeals Tribunal, which considers applications for a declaration at appeal stage.

While it would not be appropriate to comment on individual applications for refugee status, in order to protect the confidentiality of the asylum process and in accordance with UNHCR advice and best practice generally, authorities of an applicant's country of origin are not contacted to corroborate features of an application.

#### **Prison Service Staff.**

157. **Mr. Naughten** asked the Minister for Justice, Equality and Law Reform if he will give details of a chaplain's salary within the Irish Prison Service on certain dates (details supplied); and if he will make a statement on the matter. [8230/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I am informed by the Irish Prison Service that the detailed information requested by the Deputy is not readily available and will require a search of files dating back to

[Mr. McDowell.]  
the late 1960s. However, further inquiries are being made in the matter and I will forward as much information as becomes available to the Deputy as soon as the inquiries are completed.

### **Liquor Licensing Laws.**

158. **Ms Shortall** asked the Minister for Justice, Equality and Law Reform the outcome in a case (details supplied) and the number of successful prosecutions secured under the Intoxicating Liquor Act 2000 since its enactment for sale of alcohol to minors; and if he will make a statement on the matter. [8238/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I regret that it has not been possible in the time available to obtain the information requested by the Deputy. I will contact the Deputy again when the information is to hand.

### **Garda Operations.**

159. **Aengus Ó Snodaigh** asked the Minister for Justice, Equality and Law Reform if his attention has been drawn to the allegations of Garda harassment of anti-war protesters; and if he will make a statement on the matter. [8246/04]

**Minister for Justice, Equality and Law Reform (Mr. McDowell):** I am informed by the Garda authorities that, since February 2003, a number of protesters have been arrested at Shannon Airport for alleged breaches of the Criminal Damage Act, Criminal Justice (Public Order) Act and Air Navigation and Transport Act. I am further informed that some of these protesters have made complaints against members of the Garda Síochána and that these complaints are being dealt with in accordance with established procedures, including referral to the Garda Síochána Complaints Board.

### **Electoral Boundaries.**

160. **Mr. Sargent** asked the Minister for the Environment, Heritage and Local Government the changes to electoral boundaries that have been made under the Local Government Act 1994; if reasons are given for each change; and if so, if he will give the reasons. [8170/04]

**Minister for the Environment, Heritage and Local Government (Mr. Cullen):** The towns whose boundaries were altered under section 17 of the Local Government Act 1994 and associated regulations are listed in the Third Schedule to that Act. In accordance with the Act, the changes have effect for local electoral purposes only and were made on foot of proposals agreed by each of the local elected councils concerned.

A review of local electoral areas in counties, cities, boroughs and certain towns was undertaken by two independent local constituency committees prior to the 1999 local

elections. The recommendations of the electoral area boundary committee report 1998 and the Dublin area boundary committee report 1998 were implemented in full by way of orders made under section 24 of the 1994 Act. Copies of these reports and of the subsequent orders made under section 24 are available in the Oireachtas Library.

### **Water Services.**

161. **Ms Harkin** asked the Minister for the Environment, Heritage and Local Government if local authorities have a responsibility to provide piped water to every household in the country. [8173/04]

**Minister for the Environment, Heritage and Local Government (Mr. Cullen):** Sanitary authorities are obliged to ensure that all water intended for human consumption meets relevant EU and national water quality standards. However, under present legislation, sanitary authorities, while empowered to provide water supplies, are not obliged to extend water supply services to all properties in their areas. The Water Services Bill 2003 will continue this approach, while also providing for new arrangements for water supplies generally and rural water services.

162. **Mr. Cuffe** asked the Minister for the Environment, Heritage and Local Government if he will consider adding rural wastewater as a topic to the range of issues covered by the otherwise excellent environmental bulletin in order to chart progress and developments in this area. [8176/04]

**Minister for the Environment, Heritage and Local Government (Mr. Cullen):** The environment bulletin published by my Department provides a quarterly update on national and international developments in environmental protection. Information is routinely provided on a range of water quality, including wastewater, issues and relevant developments in the area of rural wastewater will be addressed as appropriate in future issues.

163. **Mr. Gilmore** asked the Minister for the Environment, Heritage and Local Government if he has received correspondence from a person (details supplied) concerning commercial water charging policy, which encourages waste and over use of the water resources; the consideration he has given to the issues raised in the correspondence; and if he will make a statement on the matter. [8195/04]

**Minister for the Environment, Heritage and Local Government (Mr. Cullen):** I responded last year to the correspondence received from this person and confirmed my commitment to the full and transparent implementation of the Government's water services pricing policy framework.

At present, local authority water services charges and the process used for calculating non-

domestic costs vary. Local authorities are, in accordance with the Government policy, moving to a more uniform system for determining and applying water services charges. In this regard, the policy framework requires full recovery of the cost of providing water services to the non-domestic sector by means of a meter based volumetric charge. The policy is being progressively implemented in the period to 2006 and is in accordance with an appropriate application of the polluter pays principle and the requirements of Article 9 of the EU water framework directive.

#### **Local Authority Housing.**

164. **Mr. Durkan** asked the Minister for the Environment, Heritage and Local Government the housing policy laid down by his Department and the funding provided by him to the various local authorities having regard to the provisions of the Housing Act; and if he will make a statement on the matter. [8216/04]

**Minister of State at the Department of the Environment, Heritage and Local Government (Mr. N. Ahern):** The overall aim of the Government's housing policy is to enable every household to have available an affordable dwelling of good quality, suited to its needs, in a good environment and, as far as possible, at the tenure of its choice. In this context, the Government's strategy is to increase housing supply to meet demand and to improve affordability, particularly for first time buyers, and in this way to seek to bring moderation to house price increases.

There is clear evidence that the measures to boost supply, such as the Government's investment in infrastructure, removing planning constraints and the increased residential densities now being achieved as a result of the residential guidelines produced by my Department, have been successful in addressing the strong demand for housing. The year 2003 was the ninth successive year of record house completions, with 68,819 units completed, an increase in output of 19.3% nationally on 2002 and an increase of 10.5% in output in the greater Dublin area during the same period.

The Government is committed to continuing with measures to boost the supply of housing and ensuring that the demand for housing is met in a sustainable manner. It is also concerned to ensure that the broad spectrum of housing needs is met and it remains committed to continuing with measures to assist low income groups and those with social housing needs by means of a range of targeted social and affordable housing programmes. The total housing provision, Exchequer and non-Exchequer, in 2004 of €1.884 billion represents an increase of 5.4% on the 2003 provision. The increase in the housing provision will enable the social and affordable housing needs of over 12,000 households to be met this year compared to almost 8,500 in 1998.

165. **Mr. Durkan** asked the Minister for the Environment, Heritage and Local Government if he has authorised housing authorities to enlist the aid of an organisation (details supplied) when determining entitlement to housing loans; and if he will make a statement on the matter. [8217/04]

#### **Minister of State at the Department of the Environment, Heritage and Local Government**

**(Mr. N. Ahern):** It is a matter for each local authority to administer house purchase loans in their area having regard, as appropriate, to the housing needs and circumstances of their area. In determining the maximum mortgage loan in each case, local authorities should have regard to the purchaser's ability to repay by reference to their net household income.

My Department has not issued any general policy instruction to housing authorities to use the services of the Irish Credit Bureau when determining entitlement to housing loans. My Department is updating guidance on the issuing of loans by local authorities during 2004 and the issue of appropriate credit rating of loan applicants will be considered as part of this work.

166. **Mr. Naughten** asked the Minister for the Environment, Heritage and Local Government if he will sanction the construction of local authority houses by Roscommon County Council at Ballyleague, County Roscommon; and if he will make a statement on the matter. [8219/04]

#### **Minister of State at the Department of the Environment, Heritage and Local Government**

**(Mr. N. Ahern):** I understand that Roscommon County Council is developing proposals for the construction of houses in Ballyleague which will be submitted to my Department for approval in due course.

167. **Mr. Gregory** asked the Minister for the Environment, Heritage and Local Government his views on the correspondence from Dublin City Council of the first week of March 2004 regarding central heating needs. [8223/04]

#### **Minister of State at the Department of the Environment, Heritage and Local Government**

**(Mr. N. Ahern):** No recent correspondence has been received from Dublin City Council concerning this matter.

168. **Mr. O'Flynn** asked the Minister for the Environment, Heritage and Local Government the Department guidelines that are in place for adoption by local authorities when they are purchasing houses in private residential estates for local authority tenants. [8236/04]

#### **Minister of State at the Department of the Environment, Heritage and Local Government**

**(Mr. N. Ahern):** Local authorities have been advised by my Department that they may purchase private second-hand houses where the

[Mr. N. Ahern.] cost of the acquisition can be met from the authority's capital allocation and the acquisition represents a cost effective and economical means by which the authority can meet the housing needs of persons on their waiting lists. It is a matter for individual local authorities to decide on the circumstances and conditions under which they purchase houses, given their knowledge of local housing markets, including prices, which can vary substantially from one area to the next. The approval of the Department is not required for individual purchases.

#### **Care of the Elderly.**

169. **Dr. Upton** asked the Minister for Community, Rural and Gaeltacht Affairs if an application for a person (details supplied) in Dublin 12 for security lights for the front and back of their house will be expedited; and if he will make a statement on the matter. [8147/04]

**Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Mr. N.**

**Ahern):** The purpose of the scheme of community support for older people is to improve the security and social support of vulnerable older people. This funding is provided by way of grant aid to voluntary groups and organisations that have undertaken to identify those elderly people in need of assistance under the scheme. Under the terms of the scheme, grant aid is available towards the once off costs of purchase and/or installation of small scale physical security equipment and socially monitored alarm systems.

It is a condition of the scheme that applications cannot be considered from groups who have failed to submit outstanding accounts and reconciliation of expenditure for previous grants. The person referred to in the Deputy's question applied through an organisation whose application under the 2003 scheme was refused for failing to meet that condition. I attach for the Deputy's information a list of organisations funded under the scheme in the Dublin south region in 2003. The person in question may wish to make an application through one of these organisations in respect of the 2004 scheme, which will be advertised later this year.

File No.	Group Name	Address	Name	Tel No.	Amount Approved	No. Approved
11	Neighbourhood Watch Greystones	Ashgrove, Kindlestown, Greystones, Co Wicklow	Mrs. Jackie Quinn	01 2876014	€ 129,798.00	320
21	Society of St Vincent de Paul (Conference of St Cecilia)	47 Dangan Park, Kimmage Road West, Dublin 12	Mr. Brendan Dunne	01 4555637	486.00	2
40	Castletown Community Alert	Arklow, Co Wicklow	Mr. Charlie Clonough	0402 37563	630.00	2
45	Lower Kimmage Road Residents Association	4 St Martins Park, Lower Kimmage Road, Dublin 6w	Ms Una Moriarty	01 4908630	172.00	1
110	Aughrim Community Alert	The Avenue, Aughrim, Co Wicklow	Ms Kay Leeson	0404 20100 or 0402 36334	700.00	2
123	Dun Laoghaire — Neighbourhood Watch	c/o Dun Laoghaire Garda station, Corrigan Avenue, Dun Laoghaire, Co Dublin	Ms Mary O'Keeffe		10,200.00	28
135	Templeogue and District Active Retirement Association	30 College Drive, Terenure, Dublin 6w	Mr. Vivian Rynne	01 - 4906491	4,000.00	11
148	Carnew Community Care	Gorey Road, Carnew, Wicklow	Sr. Anne Killeen	055-26371/055-26510	7,600.00	21
184	Corbawn & Area Neighbourhood Watch	10 Corbawn Court, Shankill, Dublin 18	Ms Deirdre Cox	01 - 2821817	300,000.00	935
238	Society of St Vincent de Paul St Peter's Conference	Fred's Fashions, Upper Main Street, Arklow, Co Wicklow	Mr. Liam Walker	0402 - 31186	4,850.00	14
309	Hollywood Community Carers Association	Hollywood, Co Wicklow	Ms Marie Tutty	045 - 864289	1,400.00	4
333	Laragh & Glendalough Community Alert	Glenmacnass, Glendalough, Co Wicklow	Ms Denise Nolan	0404 45272	8,700.00	25
336	Slievemore Road Neighbourhood Watch	68 Slievemore Road, Drinnagh, Dublin 12	Ms Teresa Balfe	01- 4651166	203,521.00	531
353	Glencree & Adjoining Areas Community Alert	Cloon, Glencree, Enniskerry, Co Wicklow	Mr. John Burgess	086 2549417	430.00	1
420	Churchtown West Neighbourhood Watch	4 Oakdown Road, Churchtown, Dublin 14	Ms Mary McInerney	01 2951546 / 086 - 8329156	350.00	1
458	Avoca Community Alert	Cherrybrook, Kilmagig Upper, Avoca, Co Wicklow	Ms Bernie Ivers	0402/35179	1,600.00	4
					674,437.00	1902

### Community Development.

170. **Mr. Connaughton** asked the Minister for Community, Rural and Gaeltacht Affairs when the towns designated as RAPID will be funded from the €4.5 million allocation announced recently; if all towns designated as RAPID will, in fact, be funded from this source; and if he will make a statement on the matter. [8196/04]

**Minister for Community, Rural and Gaeltacht Affairs (Éamon Ó Cuív):** With regard to the €4.5 million capital funding that is provided for the RAPID programme in 2004, it is envisaged that small scale projects will be co-funded by the relevant Department or local agency across all RAPID areas. I am in the process of conducting a series of meetings with my ministerial colleagues to agree arrangements for co-funding and I intend to make a formal announcement shortly regarding the precise details of the operation of this fund.

### Social Welfare Benefits.

171. **Mr. Crowe** asked the Minister for Social and Family Affairs the reason a person (details supplied) in Dublin 7 has been cut off from all welfare payments and rent allowance; and if the decision to do so is connected to a sum of money they received from an injury claim eight years ago. [8141/04]

**Minister for Social and Family Affairs (Mary Coughlan):** The person in question applied to my Department for one-parent family payment and also applied to the Northern Area Health Board for a supplementary welfare allowance payment. The health board has advised that the person had been in receipt of a basic weekly allowance pending the outcome of her application for one-parent family payment. She was also awarded a rent supplement.

At the time that she claimed supplementary welfare allowance, she did not disclose the fact that she had previously received a compensation payment. Payment of the rent supplement was terminated after approximately six weeks as she failed to provide documentation relating to her rent costs. The application for one-parent family payment and subsequent appeal were refused on the grounds that she had not satisfactorily disclosed details of her means. Following the refusal of her application for one-parent family payment, she informed the health board that she had received a compensation payment.

The board has advised that the person concerned was given a number of opportunities to provide details of her financial circumstances. She failed to provide the information sought and, accordingly, payment of her basic supplementary welfare allowance was also terminated. If the person concerned wishes to be considered for

payment, she will have to disclose full details of her financial circumstances.

### Rural Transport Initiative.

172. **Mr. Crowe** asked the Minister for Social and Family Affairs the figure for her Department's 2004 free travel allocation to the 34 rural transport initiatives; and the way in which individual allocations will be calculated. [8143/04]

**Minister for Social and Family Affairs (Mary Coughlan):** The rural transport initiative, RTI, is being managed by Area Development Management, ADM, on behalf of the Department of Transport and funding is provided for this purpose through the national development plan. A total of 34 community groups have been selected under the initiative to receive funding to provide innovative community based transport services, on a pilot basis, in rural areas. The pilot project received just under €3 million in 2002, €3 million in 2003 and is expected to receive another €3 million in 2004.

As free travel pass holders will benefit from the rural transport initiative, I contributed €400,000 towards the cost of the initiative in 2003, thereby ensuring that free travel pass holders have access to these community based transport services. I propose to contribute up to €500,000 in 2004 towards the RTI. As with the funding from the Department of Transport, my contribution is managed and allocated to the 34 pilots by ADM. Payment to the groups is based on the number of passholders carried free of charge. The Department of Transport is now carrying out an independent review of the pilots, after which a decision will be made about rural transport nationally.

### Social Welfare Code.

173. **Mr. Crowe** asked the Minister for Social and Family Affairs the classification used by her Department for part-time work and casual labour and the criteria applied for those designated part-time or casual employees to receive benefit or assistance for days not worked. [8144/04]

**Minister for Social and Family Affairs (Mary Coughlan):** Social welfare legislation provides that a person is regarded as being engaged in casual employment for unemployment benefit purposes where he or she is normally employed for periods of less than a week; the number of days and the days of the week on which the person is employed varies with the level of activity in the employer's business and on the termination of each period of employment, the person has no assurance of being re-employed with the same employer.

If the person's work pattern does not comply with all these requirements, he or she cannot be

classified as a casual worker. Social welfare legislation also provides that a person is regarded as being engaged in systematic short-time working where his or her full-time working week is reduced by the employer and where there is a clear repetitive pattern of employment each week. The number of days of benefit payable each week to a systematic short-time worker is limited to ensure that the total number of days paid and the number of days worked do not exceed five.

For unemployment benefit purposes, part-time employment is regarded as employment where the employee is engaged to work for less than the normal full-time number of days or hours in the employment concerned. The volume of work must be of an ongoing nature but not sufficient to sustain full-time employment.

With one exception, casual, systematic, short-time and part-time workers are treated no differently from any other unemployed person. With regard to the conditions for entitlement to unemployment benefit, the exception is that casual workers are exempt from the substantial loss of employment condition. This categorisation of workers does not apply in the case of unemployment assistance where claimants are not subject to a substantial loss of employment condition. However, social welfare legislation provides that where a person works for up to three days a week either on a casual or part-time basis, earnings are assessed at 60% for unemployment assistance purposes. In addition, persons without children are allowed a €12.70 disregard for each day worked, while the balance of earnings are assessed at 60%. Casual or part-time workers are subject to the same conditions as any other unemployed person for entitlement to unemployment assistance.

174. **Mr. Crawford** asked the Minister for Social and Family Affairs if she has satisfied herself that fair treatment and payment is being given to contributory widows or widowers who find themselves unemployed and no longer entitled to half rate payment of unemployment, disability, maternity or injury benefit or unemployment supplement; and if she will make a statement on the matter. [8164/04]

**Minister for Social and Family Affairs (Mary Coughlan):** The social welfare system is primarily a contingency based system, with entitlement based on pre-defined contingencies, such as sickness or unemployment. While it can happen that a person may experience more than one contingency at the same time, for example, an unemployed person may become sick, a general principle usually applies whereby even if a person experiences more than one of the contingencies at any one time, they only receive one of those

payments. This principle is common to social security systems across the world.

Under the Irish social welfare system there have been a limited number of exceptions to this general principle. In the past these included the situation whereby a recipient of widow's/er's pension could, at the same time, receive short-term social insurance benefits such as disability benefit or unemployment benefit at half rate if the contingency arose.

In the context of preparation of the spending Estimates for 2004, this entitlement to concurrent half-rate payment of a number of benefits was discontinued for new claimants with effect from 19 January 2004. Existing recipients were not affected by this measure for the duration of their claim. The measure was introduced in response to the pressure on Government spending and to provide scope for resources to be found for general improvements in social welfare provision in the budget. Removal of social welfare entitlements is never palatable but the introduction of this measure was necessary in the circumstances which prevailed at the time.

It is my intention that the operation of this and other measures will be kept under review and any necessary adjustments will be made in the light of this.

#### **Social Welfare Benefits.**

175. **Mr. Durkan** asked the Minister for Social and Family Affairs the reason holiday entitlements are being used to reduce unemployment benefit in cases in which employees' work ceases though no fault of their own as in the case of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [8212/04]

**Minister for Social and Family Affairs (Mary Coughlan):** Under social welfare legislation any day on which a person either receives or has entitlement to holiday pay is not regarded as a day of unemployment and a person has no entitlement to unemployment benefit for that day.

The person concerned applied for unemployment benefit on 26 January 2004 due to a one week temporary lay off. Details of holiday pay were sought on 9 February 2004 and were obtained from her employer on 9 March 2004. Based on the information supplied by the employer, the deciding officer calculated that the person concerned had accrued five days holiday pay. Accordingly, the person concerned is not entitled to unemployment benefit for the period in question.

176. **Mr. Durkan** asked the Minister for Social and Family Affairs if and when the rent allowance will be offered to a person (details supplied) in County Kildare in view of the fact

[Mr. Durkan.]  
that they are unemployed; and if she will make a statement on the matter. [8213/04]

**Minister for Social and Family Affairs (Mary Coughlan):** The position is as stated in my reply to Question No. 2654/04, which I answered for the Deputy on 29 January 2004.

The South Western Area Health Board has no record of an application for rent supplement from the person in question. If he wishes to make an application for rent supplement he should contact the community welfare officer at the local health centre so an assessment of his circumstances can be carried out to determine whether he has an entitlement to a rent supplement under the terms of the supplementary allowance scheme.