



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

Thursday, 24 June 2004.

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TUAIRISC OIFIGIÚIL OFFICIAL REPORT

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Déardaoin, 24 Meitheamh 2004.
Thursday, 24 June 2004.

Chuaigh an Leas-Cheann Comhairle i gceannas ar 10.30 a.m.

Paidir.

Prayer.

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, 23 June, 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.

The Dáil divided: Tá, 59; Níl, 44.

Tá

Ahern, Noel.
Ardagh, Seán.
Aylward, Liam.
Brady, Johnny.
Brennan, Seamus.
Callanan, Joe.
Carey, Pat.
Carty, John.
Cassidy, Donie.
Coughlan, Mary.
Cregan, John.
Cullen, Martin.
Curran, John.
Davern, Noel.
de Valera, Síle.
Dempsey, Tony.
Devins, Jimmy.
Ellis, John.
Fitzpatrick, Dermot.
Fleming, Seán.
Glennon, Jim.

Grealish, Noel.
Hanafin, Mary.
Harney, Mary.
Haughey, Seán.
Hoctor, Máire.
Jacob, Joe.
Keaveney, Cecilia.
Kelleher, Billy.
Killeen, Tony.
Kirk, Seamus.
Lenihan, Brian.
McCreevy, Charlie.
McDowell, Michael.
McEllistrim, Thomas.
McGuinness, John.
Moloney, John.
Moynihan, Donal.
Moynihan, Michael.
Mulcahy, Michael.
Nolan, M.J.
Ó Cuív, Éamon.

Tá—*continued*

Ó Feargháil, Seán.
O'Connor, Charlie.
O'Dea, Willie.
O'Donnell, Liz.
O'Donoghue, John.
O'Donovan, Denis.
O'Malley, Fiona.
O'Malley, Tim.
Parlon, Tom.

Power, Peter.
Roche, Dick.
Sexton, Mae.
Smith, Brendan.
Smith, Michael.
Treacy, Noel.
Wallace, Dan.
Wilkinson, Ollie.

Níl

Allen, Bernard.
Breen, Pat.
Broughan, Thomas P.
Bruton, Richard.
Burton, Joan.
Connaughton, Paul.
Costello, Joe.
Deenihan, Jimmy.
Durkan, Bernard J.
English, Damien.
Ferris, Martin.
Gilmore, Eamon.
Gogarty, Paul.
Harkin, Marian.
Hayes, Tom.
Healy, Seamus.
Higgins, Joe.
Kehoe, Paul.
Kenny, Enda.
Lynch, Kathleen.
McGinley, Dinny.
McGrath, Finian.

McManus, Liz.
Mitchell, Gay.
Morgan, Arthur.
Moynihan-Cronin, Breeda.
Murphy, Gerard.
Naughten, Denis.
Neville, Dan.
Ó Snodaigh, Aengus.
O'Keeffe, Jim.
O'Shea, Brian.
O'Sullivan, Jan.
Penrose, Willie.
Quinn, Ruairi.
Rabbitte, Pat.
Ring, Michael.
Ryan, Eamon.
Ryan, Seán.
Sargent, Trevor.
Shortall, Róisín.
Stanton, David.
Timmins, Billy.
Upton, Mary.

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

Question declared carried.

Requests to move Adjournment of the 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. Crawford: I seek the adjournment of the Dáil under Standing Order 31 to debate urgent business of local and national importance, namely, the ongoing dispute between management and parents at Drumcrave national school, outside Cavan town, where the majority of the 57 pupils no longer attend school. There is problem at this three teacher primary school for many years which has not been resolved and there is an urgent need for ministerial and departmental involvement to resolve the issue in the interest of the education of 57 children.

Dr. Cowley: I seek the adjournment of the Dáil under Standing Order 31 to raise a matter of major importance, namely, the failure of the Minister for Health and Children and the Western Health Board to adequately look after the welfare of Mayo patients where more than 1,000 people wait for up to eight years, on a list dating back to 1996, for essential urology services. An

individual with prostate cancer has been waiting seven months for an appointment to see a consultant urologist who visits Mayo General Hospital from Galway once a month. Will the Minister agree that it is logical and essential to appoint a consultant urologist to Mayo General Hospital due to the vast distances patients must travel, almost equivalent to the distance from Dublin to Galway, and that this is not possible under the Hanly report? If the recommendations in the Hanly report are applied to the mid west and east coast areas, is it right that it not be possible to have a consultant urologist in Mayo?

An Ceann Comhairle: Having considered the matters raised, I do not consider them to be in order under Standing Order 31.

Order of Business.

The Tánaiste: The Order of Business is No. 20, Residential Tenancies Bill 2003 — Order for Report, Report and Final Stages, to adjourn at 1 p.m. if not previously concluded; No. 11, State Airports Bill 2004 — Order for Second Stage and Second Stage.

It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 4.45 p.m. tonight and business shall be interrupted not later than 7 p.m.; Second Stage of No. 11 shall be taken today, and in the event of the proceedings thereon concluding today, any div-

ision demanded thereon shall be postponed until immediately after the Order of Business on Tuesday, 29 June 2004.

An Ceann Comhairle: There are two proposals to put to the House. Is the proposal for the late sitting agreed? Agreed. Is the proposal for dealing with No. 11, Second Stage of the State Airports Bill 2004, and any divisions demanded thereon agreed?

Mr. Kenny: I object to the Bill being rushed through the House in this fashion. The normal procedure is that the Government states its policy clearly and then implements that policy through legislation. Fine Gael supports the principles of increased competition and regional development and if the proposed break-up of Aer Rianta into three components could be shown to promote these principles, we would support it. However, dealing with the legislation in this fashion is putting the cart before the horse. We are being asked to legislate for something that might or might not become Government policy and to do this as a token, as it were, for the warring factions in the Government.

We are also being asked to pass legislation before 8 July because it forms part of a pay deal that this House has never discussed. If this legislation is implemented and then the business plans to be sanctioned and approved by the Minister for Finance do not stand up, the Government will have to return to the House to legislate again for a different situation. I object to the proposal on that basis.

Mr. Rabbitte: The business of the week was scheduled and it is unusual to have an intervention such as this by the Government. The abridging of the debate on the Residential Tenancies Bill is surprising, given the fact that the Bill has been promised since the publication of a report in 1999. Tenants have been waiting for protection since then in circumstances that have become increasingly difficult for them. Such minimal legislative requirement or imposition as is on landlords at present is not being enforced by local authorities. Approximately 27% of landlords are registered as required with local authorities. Full rights for tenants are not provided for in the Bill but at least it is a modest reform. Why the debate on this Bill should be abridged in this fashion while the Government intervenes to drive forward the State Airports Bill is puzzling to say the least.

The chairman of Aer Rianta claimed last night on television that the Bill is being driven by the interests of a large commercial organisation. Perhaps the Tánaiste would like to take this opportunity to amend yesterday's record. She told the House, and I am sure it was inadvertent on her part, "It is a well known fact that Ryanair gave a donation to the Progressive Democrats which was published along with donations to other political parties of which the limit is €5,000." I thought that this referred to the disclosure threshold. However, when I got several phone calls I referred them to Senator O'Rourke, who said

that the amount was €63,000. It would appear that the Tánaiste has, I am sure inadvertently, said that the limit was €5,000.

It all raises questions as to why we are proceeding to break up the company from the date of enactment. Only after it is broken up into constituent companies will each company set about compiling the business plan that ought to have preceded the break-up. It is a most unusual arrangement. I cannot envisage any Minister for Finance, whoever holds that position on the day, refusing it since the break-up will now take place when the Bill is enacted by the two Houses. Every consultant involved, including the Minister's consultants, said that a business plan ought to be prepared—

An Ceann Comhairle: We are discussing the arrangements for taking the legislation. What might be said on Second Stage is not appropriate at this stage.

Mr. Rabbitte: Yes, but it is pertinent as to why the Government is intervening in the business of the House to rush through a Bill even though the business plan is not in place. The requirement is to break up Aer Rianta and then get the companies to put together a business plan. It is a most unusual set of circumstances.

I take it the Tánaiste will take the opportunity to correct the record of the House on the matter I raised.

Mr. Sargent: The State Airports Bill is included in the order for this week in an unusual manner. It certainly indicates a reckless and unseemly haste which is in stark contrast to the lack of progress made on other legislation. Why is the road safety Bill from the same Department not considered urgent? Is saving lives not considered as important as the airports legislation?

Mr. F. McGrath: And the disability Bill.

Mr. Sargent: Indeed, although it is the responsibility of another Department.

Mr. F. McGrath: It is disgraceful.

Mr. Sargent: However, in the Department of Transport there is a strange ideological pursuit of the break-up of the airports, without a business plan and without justification. On the other hand, the Grangegorman development agency Bill, which is to provide for bringing together the DIT, is to be cut off. Why the State Airports Bill is being treated with such urgency is a mystery unless it is for blatant ideological and unreasonable objectives. Without a business plan, the Bill does not withstand scrutiny from any side. We oppose this legislation.

Aengus Ó Snodaigh: I also object to this legislation which prepares the way for the privatisation of a vital State company. I oppose the way it is being bulldozed through the House.

On a procedural matter, the House has just voted to agree to the late sitting. However, this is

[Aengus Ó Snodaigh.]
not a proper late sitting. It is a sham. Despite the late sitting, the House is postponing any decisions or divisions until Tuesday. If this were a proper sitting and a division were called, it would proceed when called for. I object to this practice of postponing decisions until the Government can get its act together and keep its Members in the House until it has a majority. I object to the proposal on that basis as well as to the legislation and how it is being bulldozed through the House.

The Tánaiste: In response to Deputy Kenny, there was no agreement with the social partners to take this legislation before July or on when to take the legislation. I am not even sure that the matter was discussed. It is the Government's wish and desire to have this legislation passed before the summer. In case there is any doubt, every business and tourism interest in the mid-west has championed the cause of autonomy for Shannon Airport for some time. That is a fact.

Mr. Kenny: Where is the business plan?

(Interruptions).

The Tánaiste: With regard to the development of an independent terminal, I do not believe that it should be operated or owned by an airline. Clearly, that would be a conflict of interest. The user and owner of that facility would have to be separate.

Mr. J. Higgins: The Tánaiste would prefer if the McEvaddys had it.

The Tánaiste: There is a great deal of misunderstanding in this regard. In response to Deputy Rabbitte, I said yesterday that the disclosure limit is €5,000 under the new legislation. The sum of money involved has been in the public domain for some time. I informed the Cabinet of that matter in 2001 before there was any discussion on this issue. It was put into the public domain at that time and nobody was in any doubt about that donation. That was prior to the new limits on funding.

One cannot suggest that there is any conflict of interest. Nobody has carried out more inquiries under company law into vested interests in this country than I have. I make no *11 o'clock* apologies to anybody for the policies I pursue. They are in the national interest and in the interests of passengers, tourism, business and especially in the interests of Shannon and the regions.

It is important that the airport authorities in Shannon, Dublin and Cork are in a position to move forward with their plans for those airports so they can begin to do business with new airlines and new businesses at the beginning of the next season. That is the reason it is important to enact this legislation.

Question put: "That the proposal for dealing with No. 11 be agreed to."

The Dáil divided: Tá, 64, Níl, 46.

Tá

Ahern, Noel.
Ardagh, Seán.
Aylward, Liam.
Brady, Johnny.
Brady, Martin.
Brennan, Seamus.
Callanan, Joe.
Callely, Ivor.
Carey, Pat.
Carty, John.
Cassidy, Donie.
Coughlan, Mary.
Cregan, John.
Cullen, Martin.
Curran, John.
Davern, Noel.
de Valera, Síle.
Dempsey, Tony.
Devins, Jimmy.
Ellis, John.
Finneran, Michael.
Fitzpatrick, Dermot.
Fleming, Seán.
Glennon, Jim.
Grealish, Noel.
Hanafin, Mary.
Harney, Mary.
Haughey, Seán.
Hoctor, Máire.
Jacob, Joe.
Keaveney, Cecilia.
Kelleher, Billy.
Kelly, Peter.

Killeen, Tony.
Kirk, Seamus.
Lenihan, Brian.
McCreevy, Charlie.
McDowell, Michael.
McEllistrim, Thomas.
McGuinness, John.
Moloney, John.
Moynihan, Donal.
Moynihan, Michael.
Mulcahy, Michael.
Nolan, M.J.
Ó Cuív, Éamon.
Ó Fearghaíl, Seán.
O'Connor, Charlie.
O'Dea, Willie.
O'Donnell, Liz.
O'Donoghue, John.
O'Donovan, Denis.
O'Keeffe, Batt.
O'Malley, Fiona.
O'Malley, Tim.
Parlon, Tom.
Power, Peter.
Roche, Dick.
Sexton, Mae.
Smith, Brendan.
Smith, Michael.
Treacy, Noel.
Wallace, Dan.
Wilkinson, Ollie.

Níl

Allen, Bernard.
Breen, Pat.
Broughan, Thomas P.
Bruton, Richard.
Burton, Joan.
Connaughton, Paul.
Costello, Joe.
Cowley, Jerry.
Crowe, Seán.
Deasy, John.
Deenihan, Jimmy.
Durkan, Bernard J.
English, Damien.
Ferris, Martin.
Gilmore, Eamon.
Gogarty, Paul.
Harkin, Marian.
Hayes, Tom.
Healy, Seamus.
Higgins, Joe.
Kehoe, Paul.
Kenny, Enda.
Lynch, Kathleen.

McGrath, Finian.
McHugh, Paddy.
McManus, Liz.
Mitchell, Gay.
Mitchell, Olivia.
Morgan, Arthur.
Moynihan-Cronin, Breeda.
Naughten, Denis.
Neville, Dan.
Ó Snodaigh, Aengus.
O'Keeffe, Jim.
O'Shea, Brian.
O'Sullivan, Jan.
Pattison, Seamus.
Penrose, Willie.
Quinn, Ruairi.
Rabbitte, Pat.
Ring, Michael.
Ryan, Eamon.
Shortall, Róisín.
Stanton, David.
Timmins, Billy.
Upton, Mary.

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

Question declared carried.

Mr. Kenny: I wish to raise three matters on the Order of Business. Yesterday the Tánaiste was kind enough to clarify matters relating to Carmichael House and confirmed that it would not close. Having spoken to the chief executive officer, I understand there have been no discussions yet with the Department of Community, Rural and Gaeltacht Affairs. Following the Tánaiste's comments the groups are withdrawing the redundancy notices, which I welcome. However, I urge the Tánaiste to consult the Minister for Community, Rural and Gaeltacht Affairs with a view to ensuring that discussion takes place, and to confirm that the extra €150,000 can be made available.

The Taoiseach's website of 27 April 2004 shows 19 Bills to be published, seven of which we have before us. I note there are recommendations to guillotine at least six Bills in the House next week. This does not make for very competent running of the business of the House. The Tánaiste might comment on that.

Third, there is a report in *The Irish Times* today that President Chirac has said he will object to any nominee from this country.

An Ceann Comhairle: That does not arise on the Order of Business.

Mr. Kenny: It is important. Will the Chair give me one minute? President Chirac has said he will object to any nominee from this country as a candidate for the Presidency of the Commission on the basis that Ireland is not in the Schengen area. That is an accident of history and is not as fundamental as the euro zone.

An Ceann Comhairle: The Deputy has made his point. The first two questions are in order.

Mr. Kenny: As the Chair knows, four people from this country have been mentioned — the Taoiseach, former EU Commissioner Sutherland, former Taoiseach John Bruton, and former President of the Council of the European Parliament, Mr. Pat Cox.

An Ceann Comhairle: The Deputy must find another way of raising this matter.

Mr. Kenny: The French President should be contacted regarding his objection to Irish candidates on the basis mentioned, with which I disagree.

The Taoiseach has scheduled statements on the European Council for next week. Can the Tánaiste confirm whether we will have anybody there as an observer or in any other capacity? I understand from reports——

An Ceann Comhairle: There will be questions to the Minister for Foreign Affairs this afternoon.

Mr. Kenny: This is important. I understand the business of the Presidency of the Commission will be dealt with at the NATO summit.

An Ceann Comhairle: The Minister for Foreign Affairs will answer questions this afternoon.

Mr. Kenny: I am not sure of that. Perhaps the Tánaiste would comment.

The Tánaiste: On the last matter, I understand the Taoiseach will attend. I can confirm that later.

Mr. Kenny: At the NATO summit?

The Tánaiste: Yes. He will attend on behalf of the European Union.

On legislation, a number of Bills will be published before the close of the session. Regarding Carmichael House, although it is not a matter for the Order of Business, the Minister of State at the Department of Community, Rural and Gaeltacht Affairs, Deputy Noel Ahern, will contact Carmichael House to arrange a meeting.

Mr. Rabbitte: I refer to the coverage in this morning's newspapers of complaints against the Garda Síochána and the general unhappiness regarding the present model. As Ministers jump the queue and certain legislation gets through and other legislation does not, has the Tánaiste had an opportunity to speak to her colleague the Minister for Justice, Equality and Law Reform about the Garda Bill, which he announced on a dozen different occasions that I can trace, on some occasions giving the impression that it was enacted? Does it stand any chance of being brought back to the House, or is the Minister too preoccupied with the portfolios of other Ministers? Does the Tánaiste believe he might address his own portfolio one of these days?

The Tánaiste: That Bill is being dealt with on Committee Stage in the Seanad. I am not in a position to say when the Seanad will conclude its deliberations on it. I will discuss the matter with the Minister for Justice, Equality and Law Reform.

Mr. Gogarty: Given the schools accommodation crisis being suffered, particularly in developing areas throughout the country, not least in the Tánaiste's constituency which she shares with me, and given the recent INTO report—

An Ceann Comhairle: Does the Deputy have a question on legislation?

Mr. Gogarty: I do.

An Ceann Comhairle: The Deputy should come to the legislation.

Mr. Gogarty: Are there any plans to introduce legislation that would compel developers to provide school lands at no cost to the State?

An Ceann Comhairle: Is legislation promised?

The Tánaiste: I am not aware of any legislation on that matter.

Mr. Allen: Since the Minister for the Environment, Heritage and Local Government is in the House, could he make a statement regarding the disappearance of papers relating to a meeting between the former Minister for the Environment, Deputy Flynn, and the Secretary of the Department on corruption matters?

An Ceann Comhairle: The Deputy should put down a question to the Minister.

Mr. Allen: What is happening in the Department that vital papers can go missing?

An Ceann Comhairle: That does not arise at this stage. There are many other ways in which the Deputy can raise it.

Mr. Gilmore: I understand the mandate for the Commission on Electronic Voting is due to expire on 30 June and that an order is required to renew the mandate of the Commission and continue it in existence. Is such an order being made and when will the House be informed of it?

The Tánaiste: The Deputy is correct. The Minister is in discussions with the Attorney General at the moment. I understand it is likely there will be a new order.

Mr. Stanton: It has come to my attention that people who want to go to England to work with children or to do certain courses must obtain police clearance. That is not possible here at the moment and those people are precluded from pursuing those courses and jobs. The register of persons who are unfit to work with children Bill is urgent. The Taoiseach agreed last year that it was urgent. Will it be introduced soon? When is it due to be introduced?

The Tánaiste: It is not possible to say at this stage when that Bill will be introduced.

Ms Shortall: I have two questions on transport legislation. The driver testing and standards Bill was promised prior to the recess. Will that deadline be met and will the Bill be introduced before the summer recess? The Road Traffic Bill, one of the purposes of which is to underpin the penalty points system and to sort out the mess that has developed in regard to that is urgently needed legislation. It has been published. Can the Tánaiste guarantee that this legislation will be taken before the recess?

The Tánaiste: I cannot give a guarantee. It is the Minister's intention to do so. We had a Cabinet sub-committee meeting yesterday on insurance. There are also a number of other pressing Bills so I cannot give a guarantee on the Road Traffic Bill 2004. The driver testing and standards authority Bill will be published before the close of session.

Ms Shortall: Is the Tánaiste aware that there are legal questions hanging over the penalty points system? Surely it will not be left until October by which time several of those cases could be thrown out because the system is not properly—

An Ceann Comhairle: Deputy Shortall should allow the Tánaiste to answer the question.

The Tánaiste: With the co-operation of the Opposition it might be possible.

**Child Trafficking and Pornography
(Amendment) (No. 2) Bill 2004: First Stage.**

Mr. J. O’Keeffe: I move:

That leave be granted to introduce a Bill entitled an Act to strengthen the protection of children and for that purpose to broaden the definition of sexual exploitation, and to prevent the exploitation of children through internet grooming, and for that purpose to amend the Child Trafficking and Pornography Act 1998.

An Ceann Comhairle: Is the Bill being opposed?

Minister of State at the Department of the Environment, Heritage and Local Government (Mr. N. Ahern): No.

Question put and agreed to.

An Ceann Comhairle: Since this is a Private Members’ Bill, Second Stage must, under Standing Orders, be taken in Private Members’ time.

Mr. J. O’Keeffe: I move: “That the Bill be taken in Private Members’ time.”

Question put and agreed to.

Message from Seanad.

An Ceann Comhairle: Seanad Éireann has passed the Criminal Justice (Joint Investigation Teams) Bill 2003, without amendment.

Message from Select Committee.

An Ceann Comhairle: The Select Committee on Environment and Local Government has completed its consideration of the National Monuments (Amendment) Bill 2004 and has made amendments thereto.

**Residential Tenancies Bill 2003: Order for
Report Stage.**

Minister of State at the Department of the Environment, Heritage and Local Government (Mr. N. Ahern): I move: “That Report Stage be taken now.”

Question put and agreed to.

Residential Tenancies Bill 2003: Report Stage.

An Ceann Comhairle: Amendments Nos. 1 and 158 are related and may be taken together.

Minister of State at the Department of the Environment, Heritage and Local Government (Mr. N. Ahern): I move amendment No. 1:

In page 15, line 18, after “AS” to insert “AN BORD UM THIONÓNTACHTAÍ CÓNAILTHE PRÍOBHÁIDEACHA OR, IN THE ENGLISH LANGUAGE,”.

I accepted two amendments which were made by Deputy Gilmore on Committee Stage, subject to checking the wording. These amendments are very similar but are in my own name with a slight change. Deputy Gilmore’s point is now included.

Mr. Gilmore: I welcome this amendment although I cannot find the correction. I am not sure there is one. I would like to think that the form of Irish I used on Committee Stage is correct.

Mr. N. Ahern: I am sure the Deputy’s Irish is better than mine. I was told that there is a very slight modification of the wording used by the Deputy. The point he made is accepted.

Mr. Gilmore: It is probably my Connacht Irish.

Amendment agreed to.

Mr. Gilmore: I move amendment No. 2:

In page 15, line 31, after “on” to insert the following:

“the day of its passing save insofar as it involves a charge or a potential charge on public funds, in which case it shall to that extent come into operation on”.

This is an important amendment as stated by my party leader on the Order of Business. The Bill to provide some minimal rights for tenants in the private rented sector has been in gestation since 1999. The commission on the private rented sector recommended that there should be legislation along the lines of what is provided for in this Bill. We waited a long time for the legislation to be published in the first place. The Bill was not published until May 2003, four years after the publication of the report on the private rented sector. Throughout that period we were repeatedly told that the drafting of the Bill was complicated and that there were all kinds of legal issues involved in it. While the Bill is comprehensive and lengthy, it does not appear to me that such legal issues were as complicated as we were led to believe.

The reality is that granting rights to 150,000 tenants in the private rented sector was not a priority for Government. That has been confirmed by the manner in which the Government has handled the Bill since its publication. There was no Second Stage debate until the autumn, Committee Stage took place after Christmas and we are now only starting Report Stage. It is obvious that the Government is dragging its feet in giving rights to tenants. It has made a conscious decision to place itself on the side of landlords and to delay this for as long as possible.

There is a further delay built into the legislation. It states that, under section 2, the Act should “come into operation on such day or days

[Mr. Gilmore.]

as the Minister may appoint by order or orders either generally or with reference to any particular purpose or provision and different days may be so appointed for different purposes or different provisions". At a later stage in the Bill, it is quite clear that provisions relating to the Private Residential Tenancies Board cannot come into operation until that board has put in place the new system of registration. We do not know how up to date the board is with that system. Even though this Bill may be enacted, tenants may have to wait a considerable time for its provisions to come into operation.

I propose in my amendment that the rights which this Bill gives to tenants should come into operation immediately on enactment of the Bill. I accept that there are administrative arrangements that must be put in place, particularly for the Private Residential Tenancies Board. It may take time for that to happen and that the commencement orders may take a little time. At the very least, the right that the Bill grants to tenants, such as the right to a four-year tenancy, should come into operation immediately once the Bill is enacted. If the Private Residential Tenancies Board is not established or the administrative arrangements are not yet in place, there may be some gap in time between the tenant acquiring the right and being able to assert it before the board. We have been a long time waiting for this legislation and many tenants have been evicted since the commission on the private rented tenancies board reported.

We are now in a situation where there will be two standards on rents. This Bill provides a regime whereby the initial rent will be the market rent and only one increase in rent per year will be allowed. If a tenant believes that the rent is in excess of the market rent, he or she can go to the Private Residential Tenancies Board and seek to have the rent reduced. That is one set of circumstances.

Unfortunately, the Minister for Social and Family Affairs has introduced a different regime for rent allowances. She has put a cap on rent allowances which is related to the limits which applied in health boards two years ago. She has also introduced a regulation under which if the rent exceeds the cap set by the health board, the tenant may lose the rent allowance entirely.

We have two standards or State regulations on private rents which will operate in parallel. One will provide that, under this legislation, the rate should be the market rent. The other will provide that, under the rent allowance regulations, rents should be linked to limits that applied two years ago.

Perhaps I might give a practical example. If a tenant has been denied rent allowance because his or her landlord increased the rent beyond the limit set by the health board, that person could lose the rent allowance or be denied an increase. If this legislation were enacted and came into operation immediately, that tenant could at least

go to the residential tenancies board and argue that the rent set by the landlord was in excess of the market norm. I have several such cases in my constituency where, since the new regulations for rent allowances came in, I believe landlords have increased the rent to beyond the market rent. In some cases tenants with several years' tenancy have no way of having their rent re-examined with reference to the market. However, they would be able to do so if this Act came into operation immediately.

The amendment that I propose is that the provisions of the Act, other than those which require financial or other resources for their operation, should come into effect immediately. Where tenants have either lost or are at risk of losing their rent allowance, they could at least use the provisions of this Act to establish that their rents were now in excess of the market norm. This amendment is important. We divided on this amendment on Committee Stage, something that emphasises the importance that we attach to it. We have been waiting for a long time for legislation to give some rights to tenants. They cannot wait any longer. While they have been waiting a long time for the legislation to be enacted, it is unreasonable that they should have to wait for a further period thereafter until the Minister gets around to making an order bringing it into operation.

Mr. Allen: This Report Stage is being taken against the backdrop of the rental sector increasing from about 8% of all households in the 1990s to 12% today. It is climbing because of the Government's appalling record on housing. Since 1997, house prices have trebled. We have over 100,000 people on local authority waiting lists. We have an insufficient supply to meet the appalling level of demand because people are being forced either onto the local authority waiting list or into the private rented sector, which remains fairly unregulated. This amendment is important in that context.

The Government has dillied and dallied for four years in the making and one year in the passing of this Bill, which first came before the Dáil in June 2003. We are still at it and are now dealing with Report Stage in a piecemeal fashion. Next week it will be guillotined because we will not be able to deal with all the important amendments, of which there are many.

In the meantime, the Government, with all the houses being built and all the people trying to buy, has abolished the first-time buyer's grant and increased the tax take from each house to about 45% of its price. In other words, on a €300,000 house, the Government is getting between €130,000 and €140,000 in tax. There is stamp duty and there have been VAT increases. At the same time, the Government has abolished the first-time buyer's grant. It is therefore no wonder that the private rented sector has increased from 8% to 12% and will continue to grow.

Housing poverty is an issue. Like Deputy Gilmore, I come across examples of it every week at my clinics where people are being forced out and have to vacate their rented accommodation within the month because the landlord wishes to refurbish the property. They are being told on the other hand that, owing to Government actions, they must get out because the house they are renting is too big for the size of their family and their rent allowance will therefore be reduced. People are caught in a terrible dilemma. They cannot buy and find themselves unprotected in their agreements with their landlords. On the other hand, some are being squeezed by health boards. Of those living in the rented sector, at least one third are in receipt of supplementary welfare allowance and live in the poorest-quality Victorian-style accommodation, with Victorian-style agreements with landlords.

Recently I tabled a question to the Minister, the answer to which set alarm bells ringing. I asked the Minister if he had contact with local authorities regarding landlords complying with regulations on the registration of rented dwellings and if the number of houses registered as rented dwellings with local authorities was in line with the number established by the last census. The response was both interesting and alarming. The registration regulations as operated by the Minister's local authorities are a disgrace.

Local authorities are not complying with the regulations or ensuring that rented dwellings are being registered. Neither are they doing anything about hunting those who continue to offer Dickensian accommodation at the highest possible rents, thereby sucking funding out of the health boards and the Department of Social and Family Affairs for appalling accommodation. Local authorities stand idly by. There are 26,982 units registered by 17,445 landlords with local authorities. According to the 2002 census, there were over 141,459 private rented dwellings in the State. As Deputy Rabbitte said on the Order of Business, the rate of registration by landlords with local authorities is less than 20%. Local authorities have been doing very little about that.

The alarming aspect was in the next paragraph of the Minister's response, where he said he would be abolishing the 1996 registration regulations. I am now coming to the very point of the amendment. When the Residential Tenancies Bill 2003 is enacted, the 1996 registration regulations will be repealed and landlords will be required to register details of their tenancies with a private residential tenancies board. Is the Minister of State really serious about what he is saying? Does he expect a centralised board to ensure that dwellings are registered when local authorities in every part of the country are attaining a success rate of less than 20%? Is he merely throwing the floodgates open?

I acknowledge that he says that, if there is a dispute between a landlord and a tenant, the landlord will be unable to enjoy the privilege of going to the residential tenancies board to adjudi-

cate on it and that there will be penalties if he or she does not register. However, the penalties provide for a fine of up to €3,000 or imprisonment for a term of up to six months. In all seriousness, does the Minister of State believe that the centralised residential tenancies board will be able to take a firm hand in the case of unregistered accommodation? I do not believe that and will oppose the abolition of the 1996 registration regulations. The Minister of State should beef it up along with other areas of enforcement in local authorities. He should give them the resources to police the violation or contravention of planning laws and enforce the registration regulations.

On Mr. Gilmore's point, the registration regulations are to be abolished, but when is the residential tenancies board to be set up? No firm date has been given. Is there to be a free for all in the area of quality of accommodation and as regards conditions to be imposed on tenants? This amendment is important and should be accepted.

Mr. Morgan: I support the amendment. Unfortunately, because I am not a member of the Joint Committee on Environment, Heritage and Local Government, I was not in a position to move amendments on Committee Stage. I say this because there was some criticism in the media of my party in the run-up to the election by a Deputy who stated in critical terms that Sinn Féin had not even attempted to amend this Bill. I have a number of important amendments here. I intend to address these briefly in an effort to try to get through as many of them as possible before this legislation is guillotined next week.

In general terms I support the thrust of what the two previous speakers have said. We can pass all the legislation we like, but if the Government chooses not to implement it, then we will have been wasting our time. The track record of the current Government speaks for itself. It has been deplorable in every aspect of housing. I hope this legislation — in an improved form on acceptance of a number of these amendments — will go same way towards alleviating the situation.

Mr. N. Ahern: I accept this Bill has been a long time in gestation. Even since it was introduced in the House, matters have been slow. That was for a number of reasons. A large number of people wanted to speak on it and the fact that it was a big Bill meant that we lost our place in the queue from time to time because of urgent legislation from one Department or other — or legislation that had to be passed within a legal time limit.

However, section 2 is a standard commencement section such as we have in every Bill passed. It allows for the practical reality that it takes time for matters to be dealt with which can only be dealt with when the legislation is passed. There has to be an organised and strategic way for the board to do its business. The first thing to be done is to establish a board and have its members

[Mr. N. Ahern.]

formally and legally appointed. An *ad hoc* board has been in place for some months, but the board has to be formally set up. The board will first concentrate on registration which is the database that will enable it to deal with so many other matters. It will not be able to handle or deal with complaints in an organised way until the registrations database is set up.

The Bill has been a long time coming — three years or so from the time the commission sat. I am as anxious as everyone else here to get this up and running. I do not envisage any further delay once we get it through the Oireachtas. However, everything cannot be done on day one, much as we would like that to happen. Once the board is appointed and starts working on the registrations, I can see Part 4, which deals with security of tenure being dealt with within a couple of weeks. I hope all sections of the legislation will be fully in operation within four or five months. We have to approach matters in an organised way.

I do not want to spend the day talking about our housing record. If I was allowed to talk for an hour on that, I could. We will spend something like €1.88 billion this year. Some 5,000 local authority houses are being built and 1,700 voluntary houses. Admittedly there are people on the waiting lists. As we take people off the lists they are replaced by others, but the entire philosophy and policy of the Government is to encourage supply in the overall market. With 68,000 houses built last year, that has helped, and it has helped enormously in the rental market. I hear what Deputy Gilmore is saying about people on rent allowances which may or may not apply in his own constituency. However, in other parts of the Greater Dublin area, we are getting complaints that in many cases rent allowance guides are higher than the market rent, which is somewhat crazy. That relates more to full houses. The guidelines can appear to be tight for the single person and the situation can look totally different as regards the three-bedroom semi category.

I have heard anecdotally that in west Dublin, for example, while the market rent might be €950 a month, a rent allowance person can pay up to €1,100 or €1,200. If that is refused the tenant can win his or her case under the appeal system. As regards the rules and regulations the Minister for Social and Family Affairs, Deputy Coughlan, has introduced in recent years, it could be argued that instead of freezing rent allowances, there was a case for her to reduce them, in line with trends in the property market. When rents were going up we had to raise the allowances sharply and frequently. Equally, if rents are coming down — which everyone agrees they are in the private world — maybe she should have followed suit.

On Deputy Allen's point, I despair of local authorities in some ways, going back to my time on them. I remember when Deputy Gilmore's colleague, Deputy McManus was the Minister of State in charge of housing in the mid-1990s when

the regulations about registration at local authority level were brought in. As a local authority member I recall welcoming this initiative as a fantastic new source of revenue for the council, equivalent to £40 a head. It was a question of getting people to register.

Mr. Allen: It was not set up to raise money. It was set up to protect the tenants.

Mr. N. Ahern: There was money to be made on it, but I agree the figures are appalling. If one analyses them in more depth, some counties and local authorities are better than others. The one of which I was a member is not the worst by any means. It might not be that pro-active, but at least it reacts to complaints received. I have seen figures for one large tourism county where, I am told, only one or two houses are rented. That is a joke. We all know it is a joke. The landlords did not co-operate and there was threatened or actual litigation over the years. Some local authorities might have given up on the job.

There are two sides to the equation. That is why we are opting for the board where a carrot-and-stick approach will be taken. It will be up to the centralised board to work on its database and registrations. Presumably, if all these protections are being given to tenants, landlords will not necessarily reform overnight. There are bound to be a few disputes, both ways. There will be a legal compulsion on landlords now to register. That is why we have attempted to take a balanced approach to many of the issues in the Bill. We have tried not to go too far in one direction. We believe we have both sides on board, which is difficult to achieve.

I hope landlords will register but measures are being put in place to deal with them if they do not. If tenants have grievances about rent, conditions or anything else, they will go to the board. Landlords, who will be compelled to attend, will be found out and caught at that stage.

I assure the House that this amendment is a standard procedure. It is intended to implement the various parts of the Bill as quickly as possible. Many of its key elements will be implemented within a month or six weeks and the entire Bill should be implemented within four or five months. This is a standard provision.

Mr. Gilmore: Deputy Morgan's comments were based on remarks made by me about Sinn Féin's failure to table amendments to the Bill on Committee Stage. My remarks were made in the context of my general expression of surprise and disappointment at the performance of Sinn Féin Deputies on issues that affect the people.

Mr. Morgan: We could not table amendments.

Mr. Gilmore: I wish to deal with this issue because it was raised by Deputy Morgan.

Mr. Morgan: The Deputies knows that is true.

Mr. Gilmore: I did not intend to discuss the matter today. I had not planned to cross swords with Deputy Morgan in this way but I will respond to his comments. It is not the case that Deputies who are not members of a select committee cannot find a way to table amendments. Deputy Fiona O'Malley, who is a constituency colleague of mine, is not a member of the committee in question. She succeeded in tabling amendments on Committee Stage even though she sits on the Government side of the House. It is not the case that amendments cannot be tabled.

Deputy Morgan attends meetings of the committee on a regular basis and I usually appreciate his contributions. He is aware that I often agree with his arguments. I was disappointed by Sinn Féin's performance during most of the Committee Stage debate on the Residential Tenancies Bill which affects 150,000 tenants in private rented accommodation. I refer to people who are experiencing the worst housing poverty and a great deal of disadvantage and exploitation. I stand over my criticism of Sinn Féin Deputies for not being present for most of the Committee Stage debate.

A great deal of work has to be done by Members of the Dáil in the committees of the House. We have to roll up our sleeves and argue the case for those we represent. Such work often receives no coverage because it is done in the absence of media personnel in the gallery. It may be the subject of little excitement and may not attract photo opportunities. Deputies who are elected have to do such mundane day-to-day work on behalf of those they represent.

Mr. Morgan: We all do it.

Mr. Gilmore: I repeat that I am disappointed. The ESRI report, which was published recently, established that private rental tenants are experiencing the worst housing poverty in this country. They are being exploited. They have been waiting for almost five years for legislation that will give them basic rights. Deputy Allen and I spent a great deal of time arguing about the detail of the Bill on Committee Stage. We discussed the rights of tenants and other issues with the Minister of State. Deputy Morgan may have made two cameo appearances during the debate. He may have understood that he was not entitled to table amendments.

Mr. Morgan: I was not entitled to table amendments.

Mr. Gilmore: I repeat that I was disappointed. When sleeves needed to be rolled up and work needed to be done on behalf of tenants who are being exploited, the Sinn Féin Deputies were not to be seen.

Mr. Morgan: The problem mentioned by Deputy Gilmore will no longer exist after the next general election because Sinn Féin will have

enough Deputies to cover all committees. I am looking forward to that day. I support this amendment as I have supported other amendments across party lines on many occasions, like other Deputies. It is disappointing that I cannot table amendments on Committee Stage because I am not a member of the relevant select committee. I tend not to copy amendments and I have not done so on this occasion. It is difficult for Sinn Féin to have a representative at all meetings because it has just five Deputies. After the next general election, it will have enough Deputies to cover all committees and all other business on a full-time basis rather than juggling as we currently do, and I look forward to that. I support amendment No. 2.

Mr. N. Ahern: I confirm that we discussed this matter for many hours on Committee Stage. I appreciate the work being done by all Deputies. I will not get involved in a spat between Members on the Opposition side. The procedure under discussion is a standard one. When the Bill is passed, sections 7 and 8 will be enacted to provide for the establishment of the board. Section 1, which relates to interpretation, will be enacted almost immediately.

We will move on by concentrating quickly on implementing the registration provisions which provide a fundamental platform for adjudication. The board will not be able to resolve disputes between landlords and tenants until registration information is available to it. The registration database is the platform on which everything else will be done. It will be one of the first things to be done.

The Part 4 arrangements, which relate to security of tenure, will be put in place within a couple of weeks and the other sections will be implemented quickly thereafter. I expect the vast bulk of the Bill to be implemented within four or five months. On that basis, I hope Deputy Gilmore will not pursue this amendment. This section of the Bill provides for a standard procedure. There will not be any further delays. I recognise that we could have passed the Bill more quickly but there were a number of reasons for the delay.

Mr. Gilmore: I wish I could accept the Minister of State's statement that there will be no further delays. Our experience in respect of this Bill has been notable by the level of delay. Such delays would not have happened if legislation had been promised to any other section of Irish society. Would farmers have to wait for five years for the enactment of legislation relating to an agricultural matter? Would such legislation include a provision stating that they might have to wait for a further four or five months after it has been enacted? The Minister of State has said that we may have to wait for some months before it is all put in place. Would trade union members have to wait for five years for legislation relating to something that had been negotiated in the part-

[Mr. Gilmore.]
nership programme? The commercial interests which are eyeing up our airports have not had to wait five years for the introduction of legislation on the break-up of Aer Rianta.

Mr. N. Ahern: The Deputy should ask them. They might say they have been waiting 25 years.

Mr. Allen: We have a new caring Government.

Mr. Gilmore: I wish to refer to the ESRI's recent report on housing poverty. It was compiled by Dr. Tony Fahey who has done excellent work over the years to analyse the housing market and, in particular, the levels of housing poverty. The report showed that those suffering the worst housing poverty and who are worst affected by the housing crisis are tenants in private rented accommodation. For five years those tenants have been living on a promise of legislation to provide them with what will be very minimal rights. While the Bill contains many flaws at least it will represent an improvement for tenants.

The Bill was delayed in publication and has been delayed on each Stage in the House. We have waited since February for Report Stage to be taken. On the day when Report Stage is taken, half of the time originally allocated has been hived off for the Government's latest pet project, which will ultimately lead to the privatisation of the country's airports. Every time we get to discuss legal rights for tenants, the Government makes us wait. The response of the Minister of State today is not that the tenants will get these rights when the legislation is passed, but they might have to wait a further four to five months

for all of the provisions in the Bill to become operational by way of ministerial order.

The Minister of State told us there would be no delay. There already has been a five-year delay in publishing the Bill and a five-month delay between completion of Committee Stage and the taking of Report Stage. With 150,000 tenants, many of whom are in poverty and with no legal protection, I am not prepared to accept further delay on their behalf. To echo Mr. de Valera who once said the Labour Party must wait, we have a new version that tenants must wait. Tenants cannot wait any longer for legal rights that are overdue.

The Minister of State stated that in some cases the market rents are less than the limits allowable for rent allowance. I agree and this is precisely the point I have been making. There is no point in that being the case if tenants cannot assert it. What happens to a tenant who is not paying the market rent or whose landlord is clearly charging more than the market rent? While it can be suggested that the tenant could move elsewhere, we are talking about people's homes. People may have children in school in the locality or other family commitments. They cannot simply up and go. The purpose of the legislation was to provide security of tenure for tenants and some kind of decent regime in the assessment of their rents.

We have waited long enough for this legislation. Tenants should not have to wait any longer for the legal rights they are due. On their behalf I am not prepared to wait for a further number of months at the pleasure of the Minister of State until he decides to make these provisions operational. The Government has shown no urgency in bringing this legislation to completion.

Amendment put.

The Dáil divided: Tá, 41; Níl, 56.

Tá

Allen, Bernard.
Breen, Pat.
Broughan, Thomas P.
Bruton, Richard.
Burton, Joan.
Connaughton, Paul.
Coveney, Simon.
Crowe, Seán.
Cuffe, Ciarán.
Deasy, John.
Deenihan, Jimmy.
Durkan, Bernard J.
English, Damien.
Gilmore, Eamon.
Gogarty, Paul.
Gormley, John.
Gregory, Tony.
Harkin, Marian.
Hayes, Tom.
Kehoe, Paul.
Lynch, Kathleen.

McGinley, Dinny.
McGrath, Finian.
McHugh, Paddy.
McManus, Liz.
Mitchell, Olivia.
Morgan, Arthur.
Murphy, Gerard.
Naughten, Denis.
Neville, Dan.
Ó Snodaigh, Aengus.
O'Shea, Brian.
O'Sullivan, Jan.
Pattison, Seamus.
Penrose, Willie.
Rabbitte, Pat.
Ring, Michael.
Shortall, Róisín.
Stanton, David.
Timmins, Billy.
Upton, Mary.

Níl

Ahern, Noel.
Ardagh, Seán.
Aylward, Liam.

Blaney, Niall.
Brady, Johnny.
Brady, Martin.

Níl—*continued*

Callanan, Joe.
 Callely, Ivor.
 Carey, Pat.
 Carty, John.
 Cassidy, Donie.
 Coughlan, Mary.
 Cregan, John.
 Cullen, Martin.
 Davern, Noel.
 de Valera, Síle.
 Dempsey, Tony.
 Devins, Jimmy.
 Ellis, John.
 Finneran, Michael.
 Fitzpatrick, Dermot.
 Fleming, Seán.
 Grealish, Noel.
 Hanafin, Mary.
 Haughey, Seán.
 Hoctor, Máire.
 Jacob, Joe.
 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 Fearghaíl, Seán.
 O'Connor, Charlie.
 O'Dea, Willie.
 O'Donnell, Liz.
 O'Donoghue, John.
 O'Keefe, Batt.
 O'Malley, Fiona.
 Parlon, Tom.
 Power, Peter.
 Roche, Dick.
 Sexton, Mae.
 Smith, Brendan.
 Smith, Michael.
 Treacy, Noel.
 Wallace, Dan.
 Wilkinson, Ollie.

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

Amendment declared lost.

Amendment No. 3 not moved.

An Ceann Comhairle: Amendment No. 4 is in the name of the Minister of State. Amendments Nos. 5 to 7, inclusive, and amendment No. 12 are related. It is proposed to take amendments Nos. 4 to 7, inclusive, and amendment No. 12 together.

Mr. N. Ahern: I move amendment No. 4:

In page 16, lines 19 to 21, to delete all words from and including “a” where it secondly occurs in line 19 down to and including “1980” in line 21 and substitute the following:

“acquire, under Part II of the Landlord and Tenant (Ground Rents) No. 2 Act 1978, the fee simple”.

These amendments are linked. Basically, we are taking on board some of the amendments proposed on Committee Stage.

On amendments Nos. 4 to 12, the first of these amendments excludes from the scope of the Bill persons who are entitled to acquire the fee simple interest to their dwellings in section 3(2)(d). The second amendment relates to the exclusion of public authority accommodation. These are issues that were discussed on Committee Stage. The amendment also extends the definition of “public authority” to include an explicit reference to the Commissioners of Public Works. As I mentioned earlier, it has been proposed at the request of the Chief State Solicitor’s office which acts for the OPW. It specifically asked that the OPW be mentioned in this section.

Mr. Allen: The purpose of my amendment No. 5 is to ensure that this Act will not apply to

properties where the occupier of a property is entitled to a fee simple which, in plain terms, is absolute ownership. That is the reason I tabled this amendment.

Mr. Gilmore: Is amendment No. 3 included in this grouping?

An Leas-Ceann Comhairle: Amendment No. 3 is out of order as it involves a charge on the Exchequer. Amendments Nos. 4 to 7, inclusive, and 12 are being taken together.

Mr. Gilmore: Amendment No. 3, which was in order, proposed to delete the words, “a dwelling let by or to a public authority”, from the list of exclusions. The Minister of State said he would exclude dwellings that were let by a public authority. People do rent dwellings from their employers such as the Office of Public Works, the Department of Defence and health boards. There are even cases where people rent dwellings from local authorities that are not covered under the Housing Act. To all intents and purposes, these fall into the private rented dwellings category but the landlord is a public body. Under the terms of the Bill, they would not enjoy the protection of the legislation. Instead, they would find themselves marooned between the Housing Act, of which they will not enjoy any protection, and this Bill, which would not define them as tenants. People who rent from public authorities other than local authorities under the Housing Act, will therefore find themselves with no rights at all. Will the Minister of State clarify if these cases are included in the Bill? I understood that these amendments intended to bring them within the scope of the legislation.

Mr. Morgan: What are the implications of amendment No. 4 on the ground rents and fee simple issue?

Mr. Allen: With your permission, a Leas-Cheann Comhairle, I wish to speak to amendment No. 7. Amendment No. 7 seeks to ensure that the Bill does not apply to the properties in which the landlord also resides. It is designed to tighten up the drafting of the Bill and give certainty to the Minister of State's intention. I ask him to accept this amendment.

Mr. N. Ahern: On Committee State, Deputy Gilmore asked for a reconsideration of some of the exclusions from the scope of the Bill deriving from the definition of public authority. Many Departments and State agencies were subsequently contacted and much information was gathered on the issue. In such cases, tenants were in receipt of more favourable terms of rent and security of tenure than would apply under the provisions of the Bill. As such, it was felt to be inappropriate to enforce their inclusion.

This Bill seeks to regulate the private rented sector, as defined in section 152(4) as, "the sector of commercial activity in the State consisting of the letting of dwellings". The exclusion of non-commercial dwellings where the tenant receives more favourable treatment from a public sector landlord, and the strict criteria governing eligibility to occupy such accommodation, are entirely appropriate. It is also necessary to exclude accommodation to which the State Property Act 1954 applies. Unless I receive a specific request from a State body for inclusion within the Bill, I do not consider an amendment to include such accommodation to be warranted.

The Office of Public Works lately requested that the definition of public authority be amended in section 4 to include a specific reference to the Commissioners of Public Works. This was to put beyond doubt that the Bill did not apply to accommodation owned by them. In cases of employment-related accommodation, the terms and conditions for the tenants are much more favourable than what the Bill proposes.

I accept the substance of Deputy Allen's amendment No. 5 that deals with the issue of fee simple. Amendment No. 4, therefore, proposes to exclude dwellings occupied by persons entitled to acquire the fee simple interest. The new provision is in substitution for the reference to reversionary leaseholders.

I do not accept the proposal in amendment No. 7 to exclude accommodation where the landlord resides in the building. Section 25 contains a provision enabling a landlord of a rented unit in a building that originally consisted of one dwelling and was converted in two units to bring the letting outside of the application of Part 4 where the landlord resides in the other unit. This is an adequate exemption. The effect of Deputy Allen's amendment would be to exclude from all provisions all rented units in an apartment block

where a landlord resides in the same block. The same block could contain both rented and privately-owned units.

Mr. Allen: Point taken.

Mr. Morgan: Regarding amendment No. 6, the legislation will only affect tenancies of six months or longer. However, is there a definition for "holiday" in the Bill? For example, on the west coast, many tenants rent holiday homes over the winter but are told to get out when the holiday season arrives. This could be resolved if the period was reduced from six months to three.

Mr. N. Ahern: I do not accept that as the Bill applies to the private rented sector and not the holiday home industry. The Bill is inappropriate to the occupation of a dwelling for the purpose of a holiday. There is no established need for the provisions of this Bill to apply to holiday lettings. A normal holiday period is two to four weeks and a holiday home is a place where one goes away from one's normal place of residence. If someone living in a house in, for example, Carlingford, for six months, rents it out as a holiday home during the holiday season, it still remains his or her main place of residence. As it is not technically a holiday home, the provisions of the Bill apply. If an individual was renting a holiday home for nine months, he or she would have the right to a four-year lease.

Mr. Morgan: I accept that explanation. I am glad it is on the record. However, could we put that definition in the legislation?

Mr. N. Ahern: The explanation stands to reason.

Amendment agreed to.

Amendments Nos. 5 to 7, inclusive, not moved.

An Leas-Cheann Comhairle: Amendments Nos. 8 and 11 are related and may be discussed together.

Mr. Allen: I move amendment No. 8:

In page 16, between lines 35 and 36, to insert the following:

"(3) For the avoidance of doubt, a 'bedsit' shall constitute a dwelling under this Act."

Though this is essentially a technical amendment it is vital that we clarify this point regarding a bedsit constituting a dwelling. It should be made clear whether this Bill covers bedsits. Many people in Dublin city and across the country occupy what have become commonly known as bedsits and these people ought to be afforded the same level of protection under the Act as any other tenant. This amendment will copperfasten these people's rights under the Residential Tenancies Act when it becomes law.

Mr. Gilmore: I agree with Deputy Allen's point. We had a debate on this matter on Committee Stage, when the Minister undertook to consider the arguments we made with a view to addressing them on Report Stage. I cannot find a ministerial amendment which addresses this point, so I hope he will accept either Deputy Allen's formula or the one I proposed.

The basic point is valid. Many people live in what are commonly called bedsits which to all intents and purposes are self contained, but which often share bathrooms or kitchens with other bedsits in the same building. It is important that people in such accommodation are covered by the legislation. I had hoped the Minister would have his own amendment arising from the discussion on Committee Stage but cannot find it on the list. Perhaps I have simply not spotted it. If there is no such amendment from the Minister, I propose he accept either of the two amendments I and Deputy Allen tabled.

Mr. N. Ahern: We were happy with the way the Bill was originally worded but as people had expressed some concern, on Committee Stage we inserted an amendment which I thought resolved the matter. Consequently these two amendments are superfluous. The definition of dwelling in section 4(1) refers to a self-contained residential unit. That in turn is defined as including bedsit accommodation.

Mr. Gilmore: So bedsits are in?

Mr. N. Ahern: Yes. They were always in but on foot of an amendment on Committee Stage they are now specifically included. The definition of dwelling now refers to a self-contained residential unit rather than house-share, so to speak. That in turn is defined as including bedsit accommodation. That was covered by the amendment we tabled.

Mr. Allen: Where is the reference?

Mr. N. Ahern: It is in section 4(1). We clarified the issue on Committee Stage and it is quite clear.

Amendment, by leave, withdrawn.

Acting Chairman (Mr. Carey): Amendments Nos. 9, 10, 153, 154, 164 and 165 may be taken together by agreement.

Mr. N. Ahern: I move amendment No. 9:

In page 16, between lines 40 and 41, to insert the following:

“‘child’ includes a person who is no longer a minor and cognate words shall be construed accordingly;”.

On Committee Stage we discussed the definition of “child” and whether it should include “adult

offspring”. The first of these technical amendments inserts a definition of “child” into the interpretation section. The effect of this is to provide that the term “child” unless the context otherwise requires, includes an adult offspring. The term “child” is used in the definition of “family member” in section 35 and also in amendment No. 76, which I propose as an amendment to section 39, to enable a Part 4 tenancy to continue in the case of a family where the family member who is the sole tenant dies. We had an in-depth discussion on this. In both cases the term refers to adult children of the tenant.

The remaining four amendments listed are all technical, relating to the citation of the Companies Act. Some of those amendments relate to the issues raised by Deputy Gilmore. A further Companies Act was enacted at the end of 2003 so the phraseology now relates to the Companies Acts 1963 to 2003 rather than to 2001. We have tried to deal with the issues raised on Committee Stage and I trust Deputy Gilmore considers that sufficient.

Amendment agreed to.

Mr. N. Ahern: I move amendment No. 10:

In page 16, line 42, to delete “2001” and substitute “2003”.

Amendment agreed to.

Amendment No. 11 not moved.

Mr. N. Ahern: I move amendment No. 12:

In page 17, between lines 34 and 35, to insert the following:

“(b) the Commissioners of Public Works in Ireland,”.

Amendment agreed to.

Acting Chairman: Amendments Nos. 13 to 16, inclusive, may be taken together by agreement.

Mr. N. Ahern: I move amendment No. 13:

In page 18, line 29, before “in” to insert “(whether in the singular or plural form)”.

These grouped amendments are technical amendments to include references to the apartment complex provisions which were notified on Committee Stage.

Amendment agreed to.

Mr. N. Ahern: I move amendment No. 14:

In page 18, between lines 29 and 30, to insert the following:

“(a) the second of the references in section 12(1)(h),”.

Amendment agreed to.

Mr. N. Ahern: I move amendment No. 15:

In page 18, line 37, to delete “*section 25.*” and substitute “*section 25, and*”.

Amendment agreed to.

Mr. N. Ahern: I move amendment No. 16:

In page 18, between lines 37 and 38, to insert the following:

“(d) the second of the references in *sections 136(h), 187(1) and 188(1).*”.

Amendment agreed to.

Mr. N. Ahern: I move amendment No. 17:

In page 19, between lines 27 and 28, to insert the following:

“(3) Subject to *subsection (4)*, in this Act ‘costs’, in relation to a matter being dealt with by the Board, a mediator, an adjudicator or the Tribunal or a determination or direction made or given by it or him or her, does not include—

(a) legal costs or expenses, or

(b) costs or expenses of any other professional kind or of employing any person with technical expertise that are connected wholly or mainly with the provision of evidence for, or the presentation of one or more issues at, the proceedings.

(4) Despite *subsection (3)*, the Board or, with the consent of the Board, a mediator, an adjudicator or the Tribunal may if, in its or his or her opinion the exceptional circumstances of the matter so warrant, determine that any element of costs the subject of a determination or direction made or given by it or him or her shall include costs referred to in *paragraph (a) or (b) of that subsection.*”.

The amendment inserts two new subsections into section 5 to define “costs”, as referred to in different sections dealing with disputes, that may be referred to the board and the redress that may be included in the board’s determination order to exclude generally professional and legal representation costs. We are trying to exclude legal advisers and the resultant costs. We hope that the operation of the board will not result in tenants or landlords going in with a gaggle of legal representatives

Subsection (4) allows for the award of legal and professional costs incurred in dispute resolution proceedings where the board considers that exceptional circumstances apply. The intention, however, is that legal costs would not normally be awarded by the board because the practice of routinely awarding costs would likely result in an undesirable outcome of parties automatically

using legal representatives. We want to exclude it except where the board considers the matter exceptional and allows it for whatever reasons. If we do otherwise, the whole system will be too legalistic from day one.

Mr. Gilmore: I agree with the general objective that the board should operate without recourse to huge legal costs. Looking at similar boards, we can see that was always the original intention. When the Employment Appeals Tribunal was established, one rarely found legal representatives appearing before it. In the course of time, however, particularly as cases were appealed from the tribunal into the courts, it became more common. Now legal representatives of both employers and employees regularly appear before the Employment Appeals Tribunal. The intention is that people will appear individually before the board but we can expect in the course of time that, as issues end up being appealed in the courts, lawyers will start appearing at the board.

I am also concerned that there are provisions elsewhere in the Bill under which the board, in certain circumstances, can award costs against a tenant but there is no provision to award costs to a tenant.

Mr. N. Ahern: The board has extensive powers but we are trying to exclude the awarding of costs. I hear the argument about what might happen over time but subsection (4) allows for the awarding of legal and professional costs where the board considers that exceptional circumstances apply. It may be that in time the board takes a more lenient approach and there are many exceptional circumstances but it must have the power to award costs. That practice may become more common but we hope it will not. This amendment is necessary to lay down what we hope will apply.

The Deputy is talking about section 115 of the Bill. It will make clear that a determination ordered by the board may award costs as well as damages to any of the parties to a dispute. “Damages” means compensation in money for a non-monetary loss suffered by a person as distinct from costs incurred. The absence of a reference to costs was inconsistent but later amendments to section 115 will clarify the points raised by the Deputy. We are giving the board the authority to award legal costs in special circumstances but we hope they will not arise too often.

Amendment agreed to.

Mr. Allen: I move amendment No. 18:

In page 19, line 36, after “by” where it secondly occurs to insert “registered”.

This is a sensible amendment to address the delivery of notices and I hope the Minister of State will accept it. Post sent to a multiple unit building can go astray and might never reach the person

it is intended to reach. By insisting notices are sent by registered post, there is a safeguard for the recipient of the communication.

Mr. N. Ahern: We discussed this on Committee Stage and my attitude has not changed. This may have been a good idea 20 years ago but the use of registered post for service of notices has changed in recent legislation because it is unsatisfactory. If the addressee is not at home to accept delivery, the postman will leave a note to inform that person to contact the main office. If he does not want to get the registered letter, he will avoid it. Registered post is fine in theory but not in practice. People will not go to the main office to collect a letter they know they do not want. It has turned around from what was intended and people are using this device.

Mr. Allen: How do they know what they are getting until they get it?

Mr. N. Ahern: They know. The use of registered post for service of notices has been deliberately excluded from much recent legislation because it does not work.

Mr. Allen: Whoever is excluding it is out of touch with the reality because people who say they have sent a communication can be contradicted by the person who was supposed to receive it. Whom do we believe? This offers a level of protection for the intended recipient. It is a minor amendment but it is fundamental to the realities of life. I had assumed the Minister of State would accept this.

Mr. N. Ahern: We discussed it on Committee Stage and, if I thought it was meaningful, I would accept the amendment. We have considered the issue and we must have regard for what is happening generally. The use of registered post for service of notices has been deliberately excluded from the Bill and other recent legislation on the grounds that it does not work satisfactorily. If the addressee does not happen to be at home to accept delivery, the postman leaves a note saying the item is available for collection within the next seven days at the relevant delivery office, often not the local post office but the sorting office, so to speak. It has not worked out. It is being dropped as it is not what it used to be.

Mr. Allen: Does the Minister of State think An Post should cease offering a registered letters service?

Mr. N. Ahern: It is not for me to advise An Post.

Mr. Allen: That seems to be the Minister of State's thinking.

Mr. N. Ahern: The system whereby a letter is delivered and somebody signs for it is not as fool-proof as it used to be and has not had the results

we would like. This is particularly so if people know or think they know what is in the letter. People can be selective about the post they accept.

Mr. Allen: I am pressing the amendment. I am amazed the Minister of State will not accept it.

Question, "That the figure proposed to be deleted stand", put and declared carried.

Amendment declared lost.

Mr. Gilmore: I move amendment No. 19:

In page 20, line 46, to delete "€250" and substitute "€500".

This amendment is to increase the daily fine from €250 to €500. The €500 daily fine is in line with some of the more recent legislation which has come from the same Department, for example, the Licensing of Indoor Events Act 2003 has a daily fine of €500.

Mr. Allen: Ditto.

Mr. N. Ahern: I am not inclined to accept the amendment. My legal advice is that there is no particular standard for daily fines. The amount in the Bill, up to €250 per day, is in line with much other legislation, although cases can be found where it is higher. However, of more significance is the specific fine on summary conviction of up to €3,000 or up to six months' imprisonment or both a fine and imprisonment, which should provide a significant deterrent against offences under the Bill. We think it sufficient. It might not be the highest fine but it is equivalent to others.

Mr. Gilmore: I know the legislation provides for a fine of €3,000 on summary conviction or a prison sentence of six months. Somehow, I cannot see a landlord being sent to prison for non-compliance with the terms of this legislation. If, for example, tactics such as the switching off of water or electricity are used by landlords, as they sometimes are, the daily fine is a more meaningful and potent remedy.

It is a question of judgement. The fine is up to €250 per day and a court might impose a daily fine which is considerably less than that. The purpose of the maximum daily fine is to signal to the courts and the Judiciary the intent of the Legislature and to underline the seriousness of the legislation where somebody has been found in breach of the legislation to a sufficient extent that it was necessary to take him or her to court to establish the facts. The amount of the daily fine should indicate this. I reiterate that it is a matter of judgement but I feel that a sum of €500 would concentrate the mind better for a landlord neglecting a property, not carrying out essential repairs or not providing essential services.

Mr. Allen: The Minister of State should accept the amendment, which would focus the mind and stimulate action where it was required.

Mr. N. Ahern: We have considered this and think the Bill sufficient in this regard and in line with much other general legislation. Members should consider that a fine of €250 per day works out at a fine of €1,750 per week, which is a significant sum.

Amendment put and declared lost.

Acting Chairman: Amendments Nos. 20, 25, 49 and 50 are related and may be taken together by agreement.

Mr. Gilmore: I move amendment No. 20:

In page 21, line 21, after “under” to insert “a tenancy agreement or”.

This is an amendment to ensure that the obligations of landlords which are set down in the Bill are in addition to whatever additional obligations may be imposed by the tenancy agreement.

Mr. N. Ahern: This was discussed previously. While I do not consider that the amendments were necessary, I undertook to reconsider the operation of section 18 to see whether it required amendment to achieve the same objective as was being put forward. On foot of that consideration, I propose amendment No. 49 to section 18(3) to delete the words “every other part of”. This will clarify that the imposition of additional obligations on a tenant by means of a lease or tenancy agreement may only be done if consistent with the Bill. This, in conjunction with subsection (1), means that a landlord may not transfer onto the tenant any of his or her statutory obligations under the Bill. This goes a long way towards satisfying the Deputy’s requirement and I hope he will consider withdrawing his amendment.

Mr. Gilmore: Given the Minister of State’s response, I withdraw the amendment.

Amendment, by leave, withdrawn.

Acting Chairman: Amendments Nos. 21, 22, 24, 26 and 27 are related and may be taken together by agreement.

Mr. Gilmore: I move amendment No. 21:

In page 21, line 22, after “enactment” to insert “(including in particular an enactment relating to standards)”.

This is an amendment suggested by Threshold which drew attention to the continuing need to comply with the 1992 Act and the 1993 standards regulations. We had a discussion on this on Committee Stage and I hope the Minister of State will be able to respond positively to that discussion.

Mr. Allen: Amendment No. 24 is designed to ensure that landlords no longer offer hovels to tenants. In the absence of an effective rented dwellings register, local authorities have for different reasons failed in their responsibilities to

inspect rented dwellings. In light of a survey carried out last year of student accommodation in Dublin which suggested that a significant percentage of the accommodation surveyed was in breach of building, fire and safety regulations, an amendment such as this is necessary. I ask the Minister of State to accept it.

Debate adjourned.

State Airports Bill 2004: Second Stage.

Minister for Transport (Mr. Brennan): I move: “That the Bill be now read a Second Time.”

The policy that underlies this legislation is in keeping with a wider package of Government policies designed to strengthen national and regional competitiveness. We want to ensure that the principal gateway airports of the State are in a position to provide cost-competitive services and appropriate infrastructure to meet the current and prospective needs of airline and other aviation companies while operating to a commercial mandate. We also want to encourage as wide a range as possible of reliable, regular and competitive commercial air services for Irish tourism, trade and industry.

Specifically the Government’s reasons for restructuring the State airports, as provided for in this Bill, are as follows. First, we wish the three airports to be structured in a way that best equips them to deal with the new challenges and opportunities facing the whole aviation sector. Second, we believe that commercially successful airports in Shannon and Cork will better assist in the economic and tourism based development of their catchments areas. Third, autonomous regional boards in Cork and Shannon with the necessary commercial expertise and background will give strong and visionary regional leadership to the new airport companies so that both airports can adapt more quickly in a rapidly changing aviation environment. Fourth, in so far as market dynamics permit, the establishment of Shannon and Cork as separate commercially-focused entities, will place them in a position to promote and expand their range of services thereby leading to greater competition with Dublin Airport. Fifth, as the country’s major airport, Dublin will be encouraged to continue to expand to meet Ireland’s requirements for tourism and industrial growth. Sixth, the three State airports operating as separate successful commercial State companies have the potential to grow their business and enhance shareholder value.

Airports of similar size to Cork and Shannon have been successful elsewhere and we are confident that both independent airports will emulate best practice in comparable airports of similar scale and size.

In essence, the reforms that flow from this legislation are about new beginnings, more choices for the customers of the airports, growth in sustainable jobs and business and the opportunity

to meet enthusiastically the challenges that lie ahead. I am proceeding with this legislation because I believe that the new airport authorities will bring a fresh impetus and drive to our major airports in the future. I must emphasise that the three new airport authorities will continue to be State-owned as the Government believes that the State is the most appropriate shareholder for such a vital part of our infrastructure. Dublin Airport is a European-scale airport and makes a vital contribution to our national economy because of the importance to us of international access for tourism and industrial development. It already has traffic of almost 16 million passengers and it is expected to reach 30 million passengers by 2020. As our major airport it needs strong leadership so it can continue to develop and grow in a way which engenders confidence in its customers and responds to the needs of its stakeholders. Those stakeholders include the State as shareholder, the airlines and other aviation companies, the aviation regulator and the public at large and the business and tourism interests, which rely on Dublin Airport for their essential links to a range of locations in European and North American markets and elsewhere.

I believe that a successful Dublin Airport will also be good for the airport's management and employees who are, of course, key to steering the airport through the many challenges that lie ahead. Cork Airport serves our largest provincial city and in Irish terms has a large and growing catchment area for its services. It is close to some of our most attractive tourism locations and under the national spatial strategy it will, of course, be a strong growth centre which would counterbalance Dublin's dominance. In recent years its traffic has been significantly expanding from 1.5 million passengers in 1999 to 2.2 million passengers in 2003. The airport is also benefiting from a major new terminal investment which will enable it to cater for even greater growth in the years ahead. I expect a new airport authority board to build on this potential and work with airport management in capitalising on the region's capacity for industrial and tourism growth.

Shannon Airport is unique in its location and the importance of its links with the North American markets. However, in the future I believe it will diversify and will not be unduly dependent on North America, the market that played such a large part in its history in Irish aviation. I know from my contacts with the board designate that they are confident that they can broaden its traffic mix and that, in particular, much can be done to attract low cost services to the airport from European locations. I share that confidence. It is no secret, however, that Shannon must make a lot of progress in tackling the problems of its cost base if it is to achieve the commercial success that is within its grasp. The new authority will be drawing up a comprehensive business plan to show how best to exploit its market opportunities

and to realise the efficiencies which will ensure that it can reap those opportunities.

As the House will be aware, the setting-up of a new autonomous airport authority at Shannon will have implications for Shannon Development, the State agency charged with regional and economic development in the mid-west region. My colleague, the Tánaiste and Minister for Enterprise, Trade and Employment, has been in discussions with the chairman and board members of Shannon Development to explore how best the two bodies can contribute to furthering the interests of the mid-west region. The board shares the Tánaiste's view that a viable and sustainable Shannon Airport is a critical requirement for continuing the future competitiveness of that region. One of the options under consideration is the transfer of the assets of the Shannon free

zone to the new airport authority. I understand that other options have emerged in the course of the Tánaiste's discussions with the board and that these are also being considered. In reaching a decision on this issue, it is the intention to put in place the most sensible and efficient structures and to manage the region's most valuable and strategic assets so as to optimise their benefits to the entire region.

Before dealing with some of the detail of this legislation I wish to rebut any suggestion that somehow this legislation was formulated without any consultation with Aer Rianta. While, of course, the drafting of the legislation was the responsibility of the Parliamentary Counsel assisted by our team of advisers, the broad framework for this legislation emerged following extensive interaction with Aer Rianta and its advisers.

Notice taken that 20 Members were not present; House counted and 20 Members being present,

Mr. Brennan: Following the Government decision to restructure Aer Rianta in July 2003, the Department and its advisers and Aer Rianta and its advisers have been in contact about key aspects of the restructuring. From the earliest stages of those contacts it was apparent that the technical issues relating to restructuring were intricate and that close consultations would be necessary throughout the process. In particular, the availability of distributable reserves was recognised as critical to the distribution of the assets of Aer Rianta because of Irish and EU company law capital maintenance obligations. As a result of the insufficiency in Aer Rianta's distributable reserves, the constraints involved had a major impact on the phasing of the distribution of Cork and Shannon airport assets which at present would exceed those reserves.

Following a prolonged period of dialogue with Aer Rianta and its advisers the Department presented to Aer Rianta in February last its proposed framework for the restructuring. The essential features of that framework are reflected in the State Airports Bill, subject to the inevitable

[Mr. Brennan.]
refinements that emerged following further detailed work by the Department and its advisers. Since February our advisers PWC compiled an analysis of the financial implications of stand-alone Shannon, Dublin and Cork airports and projections for the State airports in the future. The capacity of the Aer Rianta group to distribute the assets of Cork and Shannon and the necessary phasing of the transaction were also addressed. This analysis provided me with broad financial perspectives on the businesses of the three airports over the period ahead that were essential to determining the overall approach to restructuring and to this legislation. The PWC working papers were also shared with the trade unions' financial advisers.

These working papers confirm that there are pre-existing challenges surrounding the State airports regardless of the decision to restructure them. Dublin Airport requires dynamic effort by the new authority to invest to realise its growth potential and to maximise operational efficiencies. Shannon Airport must also confront its particular commercial challenges in any event. PWC believes that the establishment of three independent entities will allow the major issues identified to be addressed in a focused way with fresh ideas, a clearly defined capital pool allocated to each airport and an autonomous approach pertinent to the business priorities of each airport. It remains the Government's policy position that independence provides the best chance for each of the airports to be viable entities, responding effectively and efficiently to the business opportunities in their regions and consequently able to maintain the terms and conditions of employees. On that basis Government reaffirmed the decision to proceed with restructuring and agreed to publish the State Airports Bill.

I have already mentioned the financial information shared with the trade unions' financial advisers as part of the engagement with the trade unions on the decision to proceed with the restructuring. Prior to the sharing of this financial information discussions had taken place on the general issue of the restructuring proposals and on various other issues, including the terms and conditions of Aer Rianta staff post-restructuring. The restructuring proposals will not result in any downgrading of the terms and conditions of Aer Rianta employees on transfer to the new independent airport authorities. In line with commitments given to ICTU, appropriate provisions have been included in section 12 of the legislation to this effect.

I reaffirm that the trade unions will be fully consulted on all issues of concern, including the preparation of business plans for each airport with a view to maximising agreement prior to the transfer of assets and staff to Cork and Shannon airports. The legislation provides at section 12(11) that there will be discussions with recognised trade unions or staff associations for a period of up to six months from the date this Bill is

enacted on the form of any new collective agreements and the bargaining structures through which they are arrived at and developed following the appointed days that is, the date the assets transfer to the Cork and Shannon airport authorities.

The State Airports Bill has been carefully designed to deploy the necessary mechanisms under company law to provide maximum flexibility to effect the restructuring in conformity with the capital maintenance provisions of the Companies Acts. It provides a framework to allow for an orderly approach to the distribution of assets and facilitates the phasing which will be necessary in respect of the distribution of Cork and Shannon because of the insufficiency in Aer Rianta's reserves. The Bill proposes an enabling framework for the restructuring which is in line with the existing provisions of company law. Aer Rianta will effectively transfer the assets relating to the airport businesses at Cork and Shannon to the new airport authorities established under the Bill in return for the issue of shares by the new companies to the Minister for Finance. For company law and accounting purposes the transfers will be regarded as distributions made by Aer Rianta cpt to its shareholder the Minister for Finance. Consequently, Aer Rianta cpt will be able to make the transfers only when it has available distributable reserves equal to the net value of the assets transferred.

As the distributable reserves available to Aer Rianta cpt are insufficient for this purpose, a phased approach is provided for in the Bill which will allow for one of the new airport authorities to be vested relatively soon after enactment, namely, Shannon Airport while the second will be vested once sufficient further distributable reserves have been built up within Aer Rianta cpt, namely Cork Airport. A portion of the Cork Airport assets will remain in Aer Rianta cpt and be subject to a finance lease between Aer Rianta cpt and the Cork Airport authority.

After enactment of the legislation two companies will be established which will be designated as the Cork and Shannon airport authorities which will in due course own and operate their respective airports once sufficient distributable reserves are available to transfer the relevant assets. Prior to the assets being vested in those two companies their boards would be charged with preparing to assume responsibility for the management and development of the airports as well as being empowered to undertake functions delegated to them, on an agreed basis, by the Dublin Airport Authority for their respective airports during the interim period.

On the basis of the agreed sequence for the distribution of assets and compliance with the Companies Acts, the assets would then be distributed on or after 30 April 2005 when the Minister for Transport and the Minister for Finance, on the appropriate advice and subject to the appropriate resolutions of the distributing and receiving boards, are satisfied that operational and fin-

ancial readiness has been achieved. The legislation provides that the required appointed day which triggers the vesting of assets in the airport authorities will be designated by ministerial order subject to the consent of the Minister for Finance. The formulation of comprehensive business plans by the new boards will be a key aspect of achieving operational and financial readiness and each authority will be required to submit to the Minister for Transport and the Minister for Finance for approval comprehensive business plans in respect of its airport.

The legislation provides that Aer Rianta cpt will be renamed the Dublin Airport Authority and will be given a formal mandate to take all appropriate measures to restructure the company. This new mandate will lead to the early statutory replacement of the Aer Rianta board members by the new airport authority board. The new Dublin board has therefore a highly sensitive and important role to act in accordance with Government policy and in doing so to ensure that the financial health of the Dublin Airport Authority remains a priority for the directors and management. The Dublin Airport Authority will also have the important task of formulating a strategic business and investment plan which will form the basis of the application to the Commission for Aviation Regulation for a new aeronautical price determination for Dublin Airport. These steps, which are necessary and prudent to ensure that the restructuring process is undertaken in full compliance with the capital maintenance provisions of company law, should also ensure, and reassure employees of Shannon and Cork airports in particular, that operational and financial readiness is a pre-requisite for assets, including staff, to be vested in new airport authorities.

I wish to highlight some major elements of the Bill without repeating the aspects summarised in the explanatory and financial memorandum which has been circulated with the legislation. Part 2 focuses on the corporate governance and company law aspects of restructuring of Aer Rianta and the steps in the transition to full autonomy. Part 3 deals with complementary regulatory aspects and will make appropriate changes to the Aviation Regulation Act 2001 as considered necessary to effect the restructuring process and to complement the reforms I have described. Areas of change include the objectives of the Commission for Aviation Regulation in making a determination on maximum airport charges, the duration of such a determination and, significantly, the removal of Cork and Shannon from the scope of price cap regulation. Under the restructuring it will no longer be appropriate to price regulate Cork and Shannon airports because they will not have market dominance in the way that Dublin has and will continue to have.

Under the proposed legislation, it will be a function of the Commission on Aviation Regulation, in making a determination in respect of maximum airport charges, to adhere to three pri-

mary objectives set out in section 21(4), which is in effect an amendment to the commission's current remit. In making a determination, the objectives of the commission will be modified under the Bill as follows: to facilitate the efficient and economic development and operation of Dublin Airport which meet the requirements of current and prospective users of the airport; to protect the reasonable interests of current and prospective users of Dublin Airport; and to enable the Dublin Airport Authority to operate and develop it in a sustainable and financially viable manner. It is my intention that these primary objectives will oblige the commission to balance economic efficiency and the reasonable interests of users and to ensure the airport's financial sustainability in a way that will promote its long-term development, having regard to its contribution to the economy.

The commission will be required to conclude a new price determination for Dublin within 12 months of enactment of the Bill. I stress that it will be a matter for the commission, as independent regulator, to make an appropriate determination based on its new mandate. I am satisfied that the amendments to the regulatory framework strike an appropriate balance between the interests of the various stakeholders in Dublin Airport.

The policy which underpins this legislation has been well developed and is fully in line with the forward-looking policies of the Government to strengthen our transport infrastructure, promote efficiency in service provision and boost balanced regional development. The reforms provided in the Bill are focused on developing Dublin, Cork and Shannon airports, increasing airline business and significantly growing passenger traffic levels and jobs. The only sensible way to provide sustainable jobs going forward is to grow the business at the three State-owned airports. Under strong and focused regional leadership, Shannon and Cork airports will have a fresh start and can develop separate business strategies, including concentrated marketing initiatives. The new Dublin Airport Authority, combining international and national aviation expertise with proven financial and business acumen, will focus on meeting the urgent need for increased capacity at the airport.

There has been strong support at both national and regional level for restructuring. The support at regional level was especially evident before, during and after a number of visits I made to the Shannon, mid-west and Cork regions. The plan has strong support from public representatives, regional authorities, local authorities, the Shannon Free Airport Development Company, the chambers of commerce and consumer organisations.

I commend the Bill to the House.

Mr. Naughten: I welcome the belated publication of the Bill. I also welcome that, for the first time since the Minister made his comments, we

[Mr. Naughten.]

have at least been presented with something in black and white. To date, the Minister has provided little if any information in respect of his plans for the aviation sector. This matter has not been thought through and the Government's approach remains rudderless.

This is the first occasion on which the Government has put pen to paper on this issue. It has dragged its heels in respect of the national aviation policy. The Minister has consistently stalled on this process since taking office. He previously confirmed that the legislation for the breaking up of Aer Rianta would be moved prior to the Dáil summer recess in 2003, prior to the Christmas recess in 2003 and prior to the Easter recess this year. However, it is only being introduced now.

This legislation appears to be little more than a face-saving exercise for the benefit of the Minister and the Progressive Democrats. If one is to believe media reports, the legislation will merely allow each of the three airports to prepare business plans to prove the merits of the break-up of Aer Rianta. Why is the legislation necessary at this stage? It would have been possible for the Minister, during the past 12 months, to instruct each of the airport authorities to establish business plans and present them within a certain time-frame. Members on all sides of the House have requested that the Minister do this during the period to which I refer. Now he wants to write it into legislation and bring it before the House having considered his plans for 12 months. This is Humpty Dumpty legislation which will break up Aer Rianta before it is put back together again at a later stage. Nothing relating to the Bill has been thought through.

Fine Gael has repeatedly called on the Minister to publish a White Paper on the future of the aviation sector to allow a proper debate and to flesh out the Government's skeletal aviation policies. The need for a White Paper has never been greater, especially in terms of addressing issues such as the new terminal at Dublin Airport, the future of Shannon Airport — particularly in light of the open skies policy and the stopover there — and the mooted proposal for a second airport for the Dublin region. Instead of a White Paper, we have been presented with a "make it up as we go" policy.

I had hoped that the Minister might outline his ideas in detail but he did not do so. He has claimed that the PricewaterhouseCoopers report stacks up in favour of his argument of breaking up the company. Why have we not seen the detail of that report? Why has the Minister not put forward proposals and set out, in concise terms, what he is talking about? Why has he failed to provide the relevant figures? This is a typical Fianna Fáil fudge. We have not been given any specific details and we are being asked to accept legislation on the nod on the understanding that we will be provided with the detail at some future date.

The Minister could simply have asked the three airport authorities to draw up their plans and proposals and present them to him. That did not happen. The Minister has dragged his heels in respect of this issue for 12 months. This typifies the lack of any semblance of leadership in the Government. The only decision the Cabinet appears capable of making is whether to have tea or coffee served at its meetings. No decision has been made and we are in a void in terms of the Government's thinking on these proposals.

Fine Gael has consistently stated that it supports the decision to establish three independent boards to manage the airports because this will have a positive benefit not only for the aviation section but more particularly for regional policy. Independently managed airports at Cork, Dublin and Shannon would represent great potential for development and would facilitate the involvement of local commercial interests in the development of airport services. This is a critical opportunity to begin to develop a policy of regionalisation and regional development. It is the contention of those who are opposed to the break-up of Aer Rianta that the airports at Cork and Shannon are inherently loss-making, surviving only on cross-subsidisation from Dublin. The Minister failed to address that point or even to support or reject it.

International studies suggest that airports such as Cork and Shannon with passenger volumes of 2 million can be viable as stand-alone entities. However, we have not been provided with any supporting evidence from the Minister that the opposite is the case. It must be remembered that publicly-owned airports primarily constitute a strategic infrastructure which serves local economic development. That is the key purpose of our State airports, which should remain in State ownership and which should be used for the purpose of developing local economies. Their purpose is not to create State assets. However, it is critically important that we ensure that all three airports will be commercially viable as stand-alone entities after the legislation is enacted. The Minister cannot provide supporting evidence in that regard.

These airports must become the engines for driving implementation of the policy of regional development. While there are risks associated with such a policy, there are also major benefits. That is why Fine Gael supported the Minister's initial announcement. However, it has consistently called for the detail in respect of these proposals. If properly structured, a regional policy should tip the scales in favour of air travellers and consumers.

On 9 October last in the debate on the Aer Lingus Bill, Fine Gael stated that it was imperative that the details of the Minister's proposals should be made public and that he should make a clear and concise argument as to why he believes the airports at Shannon, Cork and Dublin can each stand alone. To date, we have received no information from him in respect of

this matter. We are still as wise today as we were on 9 October last.

If we want real competition we should focus on the key issue in that regard, namely, the second terminal at Dublin Airport and not the break-up of Aer Rianta. This is the only way to provide for real competition. The proposition of the break-up of Aer Rianta as a mechanism for providing competition is misleading. It is a mechanism for developing regional policy, if that is the objective of the Government, but we still do not know where the Government is going with this.

We must consider what difference the break-up of Aer Rianta into three separate operating companies will make to the level of effective competition. This is a key question that the Minister has failed to address or answer. The answer depends partly on the current level of competition. Observations suggest that there is only a limited degree of effective competition between the airports from the perspective of Irish consumers. Cork and Shannon airports have overlapping hinterlands and compete directly for airline services and passengers. Cork and Dublin airports compete similarly. Since they are approximately 160 miles apart, there is a substantial although relatively thinly populated stretch of country in which customers could be classified as indifferent as between the two airports.

In such cases, choice of airport will be determined by the range and suitability of the connections available from each. The key issue is whether the break-up would result in the expansion of services available at Shannon and Cork airports, particularly the expansion of services to European destinations which would not be secured by any other means within the existing ownership structure. We have no answer on this point and the Minister has failed to provide any supporting evidence.

If we want real and immediate competition, the urgent focus must be on securing a second terminal for Dublin Airport. As with every other decision he has faced, the Minister has long-fingered a decision on the second terminal. Dublin Airport was due to have a new pier D and a second terminal constructed at the airport. To date, neither has been delivered and the Government has failed to make a decision on whether a second terminal should be constructed and how it should be managed and operated. We still do not know what is happening despite that the Government received 13 submissions of interest to construct the terminal more than 18 months ago. The Government is dragging its heels. In the meantime, Dublin Airport is close to reaching full capacity.

The chairman of Aer Rianta stated that there are serious question marks over health and safety issues during the summer months. This problem will extend into 2005 when it will become even more critical. A decision on the break-up is essential and must be taken immediately. The future viability of Dublin Airport is dependent on the development of a second terminal and the delay

in its development is detrimental to the future of the airport. As a result of the Government's dithering and it not being prepared to take decisive action, Aer Rianta has in this situation of uncertainty significantly downscaled its profits in 2003.

Fine Gael would support any proposals which promote competition and benefit the consumer. We have consistently raised questions about the break-up plan but are prepared to support Government strategy if the Minister can provide credible evidence of the viability of his proposals and that they will benefit the consumer. We have not received this; the Minister is asking us to accept a pig in a poke. We are asked to trust the Minister and accept the legislation without any evidence to support his plan. This is the wrong way around. The legislation is unnecessary at this time other than as a face-saving exercise for the Minister and his Progressive Democrats colleagues in Government. Fine Gael requires that evidence be produced and that the Government's case be articulated and supported. The Minister has had since last July to do this but no information has been provided and no decision has been made. We are required to take a leap of faith. If one relies on the Minister's pathetic record regarding the second terminal at Dublin Airport, one can have little confidence in taking that leap of faith.

There are important questions that must be answered. A major deficit exists in information regarding the plans and strategies for the new entities, the capital expenditure and investment plans, the management team and operational plans, the nature of the ongoing relationships within the existing Aer Rianta operations, the financial projections, cash and debt management, and pricing policies and interface with the regulator. Restructuring proposals for Aer Rianta must address the non-transparent subsidies between and differing priorities of the three airports and the serious constraints on the availability of capital. No details have been provided on any of these issues.

With regard to Cork Airport, it is envisaged that an affordable lease arrangement will be established, as indicated by the Minister in his speech. We have no information, however, regarding the type of lease to be put in place, who will take the financial risk associated with the lease, whether an adequate return will be earned and the conditions that will attach in the event of default. Such details are not available as negotiations have not yet taken place on this leasing arrangement.

The Minister for Finance is sceptical about the Minister's strategy and that is why we have seen such a fudge in terms of the proposed legislation. As Aer Rianta is a public limited company, there are issues with revenue reserve and with the ownership and distribution of assets. There are many complicated financial transactions that must be addressed. Again we are being asked to trust the Minister on the basis that there will be

[Mr. Naughten.]

a business plan by April 2005 and everything will be rosy in the garden.

What will happen to staff employed by Aer Rianta International, ARI, based at Shannon Airport? Will they remain in Shannon or will they be transferred to other locations? Aer Rianta International is regarded as a global force in airport ownership and duty-free retailing. The future of this valuable asset has still not been decided upon in terms of whether it remains at Shannon Airport and whether it will be under the control of the Shannon Airport Authority.

The value of ARI will be damaged not only because it will be removed from the Aer Rianta umbrella but also because the legislation waters down its value. Section 8 allows the three new companies to compete directly for ARI business outside the State. This will significantly devalue the ARI brand name and threaten the employment security of ARI's employees. The expertise available from the three airports under Aer Rianta which can be utilised by ARI to bring expertise to far-flung parts of the world will no longer be available. If Cork and Dublin airports can now independently establish and manage their own duty-free and airport service operations throughout the world, they will not make those skills available to ARI. The proposed legislation will significantly damage the future of Aer Rianta and will presage the development of two competitors.

The Bill also proposes that the new airport authorities at Shannon and Cork will compete directly with Dublin Airport. In the short term, overall control will continue to be exercised from Dublin for a short period after the dissolution of Aer Rianta. One cannot be certain that the Dublin Airport Authority will act in the best interests of the other two State airports before they are granted full independence. There must be a guarantee that the board members of the Cork and Shannon airport authorities can contribute to the decisions made by the Dublin Airport Authority before the break-up of Aer Rianta is complete.

Section 8(1) stipulates that the Dublin Airport Authority has a veto over any proposals brought forward by the other two authorities. Under the legislation, the proposal that will be brought forward by the boards of either Shannon or Cork airports must be agreed by both parties before they can be enacted. There is an in-built veto. The Minister is establishing a board in Dublin, the responsibility of which is to develop Dublin Airport and make it an efficient operation that would compete, not only internationally, but against Shannon and Cork airports. That board would have responsibility for the restructuring of Cork and Shannon airports in the short term. No change or proposal could be implemented in either Cork or Shannon without the approval of the Dublin board, the specific responsibility of which is to develop Dublin Airport. It is in its interests to ensure no developments take place at

Cork and Shannon in the short term. The legislation appears to be a complete mess because the whole thing has not been thought out and no one appears to know exactly what is going on, including the Minister.

All staff and assets are to be transferred to this authority from Aer Rianta. Section 13 deals with this area, but does not specifically deal with the chief executive of Aer Rianta, Margaret Sweetman, who under section 29 of the Air Navigation and Transport (Amendment) Act 1998, is appointed by the Aer Rianta board and can only be removed from office by the directors of the Aer Rianta board. Where does the new legislation leave her? The Aer Rianta board will not get rid of her. Will she be left in limbo? This is another anomaly in the legislation, which has been cobbled together as a reaction to what happened on 11 June 2004 when the Government got its answer on the doorsteps from the electorate. The Tánaiste commented some days later that she wanted to see action and all of a sudden the legislation was pulled out of a hat. Because it was produced in haste it has resulted in a number of significant anomalies.

What structures will be put in place for Aer Rianta subsidiaries such as Aer Rianta International and the ownership of the Great Southern Hotel group? The Bill does not explain how their ownership structures will be decided. Will they be divided between the three separate authorities?

The Farrell Grant Sparks report commissioned by the unions suggests the combined value of Shannon and Cork airports will drop by €110 million following the break-up. The value of Aer Rianta International following the enactment of this legislation will also be devalued. No answers have been provided in this regard. The Minister referred to security of employment but he did not provide any detail of what will happen to Aer Rianta International or the Great Southern Hotel group.

Aer Rianta's profits fell from €36 million in 2002 to €20 million in 2003. The profits of Aer Rianta International fell from €13 million to €5 million over the same period, while profits at the Great Southern Hotel group fell from €2.85 million to €1 million. There is no doubt that a contributory factor to the fall in profits has been the question mark hanging over Aer Rianta and its subsidiaries for the past two years. The Minister has not provided answers to our questions. He is now bringing forward legislation that postpones any decision for a further 12 months, which may further damage the group of companies in the intervening period. The prevailing uncertainty has already had an impact and will continue to do so.

What will be the position for the next 12 months regarding debt and borrowings for the three State airports? Because there is such ambiguity over their future, it will be very difficult in the short-term to get any financial institution to back them. Neither is there any indication in the legislation of whether Cork or Shannon airports

will be able to borrow against Dublin Airport's balance sheet. What impact will the debt have on Dublin's balance sheet?

The State Airports Bill will result in the aviation regulator now only having responsibility for charges at Dublin Airport. This raises the prospect that the airport authorities will be forced to fund capital developments by raising airports charges, as no other mechanism is available to them. In the past, prior to setting the charges, the regulator had taken into consideration all income that had been generated by Aer Rianta. This will force Dublin Airport, which has a significant need for capital investment in the short-to-medium-term, to increase its charges in order to fund this. Cork and Shannon airports will also have to introduce more expensive charges to fund their capital developments. This could have a significant impact on the ability of all three airports to attract low cost carriers.

The whole objective, especially in regard to Shannon and Cork airports, is that they will be more attractive to low cost carriers and can compete directly with Dublin Airport for business. However, we have not received any answers from the Minister on this matter. There are clear disparities between operations at the three airports. Everyone accepts the cost base at Shannon is significantly higher and needs to be addressed. It is difficult to see how Shannon can attract low cost airlines. The majority of passengers go through Dublin Airport and 85% of Aer Rianta's profits have been made there.

Significant question marks remain over the viability of Cork and Shannon airports as stand-alone entities outside of the Aer Rianta umbrella. The principal challenge facing the three airports is to develop and facilitate the growth in passenger traffic, but if the break-up proceeds as planned, Dublin Airport could be saddled with enormous debt and may need a substantial increase in its landing charges to fund the improvements needed, which is the exact opposite of what is required to attract more airlines to them. Everybody would accept that neither Shannon or Cork airport is financially strong and they would be cut adrift and made to do without Government funding or guarantees. The Minister failed to mention the issue of guarantees in his speech. I raised this critical issue with him regarding the future of Cork and Shannon airports on 9 October 2003. I asked what guarantees would be provided to those airports. I also raised a significant number of questions with the Minister, none of which has been answered to date. We are being asked to accept this legislation and to trust the Minister for Transport and the Department of Finance that they will put the proper structures in place.

What would happen next April following the drafting of business plans and experts being brought in if the boards of Cork and Shannon airports decided they could not break even? They might decide they need to stay under the umbrella of Dublin Airport. What would become

of this legislation? Would we have to come back to the drawing board, or would it be the case that any decision taken by the boards of Cork and Shannon airports from April 2005 would be sent to Dublin for approval? That is not what people have been talking about in regard to developing the regions. The objective of regional development is for decisions to be taken locally in the interests of the local community. It is not in the interest of Cork and Shannon airports to have to run back and forth to get the approval of Dublin Airport for every single change that would take place but that is the structure that will be in place from now on according to the legislation before us. Dublin Airport has a vested interest in ensuring that as little as possible happens in Cork and Shannon in the intervening period.

The boards of both Cork and Shannon will be in a difficult situation next year if they decide that, based on the current structures, it is not feasible for them to go it alone. Will they have to report to the Minister and the Department for Finance that, based on the finances available to them, they cannot go it alone without a significant level of subsidy from the State, which will be very difficult to provide under EU regulations? In doing so, will the boards be admitting that they will have to get permission from Dublin Airport for each change they make? Any board established in the interests of Cork and Shannon will not say to the Minister that it is satisfied with the current structure of having to get permission for everything from Dublin Airport. The boards will have no choice but to draw up some type of business plan which will support the Minister's proposals. Whether the business plan can be implemented in the medium to long term is questionable. As was said earlier, will the Minister for Finance at the time, it may even be Deputy Brennan, say the figures do not add up after sponsoring the legislation?

There are serious and significant questions to be answered and the Minister has to date failed to do so. I hope when he responds we will get the details we have been seeking for the past 12 months. It is not something we have concocted over the last couple of days, even though the House has not been given too much respect by publishing legislation on Tuesday afternoon and expecting us to deal with it on Thursday.

Ms Shortall: I want to register my strong objection to the manner in which the legislation is being rushed through the Houses. It is a highly technical and complex Bill consisting of 32 pages. The break-up of Aer Rianta will have the most profound ramifications for the aviation industry, the three airports and thousands of people who depend on the airports for the livelihoods. It is completely unacceptable that within 48 hours of publication of the Bill people are expected to contribute to the debate and take crucial decisions on its content.

Over the past couple of years the Minister, Deputy Brennan, has been going around the

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place peddling a number of myths about Aer Rianta. He probably has the idea that if he says them often enough people will start believing them. The strategy appears to have worked in regard to some people and certainly in regard to some commentators. I take this opportunity to address some of these myths.

Myth No. 1 is that the policy to break up Aer Rianta is part of An Agreed Programme for Government. The fact of the matter is that An Agreed Programme for Government promises to ensure that Shannon and Cork airports have greater autonomy and independence, not that they would be cut adrift as the Minister is proposing. Myth No. 2 from the Minister, Deputy Brennan, is that Fianna Fáil has a mandate to break up Aer Rianta. The fact is that the Fianna Fáil manifesto for the 2002 general election said that Fianna Fáil will establish regional boards for Shannon and Cork which will operate the airports and report to Aer Rianta.

Myth No. 3 is that the break-up is necessary to solve a growth problem. The fact is that there is no growth problem in Aer Rianta. Aer Rianta has grown its business by double digits over the past ten years. There has been a 150% growth rate in the three airports in that period. Myth No. 4 is that the State cannot continue to subsidise Aer Rianta. The fact is that Aer Rianta has returned a surplus each year. It has given back €400 million to taxpayers in the past 20 years.

Myth No. 5 is that breaking up Aer Rianta will provide competition. The fact is that, despite the Minister's often repeated mantra, these airports do not compete with each other. If people in Dublin, for example, want to travel to Brussels, they will hardly go down to Cork if they can get the flight for €5 cheaper there. Our three airports have their own natural hinterlands. There is already competition in all the crucial services which airlines require at airports, such as passenger handling, baggage handling, fuel, catering and so on. Strong competition already exists within all our airports.

Myth No. 6 is that the break-up will lead to lower charges. The fact is that charges have been found by all the expert reports to be the lowest in Europe. The same experts predict that charges will increase if Aer Rianta is broken up. It is clear that the Minister accepts this because he provides for raising the cap on charges in the Bill. Why is he putting out the nonsense that he is doing this for the sake of competition because it will decrease charges when we know it will do the exact opposite?

Myth No. 7 is that the break-up is necessary because of the financial position of Aer Rianta. The fact is that all other industries are currently consolidating, including low-fare airlines and multinationals. The break-up will undoubtedly lead to serious loss of economies of scale and scope and will worsen the finances of Aer Rianta. All one needs to do is examine what happened in the case of the break-up of the Eastern Health

Board. There are now four separate boards, all top heavy with management, while the delivery of services has seriously disimproved.

The Minister, Deputy Brennan, is proceeding with his hare-brained proposals to break up Aer Rianta in order to satisfy the distinctly right-wing leanings of a number of his Cabinet colleagues. It is quite clear that other Ministers, who in recent days professed to have more social democratic tendencies, have been completely overruled in the case of Aer Rianta. They have been overruled in this case, yet again, by their colleagues. We know that Ministers such as Deputy Harney, Deputy McDowell, Deputy Cullen and the Minister, Deputy Brennan, are ideological bedfellows, personal friends and beneficiaries of the largesse of some of the leading people in Irish business. It is quite clear that the Ministers concerned are doing the bidding of these interests.

No one can deny that Mr. Michael O'Leary has revolutionised air travel, for which he must be given credit. However, it should be remembered that Mr. O'Leary's interest, first and last, is the Ryanair share price and good luck to him for that. He and his colleagues should not be allowed to dictate aviation policy in this country. This is exactly what is happening in the legislation. Cabinet Ministers have a responsibility to look to the national interest, not personal or sectoral interests, in deciding Government policy.

Mr. Brennan: I ask the Deputy to withdraw the suggestion that I have any personal interest in policy making.

Ms Shortall: If certain sectors are funding certain political parties and those political parties introduce legislation which will benefit those sectors, there is a clear conflict of interest. Whoever pays the piper calls the tune. That seems to be working in this case. I agree with Senator O'Rourke that Members of this House who have received payments from those who stand to benefit from the break-up of Aer Rianta should declare that interest before voting on this legislation.

The decision to break up Aer Rianta is not a business decision. It withstands no scrutiny and is right up there with the trams on stilts at the Red Cow roundabout. Aer Rianta undoubtedly has its shortcomings but none will be solved by this decision. Regional development will not be assisted, nor will the pressing problems of overcrowding at Dublin Airport be addressed. If this Minister had not meddled, pier D would have been open this summer. I hope that when members of the public find themselves in long queues at Dublin Airport in the next few months when they are setting off on their summer holidays, they will remember that this Minister is responsible for the serious problem of lack of capacity and that it would have been solved if he had not interfered.

The second terminal at Dublin Airport is what lies behind this legislation. Aer Rianta in Dublin is to be lumbered with debt, stripped of its assets and weakened to the point where it will have enormous difficulty competing with the second terminal owned by the private sector. Let us wait and see who gets to build and operate that terminal. Meanwhile, good quality jobs will be lost, taxpayers will have to fund large-scale redundancies and the leading lights of Irish business will be gifted a share of the action.

This Bill proposes to enact bad law which is neither reasoned or fact-based and will hit ordinary people, especially users of Dublin Airport, in the pocket. This will happen as a result of the sharp increase in airport charges which it will trigger. It is bad law because it introduces unnecessary uncertainty in respect of the future of Aer Rianta's highly successful international subsidiary, Aer Rianta International. It is bad law because, in respect of Dublin, it effectively dismantles the system of State economic regulation of airports, only recently introduced, and because it has been shown repeatedly that the specific reorganisation that it proposes to implement is well nigh impossible to achieve within the framework of accounting conventions and company law. Furthermore, the cost of this policy is to be explicitly assigned to one airport, Dublin, something that under European law arguably amounts to an illegal state aid for the other two State airports.

From the outset, the Labour Party has opposed the plan of the Minister, Deputy Brennan, for the break-up of Aer Rianta. The one important reason for that was that the Minister presented no business case for his plan to create three separate companies to run independently the three State-owned airports, Dublin, Cork and Shannon. His express justification for his proposal was an economically naive notion of competition.

His initial hare-brained scheme comprised proposals that were simply impossible to implement, for example, his idea that he could give or gift Aer Rianta International to the proposed Shannon Airport company. The Minister was clearly blissfully unaware of accounting conventions, the Companies Acts and, critically, the fact that limited companies have their own legal identity. His proposals, which were blindly adopted by his Cabinet colleagues a year ago, do not address the real problems that exist within the Aer Rianta group in respect of its operations in this country, such as the overcrowding in Dublin, the high cost base of Shannon and the extravagant level of capital expenditure associated with modernising and expanding Cork Airport.

We warned at the time that the Minister would not be able readily to implement his scheme as announced. He would discover the legal complexities associated with carrying through the break-up or, technically, the demerger of a public limited company. He would also discover the financial and legal problems connected with duties

to foreign investors in Aer Rianta, the bond holders and so forth. So it has come to pass.

The Minister's vision of having everything done and dusted by last Christmas was no more than a mirage, and an expensive one given the amount of specialist consultancy he has had to hire in his Department to help him out of the hole he dug for himself. Over the past 12 months, armies of financial and legal consultants have pored over the problem. The reports and papers they have penned that have been leaked into the public domain have all made the same point that was made by the Labour Party, that there did not exist in the Department, in Aer Rianta head office or anywhere a business case or plan of any description for the break-up. In the Minister's words, his proposals were based on a hunch.

There is an additional problem, which is highly technical. For a demerger to take place there must be a capital reduction in the core company and, associated with this, a distribution to the shareholder. It should be noted that the shareholder is not the Minister, Deputy Brennan, but the Minister for Finance. This raises questions about the *vires* of the Minister for Transport in respect of these proposals. The problem with the distribution was and remains that Aer Rianta did not and does not have sufficient distributable reserves commensurate with the distribution required equivalent to the value of the assets to be transferred out of the company while at the same time complying with the requirements of the Companies Acts, specifically Part IV of those Acts, as well as accounting conventions.

The legislative proposal before the House does not change that situation. In fact, in a sense it copperfastens the problem in that section 7(1) of the Bill explicitly makes everything now proposed subject to Part IV of the 1983 Act. The Minister has yet to find a way around this problem. In part, the delay in implementing the transfer of assets until at least 30 April 2005 may well be more intended to give the Minister and his advisers more time to try to find an answer to this problem than it has to do with the drawing up of business plans for Cork and Shannon.

The Labour Party remains opposed to the Minister's proposals and is opposed to this Bill. It is also opposed to the Bill because it proposes, *inter alia*, to implement the break-up with more or less immediate effect on it being signed into law by the President in spite of the impression created that it was contingent on the Minister for Finance approving business plans and that this would not happen until April next year. It is not, perhaps, widely understood but the object of this Bill in respect of Aer Rianta is to require it to demerge immediately its businesses at Cork and Shannon and then, if a formula can be found and approved by the Minister for Finance, to carry through the transfer of assets after next April.

The Minister for Finance is the only member of the Government who has, from an early stage, cautioned against the Minister for Transport's

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proposals and his haste to legislate. That the Minister has been much delayed in implementing his scheme can probably be attributed to the Minister, Deputy McCreevy, exercising his concerns as well as the difficulties the Minister, Deputy Brennan, has caused himself through his disregard for both the simple and finer points of company law. Will the Minister now reveal how much has been spent on consultancy fees by his Department? Have those consultants left the Department or are they being retained?

From the point of view of the Minister's project section 8 of the Bill is the most important, although section 7 is also critical from the point of view of company law and accounting conventions. Section 8 provides for the more or less immediate implementation of the break-up of Aer Rianta, to be renamed the Dublin Airport Authority plc, and states that the authority "shall" not "may" enter into arrangements with the Cork and Shannon authorities under which both those bodies, in effect, become the operating agents of the Dublin Airport Authority in respect of its assets and businesses at Cork and Shannon airports.

Section 8(3) provides that the functions covered by such transfer arrangements may be performed by the Cork and Shannon companies in their own names to the extent permitted by the arrangement. Section 8(4) provides that the Dublin Airport Authority may pay fees to the Cork and Shannon companies in consideration of services provided by those two companies under any such arrangement. Section 8(11) leaves the way open for the assignment of the business of Aer Rianta International to the Shannon Airport authority, if the distributable reserves problem associated with the demerger can be overcome. Section 8(17) ensures that the Dublin Airport Authority picks up the tab associated with the establishment and running of the Cork and Shannon companies.

Section 24(1) of the Bill arranges for the transfer of the Shannon industrial estate to the new Shannon Airport company. When this is considered together with the other actual and proposed changes to SFADCo, such as the changes in respect of Enterprise Ireland and the assignment of SFADCo's housing stock to Clare County Council, and subject to all of this being in conformity with company law requirements, it is clear that with the enactment of this measure there is no point in keeping that agency alive. It might as well be wound up. One may also read into section 9(4)(a)(ii) a proposal to enact a measure that puts public private partnerships, if not part-privatisation, on the agenda. The section states: "It shall be the general duty of each company from its appointed day ... to take such steps either alone or in conjunction with other persons as are necessary for the efficient operation, safety, management and development of its airports".

The trade unions seem to have received assurances from their negotiations with the Minister

and his officials that there will be no change in respect of pay, conditions of service and pension arrangements. Section 12 of the Bill deals with this area. What is the real effect of the section? From the point of view of the comfort sought by the unions, sections 12(8), (9) and (10) are the relevant provisions. These do no more than enact the established situation in the case of transfers of engagement. They provide in statute something that already exists for the present employees of Aer Rianta — the key word is "present" — who are to receive terms no less beneficial on their transfer from Aer Rianta to any of the three new entities.

This does not apply to new employees hired by the companies. There are some intriguing riders in the legislation. In section 12(10) we find that pay scales are protected but only until, "such time as the scales of pay and conditions of service of persons transferred to a company in accordance with subsection (4), (5) or (6), are varied by the company, following consultation with any recognised trade union". It is clear that this is not what we thought it would be. There is a similar provision in section 12(9) in respect of conditions of service.

In section 12(11), in respect of the future Shannon and Cork companies, the Bill states:

Without prejudice to subsections (9) and (10), the form of any new collective agreements and the bargaining structures through which they are arrived at and developed ... shall be the subject of discussions with the recognised trade union or staff association concerned for the period of not more than 6 months from the passing of this Act.

This brings back memories of the famous letter of comfort the Minister gave to the employees of Team Aer Lingus. Change is certainly on the way. It appears the transfer of engagement arrangements are, in the cases of Cork and Shannon, likely to be short lived. Dublin will also be picking up the tab for some of the labour costs of the other two airport companies. Section 12(5) of the Bill proposes to give statutory effect to the idea first floated in an attempt to come up with a viable business model for Cork, namely, shared services, with Dublin carrying the labour costs associated with them.

As a consequence of his refusal to give up on his break-up project, the Minister, Deputy Brennan, has now decided to virtually dismantle the entire system of economic regulation for aviation established in Ireland in 2001. This will ensure that passengers in airlines using Dublin Airport pay for the break-up through higher airport charges. The Minister's proposals in this respect are contained in Part 3 of the Bill. The Bill provides for a fundamental change in the airport regulatory regime, so fundamental as to effectively dismantle it. Instead of only allowing for the inclusion of recognised assets and only acting in the consumer interest in calculating the price cap, section 21(4) proposes that the Com-

mission for Aviation Regulation shall in future have due regard to the restructuring, including the modified functions of the Dublin Airport Authority and, critically, costs or liabilities for which the Dublin Airport Authority is responsible, as well as policy statements published by or on behalf of the Government.

The Bill proposes a requirement that the regulator include liabilities, in this case politically-created liabilities, in calculating the price cap. This is nonsense. It is also proposed that the commission take account of general Government policy for the economic and social development of the State. Economic regulation of Dublin Airport is to be perverted. It is required that the commission allow for the cost of the Government's decision to assign the cost of its break-up policy to Dublin Airport. With the enactment of this Bill, the entire body of the Commission for Aviation Regulation should resign *en masse* because its role will have been undermined. They will be reduced to clerical officers, doing the occasional sum.

Through its subsidiary, Aer Rianta International, Aer Rianta is an impressive performer in the international airport business. It has increased its business through participation in airport ownership and management and its operations in specialist niches such as duty free and airport retailing. Aer Rianta has also shown the capacity to increase passenger volumes significantly at both Cork and Shannon airports. Both airports handled more than 2 million passengers last year, which is a record. Growth at Cork since 1999 is particularly impressive. However, Aer Rianta has been weak on capital expenditure. Over many years it has had a tendency to overspend on capital projects, thus causing commercial problems for itself. The criticism of gold-plating has some weight. For too long, Governments did nothing about this. However, it was dealt with through the introduction of economic regulation, whose structure is now to be dismantled within a matter of weeks. I urge Members to reject this legislation.

Mr. Eamon Ryan: I wish to share my time with Deputies Crowe, McHugh and Joe Higgins.

An Leas-Cheann Comhairle: Is that agreed? Agreed.

Mr. Eamon Ryan: The policy the Minister is proposing in this Bill is remarkable. He stated in the first sentence of his speech today that the Bill is about developing strengths in national and regional competitiveness. However, the essence of the criticism of this Bill is that from a competitive and business perspective this is a crazy proposal which will do nothing but hinder competitive development opportunities. The business case has not been made. If there is any business case to be made it is that rather than being about new beginnings as the Minister stated, this is the end of one of the most successful examples of

public enterprise we have. On the back of its base here, which is a natural monopoly in terms of the provision, operation and direction of the airports, Aer Rianta was able in recent decades to expand across the world, purchase airports elsewhere and manage them very successfully, and manage similar duty free and other services all over the world. It is a hugely successful Irish business, which we are now taking apart for reasons the Minister cannot clearly outline.

In many ways Aer Rianta is similar to other very large Irish companies that have been successful in overseas expansion, companies such as AIB or Cement Roadstone Holdings which used a very strong base here for major international expansion. Aer Rianta is a similar example of that. Breaking up Aer Rianta for reasons I do not understand, and I do not see the Minister's business case, would be akin to breaking up AIB because the banking service in Cork was not as dynamic as we might like. It is akin to the board of directors of AIB deciding to break up AIB and return to the old Munster and Leinster and all the other small constituent banks, and lumping all the international arrangements with one of the smaller constituent banks. It is a crazy strategic business decision. Regardless of where the international division is put, it will be diminished. It will not have the necessary capital base. It will not have the experience base which allowed it to become a world player. If this Bill goes through we will lose our position as a world player in the airport business. That would be an incredible strategic mistake by the Minister.

This policy has nothing to do with providing national and regional competitiveness. I will come to the reasons I believe the policy is being pursued. It certainly makes no business sense. The only hope on this side of the House is that the Minister for Finance, who as previous speakers have outlined is the holder of the shares in this case, and the officials in the Department of Finance, will realise that what we are doing is taking a valuable State asset and breaking it up and reducing its value. That is a bad business decision for taxpayers which I hope the Department of Finance is wise enough and clear-sighted enough to see.

If the Minister believed there was a lack of flexibility and imagination, a lack of drive, a lack of initiative regarding the management of Shannon Airport and Cork Airport, there was nothing stopping him, as the person who is ultimately responsible for the board of Aer Rianta, informing the existing board that he was unhappy with the direction it was taking regarding the development of Shannon or Cork Airports and requesting it to set up a subcommittee or sub-board to examine ways of developing business there. That is not the approach the Minister is taking. I am sorry I am not party to the negotiations between the Minister and Aer Rianta. I can only surmise from the outside, as an outsider looking on, that what seems to be an ongoing feud between the Minister and the chairman of

[Mr. Eamon Ryan.]

Aer Rianta is the reason such an approach was not taken. If the Minister has a difficulty with the board it is within his power to change the board, to change the policy and set a new direction. Instead he is dismantling a company at huge expense to the State and huge expense in terms of the long-term development of airport business in this country. That makes no sense.

There was initially much public support for some of the Minister's initiatives at Dublin Airport because of significant problems at Dublin Airport. However, the responsibility for those problems of queuing and chaos in the airport in recent years lies firmly in the hands of the Fianna Fáil-Progressive Democrats Government which took a very definite decision not to put the necessary investment that was asked for into the infrastructure in time. Instead it followed a policy of sweating the assets in Dublin Airport. In the end everybody paid for that as the traffic grew, as predicted at the time. The lack of timely investment meant Dublin Airport was not able to cope, and the public understandably feel this is a company that is not working, that our airports are now badly managed. However, the bad management was in the refusal by the Government to invest despite clear signs that this was the correct policy. That is where the blame should lie.

Furthermore, Deputy Shortall made the point, which I believe to be true, that airports do not compete. People do not suddenly change their plans and decide to go to Shannon because there is a slightly lower cost flight. The primary decision in terms of airports is based on geography. Nor do I believe terminals compete. There cannot be proper competition between two different terminals in Dublin Airport. If the operation of terminals were opened up to full competition one terminal might marginally undercut another and 90% or 100% of the business would switch from one to the other. That would be a very idiotic use of the assets we have there at present. If that is the reason the Minister is pursuing this policy, it makes no sense whatsoever.

There is one general point, which no one seems to mention or take into account but which will become a very strong reality in the coming years. Much of the investment policy for airports and decisions around that are based on the prediction that air traffic volumes will grow. The prediction which is the basis on which investment decisions on Dublin Airport are being made is that air traffic volumes will double somewhat in the next 15 years from some 16 million passengers a year now to some 30 million passengers a year.

It is not a politically popular thing to say, but it behoves parties like mine to say it, and that is that the environmental costs involved in aviation travel will, sooner rather than later, start to be taken into account. When that happens it will have a major effect on the volume growth in air travel. In those circumstances I would advocate caution regarding any investment or policy decisions based on the belief that a doubling in

growth will automatically occur within the medium term. In long-term planning for air travel the Minister must take into account that the environmental costs will be taken into account at some stage. I do not have any sense of that in Government decision making at present.

The Minister says he does not have a personal interest in this issue. I am sure his decisions are being made without financial or other issues clouding his views. However, he has a personal interest in the following regard. The Minister had responsibility for transport before. However, this recent ministry began with a range of transport initiatives in which he boldly set out a whole new direction in Irish transport policy which would enable him to achieve miracles in a range of different areas. He got much credit initially for measures such as the introduction of the penalty points system. I myself gave the Minister credit for that bold initiative. However, over the past two years each of those initiatives, which were announced rapidly with no real thought behind them, have in turn become mired in a ministry that is going nowhere, that is achieving nothing.

Even in the one area where the penalty points system was introduced, all the gains have been lost because of lack of co-ordination in the Garda Síochána and elsewhere. It is likewise in terms of the metro which is hugely important for the development of Dublin Airport. We on this side of the House have heard a remarkable series of answers over the past 12 months to the effect that change is about to happen within weeks and it has not occurred. It is the same in terms of bus deregulation.

In circumstances where all the bold promises the Minister made have come to nought, where his ministry is mired and going nowhere, it is vitally important, in order for him to be seen to be successful as a Minister, that he get at least one of these initiatives up and running. This it seems is the reason this Bill is before us and is being given such urgency when there is no business case behind it and no strategic thinking behind it. That is a bad way to run a Government and make policy decisions and I very much regret that.

Mr. Crowe: I listened carefully to the Minister's speech. It contains all the buzzwords like "flexibility", "competition", and even "successful market dynamics" gets a mention. What is more interesting is what was not in the speech. Does this Bill make sense? Why is it being rushed through? It is important to reflect on what we thought would be in the Bill and what was signalled.

The Minister's elaborately signalled proposals for the break-up of Aer Rianta have produced nothing more than a rewrite and renaming, though at considerable cost in financial terms, in stress to employees of Aer Rianta, to trade unionists, in time consumed at Departments and in the real cost to the taxpayer. Why was this done? It just puts another name on a dilemma

that is sure to resurrect its head in the not too distant future. Will the Dublin Airport Authority bring greater value in financial terms than Aer Rianta? Are the Government's proposed changes in this Bill creating yet more financial waste, more uncertainty and instability in the industry?

We do not know why the Minister is driving these changes. We do not know how much these glossy reports on the proposed changes and break-up of Aer Rianta have cost the hard-pressed Irish taxpayer, but it is safe to say millions of euro. We have a new name, a new logo, new headed paper, new uniforms and new boards. Ironically, many of us are relying on the Minister for Finance, Deputy McCreevy, for common sense to prevent this new direction.

Surely there is a serious absence of forward thinking here. Many would claim that there is serious evidence of a lack of any logical thinking. This Government and the Minister have failed to present a credible rationale for the proposed break-up of Aer Rianta and the whole proposition is probably one of the most glaring examples of the Government's drive towards appeasing the private sector and vested interests. The Minister seems to have an almost fatal belief in the benefits of competition and ironically he is not even certain that the interests of competition will actually be served in this case.

There has been little real analysis of its business as the interests of the airline shareholders stand to be prioritised over the best prospects for the airports. The three airports will become mutually competitive, leading inevitably to shortcuts. In an industry such as air travel, shortcuts can be dangerous. The Minister is pushing the privatisation agenda despite the fact that large sums of money have been spent on research indicating that the break-up is potentially disastrous. The break-up will not only affect Aer Rianta workers but the thousands of other workers that service the respective airports.

The assurances given to staff on remuneration and transfer are not cast in stone and will be dependent on whatever the unions and staff associations will be able to extract during the six-month period after the Bill is passed. The Bill states that employees transferring to Cork or Shannon cannot be reduced to lower beneficial terms except by collective agreement. The challenge to arrive at collective agreements is one with which trade unions and workers are well accustomed and we will see a similar battle on the proposal to break up CIE. According to the Minister's analysis, the break-up of Aer Rianta will produce a more efficient company which is less costly and which has a competitive edge. In reality this will not be the case.

Aer Rianta has been a relatively successful company. Its airport charges are currently among the lowest in Europe; about 15% below the average for European airports. Consultants assigned by the Minister for Transport to investigate the value of installing a private terminal at Dublin Airport indicated that charges were notably low.

Other reports from different consultancies indicate that, although Aer Rianta's charges are extremely low, the company still manages to be profitable with a profit of €36.2 million after tax in 2001. In 2002, Dublin Airport was one of the three highest growth airports in Europe with increased passenger traffic of 80% since 1995.

The Minister believes that the break-up of Aer Rianta would allow Dublin, Shannon and Cork airports to compete against each other for custom. That analysis is based on the notion that Aer Rianta is too focused on Dublin Airport, thereby leaving operations at Cork and Shannon at a disadvantage. I reject that notion. Cork Airport is developing at a continuous rate with passenger figures having grown by 5.6% in recent years. The figures for passengers travelling to Britain increased by at least 10% and up to 29% to London Stansted and there was an increase of 16% in passengers to Europe. Figures for Shannon Airport showed a small decline, except of course for American troops using the airport heading off to Iraq. This might have caused a certain nervousness with some ordinary passengers using the airport. However, a decrease was anticipated given the reduction in transatlantic services. There are, nevertheless, indications of a likely increase in European traffic.

Regional airports will suffer seriously from the break-up of Aer Rianta and there is nothing to encourage one to believe that Shannon will benefit in any way. It is often thought that company mergers can reduce costs as administrative and support services are combined. On the other hand, by splitting the company into three, the individual airports would not be able to share central administration, accounting and middle management costs, thereby placing heavier costs on the emerging companies. This is still a better position than any company that would attempt to stand alone. Dublin Airport will be saddled with the debt for the entire Aer Rianta group, a move that will inevitably hamper the future development of the airport. Following the break-up, Dublin Airport will be left with a debt of at least €500 million. Shannon and Cork airports will have to cope with rising costs.

If we need international examples where privatisation of publicly-owned services proved to be regressive, we can look at the experience in New Zealand, an island nation like our own. The Government there finally had to buy back Air New Zealand for twice the price at which it was originally sold. Aer Rianta debts, which were around €377 million last year, will rest with Dublin Airport. Is this a level playing field? Is this the brand new beginning that the Minister envisages? All the indicators are that Shannon will be the big loser, with Cork doing slightly better. It is quite conceivable that Dublin Airport will push for an end to the stop-over in Shannon for transatlantic flights, which will create further difficulties and thwart development at that airport. There will also be the likely loss of profit by a reduction in the use of Shannon's catering service and there

[Mr. Crowe.]

have been further suggestions of large staff reductions at Shannon and the consequent voluntary redundancies could cost up to €25 million. Will these redundancies be put on hold by this new proposal? Like hell they will.

Sinn Féin has called for the production of a White Paper on air transport because a credible policy paper needs to be produced as a matter of urgency. There is a need for an improved infrastructure at regional level. Ireland needs a solid, forward-looking aviation strategy and the money spent so far by the Minister in tabling amendments to the State Airports Bill 2004 would have been better used in research and consultation to devise such a strategy.

The proposals contained in this Bill will not improve services for passengers and workers in the industry. They will serve vested interests and inevitably lead to greater privatisation, greater cost to passengers and a downgrading of services at these airports. There is no financial plan or clear vision coming from this legislation. It is all smoke and mirrors but we still do not know who is pulling the strings and on behalf of whose interests.

Mr. J. Higgins: The State Airports Bill 2004 is driven exclusively by the right-wing neoliberal agenda of the Minister for Transport and his soul mates in the Progressive Democrats. The Minister is pushing a nakedly right-wing ideology which detests all things in public ownership and has been manoeuvring this break-up for some time. The only logic behind it is that Aer Rianta is being fitted out for privatisation and our national airports are to be handed over to big business interests down the line. It is incredible, notwithstanding the fact that this is a right-wing Government, that it is prepared to go along with this attack on Aer Rianta without a shred of evidence that it will help airports develop or airport workers carry out their services more efficiently or assist communities depending on the airports.

It beggars belief that legislation is introduced to the Dáil to create three airport authorities, something that could be justified only if there were overwhelming evidence after serious study that they would be beneficial to the development of aviation, transport by plane and the workers and communities dependent thereon. However, the studies to determine that will take place only after the break-up process has begun. This Bill is being pushed through the Dáil at the instigation of the Minister for Transport, Deputy Brennan, and the Tánaiste, Deputy Harney. It is a scary coalition of would-be bagman and plunder woman exclusively in the interest of leading to the future privatisation of our national airports.

The trade union leaders, who have unfortunately capitulated as usual despite the outright opposition of thousands of Aer Lingus workers, are making a serious mistake. They may be working on the idea that the Bill and today's exercise in the Dáil are a charade to save face for the

Minister, the Tánaiste and others. They may be working on the hypothesis that the Minister, Deputy Brennan, will not be *in situ* next April when further crucial decisions will be made. The Taoiseach, Deputy Bertie Ahern, nobbled by an angry electorate, in part because of this Government's right-wing economic policies, may give the Minister a rest, if the Taoiseach is not himself off in the political flesh-pots of Brussels at that stage. Nevertheless, that is a dangerous gamble by a trade union leadership which should instead stand up and mobilise its membership, not just in Aer Rianta but widely — the workers who are the real wealth creators in society — to stop this attempted vandalism of a crucial national asset. When the Bill is on the Statute Book, the forces which have been relentlessly pushing to break up Aer Rianta will keep doing so.

The Minister, Deputy Brennan, has been deliberately working in an ideological manner to their benefit. He has deliberately obstructed pier D in Dublin Airport so that the cries of anguish from passengers in overcrowded conditions will lead to further pressure for the creation of a terminal which he wishes to be run by private capitalists in the near future. The Minister will bear responsibility for the discomfort in Dublin Airport this summer and in future. It is the likes of McEvaddy and Ryanair, the capitalists red in tooth and claw, who are waiting in the wings to pounce on our national assets. Their agenda is being facilitated here.

Aer Rianta should be maintained in public ownership and the workers at Cork, Shannon, Dublin and in other areas brought to the centre of its management so that——

An Ceann Comhairle: Five minutes remain.

Mr. J. Higgins: Beidh díomá ar phobal labhairt na Gaeilge go bhfuil an tAire ag cur eagraíochta leis an ainm “Dublin Airport Authority” in ionad “Aer Rianta”, ainm a bhí sothuigte do gach duine, is cuma an raibh siad líofa sa Ghaeilge nó nach raibh. Is mór an náire é, nuair atá an oiread sin brú ar an Ghaeilge agus ar phobal labhairt na Gaeilge, go bhfuil an tAire ag caitheamh ainm a bhfuil eolas ag cách air do áis ríthábhachtach do mhuintir na cathrach ar leataobh.

Mr. McHugh: In a nutshell, I welcome the introduction of this Bill and its main provision. There are some issues of concern which can be fleshed out later. What is at issue is that a monopoly is being broken up. In effect, this Bill proposes the creation of competition between our three main airports, Dublin, Cork and Shannon, and the opportunity for each to work to its strengths. Competition is good, no matter what sector one speaks about. It is the way forward. There is no future for protectionism or monopolies in a small country such as ours.

No sector will ever welcome deregulation with open arms, since naturally there are threats to the cosy operations that exist before deregulation.

Therefore it comes as no surprise that both Aer Rianta and the trade unions oppose a more competitive airport sector. Their kingdom is being put under the microscope and such scrutiny is not welcome from their point of view. This Bill will bring about a requirement that the various players streamline their operations, that inefficiencies be got rid of, and that a slimmer, more effective regime be put in place for the benefit of the wider public, the consumer and the regions, the last being particularly important.

The Bill will help them and help promote badly needed, balanced regional development. The opportunity being created by the Bill will provide for the creation of three stand-alone airports, and that is good for the regions since it will provide the opportunity for them to become directly involved in their airport and the significant negative impact of Dublin on the regions will be minimised. That is good for the future of this country. We want balanced regional development and the opportunity for progress to be spread throughout the country rather than having all the development focused on Dublin with only the crumbs from the table distributed to the regions.

Yesterday the chairman of Aer Rianta told us about a ten-year plan for the development of the company under existing structures, but we are not aware of the detail making it impossible to comment. However, we are aware of part of the contents of the PricewaterhouseCoopers report, elements of which I wish to refer to. It relates to the future for aviation and in particular for Dublin, Cork and Shannon airports. The Minister has come under fire for proposing the break-up of Aer Rianta because of the contents of the PWC report. However, further consideration must be given to it and important elements of the report must be considered.

I feel strongly that a strategic plan geared towards the management of the airports must govern their future. At its core must be the notions of service, viability and profitability. Owing to the great need for balanced regional development, a regional focus must be employed. If necessary, compensation must be made to address the disparity between Dublin and the regions in aviation terms.

Just because the PWC report forecasts a continued loss-making situation for Shannon and Dublin for the initial years after the break-up does not mean that the first reaction should be to retreat to the bunkers and cry: "No surrender. No change." The no-change option is never credible in a changing world, and it is certainly not so in a progressive Ireland. The PWC report is based on the aftermath of the break-up where nothing else changes, but that scenario is not sustainable. Where the cost base in one of the airports is too high, an examination should be carried out to establish why and subsequent adjustments made to correct the situation.

The PWC report contains comparisons between Shannon Airport and Bristol Airport. Similar passenger numbers are carried. In 2001,

Shannon carried 2.4 million passengers, compared with Bristol's 2.1 million. In that year, Shannon made an operating loss of €1.1 million, while Bristol made an operating profit of €16.9 million, the difference of €18 million amounting to a startling difference in financial fortunes. Surely it is appropriate to ask the reason.

Similarly, a comparison between Cork and Cardiff airports reveals the following: in 2001, Cork carried 1.7 million passengers while Cardiff carried 1.5 million passengers; and Cork made an operating loss of €3.2 million while Cardiff made a profit of €15.7 million, a difference of €18.9 million. Surely the key message is one of inefficiency in the running of our airports. The outcry should be for efficiencies, not taking a dog in the manger attitude or burying our heads in the sand while crying, "No change, no surrender".

Mr. P. Power: I wish to share time with Deputy Fiona O'Malley. There has been considerable debate over a number of years about the future of Irish aviation, in what is now one of the most volatile and fast-changing businesses in the world. I do not come to this debate with any ideological hang-ups. I come with the realisation that there are new and powerful competitive forces in the aviation sector which we will ignore at our peril.

Before discussing the detailed contents of the legislation it is important to set out clearly the new environment in which the modern aviation sector operates. Unlike the time when Aer Rianta was founded, the aviation sector operates in an environment which is now ultra-competitive. In many cases the margin between success and failure of some of the world's largest airlines is wafer thin. Not long ago we saw US airlines in serious trouble. National flag carriers throughout Europe have gone to the wall. The increasing dominance of low-cost and low-fare airlines is now a major factor in aviation policy.

What are the factors influencing and driving the aviation sector in the modern world? First, all international studies and aviation experts indicate that the boom in airline travel over the last 30 years will continue for the next two decades, at least. This means that literally millions more passengers throughout Europe and the rest of the world will want to travel by air, provided the price remains affordable. Deputy Ryan made the point that he is not certain whether those figures will be realised. We on this side of the House do not have the luxury of second guessing what the trends are. All we can do is rely on the trends that have occurred over the last 30 years and the projections for the next 20. To abdicate responsibility for formulating policy on that basis would be foolhardy. Unfortunately, Deputy Ryan does not have that luxury.

Second, the drive towards lower fares will continue unabated while this results in welcome increases in passenger numbers. A corollary of this is that the dominance and power of low-fare airlines will increase inexorably over the next ten to 15 years. This is a key factor which, again, we

[Mr. P. Power.]

cannot ignore. Third, the cost of aviation fuel is likely to increase as world fuel supplies dwindle. Fourth, deregulation of the global aviation business on the ground and in the air will continue, especially in the Pacific Rim area. The US-EU open aviation area will have a major impact on Irish airports over the coming years, particularly on Shannon, with its dependence on the North American market.

Finally, the rise of regional airports throughout Europe is being driven by the requirements of low-fares airlines. These are the critical factors now driving the aviation sector. Not one of them was there when Aer Rianta was formed and if we ignore those in the formulation of our new aviation policy, we do so at our peril. All of these factors mean that the aviation sector is now moving into an ultra-competitive phase where only those airlines and airports offering the most competitive and attractive packages will survive. All experts in the international aviation field agree on this basic premise. As matters stand the manner in which Irish airports are structured does not allow them to compete in the new modern aviation environment. The question for this House, therefore, is how the Government and the country responds to this new reality. Some would suggest, and they have done so today, that we simply do nothing and carry on as before. I submit that this is simply not an option. Airports and airlines need to be flexible to adapt to a rapidly changing environment.

A clear analogy can now be drawn between the status of Aer Rianta at this stage and that of Aer Lingus and some other national flag carriers throughout Europe a number of years ago. Previously Aer Lingus, among other airlines, refused to adapt to the new aviation environment which resulted from airline deregulation in the 1980s. This almost led to the collapse of Aer Lingus. It was only when new enlightened management was put in place that the national flag carrier embraced the new environment I have spoken about earlier and now that airline has flourished. A clear comparison may be drawn between what happened to Aer Lingus and what will happen to Irish airlines unless we embrace the new reality of ultra-competition in the aviation sector generally.

One only has to look at the UK and Europe to see the benefits to be derived from autonomous competing airports. Less than half the passengers flying to London now use Heathrow compared to ten years ago. As we all know Heathrow Airport has not suffered the slightest damage to its bottom line or profits but the surrounding airports have gained significantly. The fact is Heathrow was not in a position to absorb the increased demand. A direct comparison may be drawn between Heathrow then and Dublin Airport now. Dublin Airport is operating at over-capacity. Shannon and Cork airports are operating at under-capacity.

Every informed commentator in the mid-west region knows that Dublin is simply not letting

Shannon cut the sort of deals necessary to grow the business. In this regard Deputies Ryan and Shortall made a point pretty fundamental to this whole debate, which in effect was that airports do not compete in a modern environment. That sounds right if one is talking about competing for passengers. It is correct. However, fundamentally airports do not compete for passengers. Airports compete for airlines. Let us take a passenger in Roscrea who wonders if he or she will go to Dublin or Shannon and then decides to go Dublin because it is five euro cheaper, or *vice versa*. The reason that passenger decides to go to Dublin or Shannon is because those individual airports have contractual arrangements with airlines in each airport. If the airports do not have arrangements in place to bring the airlines in, the consumer has no choice and pays the price for that. All the arguments made take this point as their basis and I believe this is fundamentally flawed.

In Britain, with an economy growing at a much slower rate than ours, the regional airports are expanding at a much faster rate because of independent expert management. I am referring to airports such as Prestwick, Belfast, Cardiff and Luton. All of these are thriving under independent management. I welcome Deputy McHugh's contribution on this point, a man who represents regional Ireland and knows the factors driving regional development in this country. His views should be taken on board by some of the more urban-based Deputies who have spoken already on the subject.

It is because good management is the key to success that I am happy that the legislation makes one important proviso, namely, that each of the new authorities must produce viable plans to the satisfaction of the Ministers for Transport and Finance. This will be no small task and will be entirely a matter for the new authorities to cross this first hurdle. In this regard the new authorities should be under no misunderstanding or illusion as regards the threshold required to satisfy the conditions set out in section 5. It will be high, let there be no doubt about that.

The mere passing of the legislation is no guarantee that the second stage is automatic. Furthermore, the proper, effective and successful implementation of the business plan will require examination and scrutiny to ensure that the business is developed and defined targets are met. The authorities should be in no doubt that if they do not meet the defined targets, appropriate remedial action will be forthcoming. In this regard I am suggesting to the Minister that the Joint Committee on Transport should have a role in scrutinising the authorities to ensure they are performing. I also believe the committee should have a role as regards scrutiny of the business plans which will be forthcoming in the next few months.

The memorandum and articles of association of the new authorities are referred to in section 9 of the Bill. The primary objective in the memorandum and articles of association should be the

proper implementation of Government policy and business plans.

I am dismayed by some of the comments from the existing Aer Rianta board in recent weeks and months. It is not appropriate or acceptable for Government appointed directors
3 o'clock to question general Government policy, as their job is to implement that policy on the board. The new authorities should not doubt that they are in place to serve the interests of the public as expressed through Government policy. That reality should be reflected by section 9 and the memorandum and articles.

I would be grateful if the Minister would provide some clarification about section 24 which relates to the Customs-Free Airport Act 1947. It has been suggested that the Shannon free zone may form part of the authority at some stage. Is section 24 an enabling section in that regard? My concern is that any such proposal would be premature. Decisions or proposals of that nature should not be made before publication and analysis of a major review of industrial policy which is being undertaken by the Government

There has been some talk in the Chamber and in other fora in recent days about the disclosure of interests in respect of this legislation. Although I do not feel I have an obligation to do so, I would point out at this stage, if only for the record, that a member of my family is employed by Ryanair and has a minor shareholding in that company.

As I said at the beginning of my contribution, I have no ideological hang-ups in this regard. I am speaking in this debate in the realisation that if we do not act now, our airports will suffer the same fate as many airlines suffered between the late 1980s and the mid-1990s. The vast majority of airports operate successfully and profitably and employ more people than ever throughout Europe. They are autonomous and are not part of larger groups. Ireland is a small island that depends on the growing aviation industry. It would be foolish to lock the three airports together, so that they are unable to develop their businesses within the sector, in the type of environment that was outlined at length at our recent meeting. Such a move would be detrimental to our regional airports, in particular.

Ms F. O'Malley: I compliment Deputy McHugh on his contribution, which was particularly impressive when one considers the constituency he represents. He knows what he is talking about. Deputy Ring asked to be given a copy of Deputy McHugh's speech. I hope he will dwell on the wisdom in it when he receives it.

Mr. Ring: Deputy McHugh thinks he will get a job supporting the Government when it gets rid of the Progressive Democrats.

Ms F. O'Malley: The Deputy will learn a thing or two from the speech made by Deputy McHugh.

Mr. Ring: He is playing for a position when the Government dumps Deputy O'Malley's party.

Ms F. O'Malley: I am sure the Deputy will see the good points that were made. I welcome the publication of the State Airports Bill 2004 and the commencement of the debate on it in the House this afternoon. The break-up of Aer Rianta has been spoken about for far too long, but we are finally seeing some action. Caution and resistance to change on the part of those within the existing structure has grown over time, as it does in any sector that faces change. To his credit, the Minister has taken time to alleviate such problems. He has addressed the anxieties of the workers and the resistance to change of the Government appointed board.

Deputy Peter Power highlighted the fact that it is rather inconsistent that resistance should be shown by a Government appointed board, the sole function of which is to implement Government policy. It is disappointing that the board has behaved in such a manner. I am sure the Bill is better for the time the Minister has spent dwelling on some of the anxieties and ironing them out.

Some Members of the House remain hostile to deregulation wherever they meet it, largely for ideological reasons. There cannot be too many Deputies who, having experienced deregulation in the taxi and airline industries, continue to cling doggedly to their comfort blanket. It is clear that deregulation has worked. It is not hyperbole to describe the deregulation of the skies as one of the major successes of the 1980s and 1990s.

The economic spin-off from deregulation is best illustrated by assessing the example of tourism figures. Irish tourism figures were static for 20 years before deregulation, remaining at approximately 2 million. The figure climbed, significantly, to 6 million when access to the country was deregulated. That is clear evidence of the positive effect of unregulated access on the Irish economy. A more direct result was the plummeting of air fares, which were brought into everybody's reach. People started to fly from Dublin Airport and the regional airports.

We have focused on the three airports which are the subject of this Bill, but we have forgotten about the many private regional airports which operate in many Deputies' constituencies. Such airports have brought substantial economic benefits to the areas in question. I am sure Deputy Ring will want to comment on the significant benefits brought by Knock Airport to his constituency. Tourists are flying directly to County Mayo and do not have to come via Dublin any more.

Mr. Ring: We have to battle to keep Knock Airport alive.

Ms F. O'Malley: Indeed.

Mr. Naughten: The problem is the fog.

Ms F. O'Malley: The terms of this Bill will make life much easier. As Deputy Peter Power pointed out, the airports are not competing for passengers but for airlines. The Bill will make Ireland a far more attractive place for people to fly into, generally speaking.

The three airports which are the subject of this Bill will greatly benefit from the reforms proposed. The legislation constitutes a sincere effort to give the airports at Shannon and Cork the autonomy to allow them to take decisions locally. Such autonomy will contribute greatly to proper regional development in the areas in question. The word "subsidiarity" was often used in this Chamber in previous years. Deputies argued that decisions should be made locally. It was suggested that people whose businesses and livelihoods depend on local decision making should have the power to make decisions. The legislation before the House is commendable because it supports regional development.

The establishment of the three airport authorities will lead to competition between them. The ultimate beneficiary of competition will be the public. All operatives smarten up their operations to attract more customers in a competitive environment. Customers can be airlines in this instance. Competition may lead to an expansion of flight connections and an extension of the services provided at airports. A more commercially focused airport will deliver better results for the shareholder, who is the Minister for Finance, operating in trust for the Irish people.

I agree with Deputy Naughten, who lamented earlier the fact that real competition is not being dealt with in this Bill because it does not provide for a second terminal in Dublin. Competition will thrive in a more deregulated environment, however. The case for having a second terminal at Dublin Airport will be made in such an environment. There is a case for a third terminal.

Mr. Naughten: It is hard enough for the Government to decide on a second terminal, never mind a third terminal.

Ms F. O'Malley: The Government has committed to examining the case for a second terminal. I am not as familiar with Cork Airport as I am with Shannon Airport, which is in a lamentable state because its potential for growth is not being met as a result of orders coming from Dublin.

Ms Shortall: And orders from the Minister.

Ms F. O'Malley: Those who have spent some time at Shannon Airport will know that the changes proposed in this Bill will provide much better services for the people of the mid-west region. I am sure the same is the case in Cork and the southern region.

Deputy Peter Power mentioned that a disgraceful innuendo has been introduced to the debates on this issue in the Dáil, the Seanad and on the national airwaves. The allegation that poli-

cies are being pursued by the Government, particularly by the Progressive Democrats, to benefit one company and one individual is quite deplorable and false. Such tactics are being pursued by those on the left and those who have been left behind. None of the people who have made such allegations can hold a candle to the record of Deputy Harney as Tánaiste. She has achieved great improvements in this country's public service.

The notion of re-declaring political donations has been mentioned. The Tánaiste has never had a problem making any declarations about party finances. However, this is not so true of the Labour Party, which is financed heavily by the trade unions. That fact has never been declared before the House. It is hypocritical of the Labour Party to suggest that the funding from the trade unions works for the lofty democratic process, yet anybody financing any other political organisations could not possibly have such a lofty ideal in mind. That is hypocrisy and a double standard. It also casts a shadow on the private donations the Labour Party receives from individuals. Such donations form part of how democracy is funded. Although I would prefer the system to be funded by the State, we make our declarations honestly and are glad to accept donations.

With this legislation we find ourselves at the departure gates of new and exciting opportunities for our regional airports. The future will see these possibilities take flight. I commend the Bill to the House.

Mr. Ring: I am glad Deputy Fiona O'Malley has made a strong case for the Progressive Democrats. I do not know how Fine Gael survives. We do not get Michael O'Leary's money, nor do we get money from the unions. We are a great party to survive at all.

Having heard Deputy Peter Power speak, I never thought the day would come that I would defend a Fianna Fáil appointee, the chairman of Aer Rianta. If in the past those on boards and in banking institutions had spoken out at what they saw was not right, we might not have needed half the current tribunals. There is nothing wrong with the chairman of Aer Rianta speaking out. The Bill will affect him, his board and the workers. Nobody should question his right to speak out, particularly at a time when such major changes are taking place.

I say to Deputy Fiona O'Malley that I am all in favour of competition and of getting the best value. I supported the privatisation of Eircom and changing the ESB to a semi-State body to try to get a better service for the whole country, not just the rural areas. We saw the way the ordinary decent people were robbed because of the flotation fiasco handled by the Government. Big business subsequently took it over and made a fortune. Those business people were not robbed because they knew and were told what was going on. However, the poor investors were robbed.

At one time Ministers used to go around the country at election time with telephones in the boots of their cars. Mark Killilea was the man who brought them around in his car and he could connect up a telephone there and then.

Mr. Brennan: Mobile phones.

Mr. Ring: He was 25 years ahead of his time and was there before the mobile phone. If he had known what he was doing at the time he could have been a billionaire by now. In my constituency those wanting phones will be lucky to get one in 12 months' time.

I have no worry about Dublin, which has the population. The political will exists such that, regardless of which party is in Government, it will be looked after. Dublin will be protected, as we saw in the past with the banks when emergency legislation was rushed through and there was no difficulty for big business. When someone in a remote area wants a phone, Eircom will point out that 12 or 15 poles would be required and that such an installation would not be economical. This is exactly what will happen with the airports.

I want Shannon Airport to succeed, develop and stand alone. My county has an airport that got very little support from the State. Aer Rianta was not very helpful to Knock Airport and put every obstacle in the way to ensure it would be a failure and to prevent regional airports from setting up. For Shannon, Cork, Knock and Sligo it is important to have regional airports. People want to be able to leave New York in the evening and be in their destination the following morning. They do not want to be in Heathrow or Dublin Airport. When travelling to Cork, Shannon or Mayo, they want to get there in the quickest time and at the cheapest price.

While we can talk about airports and bring people here, we all have a problem now with the price of our product. On Monday a constituent told me he was planning to go to Kerry on holidays this year. He rang an establishment, which I will not name, and was quoted €1,100 for a two-bedroom apartment for the week, which did not include a cup of tea or a glass of milk. The same family subsequently booked a full board cruise holiday for €1,500 for the week. Regardless of how cheap the flight is, where will someone coming to this country go? They will certainly not come to this country unless we do something about the cost of the product.

The Minister has spoken for a long time about the break up of Aer Rianta and the local and European elections two weeks ago certainly stirred up the Government parties. Michael O'Leary has been very good to the Independent group of newspapers in recent years. He has been one of its best clients in taking out advertisements critical of the Taoiseach and the Government in general. I do not believe he was ever critical of the Tánaiste, whom he seems to like for some reason. I praise him for the good job he did for the country as a second carrier offering cheap

flights. It was he, not the Government, who sorted out Aer Lingus, which got into difficulty in the first place because he put it under competitive pressure and took away its customers. Aer Lingus had to reform and compete.

For some time the bloodstock industry has controlled Government policy on taxation. Those involved in that industry meet the Taoiseach and Ministers at football matches and race meetings. They have the influence and do not care about the small guy in the street. All they care about is looking after their bank balances so that they can make more money to maintain their lifestyles living outside the State, paying no tax in the State and still having influence on what happens here, which is wrong. The people spoke two weeks ago and are waiting in the long grass to speak again in two and a half year' time when they will deal with certain people with whom they could not deal two weeks ago, although they dealt with their parties.

What will happen to airports like Knock? I am not sure about Sligo Airport, which might be privately run. Will such airports get the same level of support the Government will have to give to Dublin, Shannon and Cork Airports? These three airports will now receive major subsidies while our airport in Knock, for which we have struggled and battled over the years, will not. I compliment the chairman, board and management, who are doing an excellent job. The Minister has met them on many occasions. They had to fight to bring in the airlines, no thanks to Aer Lingus or Aer Rianta. They had to use their own Mayo contacts throughout the world, and the Mayo mafia worked on this occasion. Thank God the Mayo mafia had those contacts and we were able to deliver. We did not depend on Government or anybody else.

We got the airlines in at a time when Michael O'Leary threatened the airports and said that if they did not take what he was offering them, he would pull out. I have great respect for Michael O'Leary but he should not control Government policy on our airports. Regardless of how good or powerful he is, that should not be allowed to happen. When the day comes that we have a second terminal in Dublin Airport, I hope Michael O'Leary will not have control of it because if that happens, we will be back to the bad old days. At least there is competition now among the airlines but it would be wrong for Dublin Airport to be controlled by one person, with another person controlling the other part. That aspect will have to be carefully examined.

I hope the Minister has thought out this proposal because he has not given us the answers. I compliment Deputy Naughten on his contribution this morning and also that of my colleague, Deputy Shortall, from the Labour Party. Both Deputies spelt out the position very well. Everybody wants this proposal to work but they are worried because we do not have the facts, and the Minister has not given us the answers. That is dangerous. The Minister and the Department

[Mr. Ring.]

spent a good deal of money bringing in consultants and so on, yet we still do not have the answers.

I am worried about Shannon, which has gone through a difficult time over the past few years. Deputy O'Malley will remember the three Fianna Fáil backbenchers who did not support the Government. They were put out into the long grass but they were soon back in again, and they were strongly supported in Shannon. When the Shannon stopover ceased and aircraft were allowed fly into Dublin, it had an adverse effect on tourism for a number of years, and nobody can say otherwise. At the same time, I accept that somebody travelling to Dublin from Chicago, New York or wherever does not want to stop over in Shannon. They want to fly direct to Dublin to do their business.

I am concerned about what will happen. I am worried about Cork also. I am not worried about Dublin because it has the population and the infrastructure. It will survive because the city is growing so fast. It is important that the Minister should answer the questions asked of him and that we know how Shannon, Cork, Knock, Sligo and all the other airports will be protected.

I have seen how valuable Knock Airport is to the west. There is no doubt that it is one of the best pieces of infrastructure ever put in place. The board struggled for a good many years but at last it has seen a turnaround and they are working hard at it. I want to know if Knock Airport will get the same level of support as these other airports with this break-up. That is a question the Minister and the Department have to answer.

We all want competition. The Lord have mercy on the late Deputy Jim Mitchell because when he was Minister for Communications he allowed competition here when many people were opposed to it, yet I have never heard Michael O'Leary compliment the job he did over the years. Michael O'Leary would never be heard of if the late Jim Mitchell had not done what he did, yet he appears to have great time for the Progressive Democrats and people in Fianna Fáil — not that we want him to praise us; that might not be a good thing.

On the question of Michael O'Leary's influence on this proposal, I hope Government policy is for the good of the people, the country and the business sector and not for one individual who has the power, money and resources to publish advertisements in two or three newspapers on a daily basis. If that is the way Government policy were being determined, it would be wrong.

Despite all its faults Aer Rianta has not done a bad job for this State. It has kept the operation running over the years and it has done it well. People who were appointed by Fianna Fáil, including the chairman of that board, have voiced their concerns because they know there is something wrong with this proposal. I have no problem with competition but I am concerned about what

the Minister is proposing. I am worried about the fact that certain people have influence over Government.

Dr. Devins: I am delighted to have this opportunity to speak on the State Airports Bill 2004. The reforms which this Bill will provide for are aimed at developing Dublin, Shannon and Cork airports so that they can achieve their true potential.

Is it necessary to improve the delivery of service at these airports? In trying to answer that question one must first fall back on one's own experience. The one airport of the three that I use most is Dublin Airport but I have to say that of all the airports I have travelled through, Dublin Airport is the one I least like. I say that because my experience of using Dublin Airport, for both domestic and international travel, is associated with delays, long queues and car parking that is either very expensive or a long distance from the main concourse. Over the past few years, the airport has resembled a building site.

I am sure the supporters of the current arrangement will say that these building projects are an example of an airport that has expanded rapidly, but why was expansion not foreseen and planned for? It has been obvious for some time that the traffic through Dublin was increasing and with any degree of professional forward planning, the ability of the airport management to expand could have been achieved within a much shorter timescale.

Dublin is the main airport of this State and it is the airport through which most of our business and tourists come. It is their first experience of Ireland and, until recently, I am sure that is an experience which did not reflect well on our country. Matters have improved recently but why has it taken so long? The answer to that question may be unpleasant but the question must be asked. I believe it does not reflect well on the management of Dublin Airport.

I live in Sligo, which is roughly equidistant from Shannon and Dublin. During the past few years I have become aware that more and more people from the north-west are using Shannon rather than Dublin and, almost invariably, they are loud in their praise of Shannon. It is still easy to park there, check in and use the shops and restaurants. Generally, it is a much better experience than using Dublin Airport. That may well have something to do with the untapped potential of Shannon Airport. I understand that approximately 2 million people use Shannon, and that figure can be realistically expanded to 4 million. This can be done if the airport is marketed in the right manner, something that has not been done so far.

As an example of what I mean we have to look no further than Knock International Airport. This is an airport located in the middle of a rural area, an airport that all the pundits laughed at and said would never succeed but succeed it has, and it has grown exponentially. It has done so

because of the commitment of a small group of people and by having a chairman on board who is focused on Knock alone.

I recently attended a briefing in the House by the airport management board and I was very impressed by its vision and strategic planning. Its focus is totally on its own airport, and I have no doubt its realistic goals will be achieved. There is nothing to stop either Cork or Shannon achieving similar growth. In fact, their advantage in being located close to large urban areas is even further proof that under their own boards, the current growth figures are not only achievable but may well be on the modest side.

This Bill is the enabling legislation which will allow for the restructuring of Aer Rianta and the establishment of independent airport authorities at Dublin, Cork and Shannon. There is strong support for this and nowhere is this stronger than at local level. Local people, not just in Shannon and Cork but also in Dublin, have seen the success of the independent airports such as Knock and those in the UK and on the Continent.

The long-term viability of each of these airports and the procedure according to which the assets of Aer Rianta can be dispersed in an equitable fashion have been raised. The Minister for Transport has wisely taken these issues into account. Once the separate authorities have been established, they will have to prepare a realistic plan on their future development.

Debate adjourned.

Message from Seanad.

An Ceann Comhairle: Seanad Éireann has passed the Central Bank and Financial Services Authority of Ireland Bill 2003, without amendment.

Ceisteanna — Questions.

Priority Questions.

EU-US Summit.

1. **Mr. G. Mitchell** asked the Minister for Foreign Affairs the matters to be discussed with the President of the United States of America during the upcoming EU-US summit; and if he will make a statement on the matter. [18937/04]

2. **Mr. Quinn** asked the Minister for Foreign Affairs if arrangements have been finalised for the visit of the US President George W. Bush to Ireland for the EU-US summit; if an agenda for the visit is complete; if the Government intends to raise the situation in Iraq with President Bush; if he intends to draw the attention of President Bush to the ongoing concern here at the use of facilities at Shannon Airport by the US military for operations in the Middle East, in view of the fact that opposition to war has never fallen below

65% here; if there are other specific items the Government intends to raise with President Bush; and if he will make a statement on the matter. [18913/04]

Minister for Foreign Affairs (Mr. Cowen): I propose to take Questions Nos. 1 and 2 together.

Arrangements for the EU-US summit in Dromoland Castle are complete and, on behalf of the European Union, the Taoiseach looks forward to hosting this important meeting. This summit is important in a number of respects, not least as the first EU-US summit of the enlarged European Union of 25 member states.

The summit's wide-ranging agenda reflects the inescapable fact that most of the key international issues require sustained and productive co-operation between the United States and the European Union. The interests of citizens on both sides of the Atlantic, and of the wider international community, are best served when the European Union and the United States co-operate and work together. Counter-terrorism, where clearly co-operation between Europe and the United States is indispensable for the safety and security of our citizens, will be discussed.

Other important issues that will be discussed include Iraq, the Middle East peace process, relations with the wider Mediterranean and Middle East regions, Afghanistan, Sudan and the non-proliferation of weapons of mass destruction. The summit will also highlight the continued commitment and leadership of the European Union and the United States in the global fight against HIV-AIDS.

On Iraq, the Taoiseach will set out the European Union's position as agreed at the European Council last week where the European Union affirmed its objective of a secure, stable, unified, prosperous and democratic Iraq that will make a positive contribution to the stability of the region. It agreed that the Union as a whole should work in partnership with the Iraqi Government and people, with the aim of realising these objectives.

The European Council welcomed the recent unanimous adoption of UN Security Council Resolution 1546 on Iraq and, in particular, the continuing mandate that it confers on the UN itself. It also welcomed the commitment under this resolution for all parties to act in accordance with international law, including obligations under international humanitarian law, and called on them to ensure observance of these obligations. There is a shared determination on both sides of the Atlantic to build on the consensual approach reflected in the unanimous adoption of Resolution 1546. Both sides are keen to ensure that the transition process in Iraq is crowned with success, with the UN having a central role.

The transatlantic economic relationship will also be high on the summit agenda. The EU-US trade figures speak for themselves. Every day €1 billion worth of trade is conducted between both sides, reflecting the depth and breadth of our economic links. There is widespread US investment in Europe, including Ireland. Likewise, the

[Mr. Cowen.] importance of European Union investment, including Irish investment, for US jobs is significant.

The summit will recognise the need to further strengthen and widen the transatlantic economic relationship to include the many aspects which affect our investment relationship, as well as trade in goods and services. In order to advance this objective, the summit is likely to consider how to conduct a fundamental reassessment of all aspects of our bilateral economic relationship, to identify any underlying impediments to trade and investment and accelerate their elimination, as well as identify areas for increased integration and growth.

The use of Shannon Airport is not a matter for formal discussion at the EU-US summit. Ireland's position on this issue has been endorsed democratically in this House.

Mr. G. Mitchell: Will the issue of prisoners' welfare at Guantanamo Bay be raised at the summit? Will the plight of illegal Irish citizens in the United States, which has been the concern of a number of US Congressmen, be raised? Will there be attempts to locate a transatlantic foundation to promote better dialogue between Europe, the United States and Canada?

The meeting on the future of Iraq should not take place in Brussels but in Ireland. Holding such a meeting in Brussels is a terrible reflection on Ireland. Will the Minister for Foreign Affairs provide an opportunity for the leaders of the other political parties, with the Taoiseach, to meet President Bush to convey the concerns of the Irish people regarding abuses in Iraq and prisoners' welfare at Guantanamo Bay?

I realise this is an EU-US summit but time should be found for bilateral issues to be raised, involving not just the Taoiseach but the leaders of the other parties. They have serious concerns about these issues but not all want to march on the streets. We recognise people's rights to protest and there is nothing wrong with peaceful demonstrations. However, there are concerns about the authority for the invasion of Iraq and how the situation is being handled. Will the Minister and the Taoiseach invite the other party leaders to meet President Bush so these matters can be raised directly?

Mr. Cowen: Unfortunately, such an idea cannot be incorporated into the summit meeting. The bilateral issue of undocumented Irish citizens in the US who have not had their problems resolved by the green card programme is discussed on an ongoing basis at ambassadorial level. I learnt during my visit to the US Congress that there is no prospect of legislation being introduced on this side of a presidential election. This can only be taken up with sponsors in Congress in 2005. The Deputy has raised the establishment of a transatlantic foundation before. However, it is not on the agreed agenda for this summit.

There are important international issues of concern to both the EU and US. The situation in both Iraq and Afghanistan will be the subject of full and frank discussions. While there will continue to be differences of view and even points of disagreement about specific issues between the US and the Union, it is important that these matters are addressed openly and frankly. The European Union has regular dialogue with the United States, as with other partners, which provides ongoing opportunities to discuss issues of concern to each party.

The Government has made known its concern of the treatment of prisoners at Guantanamo Bay and in Iraq, including directly to US authorities at the highest levels. The Dromoland summit will provide further opportunities to bring our distinguished visitor's attention to the significant concern felt in Ireland on those matters. The Taoiseach will address his responsibilities in that regard.

Mr. Quinn: Full and frank exchange of views is a diplomatic phrase for friends telling other friends the truth and not holding back, for fear of offence, on facts that need to be heard. Do I take it that since the Minister has used that phrase, Ireland, as the holder of the EU Presidency, will tell the United States that the majority of European citizens were opposed to the illegal invasion of Iraq; that they were appalled by how the invasion has proceeded since the end of the formal hostilities; that they want the Americans to learn a lesson from the mistake made by the Americans with the participation of the British; that the Minister and his colleague, the Taoiseach, as the Presidency occupants of the European Union, will use the opportunity in full and frank exchange to attempt to ensure that the United States returns to the path of multilateralism; and that in the context of Iraq in particular, this will mean that the Americans will give as much power as quickly as possible to the United Nations? I read what the Minister said elsewhere but I specifically ask if the Americans will be prepared to put their troops under the control of the United Nations in one way or another as soon as possible. Otherwise, the opportunity of this full and frank exchange will be wasted.

Regarding international multilateral co-operation between the European Union and the United States, the Minister listed a number of items on the agenda. Can the Minister confirm that one of the items he did not list will be referred to, namely, a decision that the European Union will agree to integrate or share its Galileo geo-positioning system which will be launched with that of the American GPS system? If that is the case, is the Minister aware that civilian access to the GPS system, a wonderful benefit for anyone navigating anywhere, is not as accurate as the military access, and that there are potential problems regarding the integration of the two systems? Where has this debate taken place in any European nation state? As European taxpayers

we will be spending a vast amount of money to establish the Galileo system which the United States opposed for quite some time before we attempted to get it off the ground. I am concerned because of reports which have not been substantiated, which is why I ask the Minister to confirm or substantiate them, that this item is on the agenda. On whose authority, with what debate and from where did this proposal come?

Regarding multilateralism and the issue of justice and home affairs, is it the Minister's intention to raise the illegal actions of the United States in its treatment of the Guantanamo Bay prisoners? Will he forcefully, in the spirit of a full and frank exchange, tell the Americans that if any other country were treating the prisoners in Guantanamo Bay in that manner, they would be brought before the International Criminal Court? Does the Minister propose to recommend that the United States recognise the International Criminal Court and will he formally ask it to do so?

Mr. Cowen: There is an issue of difference between the European Union and the United States regarding the International Criminal Court. There has been no change of policy on either side in that regard. We seek to promote the International Criminal Court in all international fora. The matter was discussed at the United Nations Security Council meeting which I attended yesterday.

Regarding prisoners, it is a matter of record that the European Union has spoken repeatedly in public on these matters and has raised them in meetings with the United States. In clear language we have strongly and publicly condemned any instances of abuse and degradation of prisoners in Iraq as contrary to international law, including the Geneva Conventions. At the time of my return from the quartet meeting in New York on 4 May, I co-ordinated a European Union position among the 25 member states.

Mr. Quinn: We know that, but will the Minister be forcibly saying that to the US President?

Mr. Cowen: I am making the point that this will not be the first time the European Union is setting out its position on these matters. I want to put it on the record in case I might be misrepresented. I have set out the position consistently. The EU along with our eight Arab partners has expressed its condemnation in the Euro-Mediterranean meeting of Foreign Ministers on 5 and 6 May, the EU Council of Ministers on 17 May and again following a meeting with Gulf Arab states on the same day. As President of the European Council, the Taoiseach condemned the abuse in a statement on 13 May and described it as a clear breach of the Geneva Conventions. This EU Presidency has been unambiguous regarding that matter.

Deputy Quinn asked what the EU Presidency will say at the summit meeting. As an experienced politician the Deputy knows that the Presi-

dency will put forward the Common Position of the EU. Its Common Position on Iraq is as I have outlined in the main body of my remarks. The Deputy is aware that there were divisions within Europe and within the United States regarding that matter. I have therefore explained precisely what we will be saying regarding the Iraqi situation. As regards international humanitarian law, what we say will be consistent with the many statements our EU Presidency has made throughout its term.

Regarding Galileo, an agreement will be signed between the United States and the EU. The Deputy is correct. Galileo was brought forward by the European Union to make sure that civilians can access that global positioning system at all times. I welcome the technical arrangements that will ensure it can come into play in a way that will not disrupt the whole situation. This matter has been under discussion for many years over many European Councils.

Departmental Programmes.

3. **Dr. Cowley** asked the Minister for Foreign Affairs if, in view of the fact that the Safe Home organisation has assisted 288 Irish emigrants to return home to secure accommodation and that DION provides funding support to Safe Home towards repatriating UK emigrants and that Safe Home, which has been designated the national repatriation programme for Ireland, has applicants from among older Irish emigrants who qualify for repatriation under the Safe Home criteria who are based in countries other than Britain, some of whom have already been assisted to return here, he will consider providing additional funding in order that non-UK based older Irish eligible emigrants can be repatriated with the assistance of Safe Home; and if he will make a statement on the matter. [18267/04]

Mr. Cowen: Funding for Irish emigrant welfare in Britain is provided annually by the Department of Foreign Affairs through the DION fund, which is administered by the DION committee and the Irish Embassy in London. DION has been providing financial assistance to the Safe Home programme for many years and funds totalling €82,530 were provided in 2003 to support part of the salaries of the three full-time staff. This was the maximum amount allowed per project in 2003. I am pleased that the DION committee has this year decided to raise the cap per project to €110,000, and that amount has been recommended for the Safe Home organisation. The DION grant recommendations for this year have been submitted to me for consideration and decisions will be made in the near future.

With the increasing ageing profile of the Irish-born population in Britain, there has been a corresponding increase in the demand for advice and support for repatriation of elderly Irish people. The amount of funding recommended for the Safe Home organisation reflects the excellent, impressive and successful repatriation work

[Mr. Cowen.]

which it has achieved. I am aware that the Department of the Environment, Heritage and Local Government has grant-aided Safe Home for its general administrative expenses in carrying out a co-ordinating role on the amended terms of the capital assistance scheme. A sum of €100,000 was paid to Safe Home in grant-in-aid in 2002-03. Under the terms of the voluntary housing capital assistance scheme, up to 25% of accommodation in new projects by individual voluntary housing bodies may be allocated to elderly returning emigrants who satisfy eligibility criteria. Elderly emigrants wishing to apply for accommodation may apply and be assessed for housing without the requirement of having first returned to this country. I am also aware that Safe Home carries out a co-ordinating role liaising with relevant individual voluntary housing bodies throughout the country regarding accommodation for eligible elderly emigrants who are included on their waiting list.

I was pleased to announce before Christmas that I had secured an additional €1 million in the Vote for the Department of Foreign Affairs for services to emigrants in 2004. This brings the overall expenditure on emigrant services by my Department this year to just over €4 million, an increase of one third in 2003. I also hope to be able to find additional funds through savings in my Department's Vote later in the year which will enable me to increase the amount for emigrant services even further. In this context, I would be very happy to consider any further proposals from the Safe Home programme to assist older Irish emigrants in countries other than the UK.

Dr. Cowley: I thank the Minister for his reply and for his good news. This means a lot to the people being helped because they are at the bottom of the league in terms of doing well with regard to car and home ownership. They are way down the scale. The Irish are the only ethnic group to do worse than the host country, the UK. It is only right that we do this for our emigrants because of the billions they sent home to us. Safe Home has assisted 288 older Irish emigrants. We try to bring people to somewhere as near as possible to where they came from and have received 1,098 inquiries so far.

I thank the Minister for his news because Safe Home could not exist without the DION fund. We also get help from the Department of the Environment, Heritage and Local Government and the Department of Social and Family Affairs. All this only pays the salaries. We still have to pay ongoing office costs, entitlements and mileage. Much of the work of the staff involves attempting to get these additional funds to run the repatriation effort, which takes away from the main work.

Much of our work now focuses in areas outside the UK. While the main need was in the UK, we have now had inquiries from the five continents.

A number of emigrants have been repatriated from the US. Will the Minister consider providing extra funding for those immigrants from places other than Britain who live in poor circumstances and who would dearly wish to come home? Will he inform the House of plans for the €18 million promised in the report of the task force for British-based organisations?

Mr. Cowen: We will, as I said in my reply, do whatever we can to improve the situation for those outside Britain who also want to return home. The figure of €18 million was recommended by an independent task force and was not promised by me. It was recommended as the optimum figure required to give effect to its recommendations on the basis that they were implemented immediately against a background of total provision for services of €2 million. To anyone who knows how these things operate, the idea that an increase from €2 million to €18 million in one financial year—

Mr. Quinn: Unless it is for ponies in Kildare.

Mr. Cowen: The Deputy can make that remark if he wants but there is much more being invested emigrant services now than was previously the case and I am committed to improving them. I have further ideas that will ensure better delivery of services and more resources. I was not prepared to set up agencies that would take up 50% of the allocation as a way to resolve the immediate issues faced by emigrants, I believe that as much of the money as possible should go to front-line services. That is what I will continue to do.

Having initiated the task force on the basis of a commitment given in social partnership, I will work with it on its recommendations. We must not only deal with this on the basis of these services, which are important, but also examine the role our emigrants can play in the future as a resource for the country. It is a much wider remit than simply dealing with those who have fallen on hard times and how we can bring them home. I compliment the Deputy on his work on a practical basis in that area.

Northern Ireland Issues.

4. **Mr. G. Mitchell** asked the Minister for Foreign Affairs the discussions he has held recently with the Secretary of State for Northern Ireland; the matters to be discussed at the upcoming meetings with Northern parties; and if he will make a statement on the matter. [18938/04]

Mr. Cowen: The Secretary of State for Northern Ireland, Mr. Paul Murphy, and I, together with other colleagues, will accompany the Taoiseach and the British Prime Minister, Mr. Blair, at meetings in London tomorrow with the parties represented in the Northern Ireland Assembly where we will have the opportunity to collectively consider and review the current political situation in advance of the summer recess.

In my unavoidable absence on EU Presidency business, the Minister for Arts, Sport and Tourism, Deputy O'Donoghue, deputised on my behalf at the recent meetings of the review which took place in Belfast and which focused on strands two and three of the Agreement. The British Government was represented by the Secretary of State, Mr. Murphy, at those meetings.

The Secretary of State and I will co-chair the next meeting of the British-Irish Intergovernmental Conference which is scheduled to take place on 7 July. Items for discussion at that meeting will include a review of political developments, security and criminal justice matters, including paramilitary groups and parades, and electoral and human rights issues. The conference will also include a detailed stock-take of the implementation of the Governments' commitments under the Joint Declaration.

At the last meeting of the British-Irish Intergovernmental Conference, which took place in London on 21 April 2004 and which the Secretary of State and I also co-chaired, we stressed the importance of engagement between all the political parties, including through the review of the operation of the Agreement. Both Governments re-affirmed their commitment to the full operation of all the political institutions of the Agreement, including the early restoration of devolved government on an inclusive basis in Northern Ireland, and the full implementation of the Agreement.

Other issues discussed included progress on the implementation of the non-conditional commitments made in the Joint Declaration, the Cory reports, the Northern Ireland Human Rights Commission and the establishment of a forum on the bill of rights for Northern Ireland. The conference also welcomed the peaceful beginning to the marching season.

Mr. G. Mitchell: Is the Minister aware that the Northern Ireland Life and Times Survey has found that only 19% of people in Northern Ireland feel that they have fared badly under direct rule? Does that indicate that people in Northern Ireland do not want to rush back to power sharing at any price and it is time now that we secured a power sharing Executive in Northern Ireland without people who have an army? Does the Minister agree that there is a feeling among the public on this side of the Border that it is not necessarily a great objective for the sake of Northern Ireland, the Republic or these islands to rush to bring the two extremes, the Paisley-led DUP and the Adams-led Provisional Sinn Féin, together in government? Will the Minister use these round table talks to make it clear to Provisional Sinn Féin that if it wants people to bring about this marriage of extremes, it will only come about when the guns are surrendered for once and for all and P. O'Neill is decommissioned?

Mr. Cowen: The Assembly elections threw up a result of which the Governments must take

cognisance. Everyone must rise to the responsibilities that result from that election. The people have spoken and we must now provide a context in which everyone can move forward together consistent with the Agreement on the basis of acts of completion that are necessary to redress the deficit of trust and confidence that exists.

Mr. G. Mitchell: Does the Minister agree that it is ironic that the leadership of Sinn Féin is carrying out an investigation into the alleged activities of one of its members when many of its members are involved in activities that are much more horrendous and involve theft, hijacking and corrupt activity, including money laundering for political purposes? Does the Minister share my concerns about this? What steps is he taking to haul Provisional Sinn Féin into the democratic way of life and to make it clear that business will not be done with it unless it takes that step?

Mr. Cowen: In respect of any unlawful activity taking place anywhere at any time, I have full confidence in the efforts of the Garda to bring the people involved to justice. I am trying to bring about an inclusive settlement consistent with the Good Friday Agreement to ensure its potential is realised. If there is sufficient will and determination on all sides, it is possible to achieve that.

Diplomatic Protocol.

5. **Mr. Quinn** asked the Minister for Foreign Affairs if he authorised the circulation of election material for the Fianna Fáil party to Irish diplomats serving abroad through the diplomatic bag, prior to the recent local and European elections; if not, if he will indicate the level at which the decision was made; when the review of this practice will be complete; the terms and remit of this review; the steps he intends to take to ensure that any such facility is made available to all political parties at any future election; and if he will make a statement on the matter. [18914/04]

Mr. Cowen: It might be helpful to the Deputy if I first set out some background information on the subject of postal voting by departmental officials and spouses serving abroad. Under the terms of the Electoral Acts, and subject to registration in the appropriate manner, civil servants serving at Irish diplomatic and consular missions outside the State, and their spouses resident with them, qualify to cast their ballots by post.

The Department of Foreign Affairs makes arrangements annually to update the official registers of electors of foreign service voters and its own internal postal vote register. The Department's present postal vote register comprises the names and addresses in Ireland of 501 registered postal voters.

On the occasion of each constitutional referendum or election, ballot papers in sealed, individually addressed envelopes are delivered to the Department for each registered postal voter. These are separated on a mission by mission basis

[Mr. Cowen.]

by officers of the Department's human resources unit and then forwarded by diplomatic bag to each head of mission for onward transmission to the individual postal voters. Following the completion locally of balloting procedures, the postal votes are returned to the human resources unit by diplomatic bag, again in sealed envelopes, and forwarded to the relevant returning officers.

It is the Department's practice to allow officers serving abroad and members of their families residing with them use of the diplomatic bag facility to send and receive private correspondence. At election time, it has also been the practice to forward automatically to officers serving abroad and their spouses any personally addressed election literature received in the Department.

On 24 May last, an official of the Fianna Fáil party headquarters contacted an executive officer in the Department's human resources unit indicating that the party wished to send election literature to registered postal voters serving at diplomatic and consular posts abroad and their spouses. The human resources official declined a request to provide the party with a copy of the Department's own list of postal voters and instead provided it with the publicly available directory of the names, official addresses and official contact details of officers abroad. That list does not, however, include the names of spouses nor does it give any indication of the constituencies or local electoral areas in which the postal voters concerned are registered. The Fianna Fáil party official asked if the Department would forward to each registered postal voter election literature in the form of a single, generically addressed letter from the party leader. The human resources unit official acceded to that request.

Some days later, a quantity of Fianna Fáil election literature was delivered to the Department's registry and the officer from the human resources unit subsequently prepared diplomatic bags there for dispatch, each containing the relevant postal vote ballot papers and a quantity of the election literature concerned. Later, in the absence of the human resources unit officer concerned who was on duties in connection with the Irish EU Presidency, another officer of the human resources unit prepared further diplomatic bags containing postal vote ballot papers. In those cases, the election material in question was not included.

In the light of expressions of concern about the issue, I announced on 6 June that a review of procedures would be conducted. I also indicated that the outcome of the review would be conveyed to the political parties and made publicly known so that all candidates for election and other interested parties would be fully aware of it. The review is now under way and I expect to be able to inform interested parties of new procedures at a reasonably early date. Neither I nor anyone in my office was aware of the request regarding cir-

ulation of election material nor had any involvement in acceding to it.

The Department has always sought to be helpful to Deputies and political parties and it was in line with this that the official agreed to the request in question. The official would have equally agreed to a similar approach from other parties. However, it is accepted that the arrangements now need to be put on a more structured basis. In this regard, the Deputy can be assured that the new arrangements will ensure that the process is fully transparent and known to all interested parties at election time.

Mr. Quinn: I thank the Minister for his reply. I asked at what level within the Department the decision was taken to authorise this facilitation, which I think is without precedent. In his reply, the Minister stated that neither he nor anyone from his office was aware of this matter, and I accept this. Was the Secretary General of the Department aware of it? Will the Minister establish whether the official took the decision on his or her own or whether it was referred upwards, as I would expect from my experience of such matters? If the Minister cannot provide this information now, he can do so later, but we will pursue the matter. Did the Secretary General or assistant secretary of the Department receive a request for guidance on this matter and make a decision? If so, why did the Secretary General or an official acting on his behalf not notify the other political parties of the availability of this facility, which was not previously known?

Mr. Cowen: I have stated the full details of the matter in my reply. It was dealt with at executive officer level in the human resources unit and the decision was taken on the officer's own initiative in an effort to be helpful. The officer did not consider the request unusual as, having served in registry, he or she was familiar with requests to circulate information to our missions abroad, be they addressed directly to officers or for general distribution. The decision was taken on foot of direct contact with the human resources unit and not at any higher level.

I do not wish to make the officer's grade relevant in this regard. The officer did nothing wrong. As politicians, we need to be fair. Over the years, Members on all sides have found that the Department of Foreign Affairs has gone out of its way to be helpful, and it was in this spirit that the official acted. Any party might have made the request. However, structures and procedures have now been put in place.

Mr. Quinn: Is the Minister stating that an executive officer of the Department, on receipt of political material to be circulated, took the unilateral decision, against the culture and tradition of a non-partisan Civil Service, to provide this facility without checking with anyone more senior? Is that what the Minister is trying to tell us?

Mr. Cowen: I am not trying to tell the Deputy anything. That is the situation.

Mr. Gormley: Departments have been politicised. There is total politicisation.

Mr. Cowen: I have come to the House to outline the full facts on this issue. That is the situation.

Mr. Gormley: They do not have to be told anymore.

Mr. Quinn: If that is the situation, does the Minister consider that a more senior officer should have been consulted? The Minister has significant experience. He well knows that the normal practice regarding an unprecedented request of this nature would be for an executive officer to request guidance or direction. If an officer did not request guidance, it suggests a management problem and that should be addressed.

Mr. Cowen: I have explained the situation. The officer involved, having worked previously in registry, often circulated information to missions abroad, be it addressed directly to officers or for general distribution. The officer was simply trying to be helpful. Obviously if the matter had gone higher up the line, the issues which the Deputy raises would probably have been taken into consideration to ensure there was no misunderstanding. That did not happen. The officer tried to be helpful and thought the matter was in order, as I have explained.

The full details are available and I do not like the insinuation that I have drawn up this information for the purposes of getting through this questioning. This is exactly what happened. Rather than dumping on the official concerned, we should accept the official was trying to be helpful. As the Deputy knows, many things can happen in a Department without ministerial knowledge. When an issue arises with such sensitivities, proper procedures are put in place to ensure it does not happen again in that way. That is the best we can do and the official should not be dumped on.

Mr. Quinn: Will the Minister state his opinion that it should not have happened in the way it did?

Mr. Cowen: In my reply, I made clear the situation regarding the Electoral Acts.

Mr. Quinn: However, the perception is that it should not have——

Mr. Cowen: Perception is always a difficulty. I want to ensure that procedures are in place which are fully transparent for all concerned——

Mr. F. McGrath: They never informed us.

Mr. Cowen: ——and that a mountain is not made of a molehill. The official concerned made the decision in good faith in an effort to be helpful. I am introducing procedures to ensure it does not happen again. We should leave it at that.

Mr. Quinn: Does the Minister not agree that it was inappropriate for the Taoiseach to write personally to diplomats and their spouses and families abroad requesting their political support for a particular party? Does he not agree this verged on intimidatory in that they represent the country and frequently represented the Minister and other Taoisigh, and that it was an abuse of the system by Fianna Fáil and should not have happened?

Mr. Cowen: I make the point that, at election time, it has been the practice to forward automatically to officers serving abroad and their spouses any personally addressed election literature received in the Department. That is the situation. A specific issue arose and it was dealt with in a particular way. If it was left open to a perception as the Deputy suggests, I believe it is an exaggerated perception. People will make up their own minds in their own way on these matters. I reiterate that the action was taken in good faith in an attempt to be helpful. I will make sure that arrangements are put in place so that the unfair perception which attached to the actions of the official will not be repeated.

Other Questions.

Human Rights Issues.

6. **Mr. Eamon Ryan** asked the Minister for Foreign Affairs if he will report on the newly approved European Union guidelines on human rights defenders; and if he will make a statement on the matter. [18861/04]

23. **Ms McManus** asked the Minister for Foreign Affairs the details of the guidelines to support human rights defenders agreed recently in Luxembourg; if organisations working in the field of human rights are content with the guidelines; if the guidelines go far enough to protect those working in the field of human rights; and if he will make a statement on the matter. [18841/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): I propose to take Questions Nos. 6 and 23 together.

On 14 June last, the General Affairs and External Relations Council adopted European Union guidelines on human rights defenders. The adoption of the guidelines was welcomed by the European Council at its meeting of 17 and 18 June. The development of guidelines marks the achievement of one of the targeted priorities in the Presidency's programme. Ireland, along with our EU partners, has recognised that human rights defenders have increasingly become targets

[Mr. Kitt.]

of attacks and that their rights are violated in many countries. The Government therefore believes it to be important to ensure that they are protected in every way possible. This is the primary purpose of the guidelines.

In this regard, the guidelines provide for interventions by the Union in support of human rights defenders at risk and suggest practical means to provide support and assistance to them. They will also help shape the activities of embassies and consulates of EU member states and European Commission delegations which, in many countries, are the primary interface with human rights defenders located there. An important element of the guidelines is support for the special procedures of the UN Commission on Human Rights, including the UN special representative on human rights defenders, and appropriate regional mechanisms to protect human rights defenders.

In the development of the guidelines we have worked closely with members of the international human rights community, including the UN special representative for human rights defenders, leading non-governmental organisations in the field of human rights and members of the academic community. My Department conducted a consultation process with civil society and received wide-ranging submissions with suggestions as to how the Union could best assist human rights defenders in their work. As part of the consultation process, I hosted a seminar in Dublin on 12 May last which was attended by the UN special representative and was designed to ensure that the views of civil society were fully taken into account in developing the guidelines. The success of our consultation process is clearly demonstrated by the welcome extended to the adoption of the guidelines by leading international human rights NGOs.

Mr. Gormley: Amnesty International is pleased that the EU Presidency got these guidelines approved. However, I am sure the Minister of State will understand it is worried about how they will be implemented. Will he agree EU guidelines are already in existence on, for example, children and armed conflict and torture, but these have not been followed through? Does he understand why Amnesty is anxious that the guidelines will not be followed through, particularly in regard to torture? Regulations on the trade in torture equipment still must be approved by the Council of Ministers. When does he expect these regulations to be approved?

Will the Minister of State accept that one of the things we can do is provide human rights offenders with humanitarian visas? Will the guidelines speed up that process?

An Leas-Cheann Comhairle: Supplementary questions are limited to one minute.

Mr. Gormley: Recently we saw the example of Rachel Corry defending human rights in Palestine for which she paid with her life. Will the passage of these new guidelines have an impact on the association agreement with Israel in the European Union? Does the Minister of State agree that those of us who will march this weekend against the visit of President Bush and human rights abuses could be regarded as human rights defenders?

Mr. Kitt: This is a very important development. I am sure Deputy Gormley will appreciate that Frontline, headed by Mary Lawlor, has promoted this idea for some time. We identified this area as a priority of our Presidency and I am pleased my colleague, the Minister, Deputy Cowen, was able to bring the issue forward at the General Affairs Council. While there were general policies in place, we now have agreed guidelines.

EU missions will now monitor, report and assess the situation of human rights defenders in third countries as part of their overall assessment of the human rights situation. They will maintain contact with human rights defenders, provide visible recognition to them through the use of appropriate publicity, visits or invitations and will attend and observe, where appropriate, trials of human rights defenders. They will visit third countries and, where appropriate, will include meetings with and raise individual cases of human rights defenders and the human rights components of political dialogue between EU and third countries and regional organisations and, where relevant, include the situation of human rights defenders. The bilateral human rights and democratisation programmes of the European Union and member states are urged to take further account of the need to assist the development of democratic process and institutions and the promotion and protection of human rights in development countries by, *inter alia*, supporting human rights defenders. This is a significant development which we prioritised as part of our Presidency.

On the question of temporary protection visas, as Presidency, we originally proposed that EU member states should give favourable consideration to the granting of temporary visas to recognise human rights defenders who are at risk for entry to member states. Ultimately, support for the proposal was not forthcoming within the Union. However, my colleague, the Minister for Justice, Equality and Law Reform, is currently considering introducing such a temporary protection programme. Officials from the two Departments are currently considering the possible outline for such a scheme.

The Deputy referred to a particular association agreement on which I will have to revert to him. I know from my experience with human rights in third countries that we have made use of particular ambassadors in those cases. For example, I recently met NGOs and opposition from Belarus, who are trying to defend human rights in a very

tyrannical situation. Before meeting the various opposition members in Brussels, I met the French ambassador, who is acting on our behalf in many of these countries. There are measures and procedures in place to deal with third countries. As near neighbours, it is important to promote human rights in places like Belerus where there are serious human rights abuses. I will revert to the Deputy in regard to his question.

Mr. Gormley: What about those who will march against the visit of President Bush?

Mr. Kitt: People have a right to protest peacefully, and thankfully we have that right here.

Foreign Conflicts.

7. **Mr. P. Breen** asked the Minister for Foreign Affairs if the Government has made contact with the United Nations with regard to the situation in west Papua and the possible review of the Act of Free Choice; and if he will make a statement on the matter. [18767/04]

Mr. Cowen: As I stated on a number of occasions, the question of a review of the Act of Free Choice in Papua would require the support of UN member states. Inquiries made by our permanent representative to the UN confirm that at present there is no significant support for such an initiative. There is, moreover, concern that such an approach might prejudice ongoing efforts to develop a meaningful dialogue with the Government in Jakarta and would not contribute to the amelioration of the current situation of the Papuan people.

While acknowledging Indonesia's legitimate concern to preserve its territorial integrity, we continue to encourage the Government of Indonesia to strengthen its efforts to address the legitimate aspirations of the people of Papua. In this regard, I welcomed the decision in August 2003 of the Government of Indonesia to suspend the implementation of the presidential decree dividing Papua into three provinces. I regret, however, that this suspension has been described by the Government of Indonesia as temporary.

At the April 2003 meeting of the EU External Relations Council, Ireland, together with our EU partners, adopted Council conclusions on Indonesia. These confirmed the EU's support for the territorial integrity of Indonesia and stressed the importance of the full implementation, in both letter and spirit, of the special autonomy law in Papua. This law dates from November 2001 but has not yet been implemented. It provides for a greater degree of autonomy for Papua than for Indonesia's other provinces.

As a demonstration of our commitment as Presidency to raise the level of our political dialogue with Indonesia, I led an EU ministerial troika meeting with the Indonesian foreign minister on 18 April last. This was the first meeting at this level between the EU Presidency and Indonesia in a number of years. In particular, I

used the occasion to express the EU's continuing concerns about the situation in Papua. The Minister took note of our concerns and expressed his belief that the special autonomy law will satisfy the aspirations of the overwhelming majority of people in Papua. I made it clear that we would carefully monitor the situation in this regard.

Officials of my Department regularly discuss the situation in Papua with their counterparts from Indonesia and representatives of various Papuan NGOs, as well as from third countries, such as Australia and the United States. Ireland, together with our EU partners, will continue to support the development of a strengthened partnership and effective dialogue between the EU and Indonesia. The Government sees this as the most effective framework at this time for addressing our serious concerns about the situation in Papua.

Mr. G. Mitchell: The Minister will be aware west Papuans state that their misery began when a UN-assisted vote in 1969 allowed 1,022 elders, who they claim were bribed and intimidated, to support the territory's assimilation into Indonesia. These elders were deemed to represent one million west Papuans. They voted unanimously, not in an act of free choice, but in what is now known as an act of no choice. Will the Minister tell the House what is the view of the Secretary General of the United Nations on this matter, given the UN official who oversaw the event has since described it as a whitewash? While I understand discussions are ongoing in Jakarta, and these issues can be sensitive, what is the view of the UN Secretary General in this regard and has the Minister discussed the matter with him?

Mr. Cowen: I have not discussed the matter directly with the Secretary General. I presume his view is the one outlined here, based on the inquiries our UN permanent representative has been making, which is that it will require the support of UN member states, which is not currently available, and there must be constructive dialogue with Indonesia to try to get it to implement the special autonomy law as the best way forward.

Mr. Gormley: At the meeting of 18 July last, did the Minister ask the Foreign Minister why they were dragging their feet on the implementation of the special autonomy law?

Mr. Cowen: In the past, different Governments have been in charge of Indonesia. The present Indonesian Government will perhaps be more open to deal constructively with the matter than was the case in the past.

Mr. Gormley: Why are they dragging their feet on this? That is what the NGOs want to know.

Mr. Cowen: Obviously, it is because there has not been the political will in the Indonesian Government to move on these matters in the way

[Mr. Cowen.] we would like. The autonomy law was adopted in 2001, although its provisions had been rejected by a number of local leaders in the province. A presidential decree in January 2004 implemented the law and an earlier law from late 1999, which had divided Papua into three provinces. That division was rejected by local leaders as a dilution of autonomy. An attempt by the government in August 2003 to implement the presidential decree was met with violence in which three people died. As a result, the government shelved plans for dividing the province while emphasising that this was not a complete cancellation of the policy.

Under the autonomy law, special autonomies are offered within the unitary state of the Republic of Indonesia. The territorial integrity of Indonesia is a huge issue for the Indonesian Government and for the stability of that region. The Papuan provincial government would have control over all matters other than international relations, defence, monetary policy, religion and the supreme court. It would be able to conduct international relations in so far as they related to trade, investment, culture and technology. Papua was also to have its own flag, coat of arms and anthem but as cultural symbols rather than symbols of sovereignty.

The provincial police force remains part of the national police force. The provincial government would have no say in the deployment of Indonesian troops in the province. Transmigration, the programme under which Indonesians from other parts of the country have been moved to Papua, would continue in consultation with the governor. The law also stipulates that revenue from natural resources will go to the provincial government but does not stipulate the percentage.

Clearly, attempts to implement the law have been resisted.

Mr. Gormley: Why?

Mr. Cowen: It does not go far enough to meet the aspirations of some Papuans.

EU Summits.

8. **Mr. Quinn** asked the Minister for Foreign Affairs if he will make a statement on his participation in and the outcome of the summit of EU leaders in Brussels in June 2004. [18823/04]

Mr. Cowen: Both the meeting of the Intergovernmental Conference and of the European Council in Brussels on 17 and 18 June were chaired by the Taoiseach, as President of the European Council, and he will make a statement to the House on 30 June.

As the House will be aware, the Intergovernmental Conference reached an agreement on the constitutional treaty. This is both a remarkable achievement for the Irish Presidency and a fundamental advance for the European Union. Following intensive work both in plenary session and in bilateral contacts, we were able to put forward

final compromise proposals on the outstanding issues which met the specific concerns of all member states and were thus the subject of consensus. Heads of state and government also held an exchange of views on the appointment of the next President of the European Commission. It is envisaged that a decision on this matter will be taken shortly.

The European Council itself agreed conclusions on a range of important issues, including justice and home affairs, and the fight against terrorism; enlargement; financial perspectives; economic and social issues, employment and environment; the Northern Ireland related peace funds and external relations issues. A copy of the conclusions has been laid before the House. The European Council welcomed the progress achieved in the justice and home affairs agenda and invited the Council and Commission to prepare proposals for the next phase of the process to be considered by the European Council by the end of the year. It also welcomed the report on the implementation of the March European Council declaration on combating terrorism.

The European Council noted with great satisfaction that Bulgaria had provisionally closed all the negotiation chapters and that Romania was substantially closer to achieving the same objective by the end of 2004. It reiterated the European Union's aim to welcome the two countries as members of the Union in January 2007, if they are ready. The Council also welcomed the significant progress made to date by Turkey in the reform process and reaffirmed its commitment that, if the European Council decides in December 2004 on the basis of a report and recommendation from the Commission that Turkey fulfils the Copenhagen criteria, the EU will open accession negotiations with Turkey without delay. It also decided that Croatia is a candidate country for membership of the EU and that the accession negotiations would begin early in 2005.

Regarding the financial perspectives, the European Council took note of the analytical report prepared by the Presidency. The incoming Dutch Presidency has been asked to continue this work. The House will wish to note that the European Council took note of the current difficulties in the Northern Ireland peace process and expressed support for the efforts of the two Governments in seeking to re-establish the devolved institutions. To this end, it called on the Commission to examine the possibility of extending funding for the Peace II programme and the International Fund for Ireland to 2006.

The European Council also adopted conclusions on a number of external relations issues reflecting the Union's engagement with the wider world as well as progress at EU level on a number of targeted priorities of the Irish Presidency. These included a review of the implementation of the European security strategy and the adoption of a medium-term strategy for the EU's relations with Iraq, a strategic partnership with the Mediterranean and the Middle East and the endorse-

ment of the Presidency's progress report on ESDP, including on EU-UN co-operation in crisis management, and a report on EU activities in the framework of conflict prevention.

In the human rights area, EU guidelines on human rights defenders and a strategy for implementation of the EU guidelines on children and armed conflict were adopted. The conclusions also welcomed the Commission's proposals for a European neighbourhood policy and addressed specific situations of concern, including the Middle East peace process, Iran, the situation in Darfur in Sudan and the Democratic Republic of Congo. In addition, Foreign Ministers, in the margins of the European Council, discussed the EU's relations with Iran, recent developments in the Middle East peace process, the situation in Afghanistan and the China arms embargo.

Mr. Quinn: I congratulate the Minister and his colleagues on the extraordinary achievement in getting the constitution agreed. It is a tribute to successive Irish Presidencies and the personnel in Iveagh House and elsewhere. However, it would not have happened without the political input of the Minister and his colleagues and they deserve, unashamedly and unreservedly, our congratulations.

When does the Minister expect the final text of the revised document of the constitutional treaty to be available? Does the Minister expect, based on the report on and the analysis of the position of Croatia, that Croatia will be in a position to join at the same time as Romania and Bulgaria so the next enlargement will be an enlargement of three? That would be a more felicitous and easier to absorb enlargement than an enlargement of two followed by an enlargement of one at a later time.

Mr. Cowen: I thank the Deputy for his compliments. The constitutional document will be given to the translators to be prepared. It should be available in the next few weeks and the signing should take place before November this year. Ratification usually takes about two years after the signing of the treaty.

With regard to Croatia's application, the own merits principle arises. It will be able to begin its negotiations in 2005 and if it can convince people that it will be ready to join at the same time as Romania and Bulgaria in 2007, that is fine. It is more likely, however, that it will be 2008 at the earliest.

Mr. G. Mitchell: I, too, wish the Minister and his colleagues well and congratulate them on the outcome of the Intergovernmental Conference and the concluding days of the Presidency. The Minister referred to the presidency of the Commission. Is the Taoiseach one of the candidates he mentioned?

Mr. Cowen: The Taoiseach has made his position clear on this matter on a number of occasions.

Mr. G. Mitchell: Could the Minister make it clear to the House? Is the Taoiseach a candidate for the office of President of the European Commission?

Mr. F. McGrath: Yes or no?

Mr. Cowen: The Taoiseach, as Presidency, is trying to find a consensus among member states which was not available up to last weekend.

Mr. G. Mitchell: Does the Minister intend to take over the presidency of Fianna Fáil in the near future if a vacancy arises?

Mr. Quinn: There is no vacancy.

Mr. Gormley: With regard to the common security and defence policy, is it the aspiration of this Government to become involved in permanent structured co-operation?

Mr. Cowen: In what area?

Mr. Gormley: In defence.

Mr. Cowen: Obviously, these are matters for consideration by any Government at any time.

An Leas-Cheann Comhairle: I call Deputy Ó Snodaigh.

Mr. Gormley: I wish to make a point. I can understand why the Minister might be slightly evasive after the last question.

Mr. F. McGrath: He is having a bad day.

Mr. Gormley: He may be having a bad day but—

Mr. Cowen: I am having a great day. I just arrived in from the United States this morning to be present in the House.

Mr. Gormley: The Minister might be a little jet lagged but he should try to "jizz" himself up a little and answer our questions.

Mr. Cowen: If the Deputy asks a specific question, I can give a specific answer.

Mr. Gormley: I did that. The Minister gave me a general answer to a specific question.

Mr. Cowen: The Deputy asked me if we will be involved in structural co-operation in defence.

The ambit of defence extends across a range of areas in security and defence policy. Having been a member of the defence group at the European Convention, the Deputy should know the range of activities involved. There are areas consistent with our foreign policy traditions in which we will

[Mr. Cowen.]
have no problem participating. We have negotiated a position whereby all these matters are for democratic and sovereign decision by Government at any time. To give the Deputy any other answer would be foolish, given his ability to misrepresent it in the future.

Aengus Ó Snodaigh: Earlier this week I received a briefing from the Taoiseach's office on the process leading up to the conclusion of the treaty. At that meeting I was advised by senior civil servants that the Irish EU Presidency prevented the Irish delegates from actively negotiating on issues of national importance. They said I should not worry about this because other states raised our issues of concern. Is it not a scandal that it was left to other states to negotiate Ireland's interests throughout the past six months, since the process of agreement on a constitution collapsed during the Italian Presidency? Was it not a fundamental dereliction of the Minister's duty not to ensure that Ireland's interests were robustly defended within the EU during that period? The Irish people were not aware they were unrepresented at the negotiating table.

Mr. Cowen: I assure the Deputy our interests were very well defended. This is a good deal for Ireland and for the Union. There were 30 delegations at the IGC if one includes member states, observers, the European Parliament and the Commission. Each had its list of priority issues and bottom lines. I am sure the House will appreciate that it is not easy to reach consensus in such a context. Negotiations were conducted in a spirit of goodwill and mutual respect and we rose from the table with a deal that protects our interests and that will stand the test of time.

In the autumn the Government identified a number of key issues of concern to us, defence, justice, tax and the balance in the institutions, including equality in the Commission. In the area of defence, we achieved an outcome that respects the different traditions of member states, including those that are neutral. On justice, we achieved an arrangement that enables the Union to act more effectively while allowing every member state to protect the fundamental aspects of its legal system. On tax, unanimity is to be retained. In the area of the institutions, the outcome is balanced and preserves absolute and strict equality in the Commission. It is an excellent outcome for Ireland and for the Union.

Aengus Ó Snodaigh: The Minister did not answer my question.

Mr. Cowen: I have answered the question exactly. The Deputy's problem is that he does not know how to take it in.

Aengus Ó Snodaigh: The Minister did not answer my question about whether the delegates

represented our views. Were they prevented by the Minister from doing so?

An Leas-Cheann Comhairle: We have exceeded the time allowed for the question. We must move on to Question No. 9.

Mr. Cowen: The Deputy is the only person in Ireland who cannot congratulate the Presidency. Of course, the generosity of his outfit is well known.

Human Rights Issues.

9. **Mr. Allen** asked the Minister for Foreign Affairs if he will report on the situation regarding three Irish nationals in Colombia; and if he will make a statement on the matter. [18800/04]

39. **Mr. Costello** asked the Minister for Foreign Affairs if, following recent discussions between the Taoiseach and the President of Colombia, Mr. Alvaro Uribe, in Mexico concerning the release and deportation of the three Irishmen jailed for travelling on false passports, the agreement or understanding reached concerning the position of the men; and if he will make a statement on the matter. [18835/04]

Mr. Cowen: I propose to take Questions Nos. 9 and 39 together.

The Taoiseach and I met the Colombian President, Mr. Uribe, and Foreign Minister, Mr. Barco, to discuss the case of the three Irishmen in Colombia during the recent EU-Latin America summit in Mexico. We emphasised our concern for the men's security and reiterated our view that the best way to ensure their safety was to allow them to leave Colombia pending the hearing of the appeal. We also suggested that given the clear nature of the judgment, a second assessment of the decision to appeal might be made in the Colombian attorney general's office. The president listened carefully to these suggestions, which he saw as having merit. However, he emphasised again that the judiciary in Colombia is independent of the executive.

Subsequent to this meeting the vice-president, Mr. Santos, indicated publicly that the Colombian Government had no objections to the men's returning to Ireland pending the appeal. However, the magistrates in the case ruled that the men could leave prison but would have to remain in Colombia until the appeal was heard. The three men left the prison on Tuesday, 15 June and are now staying in a private location.

I recently spoke to the Colombian vice-minister for foreign affairs on this matter. In response to our representations to Mr. Uribe, he confirmed that our request to review the basis for the appeal was under consideration. He also expressed the hope that if the appeal did go ahead it would be heard within two to four months. My Department will continue to provide all possible consular assistance to the three men as well as to their families and representatives.

Mr. G. Mitchell: The Minister will be aware that the authorities and Members of this House will have questions they want answered when these men return. I will say no more about that now, however. I notice from press reports that a Sinn Féin member of the Northern Assembly was quoted as saying the organisation provided the security for the men when they were released from prison. These men are Irish citizens. Will the Minister confirm that the Government has taken an interest in their security and that he has been assured they are not threatened while they are in Colombia?

Mr. Cowen: Security arrangements were offered to the men concerned, but they did not take up the offer and left the prison by themselves.

Mr. G. Mitchell: Does the Minister have information on the security of these men? Are they in danger? Has the Department raised with the Colombian authorities the question of ensuring they are not put in an insecure or unsafe position?

Mr. Cowen: As I said, the men have been moved to what they regard as a safe location. That is a matter to be determined by themselves. All our consular efforts have been to ensure the security of these citizens to allow due process to take place.

Mr. F. McGrath: In answer to Deputy Mitchell's question, when I was in Colombia a number of international human rights volunteers travelled with lawyers and provided security and support services for them. I presume a similar arrangement is in place.

Does the Minister accept that the families of Niall Connolly, Jim Monaghan and Martin McAuley are still extremely concerned about their safety? Does he share my concern about the delay in the appeal? Does he share my deep concerns about some of the media reporting of the case? Is he aware that many international lawyers and people such as Paul Hill of the Guildford Four have expressed their concerns about the men's safety as well as about other human rights cases in Colombia? What other practical steps is the Minister taking to ensure the men's safe return to Ireland? I thank the Minister and the Department of Foreign Affairs for their work on the case so far.

Mr. Cowen: Everything that can be done is being done. We are dealing with the legal system of another country. We have made representations to the relevant persons to try to expedite matters and bring this to a conclusion as quickly as possible. We are also attempting to have examined the basis of the appeal and the question of whether it should proceed. These issues are under consideration.

Mr. Gormley: Was any reason given for the men's refusal of the offer of security? In discussions that have taken place between the Taoiseach and the Colombian authorities, was any idea given of the timescale involved? Will the men be in Colombia permanently? Is there any realistic chance of their being returned?

Mr. Cowen: The offer of security was made by the Colombian authorities, not the Irish authorities. It was not accepted by the men, which was their decision. In the matter of the timescale of the appeal, the Colombian vice-minister for foreign affairs expressed to me the hope that it might be heard within two to four months. That is not a certain figure but the timescale that was mentioned to me when I asked. There is also the question of whether the appeal will proceed as a result of a re-examination of the judgment by a more experienced member of the Fiscalía.

Mr. Quinn: The three men in question were found guilty of travelling on false passports. They were Irish passports. Has the Irish Government made inquiries about where those passports were issued or any other aspect of what the court found?

Mr. Cowen: I do not have any such information available to me but I will make inquiries.

Mr. Crowe: I join other speakers in thanking both the Minister for Foreign Affairs and the Taoiseach for their involvement and interest in this case. The Minister stated that the appeal process would take between two and four months. Has the appeal process begun? Has a judge been appointed?

There is extreme concern among the families for the safety of the men. Is it not the case that even the Colombian authorities cannot guarantee their safety within the prison system and that there have been difficulties in the past with human rights groups regarding the army and security services being involved in killings in the country? I thank the Minister for his involvement in the case but there is concern that this will go on and on. It was clear to anybody who attended that little if any evidence was produced during the trial. The trial judge spoke about a need to investigate one of the so-called prosecution witnesses to find out where this person was coming from in terms of the information he produced at the trial. The families have asked that this be expedited as quickly as possible. I welcome the fact that the Minister has been in touch with the Colombian authorities and ask that he continue those representations on their behalf.

Mr. Cowen: The Taoiseach and I raised two issues when we met the President and the Foreign Minister in Guadalajara. The first was whether they would explore the possibility of the appeal not being proceeded with based on a re-examination by the more experienced Fiscalía of the

[Mr. Cowen.]
 judgment and the law involved. I understand that is still under consideration. Second, the three judges have made a decision that the three men must remain in the country pending the appeal. On that basis I have made inquiries as to what the timeline might be and I got the response I have given to the House. I will continue to monitor the situation.

Overseas Missions.

10. **Mr. Sargent** asked the Minister for Foreign Affairs if he intends to raise the issue of the killing of soldiers (details supplied) on 18 April 1980 by a person (details supplied) who currently resides in the United States, if he will be taking all necessary steps to ensure that this man is brought to justice; his views on whether it is unacceptable for the United States to harbour the killer of Irish soldiers; and if he will make a statement on the matter. [18863/04]

97. **Mr. Gormley** asked the Minister for Foreign Affairs if he intends to raise the issue of the killing of persons (details supplied) on 18 April 1980 by a person (details supplied) who currently resides in the United States; if he will take all necessary steps to ensure that this person is brought to justice; his views on whether it is unacceptable for the United States to harbour the killer of Irish soldiers; and if he will make a statement on the matter. [18930/04]

Mr. Cowen: I propose to take Questions Nos. 10 and 97 together.

The killings of Private Thomas Barrett and Private Derek Smallhorne and the wounding of Private John O'Mahony in 1980 while they served with the United Nations Interim Force in the Lebanon were abhorrent crimes. The nation grieved for their loss and our sympathy for their loved ones has not diminished with the passage of time. The legal issues in this case have been reviewed on a number of occasions with a view to determining whether persons alleged to have committed these crimes could be brought to justice.

The Government has engaged in close consultation with the United States authorities on the question of bringing to justice the alleged perpetrator, who is understood to be resident in the US, and is a naturalised US citizen. The Deputy will understand that I am not in a position to go into detail. I can, however, assure him that the US authorities have been very helpful in the course of these consultations.

The question of seeking the extradition to the State for trial here of the alleged perpetrators of these crimes does not arise because the Irish courts do not have jurisdiction to try persons for acts such as these committed by non-nationals outside the State. An extradition request would therefore have to be made by the country where the crime was committed, namely, Lebanon, with a view to a criminal prosecution there.

As the Deputy will be aware, the Convention on the Safety of United Nations and Associated Personnel, which was inspired by the need to improve the level of protection of personnel such as Private Barrett and Private Smallhorne serving on UN missions, and to ensure the punishment of individuals who do not respect the mandate of UN peacekeepers, entered into force on 15 January 1999. The convention, however, does not apply retrospectively.

The Government will continue to explore such avenues as may be open to it to seek justice in this tragic case.

Mr. Gormley: I thank the Minister for his reply. Can he understand the resentment many of our soldiers feel in providing protection for the President of the United States of America, Mr. George W. Bush, who is seen to be harbouring Mohammed Baze, the murderer of Privates Barrett and Smallhorne? Will the Minister be raising this issue with the American delegation at the weekend? It is something about which many of our soldiers feel very strongly. They feel this man is being protected by the United States for reasons of protecting its own interests in that area. Can the Minister understand not just the grief but the bitterness our soldiers are experiencing because of this?

Mr. Cowen: Let me make it clear that in consultations with the American authorities we are getting full co-operation from them in dealing with this matter. I have set out the legal complexities involved. I do not see the parallels the Deputy suggests.

US law does not confer jurisdiction on the American courts for the trial of a non-national, as the alleged perpetrator then was, for murder or manslaughter of other non-nationals committed outside the United States. The Government has raised this issue with the Lebanese authorities and made clear the importance Ireland attaches to bringing to justice those responsible for these crimes. The Lebanese authorities have been helpful, while drawing attention to a number of practical difficulties, including but not confined to the assembly of evidence, given the passage of time.

Another complicating factor of which we have been made aware is the absence of an extradition treaty between the United States and Lebanon. These difficulties need to be overcome if a successful prosecution is to be brought in this case.

Written Answers follow Adjournment Debate.

Message from Seanad.

An Leas-Cheann Comhairle: Seanad Éireann has passed the Central Bank and Financial Services Authority of Ireland Bill 2003, without amendment.

Adjournment Debate Matters.

An Leas-Cheann 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 Pat Breen — the need to provide the necessary funding for refurbishment and upgrading of science facilities at a school (details supplied); (2) Deputy McGuinness — the urgent need for a public inquiry incorporating a full safety audit regarding the construction of the Piltown-Fiddown bypass, County Kilkenny; (3) Deputy Gogarty — the need for the Government to protect the Clondalkin round tower by purchasing the site; (4) Deputy Ó Snodaigh — the urgent need for the Minister to grant a school (details supplied) disadvantaged status as it is the only school in an area of disadvantage not to have such status; (5) Deputy Neville — orthodontic services in the mid-western region; (6) Deputy Cowley — the need for the Minister to examine the situation where a planned extension at a school (details supplied) to the value of €100,000 will fail to address the present and future needs of the school; (7) Deputy Broughan — the need to ensure that the dual mandate legislation is operated fully and fairly by local authorities given recent failures in this regard by Dublin City Council and Fingal County Council; (8) Deputy Gregory — the unacceptable conditions in two national schools in the Dublin central area (details supplied).

The matters raised by Deputies Pat Breen, Gregory and Broughan have been selected for discussion.

State Airports Bill 2004: Second Stage (Resumed).

Question again proposed: "That the Bill be now read a Second Time."

Dr. Devins: I propose to share my remaining time with Deputy John Carty.

Before the debate was adjourned I spoke about the business plan that each of the new airport authorities must prepare regarding how they see the future development of their own airports. Once the shareholders in Aer Rianta, that is, the Minister for Finance and the Minister for Transport who hold these shares on behalf of the Irish people, are satisfied as to the long-term viability of each business plan, Shannon and Cork will be allowed to become fully independent. A date of 30 April 2005 has been set as the earliest date on which that can happen. I am sure each board will be eager to get up and running as a separate entity as soon as possible after this date. There are very large and substantial assets in Aer Rianta and they must not be allowed to be dissipated or squandered in the reorganisation of the three airports. Hence the Minister is to be congratulated on the very imaginative approach he has adopted in this Bill.

Some concerns have been raised by trade unions on behalf of the people currently working in Aer Rianta. I welcome section 12 of the Bill which specifically states that there will be no diminution in the terms and conditions of workers who are currently employed by Aer Rianta when they are employed by the new independent airport authorities. It is natural that employees would have concerns. It is important that these concerns are recognised and dealt with. Change of any sort will raise issues and can cause anxiety. I urge the Minister to ensure that his departmental officials are aware of these concerns and that any issues are dealt with in a conciliatory fashion.

The airports have developed to where they are today because of the excellent work done by the employees. Their future development depends on management and employees pulling together. Friction and tension will only delay the success of the much-needed reform process of our three main airports and any obstacles to that process must be resolved by dialogue and communication. Knowing the undoubted skills the Minister possesses in the fields of communication and conciliation, I am sure the success for which this Bill aims will be assured.

This Bill opens up an exciting future of the three main airports. As with any new development there are potential down sides as well as new possibilities. I believe the latter is the likely outcome and I, therefore, commend the Bill to the House.

Mr. Carty: The purpose of the State Airports Bill 2004 is to provide the necessary legislative basis for the restructuring of Aer Rianta and the establishment of Dublin, Cork and Shannon airports as independent airport authorities under State ownership. I welcome this Bill because it is long overdue as developments at Dublin, Cork and Shannon airports should have grown over the years. The three airports have to significantly increase airline business to grow passenger levels and jobs.

Under focused regional leadership, Cork and Shannon airports will have a fresh start and can develop separate business strategies. It is possible for Shannon Airport to double the number of passengers from 2 million to 4 million. Up to 90% of those who fly to the UK or to the Continent fly out of Dublin. There is no reason that many of these passengers cannot use Shannon or Cork if the airports were marketed properly and services provided. It would save those from the west and south much time in travelling to Dublin for flights if the service was available locally.

The Bill provides for the break-up of Aer Rianta and the monopoly that exists would give the airports a chance to develop independently. The full potential of Shannon and Cork airports can be realised with strong regional leadership free from central control in Dublin. Tourism in the regions would benefit greatly if the airports were developed to their full potential. The tourist boards, regional authorities, local authorities and

[Mr. Carty.]

chambers of commerce recognise this and have given strong support to the aims of the Bill. Under the terms of the restructure, both Cork and Shannon airports will begin debt-free from the first day. This means debts of €70 million and €120 million are to be lifted from Shannon and Cork, respectively.

Both Cork and Shannon can survive as independent airports. An airport in my constituency is Knock International Airport, which is independent and is growing every week. It has brought business to the area and there are now flights to many cities in the UK, with a number of chartered flights each week to the Continent. Knock International Airport has grown its business significantly in recent years with passenger numbers anticipated to reach 400,000 in 2004, which is three times the level of a decade ago. This expansion in traffic follows the expansion in services with six destinations served by seven scheduled flights. Part of the growth in passenger numbers reflects the development in outbound charters in recent years, with 46,000 passengers expected to take charter flights in 2004.

There has been a substantial expansion in employment at the airport to cater for this demand. An average of 100 people will be employed in 2004 at the airport. It also supports additional employment through the purchase of goods and services. This additional employment is estimated at 60 people in 2004 so the airport supports 160 jobs in our local economy. Expenditure by the airport earns the Exchequer €1.2 million in PRSI payments and income tax, directly and indirectly.

The increase in passenger traffic means that the airport is now making a significant contribution to tourism in the western region. Over 50% of passengers are inbound tourists, staying for six days on average. The total spend of inbound tourists using the airport is estimated at €41.6 million. This is a huge boost and proves that the business is there if the work is put in to promote the airport. I compliment the chairman of Knock Airport, his board and staff for the hard work they have put into the successful development of the airport. It is an example to the other airports of what vision and focused development can do for the success of the airports. When this Bill is passed, the airports in Shannon and Cork will be debt free. I therefore take this opportunity to ask the Minister to make more funding available to Knock Airport for its continued success and development. It is currently difficult to get in and out of Dublin Airport and a new terminal is badly needed. It should happen in the near future to allow Dublin to develop and to allow passengers more comfort.

I welcome section 20 as it provides that it shall be a function of the aviation regulation to use all reasonable endeavours to assist the Competition Authority on the enforcement of competition law pursuant to the co-operation agreement made between the Commission for Aviation Regulation

and the Competition Authority. I welcome this because competition is vital to the success of the airports and the people who use those services. Without competition prices will increase and it will hamper people travelling by air. I compliment the Minister on the Bill, I hope it will have a swift passage through the House and that when it has passed, parts of it will be implemented as soon as possible.

Mr. P. Breen: I have no doubt that the Bill will get a speedy passage through the House because it will be guillotined next Tuesday after one hour. It is rushed legislation as we only got the Bill last Tuesday and we are debating it on Thursday. This is the eighth rushed Bill to go through the House this year.

This Bill is a botched attempt by the Government to deal with the aviation sector. Following the demise of the Government in the local and European elections, I would award Oscars to the Fianna Fáil backbenchers for their public soul-searching last week, particularly when they declared that the Progressive Democrats had a huge influence on Government policies. Very few of them have spoken out today on this legislation. On the Order of Business this morning, when the Opposition leaders objected to this rushed legislation, the same backbenchers voted with the Government, including my colleagues in Clare. Everyone knows that the Tánaiste intervened last week in the pay talk to ensure that this legislation on the break-up of Aer Rianta would take place before the summer recess. Who is wagging the dog's tail now? This is a Government decision that has been introduced to the House by the Minister for Transport, Deputy Brennan, with the blessing of the Tánaiste. The Minister for Finance has such faith in the Minister for Transport that he is willing to overrule a decision at the end of the day.

Earlier this afternoon, Deputy Ring complimented Aer Rianta and said that it did a good job in its day. I agree with his comments. Aer Rianta is responsible for the operation and management of our three national airports. In 2003, the company employed 2,353 full-time staff at its airports, 684 staff in its hotels and 351 staff in its international activities. The semantics of the Government, the uncertainty and the indecision are destroying confidence in the airports and have destroyed this profitable company.

The Aer Rianta annual report for 2003 shows that all is not well, with group profits for the financial year down €20.3 million after tax, from €36.2 million. That represents a 44% drop. This has been caused by the complete uncertainty in the aviation sector. We saw that €7 million was wasted on pier D, which was never built. Why was that money spent? Aer Rianta International had a turnover of just over €47 million in 2002. It manages the airports and duty business overseas, as well as investing in other airports. The profit from the Great Southern Hotels Group was also down considerably. However, Aer Rianta paid a

dividend to the Government in 2003 of €6.1 million, which is a large sum of money.

The Bill provides little solace on what lies ahead for the airport in my area, Shannon Airport. Since its establishment, Shannon Airport has been one of the great models and success stories of how national policy can support and promote balanced regional development. The development of Shannon as a tourism gateway has brought maximum benefits to the west coast of Ireland. The distribution flow of Ireland's tourism within the country is influenced by its access. Hence we have the spread of American visitors to Killarney, Connemara, Westport and all over the west coast. Forty-four per cent of the traffic from Shannon Airport is made up of American business, and that is a significant amount.

The Minister said that we should be taking the low-cost route, and I have no problem with that, since it is important that we have it. I would welcome Ryanair or any other low-cost airline increasing its business out of Shannon Airport. However, it is important that we do not put all our eggs in one basket and that we have a mixture of American and low-cost European flights. We all know that most Americans who come here wish to come to Ireland but not through Dublin, so the American market has great potential still to be tapped by Shannon.

We see overseas industrial investment, particularly from American firms, attracted to the region. Fifty per cent of the companies in the Shannon free zone are American and depend on direct transatlantic services coming to Shannon from the United States. As a result, the airport has a direct impact on 46,000 jobs on the west coast of Ireland. In the mid-1990s, Shannon Airport expanded with the development of a new, state-of-the-art terminal building. As most other speakers said, the airport can handle up to 5.5 million passengers yet currently handles only about 2.4 million. It therefore has the capability of taking more.

Aer Rianta Shannon has been a good employer in the region and a major contributor to its economic success. From the date that this Bill is enacted, Aer Rianta Shannon will cease to exist, and the new Dublin Airport Authority will assume control. The Bill provides for the establishment of the Shannon Airport Authority plc. The Minister has noted that the establishment of that authority will pave the way for competition between airports. I would like to know how that competition will be improved and how Shannon Airport will have more control over its own destiny if it is to be controlled by its competitor, the Dublin Airport Authority.

Aer Rianta Shannon is represented in the group structure but, as a result of the Bill, the company's employees become employees of the new Dublin Airport Authority. As I read the Bill, members of the Shannon board will not be represented on the new authority, something Deputy Naughten has pointed out. I do not know what

is to happen but, if there is nobody representing Shannon Airport on the new Dublin Airport Authority board, which has already been appointed, what will happen?

Immediately after its establishment, the Shannon Airport Authority plc will be charged with drawing up a business plan which will require the approval of the Minister for Transport and the Minister for Finance. We all know that the Minister for Finance has serious concerns about the break-up which he has expressed quite publicly. The reason is obviously that he has read the PricewaterhouseCoopers report. I assume that the Minister for Transport has read the report, but he seems to be ignoring it and taking a gung-ho approach to policy change. I would like to know whether the business plan will address the real issues or whether the board will again be requested to produce more fudge. The PWC report commissioned by the Government indicates that Shannon Airport would have to produce earnings of €7 million by 2008. It states that some €36 million of capital expenditure will be incurred between 2005 and 2008 at Shannon.

The report also highlights the intention of the Government to break up Shannon Development by indicating that Shannon Airport will be able to draw on resources of €6 million annually from its rental income. Now we want the new airport authority to be a property manager as well. The Government is not content merely to break up one semi-State company in the process, it proposes to destroy the flagship of regional development in the mid-west, Shannon Development, which has created more than 1,000 jobs in the past five years and brought 35 new companies to the region.

I am seriously concerned at the lack of a clear business plan for Shannon Airport before the break-up of Aer Rianta. It is scandalous that no appraisal has been undertaken of the future of a stand-alone Shannon Airport before introducing this legislation. There has been a lack of clear information on how future capital projects will be financed in Shannon. Aer Rianta estimates that in the ten-year plan €75 million capital investment will be required for Shannon Airport. As we all know, the runway needs a new underlay, and many other improvements are needed. I would like to know who will finance the €75 million capital investment.

No information is available on the financial projections, cash and debt management or the nature of ongoing relationships with existing Aer Rianta operations. What is proposed for Aer Rianta International? Will it remain at Shannon? What about the Great Southern Hotel group, of which the Great Southern Hotel in Shannon is a part? Those questions must be answered. Is the Great Southern Hotel group to be sold off to finance further investment in our airports?

The Bill also indicates that the vesting day for transfer of assets to the Shannon Airport Authority plc will proceed following the approval of its business plan after 30 April 2005. However, I

[Mr. P. Breen.]

have serious reservations about how those assets could be transferred. Have the legal difficulties been overcome? The law forbids the distribution of a company's assets where their value exceeds the amount of its reserves. Aer Rianta airports are valued at €400 million, while the reserves are valued at only half that. According to the report by Farrell Grant Sparks and Mazars, the value of Shannon Airport will be reduced by €65 million if this plan goes ahead. That is because, they claim, the assets will be valued at their fair value rather than their carrying value. Naturally, we all know that a whole loaf of bread is more valuable than half a loaf, not to mention if one divides it into three.

The PWC report points out that an immediate distribution of the assets of Shannon and Cork is not possible. It suggests that Cork Airport be leased from Dublin rather than completely spun off. Is that policy geared to put Shannon Airport out on its own or down the road to be sold off to the highest bidder? The Farrell Grant Sparks and Mazars report warns that the reduction in the value of Shannon Airport places it in a more precarious state. They further warn that a deeper analysis of Shannon should be undertaken before any break-up. Once again, I ask the Minister why the PWC report was not published. The report also strongly suggests that those matters be considered by the Minister for Finance before any decision to proceed. It urges that the full legal and accounting clearances be obtained with regard to the proposed transactions and a basis for market value be determined, as they are central to the proposed restructuring.

Section 12 of the Bill deals with the appointment of staff, their remuneration and transfer to the new Shannon Airport Authority. This is where the Minister really surpasses himself. He has been party to the discussions on the future of the bilateral agreement and the consequences that such a change will have not only on the airport but on the entire west coast of Ireland. No analysis has been carried out of how the change or the introduction of open skies will affect Shannon.

How can the Minister expect the people of the west, especially the workers, to have confidence in the security of their employment when this change is hanging over their heads? The recent report commissioned by the unions questioned that. It has been said that Shannon can switch over to a new low-cost model and manage to increase passenger numbers by 50% by 2008. The report says that detailed projections have not been produced to support that view. I have highlighted on several occasions in the House the importance of the dual gateway to Shannon and the entire western region. If there is a change in the current bilateral, it is estimated that Shannon will only break even. If there is a change to a "two for one", €4 million will be wiped off Shannon Airport's bottom line. I repeat that no analysis has been undertaken, bearing in mind the

potential losses to Shannon Airport if there is even a minimal change to the current status.

Yesterday we read in the newspapers about the ten-year plan which Aer Rianta has proposed. That suggests that there should be 281 redundancies in catering and general clerical areas at Shannon Airport. While the report accepts that any redundancies would have to be voluntary, it also suggests that there would be a cost factor in the pay-off of between €20 million and €25 million. Who is going to finance that cost? It also points out that the ending of the dual gateway will make this position even worse.

In recent years Aer Rianta has consolidated its financial services in Shannon Airport. I would like to bring to the Minister's attention section 12(5) of the Bill which refers to the transfer of staff working in shared services to new entities. I want the position of staff in this area clarified. Will the staff in shared services at Shannon Airport continue to be employed by the new Dublin Airport Authority? This section appears to intimate that staff may be transferred to the company which continues to provide such shared services or it may be designated by Ministers to supply such services. Does this mean the area will be commissioned to a third party?

Then there is the question of pension funds relating to Aer Rianta employees. The PricewaterhouseCoopers report does not take into account any potential shortfall in Aer Rianta pension funds. There is an urgent need for the Minister to review all these implications arising from his proposed restructuring. Overall, in spite of the fact that this Government and Minister have been in the process of introducing legislation to break up Aer Rianta for over a year — prior to the Dáil recess in 2003 — we are no closer to knowing the exact implications for Shannon Airport of this legislation. Deputy Naughten referred to that this morning. We have witnessed a series of varying indicators from different Ministers. Deputy Brennan, the Minister for Transport, indicated on 31 May that he was battling with Deputy McCreevy, the Minister for Finance, over financial aspects of the break-up. The Taoiseach has intervened at various stages but at this point nobody is sure what guarantees he has given to the unions and their members.

We have to look at everything that is happening. Yesterday we heard the Leader of the Seanad, Senator O'Rourke, calling for the immediate disclosure of donations to political parties from business interests. Last night we witnessed on television the chairman of Aer Rianta, Mr. Noel O'Hanlon, raising similar concerns. This weekend Shannon Airport will be the focus of attention from all over the world as the visit by President Bush for the EU-US summit takes place on Friday and Saturday. I hope the Government will pay the same level of attention to Shannon Airport and its future that it is attributing to security this weekend.

We saw in the local elections that the Minister's own party had lost control of Clare County Coun-

cil. The Progressive Democrats lost its only seat in Clare. We also saw that a number of candidates lost their seats in the Shannon area. This is an very important issue in Clare and is of great concern to the whole west of Ireland. The Minister should bear in mind in making his decision the jobs that are at stake. He should also consider the families concerned. What is to happen, given the uncertainty these people must face over the next nine months not alone in Aer Rianta, but also in Aer Lingus with its proposal to cut staff numbers at Shannon by 50%?

This business plan should have been put in place before any proposed break-up. In the short period between now and next April, the new board will find it hard to put a viable business plan into place. We all know that the aviation sector is currently in difficulty. We know how hard it is to attract new airlines to a region whether by Aer Rianta or an independent board. Airlines have gone into liquidation before they have started business. That was the situation in Cork and Shannon where Jetmagic collapsed. There was also the liquidation of the company in England which Aer Rianta had commissioned to run cross-channel services. A new service, EU Jet, will hopefully take off in September, but it was announced before the local and European elections. There is an urgent need for the Minister to act now in the future interests of the people of Shannon.

Mr. Killeen: The Minister has set out clearly his rationale for the State airports in this legislation. In view of what it is trying to achieve, the Bill is both technical and complex, as many speakers have indicated. The Minister is aware that I argued strongly for an interim arrangement whereby sub-boards would operate at Dublin, Shannon and Cork under the Aer Rianta board. I am aware of the complexities of the company law provisions that made that difficult to achieve. However, it seems to me that the interim arrangement that is in place prior to the preparation of these business plans is close to what I had argued for. The timescale envisaged by the Minister in the Bill is somewhat shorter than I would have liked, but the interim arrangement appears to allow the possibility and the time to achieve a number of things that urgently need to be dealt with if the individual airports are to operate as I believe they can. There was an undertaking in the Fianna Fáil manifesto and in An Agreed Programme for Government to move in this direction.

The business plans which are prepared by the boards at the airports will decide how we proceed after the middle or early next year. I would not blame the Minister for being somewhat confused. Not only have different people been claiming that the Bill had come too late and too early, but even in the same speeches individuals had said the Bill had come too quickly and too slowly. It is important to examine the background to the Bill. As many people have said Aer Rianta has been,

and is, a profitable organisation. However, it is profitable in the context of the need for a considerable level of infrastructure at all three airports. When that is taken into account the level of profit is somewhat misleading. In addition, there were ongoing complaints from Dublin that it was forced at various times to subvent both Cork and Shannon. Simultaneously of course, there was disaffection at both Cork and Shannon over the fact that even minor decisions at the airports had to be approved in Dublin and that sometimes reasonable and important proposals were either refused or discouraged from getting to a stage where they might be turned down.

Prior to this there were alternative proposals to raise finance to proceed with necessary work at the various airports. The previous Government had a proposal to the effect that 40% of the company be sold off as an IPO. An impression may have been given in the House yesterday and again this morning, that the worker directors at Aer Rianta favour that option. Certainly any discussions I had with them would suggest the opposite and that they were very much opposed to the IPO option. That is the Aer Rianta or national airports background against which this legislation has come forward.

There are additional pieces of background at Shannon which impinge on how we move forward and how we should try to ensure that each of the airports not only becomes profitable but also attracts the numbers of passengers it has the potential to service. An airport might be quite profitable but not serve the region in the manner that is necessary. The key issue as regards background in Shannon is the ongoing negotiations between the United States and the EU on arrangements over transatlantic routes.

Even today I have heard people use the term "stopover", which is long outdated and creates the entirely incorrect impression that there is a requirement for planes to land at Shannon. Currently, and for the last 11 years, a dual gateway policy has been in place. It was won at considerable political cost. It attracted predictions of gloom and doom and party political posturing. Fortunately, the doom and gloom have never been realised. To be fair, Shannon has done quite well under the new arrangements and I have every confidence that it will do well under what is proposed today, provided the outcome of the EU-US negotiations ensures that it continues to have a fair share of transatlantic business and is not disadvantaged to the extent that it loses out on that important market.

Another important piece of the background is the behaviour of Aer Lingus. I have spoken about that at considerable length in the House previously and I will not repeat what I said. However, I will make two points to the Minister. Now that he has an opportunity he should appoint a chairman to Aer Lingus who will understand that there are regions outside Dublin which the national airline ought to serve. It should be a chairman who will deal with the

[Mr. Killeen.]

interests of the company in any privatisation pay-off, which to many observers seems to be the only driving force behind some of the current Aer Lingus management.

Another element of the intricate background to this Bill is the effect it will have on Shannon Development. The former Minister, Mr. O'Malley, decided some years ago to take responsibility for industry, apart from those industries in the free zone, from Shannon Development. Another former Minister, Deputy Lowry, decided to take responsibility for Shannon Airport from the development company. The Tánaiste's decision to decentralise Enterprise Ireland has clear implications for the role of the company. Shannon Development's town management functions are to be transferred to the county and town councils. The company will face changes in any event.

It is a pity that there is such a lack of clarity about where Shannon Development's future will lie. I refer not only to the company's remit, but also to the geographical area it should serve. I believe that its catchment area should be Shannon Airport's catchment area for transatlantic services. Such an area would be considerably bigger than Shannon Development's current area.

It is ironic that the board of Shannon Development was to the fore in calls for the break-up of Aer Rianta. It engaged in strong anti-Aer Rianta propaganda. The board behaved in a reprehensible manner when it undermined Aer Rianta and Clare County Council, in respect of the Cliffs of Moher project. I am aware, however, that the vision of staff at many levels within Shannon Development was entirely different to that of the board of the company. I would like the staff's vision of the future to replace that of the board.

I am pleased that the Bill provides that all three airports will continue to be State airports. It is hugely important that the airports are kept in State ownership because they are important pieces of infrastructure. I am happy that section 12 of the Bill preserves the current staff conditions. The Minister for Transport has given a clear undertaking in the Bill that there will be no downgrading of terms and conditions of employment.

A number of speakers, including the Fine Gael and Labour Party spokespersons, referred to the need to address Shannon Airport's cost base. A Deputy compared Shannon Airport to Bristol Airport, on the basis of a report compiled by PricewaterhouseCoopers. The report claims that although the airports have broadly similar passenger numbers, Bristol Airport made a profit of €16.9 million in 2001, whereas Shannon Airport lost €1.1 million. It was not mentioned that Bristol Airport's airport charges are two and a half or three times greater than those imposed at Shannon. The catchment population at Bristol is sufficiently large to attract airlines to a sizeable market that has to be served. The catchment area of Shannon Airport is limited by the small local

population and poor infrastructure on its main access routes.

There have been considerable infrastructural improvements since the Newmarket-on-Fergus and Hurlers Cross bypasses were completed and further benefits are expected from the Ennis bypass, which is under way. There is an urgent need for similar improvements at Gort, Crusheen, Claregalway and Galway. The Minister has approved a feasibility study for the rail link, to which the Government should adopt a positive attitude. Many of my constituents argue that the Government did not have any difficulty in spending billions on the Luas system and similar projects. They say it would be nice if we were occasionally to adopt a similarly positive attitude to projects in the west of Ireland.

The truth about Shannon Airport is that its real catchment area is overseas, in key tourism markets such as North America, the UK and Europe. Airports are not destinations but access points. We need to improve dramatically the tourism product in the west of Ireland and the Shannon area. Development is about to start at the Cliffs of Moher, but there is great potential in other areas such as Lough Derg in east Clare, the Burren in west Clare, towns such as Ennis and Nenagh and the city of Limerick.

Mr. Naughten: What about Roscommon?

Mr. Killeen: Indeed, there is great potential throughout the west of Ireland, in places like Connemara and Killarney. It often strikes me that few people are familiar with the wonderful beaches of the coast of north Mayo and elsewhere in the west.

Mr. Broughan: It will be more expensive to fly to Knock Airport.

Mr. Killeen: This country's weather conditions mean that we need to make provision for all-weather facilities.

A number of speakers spoke of the need to address the cost base at various airports. The lack of measures in that regard has been one of Aer Rianta's great failures. It is important that we make clear that the provisions of section 12 of the Bill have to be real and tangible. They should contain no less of a guarantee of employment than was the case heretofore. The safety net should also extend to pensions, not that former employees are particularly pleased with operation of the airline employees pension fund.

Provision should be made to give the right to a dividend to the staff of the three airports if any one of them is privatised in the near future, perhaps in the next ten years. If some assets are sold, such as those of Aer Rianta International or the Great Southern Hotels Group, a fair division of the proceeds should be made among the airports. Aer Rianta International was established, built up and worked at in Shannon Airport. If any of it has to be disposed of to get the asset base right

to move forward from the situation we are in at the moment, Shannon should be the major beneficiary. The infrastructural deficit at Shannon has to be acknowledged, independently of how that is done. That has to be provided for before the independent board takes over, if that comes to pass.

It reflects no credit on Aer Rianta that some of the work that needs to be done at Shannon, particularly the airport sewerage system, has been neglected for so long. There is also a debt following the construction of the terminal building some years ago. It would not be feasible for an independent board to have to deal with the debt, which needs to be written off before the board takes over fully. There is a potential cost to the airports of staff restructuring packages that may arise in the short term. If there is a provision for a worker buy-out or a partnership in any particular area, it needs to be dealt with before the airports become independent.

One of the reasons many of us have championed the need for separate boards at Shannon and Cork is that we have a clear belief that the management at Dublin Airport rationed services and infrastructure in the other two airports. I acknowledge that losses which might have been incurred may sometimes have been dealt with by using profits from Dublin. Management at Cork and Shannon sometimes felt that good ideas for the development of routes and the promotion of the airports were stymied by their lack of independence. It is difficult for those in management positions in a company to make a case as strongly as it needs to be made if they have to consider their own positions. Independent boards would not face the same extent of difficulties being faced by the boards at Shannon and Cork, which are, in effect, sub-boards.

It is vital that the chairmen of the boards at Shannon and Cork should continue to be members of the Dublin board, just as they have been members of the board of Aer Rianta until now. Provision should be made for staff representation on the Dublin board during the interim period. I do not doubt that important decisions have to be made before April of next year or the year after, or whenever the package setting out the future of Cork and Shannon is reached. During the interim arrangement, it will be impossible for the boards of Shannon and Cork to proceed if they do not have a say in Dublin, or if they do not have meaningful dealings with the Dublin board. At a minimum, the chairmen should be represented in Dublin.

Eventually when there is complete independence and the airports run separately, Shannon will be entitled to a share of whatever is provided in both public service obligation and marketing funding. Heretofore that has been denied to the airport and there may be a difficulty given that it remains fully State-owned. However, this will need to be addressed in the short to medium term for Shannon and Cork.

Many people are pessimistic about the future for Shannon and Cork airports. While Shannon has faced many challenges, it has always risen to them. I have had considerable contact with members of the interim board who have all operated in business over many years and have a substantial degree of experience and expertise between them. They are confident they can meet the challenge. It is not helpful for them to have obstacles, real or imaginary placed in their way. They believe they can increase passenger numbers at both Shannon and Cork. Ultimately the only guarantee of jobs, increased numbers of tourists and increased access for those involved in industry and business is through an increased level of service carrying more passengers.

I have every confidence that the airport which invented duty-free and Irish coffee and where for decades innovation was a byword and a call to action will rise to the challenge before it now. To a certain extent I disagree with the Minister's wish that Cork and Shannon should have greater competition with Dublin. I am not sure that is a necessary or even desirable outcome. While an element of competition is required, I do not believe going down that route would benefit Ireland's economy or any of the three airports. On this issue, I would encourage the airports to avoid overshooting the runway, as it were.

The autonomous boards need to have a financial base that enables them to deliver on the vision they clearly have. The critical decision has been taken for the airports to remain State-owned as they are very central parts of our infrastructure. In coming years it will be very important that the Government be prepared to stand by that decision.

It is true that Shannon has a huge dependence on the North American market and it would be grossly unfair to the new board to undermine access to that market in any way during the next ten years or so. Any arrangement for two, three or four years will certainly militate against the capacity of the Shannon board to operate the airport to its optimum capacity. While it might be possible for airports to make a profit, we need to be careful not to try to have airports making profits on the basis that Bristol or Cardiff airports do, where the profit is made through airport charges that are approximately three times those at Irish airports. It would simply prove to be a major disincentive to tourism and is an option the boards must be prepared to avoid. They must be prepared to ensure that passenger numbers and levels of service are considerations far ahead of profit and the Government will have a key role in leaving some leeway for the boards to do that.

Mr. Broughan: I wish to share my time with Deputy Seán Ryan. The Labour Party vehemently objects to the manner in which this Bill is being taken. This week we received a schedule that basically involves ramming a series of critical Bills through this Chamber. On the last week of the session we must deal with important

[Mr. Broughan.]

Bills such as the Electricity (Supply) (Amendment) Bill and the Maritime Security Bill along with a range of other Bills.

This is one of the most important Bills to come before Dáil Éireann in my time in the House and possibly in the time of the Ceann Comhairle in that it seeks to make a fundamental change to one of our most successful semi-State bodies. We in the Labour Party believe it does so in the most reckless and cavalier fashion, which may well do untold damage to the three critical regions of Dublin, Cork of Shannon and to the aviation industry here. This critical decision will be made today following a desultory debate of less than four and a half hours, which will be followed by a single hour next week. This is no way to conduct serious Government business.

The Minister, the Government Whip and the Taoiseach, who is primarily responsible for all legislation as the Leader of this House, must be castigated for presenting us with this. We might have expected from the Minister for Transport, who on many occasions has plenty of time to present himself to the media and make statements willy-nilly across the gamut of transport issues, to come to the House with a Green Paper or White Paper on the future of aviation policy for the State. He did not have time to produce even three of the basic outline business plans that any new business might present to its shareholders whom we represent in this case. We have been treated in a disgraceful and cavalier fashion by the Government.

Following the suspension from this House of my colleague Deputy Stagg yesterday, I meant to make a brief comment this morning on another matter and I hope the Ceann Comhairle will not mind me doing so. Around this time of year, as a successful medical practitioner, he always strictly enjoins us to take not two but three weeks of a major holiday away from this House. After the *rí rá* between the Ceann Comhairle and various Members of this House, it might be time that the medical practitioner took some of his own advice.

Mr. Naughten: Just what the doctor ordered.

Mr. Brennan: Is there a doctor in the House?

Mr. Broughan: Over the next two weeks as we attempt to invigilate these Bills, I hope the Ceann Comhairle will not be too hard on us.

I have read the Minister's speech very carefully. It offers very little insight into the future of Aer Rianta and the three proposed State companies and was extremely vague. It is striking that our Fianna Fáil colleague who spoke just before me picked up on a number of those vague areas. The Minister failed to address fundamental issues about the future of the Shannon region. While he made a few comments about Shannon Free Airport Development Company, he did not address the fundamental points of regional development at Shannon. He certainly did not

address any of the issues of regional development in the north Dublin region, which I am very proud to represent.

The Minister said he wants to develop cost competitive services and appropriate infrastructure with three commercially successful airports. Why could the Minister not have done that with three autonomous units, so to speak, within the successful company that is Aer Rianta? If the Minister had done that it would have given the Cork and Shannon Aer Rianta personnel the freedom to operate within this very successful, multinational, Irish-owned semi-State body.

The Minister spoke about promoting and expanding a range of services leading to greater competition. Michael O'Leary was referred to in the House this morning because of his massive funding of the Progressive Democrats Party, and rightly so. I have simple beliefs. I believe that he who pays the piper always calls the tune. If a party is receiving €60,000 or €70,000 from a powerful businessman in an important industry, it cannot fail to be influenced by his fundamental wishes, as we have seen in the massive advertisements he placed in the newspapers on a daily basis during the recent election campaign in which the Taoiseach was described as a ditherer and almost referred to as a clown and a fool.

Comparisons with our EU partners in respect of regional airports do not always have the same resonance for Ireland because of our location and size. It is different when operating in a major medium-sized European country, and the reference to Bristol Airport is a good example because it brings to mind the kind of economies of scale that regions in other parts of Europe can achieve.

Having said that, the aviation industry is our birthright because we are an island people. Just as the Greeks had a major interest in shipping and navigation, it is our destiny to have a great aviation industry, and Aer Rianta deserves immense credits for all its achievements in past years. The Minister will agree, despite the difficulties at Dusseldorf last year, that Aer Rianta's 2003 results are impressive. The developments at all levels are impressive, including the new routes that Aer Rianta has introduced.

In bringing forward this Bill and ramming it through Dáil Éireann, the Minister is effectively devaluing our constituents' portfolio. Their fundamental asset value is being directly attacked by the Minister. The Bill places in jeopardy the future levels of capital investment which Aer Rianta needs and deserves. When people look back on the Minister's period in office they will judge him severely on the efforts he made to stop the building of Pier D and the expansion of the airport, and his failure to address the problem of overcrowding and hassle which has become endemic in Dublin Airport in recent years due to the lack of investment the Minister has deliberately prevented from going ahead. The Minister has a major responsibility in that regard.

This morning my colleague, Deputy Shortall, rightly said that the fundamental aspect of the

Labour Party's unhappiness with this Bill is that the Minister did not come into the House with a clear-cut business plan for the three new companies, the residual Aer Rianta company at Dublin Airport, how its future will be shaped with the additional debt and problems it will experience due to the ending of the current system of regulation, the cost issues, which are difficult for Shannon Airport and the Shannon region, and the recent capital expenditure in Cork. None of those issues has been addressed and that is the reason we oppose the Bill.

This is the first time I have had an opportunity to speak on an aviation Bill in this Ministry. I have always felt that the Minister's real agenda has been a second privatised terminal at Dublin Airport. The Minister started from that premise. That was his ambition. He worked his way backwards and because of that we have had the amazing reports throughout the past eight months of his failure and that of his Department to be aware of the basic precepts of company law and the rules of accountancy in respect of any de-merger. When we first heard the Minister talk about this we knew that a de-merger would be a very difficult operation, particularly in regard to transfer of assets, but he wilfully went ahead with it because he wanted to bring about a second terminal. It was only because of trenchant opposition from trade union colleagues and staff at Dublin Airport that the Minister backed down to this extent over recent months and came forward with the current Bill.

Aer Rianta's achievement has been extremely impressive. There is no commercial reason for proceeding with this Bill today. The Minister has not made a case in terms of a business plan of any description that even a young businessman or woman would bring forward. The de-merger, as we have learned from PricewaterhouseCoopers, is a shambles and it is a disgrace that our Civil Service has been put through that. This Bill will have a negative impact, particularly in my region of north Dublin, and I am fearful for the staff involved in terms of pension rights and transfer of engagements. I am resolutely opposed to the Bill and I regret the Minister has proceeded to this stage with it and is prepared to ram it through this House.

Mr. S. Ryan: This is scandalous legislation. No legislature in any democratic society would bring forward legislation such as this, which has the potential to have a detrimental effect on our economy and aviation policy, without knowing with any degree of certainty that it will be successful in its objectives. This legislation, which is based on ideological grounds and will be guillotined in the Houses, has no viable plan to back it up. Any voluntary sporting organisation applying for funding to the Department of Arts, Sports and Tourism for a community based project would not have its application processed unless it was accompanied by a viable business plan. Similarly, someone with a small business looking for

a loan to extend that business would not get inside the door of a bank without having a viable plan for consideration. That is normal practice nowadays, and rightly so, but the Minister has different standards and a different agenda. The Government brings forward legislation without a plan or objective.

The State Airports Bill 2004 is a sell-off by Fianna Fáil of its core principles and a victory for the Minister, Deputy Brennan, the Progressive Democrats and Michael O Leary. Aer Rianta workers in Dublin, Cork and Shannon are being used as ideological pawns by the Government, particularly the Minister, Deputy Brennan, in an experiment to prepare Cork and Shannon airports for privatisation. That is the inevitable effect of this legislation. They will not be able to stand alone in Shannon and Cork on the basis of these proposals.

It is difficult in any objective way to see how the strategic interests of tourism or transport can be served by this Bill. There seems to be no logic behind the proposals as it envisages the establishment of authorities for Cork and Shannon airports while Cabinet members, particularly the Minister for Finance, are not sure of their viability.

The Minister for Transport has some audacity in rushing this Bill without a business plan. If he was chief executive of a major private company he would have been sacked for implementing this policy.

Ms Shortall: Hear, hear.

Mr. S. Ryan: However, it is scandalous that the Minister's experiment in the public sector is acceptable. Many Fianna Fáil backbenchers have stated their concerns about this Bill publicly. However, as most are hoping for promotion to ministerial rank by the Taoiseach in September, they are not prepared to stand up and be counted on this important issue, especially those from the Dublin region.

Mr. Broughan: Hear, hear.

Mr. S. Ryan: Fianna Fáil has not learned the lessons of the recent elections as the proposals do nothing to serve the interests of air travellers and workers or promote proper regional development, whether in Cork, Dublin or Shannon.

The Bill saddles the proposed Dublin Airport Authority with unnecessary debt, jeopardising its ability to borrow for further important infrastructural developments. No specific reference is made as to where Aer Rianta International will end up. However, such decisions will be taken under section 8. In one of his off-the-cuff briefings to the media, the Minister indicated it would be assigned to Shannon. Such a decision, if taken, would have a major impact on Dublin Airport and the Dublin Airport Authority as Aer Rianta International was responsible for 60% of Aer Rianta profits in 2002 and 64% in 2003. Accounts

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for 2003 show that of Aer Rianta's annual profit of €29.5 million, €19 million came from Aer Rianta International. The Minister proposes to take this from the Dublin Airport Authority and, in addition, lump it with the liabilities of Cork and Shannon airports. It does not stand up to critical analysis as has been shown by previous reports.

The Minister, in his subtle way, has decided to retain the three new companies in public ownership. This is the thin end of the wedge, ultimately leading to the privatisation of Cork and Shannon airports, the sale of the Great Southern Hotel Group, the undermining of the economy of Dublin Airport and the provision of a privately-built second terminal, which all of the objective consultants' reports have come out against.

Dublin Airport workers' representatives have published the pamphlet entitled, *A Ruthless Act of Institutionalised Vandalism — Seamus Brennan's Proposals to Dismantle Aer Rianta*. Included with it was the following statement:

We believe that the Government's decision is fundamentally wrong. The result of that decision will be to replace one profitable and effective airport company with two loss-making ones, Cork and Shannon, and a Dublin authority crippled by the debts of Cork and Shannon. The recent Pricewaterhouse Coopers revelations seem to support this view. We also note the stated reservations of the Department of Finance and also the fact that not a single Government-Aer Rianta commissioned report supports or proposes the break-up of the existing company.

All of this is being proposed by Government without a shred of a business plan to support it and apparently, without any real appreciation of the ... complexities involved in the proposed demerger — commercial, legal, employees concerns etc. ...

The impact of all of this will be negative for the consumer, the State and employee. There is no doubt that the effect on employees will be to impact on job security, terms and conditions of employment and pensions. It is [unacceptable] that such a major State asset should be wrecked and the livelihoods of its employees and their dependants, not to mention the public interest, should be put in jeopardy in such a fashion.

I support these views. It is a sad day when the Minister sets out to privatise the industry and look after his friends.

Mr. T. Dempsey: I wish to share my time with Deputy O'Connor.

An Ceann Comhairle: Is that agreed? Agreed.

Mr. T. Dempsey: Deputy Seán Ryan's concern for Cork is touching and his concern for his Dublin fellow Deputies is even more so.

Mr. S. Ryan: I have always been known as a concerned Deputy.

Mr. T. Dempsey: I am not sure which is the least informed. I remind Deputy Seán Ryan that the success of Knock Airport, independent of any centralised control from Dublin, is one of the outstanding economic successes of the last decade. *Dublin Opinion*, which has long gone out of publication, used to say that all roads from Cork lead to Dublin. I am glad that the Minister for Transport has the initiative and ambition to point a few roads back down the country. Cork Airport has no need for centralised control or over-reliance on the megapolis which Dublin Airport is turning into, in order to survive. There is a little theory—

Ms Shortall: So it is just taking the subsidy for the sake of it.

Mr. T. Dempsey: I am glad that Deputy Shortall allows it to have a subsidy. Perhaps under a Labour Party Government it would be withdrawn.

Mr. Broughan: When will Wexford get an airport?

An Ceann Comhairle: Deputy Dempsey without interruption.

Mr. T. Dempsey: I would be delighted to discuss an airport for Wexford with Deputy Broughan.

Mr. Broughan: Wexford is going for the double this year but it has no airport.

Mr. T. Dempsey: Only today I discussed with the Minister for Transport the proposal for an autonomous authority for Rosslare Europort which I hope will be established in the same way as it will for Shannon and Cork airports.

In the school of thought I was brought up in, there is a saying "Small is beautiful". This is what the State Airports Bill is about. Dublin Airport is a victim of its own success. In 2004, approximately 15 million people will pass through it. Any Member who has passed through it recently will be familiar with the long queues. This is a result of the impossibility of a management system, established many years ago, that is charged with responsibility for security, car parking, shopping, duty free and passenger mobility. Such a management system is long outdated.

I am delighted that the Minister for Transport seeks to give autonomy to the three airports under this Bill. It is a form of decentralisation, with which I live happily, and is a recognition of new realities. It also suggests that smaller entities can be more focused than larger ones. A Goodbody consultants' report on Knock Airport which has its own autonomous authority, found that it had significantly grown its business in recent years with

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passenger numbers anticipated to reach 400,000 in 2004. I wonder would the people who objected even to the idea of an airport in Knock perhaps think about the success of that airport. Those who have genuine fears about the autonomy of smaller units should consider the economic report on Knock Airport.

Part of the growth in passenger numbers reflects the development of outbound charters in recent years. Some 46,000 passengers will take charter flights in 2004. The airport supports additional employment through its purchase of goods and services. The additional employment is estimated at 56 people in 2004. That all comes about because of the focus of small communities and entities. If one were to go by Deputy Seán Ryan's economic theories, we could never offer hope to the Leitrim of this world. They would not even compete in Gaelic football, although we learned last Sunday that they do so quite successfully.

Mr. Naughten: They will find out about that next Saturday.

Mr. T. Dempsey: If we have a Minister some time in the future as innovative as brave as the Minister for Transport, we might have an airport in Wexford. In the meantime we have a Europort and I appeal to the Minister to show the same initiative and give us our autonomy.

I have been a member of a trade union all my life and continue to be one. I would not support any proposition which would disadvantage ICTU members and I am glad to see that the Minister has guaranteed them that there will be no deterioration in working conditions or employment.

I congratulate the Minister on his initiative. This Bill will help to facilitate the efficient economic development and the better operation of a new Dublin airport and a new authority. I hope that ultimately it will lead to a second Dublin terminal. It will protect the reasonable interests of users in Dublin Airport. Like many others, I have been the victim of the tremendous numbers passing through the airport. I am certain that the Dublin Airport Authority will operate airport in a way that is sustainable and economic. In future, if Deputy Seán Ryan and I are returned to this House — I know he will be equally concerned for my welfare as he is for his Dublin colleagues — we will be here to congratulate the Minister in about five years' time on the wonderful success facilitated by the new Bill.

Mr. Broughan: I hope there will not be a tribunal investigation.

Mr. Durkan: Noel Hanlon has not got the same confidence as Deputy Tony Dempsey.

Mr. S. Ryan: Can we get an airport for Tallaght?

Mr. O'Connor: The Deputy should not anticipate anything I might say. Deputy Seán Ryan's

speech was going well until he suddenly had to depend on the Labour Party scriptwriters. They are in a spot of bother because all they do is pick on poor Fianna Fáil backbenchers. I am proud to be a Fianna Fáil backbencher.

Mr. Durkan: God love them, they are a pitiful sight. The plinth has been raided on numerous occasions.

Mr. O'Connor: We are easy targets but we come here and do our job.

Mr. Durkan: That is bravery.

Mr. O'Connor: We are not afraid to tell the Minister how we feel about issues and we do that on a regular basis.

Mr. Broughan: Has the Deputy ever been in the Minister's office? The Deputy has never been across the bridge.

Mr. O'Connor: Unlike other parties, we are not afraid to do that. There is much democracy in Fianna Fáil and I am proud to be a member of a Government party. I speak as a backbencher who has no expectation of promotion so I am not one bit afraid of what is happening. I will always be honest in my approach to these things.

Mr. Naughten: That is what the Taoiseach said about the EU Presidency.

Mr. O'Connor: I am on the record as saying that if the Taoiseach went to Europe, I would be devastated. I am not afraid to say that.

Mr. Durkan: The Deputy should be careful. The Taoiseach is returning from Japan. Does he know what the Taoiseach did the last time he came back from Japan?

Mr. O'Connor: If I need help from the Leas-Cheann Chomhairle, I will be happy to seek it. I take the point that colleagues speak to their constituents and to the parties about matters as they see them. This Minister has a great deal of support in this House, not only on the Fianna Fáil and Progressive Democrats benches but on many other benches

Mr. Durkan: That is why he wears a hard hat.

Mr. O'Connor: We should wish the Minister well because he has a difficult job. There are a few myths going about. I have already approached the Minister about matters. I accept the little taunt that Tallaght does not have an airport. I wish we had, though Baldonnel has some potential in that regard.

Mr. S. Ryan: We have the noise from it.

Mr. O'Connor: The Minister knows that, like other Members of the House, I have had rep-

[Mr. O'Connor.]
 representations from constituents asking me to raise issues of detail about these proposals and I have attended to that.

Mr. S. Ryan: Did the Deputy get any answers?

Mr. O'Connor: I am happy that the Minister has told me and other colleagues that in acknowledging that the trade unions are fundamentally opposed to the restructuring proposals, the Government has accepted many of the concerns of the unions.

Ms Shortall: It has not.

Mr. O'Connor: The Minister has also informed colleagues that to assist in addressing those concerns, agreement has been reached on a number of important areas. A section of the Bill specifies that there will not be any deterioration in the terms and conditions of employment of the workers in the company on transfer to the new independent airport authority.

Mr. Broughan: What about the new workers?

Mr. O'Connor: He has also made the point that the transfer of assets to Shannon and Cork will not take place until after 30 April 2005. The Minister has informed us that detailed business plans will be drawn up for Dublin, Shannon and Cork airports by the airport authority and that the transfer of assets to Shannon and Cork will not take place until the shareholders, the Minister for Transport and the Minister for Finance, are satisfied as to their state of financial readiness. The Minister and senior officials of his Department have maintained a process of full engagement with the Aer Rianta unions to deal with all issues of concern, and the Minister informs me that process will continue through the transition period. It is important we note that.

I wish my Wexford colleague, Deputy Tony Dempsey well in his endeavours.

Mr. S. Ryan: Is that for re-election?

Mr. Broughan: He is going for the double.

Mr. O'Connor: Deputy Dempsey made a point about the PricewaterhouseCoopers report. Deputy Sean Ryan talked about ambition. I would be quite happy to be elected at the next general election. If not, I will find something else to do in my community. That is the way democracy should work. I do not know how it works in other parties but that is how it works in Fianna Fáil.

Myths are going about regarding the PricewaterhouseCoopers report. I understand that the company never suggested that restructuring was too risky or should not proceed. I also understand that the company has informed the Department in writing that the establishment of three independent entities will, in a focused way with fresh

ideas, allow for a clearly defined capital pool allocated to each airport and an autonomous approach pertinent to the business priorities of each airport.

I am glad my colleagues have calmed down. We should understand that there is support for the proposals.

Mr. F. McGrath: There is no public support.

Mr. O'Connor: It is not true to say there is not. There has been strong support at national and regional level.

Mr. Broughan: Not in Dublin.

Mr. O'Connor: The support at regional level has been particularly evident before, during and after a number of visits the Minister made to the Shannon mid-west area and to the Cork region. The plan has strong support from public representatives, regardless of whether the Deputies like that, from regional and local authorities, business interests, chambers of commerce and consumer organisations.

Mr. F. McGrath: Who elected them?

Mr. O'Connor: One can ask who elected them and who elected us. Many organisations are giving views. Many views come across from the Opposition benches and one wonders where they originate. In a democracy we are all entitled to make our point. I am not afraid to make the point.

Ms Shortall: What is the point?

Mr. O'Connor: At some point I might ask the Leas-Cheann Comhairle to protect me.

An Leas-Cheann Comhairle: The Deputy should address his remarks through the Chair.

Mr. O'Connor: I apologise. I am always happy to do that.

Mr. Broughan: A Tallaght man needs no protection.

Mr. O'Connor: The Minister should be allowed to get on with his job, representing the public and doing what it wants him to do. The reforms provided for in the Bill are focused on developing Dublin, Cork and Shannon airports, increasing airline business and drawing significant passenger traffic levels as well as jobs. The only sensible way to guarantee jobs in future is to grow the business at the three State-owned airports. Under strong, focused regional leadership, Shannon and Cork airports will have a fresh start and can develop separate business strategies, including concentrated marketing initiatives.

Shannon Airport can double the number of passengers from 2 million to 4 million and Cork Airport can also grow. Almost 90% of people

who travel to Britain or the Continent fly out of Dublin, and I am happy about that. There is no reason many of these people would not use Shannon or Cork if the airports were extensively marketed.

The passenger numbers in Dublin Airport are set to increase from the present figure of 15 million per year to 30 million by 2018. Looking around, I wonder how many of us will still be in the Dáil then — Deputy Finian McGrath probably will be. Is he not going to top the poll at the next election?

Mr. F. McGrath: That is correct.

Mr. O'Connor: So they say. The new Dublin Airport Authority, combining international and national aviation expertise with proven financial and business experience, will focus on meeting the urgent need for increased capacity at that airport.

The Bill provides the necessary basis for the restructuring of Aer Rianta and the establishment of Dublin, Cork and Shannon airports as independent airport authorities under State ownership. It provides for Aer Rianta's mandate to be changed by ministerial order to include a responsibility to restructure the company on an orderly basis. On the day this order is made a new board will be appointed to replace the board of Aer Rianta and Aer Rianta will be renamed as the Dublin Airport Authority.

The Bill is enabling legislation that will allow implementation in a two-stage process. The airport authorities will take office in Dublin, Shannon and Cork. They will immediately prepare business plans and agree between them on the function each can carry out on a delegated basis. During this period the assets will remain with the Dublin authority. Assuming the shareholders, the Ministers for Transport and Finance, are satisfied with the viability of the business plans, the assets will transfer and Shannon and Cork will become fully independent and autonomous airport authorities on or after 30 April 2005.

I have referred to the support that exists for restructuring, and my colleagues have confirmed that. Shannon and Cork airports can better realise their potential with strong regional leadership free from central control in Dublin. The new airport authorities for Shannon and Cork will combine international and national aviation experience and proven business leadership and will bring a new and concentrated focus to promoting those airports.

The chairman designate of the Shannon Airport Authority has predicted, based on discussions with airlines, that the number of passengers at Shannon can double to 4 million per year. Under the terms of the restructuring, both airports will begin debt free from the first day. For Shannon Airport, this means the lifting of a debt

of €70 million and more than €120 million in the case of Cork.

Mr. S. Ryan: What about Dublin?

Mr. O'Connor: Transport in general and infrastructure in particular in the Shannon and mid-west and the Cork and southern regions will benefit from increased investment and there will be an emphasis on integrating all transport systems, including aviation.

In the hurly-burly and excitement of political debate, we are all entitled to make points, but we must see the benefits of this legislation.

Ms Shortall: What about the damage it will do to Dublin Airport?

Mr. O'Connor: I will finish now as I do not wish to get into conflict with the Leas-Cheann Comhairle. I have been here for two years, I have never upset anyone and I will not start now. I would like to see out my term without upsetting anyone.

Mr. S. Ryan: What about the Deputy's constituency colleague?

Mr. O'Connor: My constituency colleague is a senior Government backbencher and he can speak for himself. He does not need me to protect him, it is more about him looking after me.

Mr. Broughan: He might be a Minister soon.

Mr. O'Connor: It would be good for my area if he was a Minister. Debate on this issue is healthy and it is important the Minister knows he enjoys a great deal of support because, while he finds these debates interesting, they must also be trying.

Mr. Sargent: The Deputy should not be so hard on himself.

Mr. O'Connor: I wish him well in his job. Where I have concerns or where my constituents bring genuine concerns to my attention, I will go to the Minister and ask him to take account of them.

Mr. S. Ryan: Would the Deputy support him for Taoiseach?

Mr. O'Connor: I am a well known supporter of the Minister. I share a constituency boundary with him and admire the work he is doing. He is doing a tremendous job in this area.

Mr. Sargent: Tá áthas orm seans a fháil labhairt ar an Bhille um Aerfoirt Stáit 2004. Tá mé ag roinnt mo chuid ama leis an Teachta Aengus Ó Snodaigh agus an Teachta Finian McGrath.

[Mr. Sargent.]

This Bill makes for interesting reading, although I have spoken to numerous people who are reading it again and again because they cannot see where it is going. It opens up possibilities but its final destination is still clouded in mystery. It indicates, however, that the thinking behind it is characterised by the ideology of Thatcherism gone mad in that it sets out the template for privatisation further down the road. It ignores any critical analysis of airport economics, and we should bear that in mind regardless of which party supports it or the personal points of view expressed.

If we look at small and large airports, such as those in Liverpool and Manchester in Britain, the airport in Liverpool is small while the airport in Manchester is large because Manchester has critical mass. That factor exists in Dublin also so splitting the three airports will mean Dublin will continue to grow in a cancerous fashion while the airports in Cork and Shannon will find it difficult to achieve that critical mass. That will result in this plan being seen as flawed in the long term so it should be reconsidered. The Minister must think long and hard about what he will do and the legacy he will leave.

Why is there such a hurry with this legislation? I asked the Tánaiste on the Order of Business why the road safety Bill was not seen as equally, if not more, urgent; it is a matter of life and death. As Deputy Finian McGrath pointed out, we have been waiting a long time for the disability Bill, as we have for legislation on Grangegorman.

Those Bills have been postponed again and again but here we are presented with legislation that has received no justification in independent studies. Five independent studies have cast considerable doubt over this programme and if the Tánaiste says it will save money, we should definitely revisit the entire idea because there are no signs of savings in the Bill. Instead, it will increase congestion in Dublin, a costly problem. There will be further impacts in health terms as Dublin Airport grows, increasing the prospect of another runway, a matter of concern to the citizens of Swords, Portmarnock and Malahide, given the impact of additional flights on their communities.

In terms of cost, I wonder where the Tánaiste is coming from. In the case of Cork and Shannon, many of the companies based there will find that it is not possible to sustain jobs because they depend on direct international route connections. If Dublin is to become an almighty hub once again, I suspect Cork and Shannon will not be able to provide the direct international routes. This should be a concern because it will not save money but will be a cost in terms of unemployment.

Ultimately, when all matters are taken into account, I foresee in the establishment of Údarás Aerfort Átha Cliath, Údarás Aerfort Chorcaigh

and Údarás Aerfort na Sionainne that there will be a cost of millions of euro for new livery, new uniforms, re-naming and re-branding, and all of this despite the proviso that there might be a business plan which would stand up and get the go-ahead. It seems a costly way of proceeding and we should be concerned about it. There is no business plan. First, there is a transfer of assets and only then is the business plan thought of. Is the Minister trying to put in place a face-saving exercise or was a Government policy decision taken and is the Minister simply following through on it in some way? Regardless, it will be costly and this cost will not mean jobs.

The Minister is not thinking strategically in this regard. The country needs a more robust strategic plan in place which will carry Aer Rianta forward. Whatever one might want to call the company, it has served us well internationally and at home. Breaking up the three airports and expecting that they go forward as public companies with shareholders as well as taking shares in other companies is a much less efficient method than having Aer Rianta as a stand-alone company. Given that this is a small island, that is what makes sense.

While we are discussing civil airports, Shannon is looking increasingly like a military airport. I do not think it will be helped as a stand-alone company by having to put up with the visit of George W. Bush. In discussing civil aviation, we should be discussing the protection of the benefits of Aer Rianta rather than undermining them.

Aengus Ó Snodaigh: Since taking over his ministerial position, the Minister, Deputy Brennan, has run with a right-wing economic agenda with scant regard for the best interests of employees, trade unionists and the people. Aer Rianta has been a profitable State company successfully managing the State's airports, including Dublin Airport which is one of the most prominent airports in Europe. In the lean years of the 1970s and 1980s, Aer Rianta was one of the largest contributors to the Exchequer. Now, when it faces small financial problems, the first idea is to privatise it. The proposed break-up has met with the disapproval of the vast majority of commentators because the break-up is unviable. It is simply a smokescreen in preparation for privatisation through which the people will be screwed once again, as they were with the sale of Eircom.

My party wants vibrant, progressive and well-run public sector companies in control of public transport across the board in Ireland. Aer Rianta comprised a relatively affordable service compared with other European countries, which is quite an achievement considering the limited amount of support provided by the State over the years. Support has been the other way around in most cases. The chairman of Aer Rianta today described the Bill as draconian. As my colleague,

Deputy Crowe, pointed out, the debacle regarding the proposed break-up of Air Rianta is not only a potential disaster for the aviation services in Ireland but amounts to a waste of Government time and taxpayers' money. We are an island nation. When added to the sale of other Irish transport companies over the years and the proposed sale of Bus Éireann, CIE and Aer Lingus, it will leave the nation at the mercy of greedy international or perhaps national capitalists.

The Bill is unclear and this is due to the haste with which it was introduced by the Minister. Haste makes for bad legislation, as I have stated repeatedly in the Chamber. While the Minister is not as hasty as the Minister for Justice, Equality and Law Reform, he has been hasty in this instance. What would happen if the Minister for Finance, Deputy McCreevy, decides to reject the business plans? Will that mean that the arrangements for delegation will be retracted and the break-up issue will be reversed?

As Deputy Crowe pointed out, nothing good can come of this legislation. The Dublin Airport Authority will stand for nothing but a hopelessly diluted national aviation service with all the fundamental problems which the Minister declared would be addressed in the Bill. The legislation leaves large spaces for ambiguity at every level. For instance, in the matter of remuneration there is little consolation for employees whose remuneration and transfers will be dependent on common agreement. In other words, there will be more months of conflict and negotiation and this will not bed down quickly. How much, for example, has the Minister spent on reports relating to this legislation? How much will the change-over cost in terms of changes to logos, moving staff, uniforms, vehicles, letter-heads and so on?

This is a rather expensive name change. Has anything been gained even in terms of the Minister's aspiration to more competition and better financial dividends? Nothing stands to be gained from this legislation. The Aer Rianta ten-year plan suggests that a large number of redundancies will be needed at Shannon despite the proposed break-up, and this could cost as much as €30 million. How long will it take before Shannon and Cork airports will be individually viable and how much will be required to keep them afloat? Where will the money come from?

There is no commercial rationale to this Bill. The reality is that the proposed break-up of Aer Rianta, which has now been delayed, and the Government's approach to Aer Lingus is concerned with the Government implementing the privatisation agenda of the Progressive Democrats, which is now the ideological wing of Fianna Fáil. What other logic can explain the break-up of a successful State company? This break-up, if it is allowed to proceed, will see the constituent parts of Dublin, Cork and Shannon airports incurring huge increased costs in administration,

marketing, accounting and all the functions which are now carried out centrally and with economies of scale?

Bad legislation is made in haste. What is the urgency for the Bill other than to satisfy some deadline set by external vested interests? There is no logic to the haste. There has been a lack of debate, planning and forethought. Was this idea a dream of the Minister's or did he think it up over a ministerial dinner in a villa in the south of France? Moreover, which Minister dreamed it up? Did both of them do so? Nobody will benefit from the Bill. I urge the Minister to withdraw it, even at this late stage, and go back to the drawing board in regard to Aer Rianta.

Mr. F. McGrath: I oppose the Bill. Not only is it a bad Bill, it is also dangerous for the country, the staff and the regions. That is the reality of this legislation and I call on all Deputies to vote against it. This legislation which proposes to break up the airports is a classic example of economic and social vandalism. People in the business know that Shannon Airport will not be profitable for ten years and Cork would not show a return on investment for six years. Shannon will not develop for ten years without Exchequer funding and Cork will be similar with debts of €200 million being transferred to Dublin. We all know the EU rules that will be wheeled out again to bury State aid. These are the realities of the Bill and I urge everyone involved in the debate to listen to the workers and, above all, to listen to the people who want to save and develop Aer Rianta.

I also urge an objective analysis of the issue. It is a disgrace that people involved in the aviation trade were not consulted on the legislation. The Aer Rianta board should have been more involved in the preparation. There will be an increase in landing charges at all three airports and we will hear more whingeing from Ryanair's chief executive, Mr. Michael O'Leary.

I find it a bit rich to hear the Tánaiste trying to distance herself and her party from the political donation issue. There is a connection, which past tribunals have proved, so please spare us the high moral ground lectures. There is something undemocratic about a party with 3% of the national vote having so much power and influence in the Cabinet. What about the views of the remaining 97% of people? Is it any wonder people are cynical about politics and wonder what they can do to have their voices heard? Most people believe they live in a liberal democracy. I urge them to think again when 3% of our wealthy elite have major power and we have a right-wing press which is constantly squeezing out the democratic mandate of approximately 30% of people.

I raise these issues in the debate to ensure that another side to the story is told. There is a lack of fairness and balance in our society. The 150

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people on hospital trolleys and the 3,000 people with intellectual disabilities waiting for respite care, day care and residential care are a symptom of the lack of justice in our society. The State Airports Bill can be rushed through the House but where is the disability Bill? Why are people left waiting for services? There is a lack of interest and commitment to people with disabilities and this debate indicates the priorities of the Government. There is no benefit in having a vibrant economy and refusing to share the wealth and resources. I challenge the Minister for Justice, Equality and Law Reform, Deputy McDowell, on this issue and his lack of social conscience. What did tax cuts do for people on hospital trolleys or children with disabilities seeking services?

These are the difficult questions for the Minister, Deputy McDowell, and his right-wing clique who are damaging this country. They appear to be obsessed with anything in State ownership. I raise this question as a warning regarding their real agenda in the long term, namely, privatisation. This Bill might seem like a compromise but we must beware of their future plans. The Minister for Transport, Deputy Brennan, appears to have been bitten by the PD bug and it is time he was given a shot in the arm to cure this tax-cutting, deregulation and privatisation disease which is now getting out of control.

We must also challenge the whole issue of business plans or, more important, the lack of them. If I were to open a little corner shop tomorrow or start a small business, nothing would happen. No doors would open until it was costed, planned and a serious business plan put in place, therefore, how can anyone split up and destroy our airports without a decent plan? We need an overall plan with vision and which addresses staff and national interests, which is important in an island nation. This is the way forward. One must examine new ideas and more development, which I would welcome, but above all, one must do the sensible thing in regard to Aer Rianta.

When one examines the details of the legislation, one will see that the purpose of the State Airports Bill 2004 is to provide the necessary legislative basis for the restructuring of Aer Rianta and the establishment of Dublin, Cork and Shannon airports as independent airport authorities under State ownership. The Bill provides for Aer Rianta's mandate to be changed by ministerial order. On the day this order is made, a new board will be appointed to replace the Aer Rianta board and Aer Rianta will be renamed the Dublin Airport Authority.

The Bill also provides for the establishment of Cork Airport Authority and Shannon Airport Authority, which shall enter into such arrangements as agreed with Dublin Airport Authority for the performance on its behalf of functions covering Cork and Shannon airports, respect-

ively. On the Cork and Shannon appointed day, the Cork and Shannon authorities will have the relevant airport assets vested in them and will assume full responsibility. The Bill also provides for the amendment of the Air Navigation and Transport Acts 1963 to 1998 and the Customs-free Airport Act 1997. These are the nuts and bolts of the legislation. These are the issues with which we are dealing today. However, they need to be changed radically in order to make the Bill more effective. As it stands, it is not effective and has the potential to cause a major crisis in the Irish aviation industry and damage seriously the social and economic interests of the Irish people. Hence my opposition to the Bill. I urge all Deputies to reject the legislation as it against the interests of the staff and taxpayers.

I encourage the Minister, Deputy Brennan, to listen to the views of the staff and people who have a genuine interest in the aviation industry. It is important for him to listen to people who have a commitment to this country. I am concerned about the way in which the Bill is being rushed through the House. People and taxpayers have views and people who are elected on these issues should be listened to. It is with regret that I will be opposing the Bill.

Mr. Carey: I welcome the opportunity to say a few words on the State Airports Bill 2004 and I do not do so as a starry-eyed ideologue of either privatisation or State ownership. Perhaps it would be wise for all sides to take time to reflect on how Irish commercial and industrial policy has evolved over the years and to acknowledge the significant role State companies have played in that development. We think about companies such as the ESB, Bord na Mona, the Irish Sugar Company, Irish Shipping and so on. There have been companies that have been very successful and companies that have gone under — forgive the pun when I talk about Irish Shipping. I am referring to companies like Bord na Mona, which was able to respond to the demands of the day by exploiting our peat lands, to develop its technologies to produce moss peat and peat briquettes and still has a research and development ethos. It does not matter whether such companies are in State ownership or private ownership because they are dynamic and evolve organically.

This year we are celebrating a jubilee of the first dam the ESB built at Ardnacrusha. This company is a shining example of what can be done when given the flexibility by its shareholder to respond to the needs of an evolving market. Given that we are talking about Ireland being the most globalised economy in the world, surely it makes sense that we position our industries so they can benefit to the maximum extent possible from globalisation. I know some people in this House condemn globalisation as a philosophy but

it is here, we can benefit from it and it provides opportunities.

We can also recall companies like Irish Shipping which, because it was not able to respond to market forces and the Government did not invest in it or have faith in it at the time, went out of business. I believe with hindsight this was a mistake because we would have been able to benefit more from the INTERREG programme if we had a vibrant shipping industry. However, that is in the past. Unfortunately, Opposition Members were associated with that decision. I do not condemn them because they took what they thought at the time was the best decision.

We have seen how Bord Gáis has transformed towns, villages and industries by exploiting our natural resources and providing pipelines throughout the country to homes and industries. We can see the difference it has made to the economy. This has happened because the Government — I cannot remember which Government — had the courage to allow Bord Gáis the flexibility to respond to challenges in the market and the economic environment.

There are more recent examples. Some of us were small shareholders in Eircom, a public company, and we can see what happened to it. It certainly needed investment but it became overnight a private monopoly and much profit was made. That was badly handled and badly timed. It was not the best decision any Government has made but it stands as a good example of what we should not do. Let us consider instead the cases we have handled well, such as the ESB, Bord Gáis and Irish Sugar. We are now discussing the contribution made by Aer Rianta. We have debated the contribution Aer Lingus made and is still making to the Irish and international economy. Aer Rianta has also made a contribution and has the potential to make a major contribution to the Irish and international economy into the future.

This is not a deep insight, but there is a need for sensible, level-headed pragmatism in the way in which we deal with this issue. We should not be driven by a particular ideology or a political philosophy. We need to think things through. I had some reservations about the way in which the Minister proposed to deal with this issue but, on balance, what he is doing will turn out all right. Developing business plans for the three authorities is the right way to go, provided — this is an important proviso — there is consultation with all the stakeholders in the regions and the companies. There is substantial talent among the workers within the companies and in the communities served by those authorities. Provided there is consultation, Aer Rianta will make a major contribution to Irish aviation.

There are pitfalls, however. We need to consider what happened when FLS, as it is now called, grew out of Aer Lingus. There were difficulties, and there is no point in pretending there

were not. Some difficulties still exist, such as the issue of pensions which is still of concern. There are retired workers from Aer Rianta and FLS who still talk to us about the injustice, as they see it, that arose out of the different ways in which pension issues were dealt with.

There are other areas, however, on which I take my hat off to the Minister and his predecessors. People have been critical of the break-up of CIE. There was an opportunity there which has been exploited by Dublin Bus, for example. It is a good public company which serves the community very well. I have been critical of its management for many years, but because of the investment that has been made in it by this and the previous Government and the flexibility it has been allowed, it is now quite a good company. Iarnród Éireann, similarly, will be an extremely significant contributor to the growing economy in future. We have models of best practice provided we learn the lessons.

I commend the Minister and all associated with the pay talks and other discussions that took place on ensuring that everybody's views were respected and taken into consideration. I do not think everyone would agree with this. It would be a sorry thing if everyone agreed that things are hunky-dory. There will always be varying ideological positions. The Irish Congress of Trade Unions has a particular ethos and I respect that. However, it should recognise that the companies will be staying in State ownership and will be given a great deal of flexibility. I compliment ICTU and the trade union movement on the way in which they have encouraged their members to avail of the opportunities of flexibility provided by joint ventures and private investment in State and semi-State companies. I do not think there is anything for them to fear.

The Minister knows that Dublin Airport is close to my constituency. It is a very important player in the community I serve. The House must forgive me if I speak with a special interest in Dublin Airport. I pay tribute to the work done by the staff of Aer Rianta. Nobody can deny the major contribution they have made and they are to be commended on that. I am delighted this legislation means their destiny is in their hands. There are approximately 1,400 Aer Rianta workers at Dublin Airport alone providing operational, cleaning, maintenance, car park, retail, management, safety and security services among many others.

It annoys Aer Rianta workers when they are held responsible for work they do not do. Today I heard some of my colleagues on this side of the House criticising what happens at Dublin Airport. Let us remind ourselves that Aer Rianta does not provide check-in, baggage handling, flight catering, fuel or ground catering services at Dublin Airport. Its workers have often been unjustly blamed for incidents at the airport which

[Mr. Carey.]

are entirely beyond their control. They are not responsible for the delays in obtaining taxis. They are not responsible for the distance that must be travelled from the long-stay car park. These are issues that need to be considered.

Aer Rianta workers are the people who provide the facilities that allow an aircraft turn-around time of about 25 minutes at Dublin Airport. It must also be emphasised that Aer Rianta workers have never been a burden on the taxpayer. Indeed, they have made a notable contribution of almost €300 million to the Exchequer over the past two decades.

While the destiny of the workers may be assured, the number of destinations for the passengers who use Dublin Airport greatly needs to be expanded. The possibility of a second terminal should be critically examined as part of the business plan. In that regard, it should be borne in mind that a great deal of traffic already comes into the airport. Can it accommodate an additional terminal without placing a major burden on the north Dublin community? We do not have a metro system, although we need one. I urge the Minister to ensure that while he has this brief as a member of the Cabinet, he advances the idea of building a metro from Dublin Airport to the centre of the city. It would make a major difference to transport in the city and to Dublin Airport. If that is not done, the people of north Dublin, including the Ward, Finglas, Ballymun, Swords and Malahide will be crucified with the additional road traffic along with increased aircraft traffic.

I have asked before why we do not exploit the potential of Casement Aerodrome in Baldonnell. It has enormous possibilities. We often hear Michael O'Leary talking about getting things done. Ryanair, with which I have flown, flies into many airports in mainland Europe which are jointly operated by military and civilian authorities. Why can that not happen in Dublin? I often wonder whether the reason is that some important political people who represent the area around Baldonnell do not want noise annoying the cattle and so on. I know additional roads would be required, but it has significant potential.

Mr. F. McGrath: I am not familiar with that part of the country.

Mr. Carey: The Deputy should brush up on his geography.

Baldonnell Aerodrome should be utilised more. By way of providing a little history, the former First World War Royal Flying Corps base at Collinstown in north Dublin fell into dereliction and disuse during the 1920s. To provide for regular air services the military field at Baldonnell was initially used. Then, with the establishment of Aer Lingus in 1936 providing more regular air

links, the decision was made to open Collinstown for civil aviation. Prior to that the grass strip at Kilshane was used. Kilshane is now absorbed into the broader Finglas community.

Mr. F. McGrath: The Deputy is good on history.

Mr. Carey: Absolutely. The Department of Transport confirmed last March during an industrial dispute that it was exploring the possibility of using Baldonnell Aerodrome to cater for some flights, probably those connected with EU business, in the event that airport strikes were likely to go ahead. Surely, with the existing facilities at Dublin international airport under severe pressure owing to congestion, a civil terminal should be developed on the Baldonnell airfield. A number of private businesses have been interested in private civil aviation in Baldonnell. However, a wider and more extended use in terms of commercial civil aviation would require a very substantial investment and major planning and consultation. I agree with what the Tánaiste said this morning or yesterday morning regarding a second terminal wherever it may be. It should not be owned by one single airline but should be held by the airport authority, whether it is in Dublin Airport or Baldonnell.

In 2002 Dublin Airport was the second fastest growing European airport, with more than 15 million passengers using it. There are more than 180,000 movements by aircraft on 123 routes by 70 airlines. Dublin Airport serves many different markets. More than 50% of the passengers travel to and from the UK, 30% to and from London, just over one third travel to and from Europe and about 5% travel either domestically or across the Atlantic from Dublin Airport. Dublin Airport, therefore, exerts a significant positive impact on local, regional and national economies. By 2023, given development, the airport will support more than 51,000 jobs and will generate more than €3 billion worth of annual income to Ireland. By contrast, if a new runway is not constructed and the development of the airport is constrained by 2023 the total employment supported nationally by the airport will fall slightly from its current level. What is being proposed at the moment will facilitate a greater expansion of the airport.

One of the core activities for any airport, whether Aer Rianta or a new airport authority, is planning. Much planning, particularly forward planning, has taken place between Aer Rianta and, originally, Dublin County Council and now Fingal County Council regarding how best to use the lands that have been acquired over the years in Airside and elsewhere around the airport.

My concern about this measure is that if there is a halt in planning — I believe there will be anything up to a 25 year lead-in time before one sees a serious turnaround in the value for money

in an airport development — we will lose much of the momentum in the Dublin area. Tourism in Dublin city has thrived in the past 15 to 20 years. I remember when the former City Manager, Mr. Frank Feely, used to bemoan the fact that few if any tourists coming to Dublin stayed in Dublin. Now, most who come to the city stay in it. Many complain about the congestion caused by the parking of large coaches at Trinity College and elsewhere but that has been the fruit of some of the planning by Aer Rianta, Dublin City Council, Dublin Tourism, Bord Fáilte and others working together.

Mr. F. McGrath: The tourists cannot have a smoke. The Deputy should await next year's figures.

Mr. Carey: I welcome this measure. It is important when the three boards are working up their business plans that they engage with the existing management, workers, trade union interests, groups such as the chamber of commerce and industrial interests. There was much talk about the Shannon Free Airport Development Company. Let us not forget that around the Blanchardstown and Swords areas there is a greater concentration of warehousing and logistics than in any other part of the country. I venture to say it has grown so fast that it will be more important than any other destination in any other part of Europe. The port tunnel will come on stream soon. I know Deputy Finian McGrath cannot wait to welcome the positive contribution it will make to the city, taking thousands of trucks per day off the streets of Dublin.

The expansion of the M50, the improvement of the road network and the development of the North-South economic corridor will make a huge difference to north Dublin. The measure proposed by the Minister will make a positive and significant contribution to the development of a vibrant aviation sector. I hope the low cost airlines, the existing ones and others, which are always preaching to us about the need for competition, will buy into this measure courageously, with a sense of adventure and a sense of the challenge which is being offered by the measure being promoted by the Government.

Mr. Coveney: I propose to share my time with Deputy English.

I am glad to have the opportunity to speak on this Bill. I am also glad the Minister has stayed throughout the day for the debate. That is helpful. I will make only a few points as I have only about three minutes in which to do so.

One of the problems of this legislation is that as the debate has continued on the so-called break-up of Aer Rianta the goalposts have been moved a number of times. My understanding at the start of the process was that Aer Rianta would remain as an umbrella organisation, a

national airport authority, and that Cork and Shannon would be given far more autonomy regarding their decision-making capacity and so on, but that the parent company, Aer Rianta, would be there backing them up. That was also the understanding of workers, particularly in Cork and Shannon, who were somewhat reassured by that. That has changed. Now it is clear that what we are trying to do is effectively end Aer Rianta as an entity and instead set up three airport authorities in Cork, Shannon and Dublin which will in time be independent.

There are some concerns regarding the transition which the Minister might address. It is stated in the legislation that Aer Rianta will be changed in name and that a Dublin

7 o'clock Airport Authority will be set up almost immediately. Over a period of time if Cork and Shannon can put business plans together and prove themselves viable the Minister will set up airport management companies for Cork and Shannon. What will happen if, as I believe is likely, Shannon cannot prove itself to be viable and Cork does? From what people such as Mr. Noel Hanlon have said, that is a likely scenario, not merely a possibility. What happens then? Will Shannon remain under the control and management of the Dublin Airport Authority? Will Cork go it alone? The situation that Cork people have feared will then arise, which is that Cork Airport will be in competition with Dublin and Shannon as the one entity.

I am in favour of giving Cork and Shannon their own decision-making capacity because both areas are very ambitious for their airports and an element of competition is positive. Cork has shown huge progress in the last decade on a range of areas around the airport. I ask the Minister to consider that eventuality because it will cause huge concern in Cork if the airport there ends up in competition against the other two airports.

Debate adjourned.

Adjournment Debate.

Schools Refurbishment.

Mr. P. Breen: I welcome the Minister of State at the Department of the Taoiseach home from Brussels and I congratulate him on his conquests in Europe with the new constitution. I hope he has good news for me on Rice College in Ennis.

This issue affects the teachers and pupils of Rice College which was the old Christian Brothers' school. Earlier this year, with the Fine Gael spokesperson on Education and Science, Deputy Olwyn Enright, I visited Rice College following a request from the parents' council. During our visit we toured the school, the classrooms and the facilities. We visited the science laboratories and I was taken aback by the outdated facilities which

[Mr. P. Breen.]

reminded me of something in the 1950s. In my own time in Saint Flannan's college in Ennis, the science labs were much better than what I saw this year in the twenty-first century.

Ennis is an information town and the school does quite well in its junior and leaving certificate examinations. Science subjects need to be taught more often in schools and many students are not taking them up, particularly in the leaving certificate. If the facilities are not there for the students at an early stage, then it is very hard to expect students to stay with these subjects for the duration of their education.

I was astonished to discover that in the event of an emergency such as a fire or an explosion, which can easily take place in a science class, it would be difficult for students and staff to evacuate the building. There was only one door, the windows were located at a high level and there was no fire escape. In this day and age I thought I would never see something like this.

There seems to be an element of confusion between the Department of Education and Science and Rice College on the refurbishment of science facilities. This came to light last month when I raised it in a parliamentary question. It was noted that Rice College made no application for resource grants under the revised syllabus for junior certificate examinations. The board was clear that a science inspector from the Department had told the college that laboratories were quite unfit for conducting the revised junior certificate course. The board was in a no win situation. If it had signed for the grant, it would have to oversee the introduction of the revised syllabus against the advice of the school inspector. The board of management was not prepared to do this. The board is anxious to comply with the Department's instructions and to introduce the new course, but it needs the help and expertise of the Department to bring the laboratory up to standard.

I hope the Minister will intervene and provide the necessary funding and assistance for the pupils who are taking science courses and that this case will be resolved by September.

Minister of State at the Department of the Taoiseach (Mr. Roche): I thank the Deputy for giving me the opportunity to outline to this House the position of the Department of Education and Science in relation to the provision of improved accommodation at Rice College, Ennis, County Clare. I apologise that the Minister for Education and Science is not available.

Grant aid of €3,500 per science laboratory was available to all schools at post primary level to enable them provide the revised science syllabus for the junior certificate examination. In addition, further funding was provided to schools, which did not have major capital investment in their sci-

ence facilities since 1995. These grants have been paid to all schools which notified the Department that they were opting into the revised syllabus.

As the Deputy has said, Rice College in Ennis made no application for grant aid under this scheme, which is regrettable. All schools that did not apply for funding in 2003 were recently sent a circular, M42 of 2004, advising them of how to apply for funding in 2004 and the closing date for receipt of applications is 29 October this year.

Architectural planning has been completed for a proposed large-scale building project for Rice College and the project is listed in section 8 of the 2004 school building programme published on the Department's website. The project has been assigned a band 2 rating by the Department in accordance with the published criteria for prioritising large-scale projects.

The budget announcement regarding multi-annual capital envelopes will enable the Department of Education and Science to adopt a multi-annual framework for the school building programme, which in turn will give greater clarity regarding projects that are not progressing to tender in this year's programme, including Rice College. The Department will make a further announcement in that regard later this year.

I thank the Deputy once again for affording me the opportunity to address this matter. I have noted the point he made to explain the non-application for the grant assistance and I will ensure that the Minister's attention is drawn to the circumstances in which that happened.

Mr. Gregory: I thank the Ceann Comhairle for giving me time to raise this matter. I have been requested by the parents of school authorities of two national schools in my constituency of Dublin Central to draw attention to what they and I regard as the unacceptable conditions in both schools.

In St. Columba's national school on North Strand Road, the immediate concern is confined to the need to refurbish the toilets, modernised them and make them wheelchair accessible. The school was led to believe that this work would be sanctioned and carried out this summer, but for some reason best known to the Minister's Department, this has not been done and the school seems destined to go another year with toilet conditions that are unacceptable.

The extraordinary thing about this issue is that the cost is in the region of a mere €30,000. Yet this minor grant has been refused for an essential facility at a time when this Government has outraged the general public, as seen in the results of the recent elections, by its scandalous squandering of public funds. I ask the Minister to unravel immediately whatever bureaucratic bungling has gone on in the Department, sanction these works and make this money speedily available to enable that to happen. I would like to hear the reasoning

behind any refusal of this essential and basic request from a national school in the very centre of our capital city, which is now hosting the Presidency of the EU. I doubt if European leaders were brought to see these schools.

The second school to which I wish to draw attention is St. Peter's national school in Phibsboro, Dublin 7, in the centre of the city. It is a co-educational school catering for approximately 320 children, many of them coming from very disadvantaged backgrounds. Five years ago I attended meetings of parents and management in the school halls to discuss a request from the Department of Education and Science that the then existing three separate schools on the campus should amalgamate into one co-educational national school in the interests of all concerned. At those meetings, the clear message from the Department was that the school buildings required major redevelopment and that if the amalgamation took place, the Department would be favourably disposed towards providing the funding in the region of €3 million to provide a modern, healthy and safe school environment. That was the main incentive for the parents to do the Department's bidding and establish a co-educational school at St. Peter's.

I argued at those meetings in favour of the co-educational school. Some of the parents were reluctant to give up the advantage of the smaller schools, but they knew that a new school building with modern facilities was urgently needed. The amalgamation went ahead on that basis. Now, five years later, nothing has been sanctioned, and the existing facilities are worse than ever.

According to a school report, the present school premises are completely inadequate for the implementation of the revised curriculum as set down by the Department of Education and Science. The Department fails in its duty to meet the requirements of the safety, health and welfare at work provisions. I cite, for example, the location of a boiler underneath the stairs, no hot water, inadequate sanitary facilities, and the shortage of toilet facilities, totally unsuited to a co-educational school. Classes must queue up outside in the open yard at pre-allocated times to use what when I visited the school I found to be totally Dickensian toilet facilities and a disgrace to this Government.

Grossly overcrowded classrooms are separated by partitions which are not soundproofed. In cold weather, the water freezes — I am not surprised. There is dry rot around the windows, most of which are bolted and cannot be opened because of the danger of their collapsing. They are obviously therefore hazardous to children.

As I have said to the Minister, I have visited both schools recently and met staff, parents and children. What most outrages everyone about the conditions is the scandalous squandering of money by the Government over the past year. In

particular, parents pointed to the €60 million wasted unnecessarily on electronic voting machines. People find that incomprehensible. The Minister, Deputy Dempsey, who I accept could not make it here this evening to listen to my description of conditions in schools under his tutelage, talks a great deal of his commitment to rectify educational disadvantage, yet does nothing about the school conditions for those disadvantaged children.

Mr. Roche: I thank Deputy Gregory for raising St. Peter's national school and St. Columba's national school, which I will deal with separately.

St. Peter's national school has a staffing level of a principal and 11 assistants, two learning support, one resource and two language support staff. The school had an enrolment of 314 pupils on 30 September 2003. St. Peter's building project is listed in section 8 of the 2004 building programme, which is published on the Department's website. It is planned to progress the project to advanced architectural planning this year.

I am pleased to inform the Deputy that a full design team has been appointed for St. Peter's national school, and architectural design of the project is progressing. The project is currently at stage 3 of architectural planning, detailed plans and costs. It has been assigned a band 1 rating by the Department in accordance with the published criteria for prioritising large-scale projects.

Indicative time-scales have been included for large-scale projects proceeding to tender in 2004. The budget announcement regarding multi-annual capital envelopes will enable the Minister to adopt a multi-annual framework for the school building programme, which in turn will give greater clarity regarding projects not progressing to tender in this year's programme, including St. Peter's national school. The Department of Education and Science will make a further announcement in that regard later this year.

On the matter of the relatively small-scale works that the Deputy mentioned, there is no record of the Department having receiving an application from the school management authorities under the 2004 summer works scheme.

Mr. Gregory: Perhaps if they——

An Ceann Comhairle: Allow the Minister without interruption.

Mr. Gregory: I have listened.

Mr. Roche: I have no doubt that the Deputy will pass that information on.

Regarding St. Columba's national school, the position is that the scope of the works required at the school is appropriate for consideration under the summer works scheme, which was announced in December last. The closing date for applications under the scheme was 30 January

[Mr. Roche.]

2004. I note that the school in question did not make an application for improvement works under that scheme.

Subject to a review of the summer works scheme 2004, it is planned to invite applications for the 2005 scheme later this year. Full details will be posted on the Department's website as usual, and it will be open to St. Columba's national school to apply at that stage. In the meantime, individual schools should, as appropriate, use their devolved grant to deal with any urgent health and safety works that may arise at the school.

I once again thank the Deputy. I will pass on to the Minister the points he has raised and draw them to his attention. However, it strikes me that there is something wrong if neither school was involved in the summer works scheme. Perhaps it might be a good idea for the Deputy, who clearly has very good connections with both schools, to bring that to their attention.

Mr. Gregory: It might be——

Mr. Roche: I will pass on his comments, which are always helpful, to the Minister.

Local Authority Regulations.

Mr. Broughan: The Local Government Act 2001 and section 237A of the 2003 regulations are very clear regarding the flow of information and access delivered as of right to Oireachtas Members. Subsection 6(2) of the regulations, for example, states that the relevant documentation for the purposes of sub-article (1) is (a) notice, agenda and minutes of local authority meetings; (b) corporate plan; (c) annual report; (d) local authority budget; (e) draft development plan; (f) development plan; (g) development contribution scheme; (h) weekly list of planning applications; (i) weekly list of planning decisions; (j) draft by-law and (k) by-law.

Several other sections go on to state quite clearly that Oireachtas Members must have the widest possible access to the local administration and all its business. Section 11 provides that a parliamentary representative is entitled to be present without notice at a meeting of a local authority or a committee of that authority, subject, as appropriate, to section 45(3) of the Local Government Act 2001. Throughout my political career I have found the officials of Dublin City Council and Fingal County Council, the two in my constituency, to be very helpful, supportive and accessible. I commend them on their work.

However, I am raising this issue on my own behalf and perhaps also of other Members of this House and Seanad Éireann as I have been unhappy over the past year with my two local authorities and the operation of some of the business of those councils when I have not been kept

fully informed of events and documentation. For example, the major business currently before Fingal County Council, as with all others, is the 2005 to 2011 development plan. I made a preliminary submission on behalf of the Dublin North-East Labour Party, followed by a fuller submission.

The key time for the development plan is when it comes back through the manager for the four-week draft plan period and the outgoing councillors have a chance to make fundamental changes. I requested a copy of that draft plan and was refused by the county manager, Mr. Willie Soffe, as was my colleague, Deputy Seán Ryan. That is a clear breach of the Local Government Act 2001 and the regulations which I have just read into the record.

I have never been a member of Fingal County Council, so throughout my political career I have been dependent, when accessing the necessary information for constituents, on the helpful guidance of our officials there. I have been very grateful over the years for the copies of their planning lists, housing lists and other information. However, latterly I have felt that I have not received a full range of documentation and information, particularly regarding area committee reports and some of the major reports that affect the Howth ward of Dublin City Council, which I represent.

By contrast, I was a councillor on Dublin City Council for 12 years until the dual mandate legislation was enacted. I was party leader for the Labour Party for most of that period and I enjoyed a close working relationship with the city manager, Mr. John Fitzgerald, and his predecessor as well as all the officials, who were very helpful to me. Indeed, years before I ever became a councillor or a politician, they were extremely helpful, as I believe they were to all other potential public representatives.

However, since I have stepped down from Dublin City Council — I was forbidden to run, as we all were, in the recent local elections — it is becoming more difficult to access information. One classic example is the establishment of the north fringe development forum, NFDF. This body was set up on my suggestion to invigilate the building of what is effectively a new city on the northern fringe of Dublin city — a city of perhaps 20,000 or 30,000 housing units with massive commercial and other development. It is like a new quarter of Paris or Brussels.

It was my idea to have an invigilation committee. We had three meetings. I thought we were making some progress. The city manager, Mr. Fitzgerald, accepted my proposal. However, yesterday I heard, just by chance, that a meeting had been held of the north fringe forum to which I was not invited. I checked with Deputy Martin Brady. He was not invited either. I believe, on balance, it may have been inadvertent, but if it was deliberate it was an outrage, because that

means it was seeking to cut us out of a clearly important area of our democratic mandate.

There have been many other instances. Lord Mayor Royston Brady, for example, opened Raheny bridge during the recent campaign. I heard about that only through party colleagues. That is not acceptable. This was a major local government event in my constituency. Deputy Ring made this case in the House—

An Ceann Comhairle: I would prefer if Members would stay within the time allowed by Standing Orders because it is only fair to other Deputies in the House that they should do so.

Mr. Broughan: I know that. It is important that Oireachtas Members are facilitated in this regard. We have rights. I have given two examples where I do not believe those rights were vindicated. I am asking the Minister of State to ask his colleague, the Minister for the Environment, Heritage and Local Government, Deputy Cullen, to insist. If it does not happen we should come back into this Chamber and have new legislation. I thank the Ceann Comhairle.

Mr. Roche: I thank Deputy Broughan for raising this important issue. Although this is way beyond my portfolio, certainly it is an issue in which I take a deep personal interest. I am aware, in particular, of the statutory provisions which the Deputy has mentioned. I am also aware that the application of those provisions is described — perhaps most benignly — as patchy in a number of quarters. Hopefully, this will improve.

Members of the House will recall that concerns were expressed last year by Oireachtas Members as to their continued interaction with local authorities. It is fundamentally important that such interaction should be vigorous, particularly given the dual mandate legislation. The Minister listened to these concerns and acknowledged that elected representatives of the national Parliament have a justifiable interest on behalf of their constituents in the policies and operations of local government departments and agencies, particularly within their administrative areas.

Given the wide range of local authority activities it is normal that they are, from time to time, approached by Oireachtas Members on policy matters, or in cases of individual constituents. Indeed, it is part and parcel of the essence of politics that we interact in this way. I agree with and fully understand the concerns raised by Deputy Broughan in that regard.

As a result of the concerns voiced by Members of both Houses during the parliamentary debates on the dual mandate legislation, the Minister made regulations, as the Deputy has said, as regards local authorities and their dealings with parliamentary representatives. These regulations provide for the continued supply of documentation, correspondence and proper customer

service generally between local authorities and Oireachtas Members. The regulations were brought into operation as soon as the Bill had been enacted.

Members will accept that the Minister acted in good faith in bringing forward the regulations without delay. However, his concern was not just about the provisions of the regulations but that local authorities should co-operate with Members of both Houses of the Oireachtas in the spirit as well as within the letter of the law.

In addition to providing a specified range of documentation to parliamentary representatives, local authorities must also have in place equivalent systems, procedures and timeframes for dealing with correspondence from Oireachtas Members as operate for their own councillors. Deputy Broughan will be particularly interested in that aspect, given the comments he made towards the end of his contribution. Where there are arrangements for electronic access to information by councillors, these are likewise made available. I am confident that these arrangements, together with the very close links between Deputies and their own party councillors, will allow Oireachtas Members to keep their fingers on the pulse, so to speak. It is critically important, as Deputy Broughan has said, that the Members of this and the other House are in a position to keep their fingers on the pulse.

More generally, in line with the terms of Sustaining Progress, local authorities are committed to delivering a quality public service to all their customers and to continued improvement. Their customer action plans set out specific standards, including target response times to correspondence. That of course would apply to Oireachtas Members as well as the general public. Each local authority should keep under review its own systems and procedures with a view to improving standards of service and addressing any deficiencies which may come to light from time to time.

In general the feedback from Oireachtas Members is that the new arrangements have worked satisfactorily, with no notification of wide-scale problems. That is not to say that isolated difficulties cannot arise from time to time. When they do arise they should be addressed and highlighted.

One further point that the Minister and the Department have asked me to reiterate is that the regulations not only provide for communication to Oireachtas Members but also that the manager must arrange a meeting with local Deputies or Senators at least once a year. This was intended as an inbuilt mechanism to keep Oireachtas Members up to date with developments and to present an opportunity for them to raise and address with management any difficulties which might be encountered at local level. This is, of course, additional to normal and regular contacts between local authority officials and public representatives regarding particular problems or issues.

[Mr. Roche.]

I hope that in operating these arrangements, officials and public representatives — both national and local — will work together in a balanced and reasonable manner and in a spirit of co-operation for effective service delivery for the benefit of the local community. Within this context, the Minister will continue to keep an eye on the overall system as it develops.

I will certainly bring to the Minister's personal attention the comments which Deputy Broughan

has made. Like him, as a person who was at one stage a member of a local authority and who continues to take a vigorous interest in council affairs, I am most anxious that the lines of communication which the Minister put in place, as well as the spirit and the letter of the regulations, should be observed by county managers in all local authorities.

The Dáil adjourned at 7.28 p.m. until 2.30 p.m. on Tuesday, 29 June 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 10, inclusive, answered orally.

Foreign Conflicts.

11. **Mr. Naughten** asked the Minister for Foreign Affairs if he will provide information on the political and humanitarian crisis in Sudan; and the EU's response to human rights abuses. [18784/04]

13. **Mr. English** asked the Minister for Foreign Affairs the action the EU is taking in the Sudan to save lives threatened by a most serious famine; his views on whether the crisis was overlooked to date and has not received the attention that it deserves. [18789/04]

21. **Mr. Durkan** asked the Minister for Foreign Affairs if he tabled any proposals at EU or UN level to deal with the crisis in the Sudan. [18870/04]

Minister for Foreign Affairs (Mr. Cowen): I propose to take Questions Nos. 11, 13 and 21 together.

Over the course of the Irish Presidency, the EU was to the forefront of the international community in promoting urgent action to address the appalling humanitarian and human rights problem in Darfur. At its meetings in April, May and June, the External Relations Council expressed serious concern at the humanitarian and human rights violations in Darfur. It called on the Government of Sudan to provide unhindered and safe humanitarian access to the region. The EU has been clear in its condemnation of all human rights violations and particularly the actions of the Janjaweed militias. The Sudanese Government must take immediate action to adequately protect civilians against these violent militias. The EU has consistently conveyed this message to it.

The EU and the UN continue to work closely on the crisis in Darfur. On 3 June the EU and UN hosted a successful high-level donors' consultative meeting in Geneva that was co-chaired by my colleague, the Minister of State, Deputy Kitt. The meeting was attended by representatives of the Sudanese Government as well as the rebel groups operating in Darfur. Once again a strong message was conveyed by the EU, the UN and others on the need for immediate and unrestricted access to Darfur for humanitarian agencies. We are extremely concerned at the gross human rights abuses reported by the acting UN High Commissioner for Human Rights. My Minister of State, Deputy Kitt, met the Sudanese Government. He demanded that the human rights abuses be investigated and the perpetrators brought to justice. He also demanded unhindered

access for the relief operation. The Sudanese Minister of State for Humanitarian Affairs gave a commitment that human rights abuses would be investigated and that bureaucratic obstacles to the relief operation would be removed. This week EU heads of mission in Khartoum reported that visible progress was being made on the registration of international NGOs and visas for NGO staff members. They also said that the backlog of customs problems is being cleared. The situation will be kept under constant review.

The EU is working closely with the African Union to establish an AU-led ceasefire commission and monitoring mission for the Darfur region. In its role as EU Presidency, Ireland succeeded in assuring the establishment this past month of the EU's new African peace facility fund. We then pressed for a quick release of EU funding for the AU's initiative in Darfur. I am pleased that €12 million was allocated to the Darfur ceasefire commission from the EU's APF fund. The EU was invited to contribute observers to the ceasefire monitoring mission and Ireland nominated a military officer.

Yesterday I met the UN Secretary General in New York and we discussed Darfur. The UNSG expressed gratitude for the role of the EU in addressing the crisis. I welcome his announcement that he will travel to Darfur, Khartoum and Chad at the end of the month.

Sudan is a priority for Ireland's humanitarian assistance. So far this year we have committed €2.5 million to Darfur. We fund the provision of food through the World Food Programme and life-saving activities such as shelter, water and sanitation through NGOs. We have kept in close touch with aid agencies operating in the area. We have also made representations to ensure that visas were issued expeditiously to Irish development workers.

The situation in Darfur and western Sudan continues to require our immediate attention. However, I welcome the progress towards a comprehensive peace agreement between the Sudanese Government and the Southern People's Liberation Movement-Army. It should bring an end to 20 years of civil war in southern Sudan. The EU, together with the UN and the US, will continue to press both sides to sustain the momentum towards peace and to show a similar commitment to bringing peace to all of Sudan.

Israeli Separation Barrier.

12. **Mr. Sargent** asked the Minister for Foreign Affairs if he has sought meetings with Cement Roadstone on its involvement in the building of the wall by Israeli authorities in the West Bank that will lead to the further exclusion and repression of Palestinians. [18862/04]

Minister for Foreign Affairs (Mr. Cowen): A subsidiary company of Cement Roadstone Holdings owns a minority shareholding of about one-quarter in the main Israeli cement producer Neshar. The share quota does not give the parent

[Mr. Cowen.] company control over Neshor's operational matters. The Israeli company supplies cement to all of the concrete manufacturers in the country. It does not have a say in the final use of the concrete products. It also has no direct involvement in the construction of the separation barrier. Therefore, it is incorrect to speak of CRH's involvement in the construction of the barrier.

The Government's position on the illegality of the construction is well known. Our submission to the International Court of Justice at the end of January clearly outlined our position. On numerous occasions I have expressed my serious concern about the consequences of the barrier for the Palestinians affected and for the peace process.

Question No. 13 answered with Question No. 11.

Overseas Development Aid.

14. **Mr. Broughan** asked the Minister for Foreign Affairs his views on the fact that the latest Commitment to Development Index published by US journal *Foreign Affairs* places Ireland eighteenth overall, and fourth from bottom of the world's richest countries, in terms of the effectiveness of its overseas development assistance; the areas of concern and where improvement can be made in terms of the effectiveness of national overseas development aid. [18829/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): The index is compiled by the Center for Global Development in the United States. It is a privately funded organisation and seeks to rate the policies of 21 wealthy countries in terms of their impact in promoting development in poorer countries.

The index looks at the quality of foreign aid provided; the openness to developing country exports; policies that influence investment; migration policies; support for the creation of new technologies; security policies; and environmental policies. It draws upon contributions from scholars at the center, the Brookings Institution, Georgetown University and the Migration Policy Institute. The Rockefeller Foundation funds the compilation of the index.

I welcome the emergence of the index. Heretofore, appraisals of the effectiveness of the development effort looked only at the resources and programmes provided for the direct development effort. Broadening out the perspective to look at the degree to which the richer countries create and sustain an enabling development environment across all of their policies, such as in migration, peacekeeping and trade offers valuable insights into the overall coherence of policies as they apply to poorer countries.

The index is in its second year and a degree of error is perhaps inevitable at this stage of its development. The center has admitted that its 2004 index is flawed. It states that Ireland funds 404 projects in Tanzania and that they place a

huge reporting and management burden on the Tanzanian authorities. This is not the case. The center accepted that there was a fundamental misinterpretation of financial data provided by the Irish programme to the OECD. Financial transactions by our Tanzanian partners were misread as projects and it was assumed that a huge burden was placed on our local partners in Tanzania. The opposite is the case and we made that clear in an authoritative assessment of our programme last year.

In 2003 the Development Assistance Committee of the OECD looked at the Tanzanian programmes of four donors, Ireland, Denmark, Finland and Japan. It concluded that Ireland was a strong performer in putting partnerships into practice. There was also a heavy emphasis on harmonisation with other donors and the Government of Tanzania through pooled funding. Ireland was regarded as a flexible and agile donor in responding to needs in Tanzania.

In addition to the specific flaw on Ireland, there is concern about the methodology used in assessing the development effort. For example, the perspectives in the index on technology and security need revision. It is not clear why up to 50% of defence related research in rich countries is deemed of benefit to poorer countries. Additionally, the rationale for assessing peacekeeping is unclear.

I am confident that the index will improve when it is adjusted to assess more accurately the policies of wealthy countries towards poorer ones. It will also become more valuable as an instrument in promoting greater coherence within and between wealthy countries in the development effort.

EU Security Council.

15. **Mr. Morgan** asked the Minister for Foreign Affairs the Government's position on the proposal to create an EU Security Council as recommended by the report of the Venusberg Group entitled *A European Defence Strategy* published on 27 May. [18868/04]

45. **Mr. Morgan** asked the Minister for Foreign Affairs the Government's position on the proposal to create an EU internal security agency as recommended by the report of the Venusberg Group entitled *A European Defence Strategy* published on 27 May. [18869/04]

Minister for Foreign Affairs (Mr. Cowen): I propose to take Questions Nos. 15 and 45 together.

The Venusberg Group is a group of academics who carry out security and defence studies. It is affiliated to the German think tank, the Bertelsmann Foundation. Therefore, the report has no formal standing and its proposals are not under consideration within the EU.

The basis for European Security and Defence Policy is set out in the relevant articles of the EU Treaty. The political and security committee, or COPS in its French acronym, is responsible for

exercising political oversight for the Common Foreign and Security and Defence Policy under the overall control of the Council. This includes providing political control and strategic direction of the crisis management operations carried out in the context of the ESDP.

The European Council, at its meeting in March, adopted a Declaration on Combating Terrorism that sets out a range of measures to enhance EU action in the area. The Council reviewed progress on the implementation of these measures at its meeting on 17 and 18 June. At the March meeting it also appointed a counter terrorism co-ordinator, Mr. Gijs de Vries. He will co-ordinate the work of the Council in combating terrorism. He will also maintain, with due regard to the responsibilities of the Commission, an overview of all the instruments at the Union's disposal with a view to regular reporting to the Council and effective follow-up of Council decisions.

The Government is satisfied that current bases for the ongoing and future development of ESDP and counter-terrorism activities at EU level, including those set out in the treaty establishing a constitution for Europe, are the most appropriate ones.

Lost Passports.

16. **Ms Burton** asked the Minister for Foreign Affairs the number of lost passports returned to the passport office in the 2003-04; the reasons he decided to end the practice of routinely returning them to their owners; if he is concerned that large numbers of young people are forced to carry their passports with them when socialising due to the requirement to provide official identification by staff in bars and nightclubs; and his views on whether this contributes to increased numbers of lost passports. [18828/04]

Minister for Foreign Affairs (Mr. Cowen): The number of passports reported as lost to the Passport Office showed a reduction in the first five months of this year compared to recent years. So far this year only 3.9% of passport applicants reported their previous passport as lost. This compares with a figure of 4.66% last year and 4.21% in 2002.

In 2003 as many as 3,861 passports were returned to the Passport Office and 1,592 have been returned so far this year. These have come from a variety of sources including the Garda Síochána, bars, clubs, shops, banks and members of the public. On average around one in six passports that are reported lost are returned to the Passport Office. Anecdotally the office believes, and this is supported by Garda advice, that the vast majority of the remainder are lost or mislaid in people's homes rather than stolen or misappropriated for fraudulent use.

The office decided with effect from 1 March, based upon Garda security advice, to cease the practice of returning lost passports that were recovered to the holder. As it is impossible to

determine what use, if any, was made of a passport while it was out of the possession of the holder the Garda advise that it is preferable not to return a lost passport. Instead they recommend cancelling it and the holder must obtain a new passport. Where a person seeks a new passport to replace a lost one the Passport Office will issue him or her with a replacement passport.

I am aware that many bars and clubs require young people to produce evidence of age and identity as a condition of entry. There is no requirement to use a passport for this purpose. The Intoxicating Liquor Act 2003 specifies a number of documents that may be used to satisfy a licensee that a person is over 18 years, including a Garda age card, a passport, an identity card of a member state of the European Communities, a driver's licence or other documents as may be specified by the Minister for Justice, Equality and Law Reform.

In reply to a question tabled by Deputy Richard Bruton on 17 February, my colleague the Minister for Justice, Equality and Law Reform encouraged licensees to accept the Garda age card as an age and identity document. I encourage young persons to obtain the card for this purpose through their local Garda station.

Foreign Conflicts.

17. **Mr. McGinley** asked the Minister for Foreign Affairs his views on the recently published Amnesty International Report, Israel and the Occupied Territories, concerning the demolition of houses and destruction of lands and properties. [18773/04]

Minister for Foreign Affairs (Mr. Cowen): I am aware of the disturbing report. On 13, 14 and 19 May I set out my position on the demolition of houses in the Gaza Strip in a number of statements. On 14 May in my statement on house demolitions in Rafah I recalled that the Quartet had also emphasised that Israel should refrain from the demolition of Palestinian homes and property as a punitive measure or to facilitate Israeli construction.

Last week officials of my Department had a useful meeting with representatives of Amnesty International and the Israeli Committee Against House Demolitions to discuss the matter.

EU Policy.

18. **Ms O. Mitchell** asked the Minister for Foreign Affairs his views on the report of the European Round Table of Industrialists on the EU's neighbourhood policy. [18806/04]

Minister for Foreign Affairs (Mr. Cowen): I am aware of the report entitled ERT's Vision of a Bigger Single Market. The European Round Table of Industrialists issued it in May. The report sets out the ERT's position on the European Neighbourhood Policy. I welcome the interest of the ERT in the EU's external relations policies, particularly with its new neighbours.

[Mr. Cowen.]

Since its foundation, the ERT has been a strong advocate of the process of European integration, including the Single Market, the economic and monetary union and enlargement.

Following EU enlargement, the EU's new neighbours now include all the countries on the external land and sea border of the Union. They are: Russia, Ukraine, Moldova and Belarus in the east and Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, the Palestinian Authority, Syria and Tunisia to the south. During the Irish Presidency the Commission issued a strategy document on the ENP that was extensively discussed with member states. The General Affairs and External Relations Council met on 14 and 15 June and the European Council met on 17 and 18 June. They issued conclusions on the future development of the policy based on the strategy paper. I am delighted that GAERC decided to include Armenia, Azerbaijan and Georgia within the new neighbourhood policy.

Many of the specific economic issues, including WTO and the Single Market, that were raised in the ERT report are matters of Commission competence. I welcome the many elements of the report on areas of Council competence. Chief among these is the importance attached in the report to the role of the EU in enhancing political and economic stability in the new neighbourhood countries; the relevance of the views of the member states; and the importance of public support for the neighbourhood policy. I particularly welcome the ERT's report as a timely contribution to public debate and to increasing business interest in making the policy a success.

I was pleased that GAERC, on 14 and 15 June, confirmed the EU's objective of sharing the benefits of an enlarged EU with its new neighbours to contribute to increased stability, security and prosperity. This ensures that the EU will offer the prospect of an increasingly close relationship involving a significant degree of economic integration and a deepening of political co-operation. It will also aim to prevent the emergence of new dividing lines between the enlarged EU and its neighbours.

Foreign Conflicts.

19. **Mr. Gormley** asked the Minister for Foreign Affairs the EU plans for beginning to normalise relations with Iraq once an interim Iraqi Government is put in place. [18853/04]

Minister for Foreign Affairs (Mr. Cowen): The EU's goal is to see the restoration of an independent, democratic, peaceful and sovereign Iraq to the international community. With this in mind and in light of Security Council Resolution 1546 and the imminent transfer of sovereignty to the interim Iraqi Government, the EU has adopted a medium-term strategy for its relations with Iraq. The strategy provides the Union with a framework to continue its assistance to the Iraqi people. The Union has pledged €700 million to

the end of 2004 for the reconstruction and development of the Iraqi economy and society.

The strategy sets out three major objectives: the development of a secure, stable and democratic Iraq; the establishment of an open, stable, sustainable and diversified market economy and society; and Iraq's economic and political integration into its region and the open international system.

The strategy envisages three phases for progressive engagement with Iraq, immediate, post-election and medium term. It reflects the three distinct phases anticipated by Security Council Resolution 1546. It will allow involvement to increase in a progressive manner and the strategy to adapt to changing circumstances. Proposed options for short-term engagement include: continued provision of technical, economic and reconstruction assistance; establishing close engagement with UN teams, including on preparations for elections; enhancing the representation of the EU in Iraq, as circumstances permit; beginning a process of political dialogue; and encouraging regional support for the political and reconstruction process in Iraq. In July GAERC will consider the specific recommendations and agree appropriate first steps to take.

The realisation of the objectives set out will depend on the degree to which they are shared by a future Iraqi government and the evolution of the security and political situation in Iraq. Consultation with the Iraqi administration and society is of paramount importance. The EU is also committed to ensuring that any actions it implements are in full co-ordination with the United Nations, both on the ground and in international fora. The Union also intends to co-ordinate closely with the World Bank, the IMF and other financial institutions.

We remain concerned at the continuing violence in Iraq and of the difficulties it poses for the Iraqi people in their daily lives and for the transfer of sovereignty to the Iraqi people and the reconstruction of the country. Our framework provides for progressively closer EU-Iraq relations but its pace will be determined by progress in the political transition and the security climate.

G8 Ministerial Meetings.

20. **Mr. M. Higgins** asked the Minister for Foreign Affairs the nature of discussions he held with the US President during the recent meeting of Foreign Ministers of the Group of Eight industrialised nations in Washington; if he raised the US mistreatment of prisoners in Iraq; and the response given by the US President. [18838/04]

Minister for Foreign Affairs (Mr. Cowen): On 14 May I attended a meeting between G8 Foreign Ministers and President Bush in Washington. Iraq, the Middle East Peace Process and relations with the wider region and peace support operations were discussed.

President Bush acknowledged that there were differences within the international community in the past on Iraq. He stressed the need for a cohesive international response to ensure a successful democratic transition in Iraq. He also emphasised the central role of the United Nations in Iraq going forward.

President Bush emphasised his disgust, and the disgust of the American people, at the mistreatment of Iraqi prisoners at the Abu Ghraib prison in Baghdad. He stressed his determination that justice be done and that the individuals involved be held accountable. He was in no doubt about the international criticism and outrage that had resulted from appalling events in Abu Ghraib. He condemned the mistreatment of prisoners in the strongest terms.

We discussed the G8's plans for a partnership for progress and a common future in the region of the broader Middle East and North Africa and the Middle East Peace Process. The President reiterated his support for a two state solution and the emergence of a peaceful Palestinian state through the road map process. We also had a brief discussion on the G8 action plan on peace support operations. At that time it was confirmed that the G8 remains committed to providing substantial support to accelerate and expand current efforts to enhance global capability for peace-keeping operations.

Question No. 21 answered with Question No. 11.

Northern Ireland Issues.

22. **Mr. Hayes** asked the Minister for Foreign Affairs his views on the Northern Ireland crisis; and if he will report on the efforts being made to restart the Northern Ireland Assembly. [18791/04]

26. **Mr. Rabbitte** asked the Minister for Foreign Affairs the progress made following the reconvening of discussions concerning the review of the Good Friday Agreement; the Government's precise priorities for the review; and its timeframe. [18825/04]

107. **Mr. B. Smith** asked the Minister for Foreign Affairs the progress to date in the negotiations to re-establish the Executive and the Assembly in Northern Ireland. [18985/04]

Minister for Foreign Affairs (Mr. Cowen): I propose to take Questions Nos. 22, 26 and 107 together.

On 25 June the Taoiseach and the British Prime Minister will meet the parties in London. They will review and assess the overall political situation with the parties before the summer break and explore the basis for a way forward.

In tandem with the ongoing intensive engagement between the two Governments and the parties, the review of the Agreement resumed its meetings on 15 and 16 June following the European elections in Northern Ireland. Meetings also

took place on 21 and 22 June. The Government was represented at the meetings on 16 June and 22 June by the Minister for Arts, Sport and Tourism, Deputy John O'Donoghue.

The meetings on 15 and 21 June focused on strand one. On 16 June meetings focused on strand two or the North-South issues. On 22 June discussions focused on strand three, particularly the British-Irish Council. The UUP did not attend these review meetings. However, they had a separate political meeting with the Secretary of State for Northern Ireland. All other parties represented in the Assembly attended the recent meetings of the review.

As the review was convened on 3 February discussion focused on strands one, Two and Three of the Agreement. A number of the parties suggested changes and improvements to the operation of the Agreement. The two Governments will, with the parties, consider the format that the review will take following the summer recess, particularly in light of those aspects of the Agreement that have not been discussed.

The Taoiseach and Prime Minister will avail of the opportunity to meet the parties later this week. They will encourage all sides to intensify their collective efforts to find a political basis for the full operation of all the political institutions of the Agreement.

Question No. 23 answered with Question No. 6.

State Visits.

24. **Mr. Neville** asked the Minister for Foreign Affairs if he will report on the recent visit of the Chinese Premier, Mr. Wen Jiabao to Ireland; and if the practice of Falun Dafa was discussed with him. [18783/04]

Minister for Foreign Affairs (Mr. Cowen): The Chinese Premier visited Ireland on 11 and 12 May as part of his first official visit to Europe. On 11 May he held official talks with the Taoiseach at Dublin Castle and I also attended. Premier Wen was accompanied by Foreign Minister, Mr. Li Ziaoxing, Minister of Commerce, Mr. Bo Xilai, and Minister for National Development, Mr. Ma Kai. We discussed regional and international issues of common concern, Ireland's bilateral relations with China, EU-China relations and political co-operation.

We also raised the issue of the human rights situation in China. It is frequently discussed with the Chinese authorities at national and EU level. During the discussions we outlined Ireland's strong commitment to the protection and promotion of human rights and fundamental freedoms.

Both sides expressed their ongoing commitment to the EU-China human rights dialogue. It is the formal framework through which the EU raises its concerns about human rights cases, including those of Falun Gong practitioners, and more general issues that have a particular impact

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on practitioners. For example, the protection of freedom of religion and expression. We also emphasised that Ireland is willing to share our experience and expertise with China on human rights. We look forward to the first EU-China seminar on ratification of the International Covenant on Civil and Political Rights that will take place from 30 June to 1 July in Beijing. The early ratification of the ICCPR would also be an important development in the legal protection of the civil and political freedoms of Chinese citizens, including followers of Falun Gong.

Both sides agreed on the importance of co-operation and dialogue in working together to bring about respect for international obligations. Premier Wen noted that the continuing EU-China human rights dialogue was particularly useful in this regard. He reported on the measures his Government are taking in the field of human rights. They included the addition of an express provision on human rights into China's constitution earlier this year.

Human Rights Abuses.

25. **Mr. R. Bruton** asked the Minister for Foreign Affairs if he has considered the recently published Amnesty International report on the killing of civilians in Basra and al-'Amara in southern Iraq. [18774/04]

Minister for Foreign Affairs (Mr. Cowen): I welcome the report. It provides a useful and informative insight into the loss of life among the civilian population of southern Iraq who have been victims of terrorist attacks and armed conflict.

The report is further evidence that the security in Iraq is extremely serious. Ireland and our EU partners are acutely aware of it. We are aware of the serious impact it has upon the civilian population and the level of casualties that has been suffered by the Iraqi people.

GAERC, in its May conclusions, expressed its concern that the current campaign of terrorist violence is leading to significant loss of life, particularly among civilians. The continuing loss of so many lives underlines the urgent need to restore stability to this unfortunate country. I call for an end to the acts of terror that continue in Iraq. Such acts serve no useful purpose and are manifestly contrary to the best interests of the Iraqi people. I also urge the coalition forces to make every conceivable effort to avoid civilian casualties.

Last week the European Council referred to the report of the UN High Commissioner for Human Rights on the present human rights abuses and civilian casualties in Iraq. The report emphasised the importance of the effective protection and promotion of human rights.

Question No. 26 answered with Question No. 22.

27. **Mr. Murphy** asked the Minister for Foreign Affairs if his attention was drawn to the concerns of Amnesty International about the level of violence against women in Russia; and if he raised these concerns with the Russian administration. [18801/04]

Minister for Foreign Affairs (Mr. Cowen): My attention was drawn to Amnesty International reports on violence against women in the Russian Federation. As I have stated on previous occasions in this House, the reports raise serious human rights issues. The statistics presented by the organisation on fatalities from domestic violence in Russia highlight a disturbing problem.

It is clear from the report *Rough Justice* that Russia has faced difficulties in building new institutions for the protection of human rights following the end of the Soviet Union. Ireland has regularly raised the issue of human rights in Russia in international fora as well as bilaterally with the Russian Federation through diplomatic channels. During Ireland's Presidency of the EU we openly discussed the Union's concern about human rights with Russia. The first *ad hoc* EU-Russia consultations on human rights were held under the Irish Presidency.

Domestic violence is a serious human rights problem in many countries and there are no quick or easy solutions. A uniform application of laws covering crimes against the person is a step towards a solution. The attitude of police forces is of crucial importance for women who are victims of domestic violence. With this in mind, Development Co-operation Ireland contributed €230,101 in 2002 and €230,101 in 2004 towards a Council of Europe police training programme in Russia entitled *Police and Human Rights beyond 2000*. A proportion of these funds are earmarked for police training on the issue of domestic violence. The programme provides training to the participants from the Russian police forces in areas such as recognition of the signs of domestic violence, and steps to be taken in handling these situations. The programme includes discussion of methods to prevent domestic abuse. Participants are advised on how to conduct effective investigations in cases of domestic violence.

In addition to these measures at national level, Ireland believes that human rights must be a central part of the EU-Russia relationship. There is agreement within the European Union that the development of such relations should be based on respect for human rights.

Overseas Development Aid.

28. **Mr. Kenny** asked the Minister for Foreign Affairs if the Government will reach its target for overseas development aid by 2007. [18787/04]

69. **Mr. Gilmore** asked the Minister for Foreign Affairs if his attention was drawn to recent comments during an EU conference on development aid at Dublin Castle from singer and activist Bono that the Government needs to be hurried

along in terms of meeting its commitment to provide 0.7% of GNP to poorer countries each year; and his views on criticism of the Government by such an internationally respected figure. [18832/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): I propose to take Questions Nos. 28 and 69 together.

Despite the many pressures on the public finances an allocation of €400 million was made in the 2004 Estimates to my Department's Vote for international co-operation. Elements of ODA that are administered by other Departments are expected to total €80 million this year. Total spending on ODA is expected to approach €480 million in 2004, the highest ever in the history of the programme. The level of expenditure demonstrates the Government's commitment to the attainment of the UN target.

In 2001 and 2002 our aid expenditure amounted to 0.33% and 0.41% of GNP, respectively. Provisional figures indicate that we maintained the percentage at 0.41% in 2003. This year it is likely to reach the same level or possibly exceed it. Ireland is one of the world's leading donors in percentage terms. At present we are in joint seventh place and well ahead of the EU average. The Government hopes that increased allocations, the scale and timing of which will be considered on an ongoing basis, will be possible over the coming years with a view to the achievement of our objective.

I chaired the recent informal meeting in Dublin Castle so I am aware of Bono's comments. As the Deputy will have seen from press reports about the meeting, Bono acknowledged in his remarks that the Government is serious about achieving the ODA objective of 0.7% of GNP. He has raised the awareness of development co-operation and the need for developed countries to increase ODA allocations. I welcome his interest in the issue and the role he has played in raising the issue around the world.

Foreign Conflicts.

29. **Mr. Kehoe** asked the Minister for Foreign Affairs if he will report on the political situation in Burundi. [18794/04]

Minister for Foreign Affairs (Mr. Cowen): Despite persistent difficulties, there has been significant political progress in Burundi since the signing of the Arusha Peace Accords in August 2000. It is a long time since the general prospects for peace have been so strong.

Last November agreements concluded between the Transitional National Government and the Conseil National pour la defense de la democratie-Forces pour la defense de la democratie or CNDD-FDD. Now there is only one, mainly Hutu, armed group, the Forces Nationales de Liberation outside of the peace process. Efforts are continuing to urge the FNL to resume peace negotiations with the government. These began in January but have since been suspended.

Uganda, Tanzania, South Africa, Zambia, Rwanda and Burundi make up the Great Lakes Regional Peace Initiative on Burundi. On 5 June their leaders met in Dar-es-Salaam. A three month deadline was set for the FNL to engage in talks with the Burundian Government with a view to concluding a ceasefire agreement.

The EU has consistently called for a comprehensive ceasefire. It urged the FNL to abandon its military campaign and commit to the peace process. This was done most recently in a declaration issued by the Presidency on 28 May.

On 3 May the CNDD-FDD announced its withdrawal from the Transitional National Government. It has also made clear that it has no intention of withdrawing from the peace process or of returning to violence. Efforts are continuing to bring about an end to the CNDD-FDD's withdrawal through satisfying its demand for the full level of representation within the transition institutions accorded to it in the November 2003 peace agreement.

Ireland, as EU Presidency, remained closely engaged with the Burundian peace process. We had a series of contacts with the Burundian Government since the murder of Archbishop Michael Courtney last December.

On 8 April I met President Ndayizeye and Foreign Minister Sinunguruza during my visit to Burundi. I reiterated the EU's full support for the current peace efforts and willingness to extend whatever assistance we can to further the peace process in Burundi. I also urged progress in implementing all of the provisions of the Arusha peace accords, including tackling impunity and safeguarding human rights. I raised ratification of the Statute of the International Criminal Court by Burundi as a step that would offer assurance of justice to all those who have suffered human rights abuses during the latter years of the conflict in Burundi. President Ndayizeye indicated that his Government is considering steps to ratify the statute.

The major priority for the Burundian Government and people in the coming months will be to intensify the transition process. It involves making a substantive start to the process of disarmament, demobilisation and reintegration. Security sector reform and drafting of a new constitution and electoral law must also be undertaken. These steps must be accomplished if the timetable set in the Arusha Agreement of August 2000 to hold national elections by no later than 1 November 2004 is to be respected.

The EU is committed to supporting the electoral process in Burundi, including through the provision of financial assistance. It is also likely, in response to a recommendation of the Irish Presidency, that an EU electoral observation mission will travel to monitor elections in Burundi.

The efforts to ensure satisfactory completion of the transition process in Burundi have been greatly enhanced by the decision of the United Nations Security Council to deploy a UN peace-keeping mission, ONUB. It will have a mandate

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to oversee the remaining period of the transition up until the holding of scheduled national elections at the end of October. On 28 May the EU Presidency issued a declaration that welcomed the deployment of ONUB. It offered support for the implementation of its mandate that includes, not least, a significant human rights component.

30. **Mr. Allen** asked the Minister for Foreign Affairs if he will report on the situation in Senegal. [18769/04]

Minister for Foreign Affairs (Mr. Cowen): Last April Prime Minister Idrissa Seck resigned. He was replaced by Interior Minister Macky Sall, a leading member of the ruling Senegalese Democratic Party. The next legislative elections are scheduled to take place in 2006 and a presidential election is due to be held in 2007.

For many years there has been separatist movement among the Dialo community in the southern Casamance region of Senegal. In 1982 the Mouvement des forces démocratiques de Casamance took up arms to fight for Casamance's independence. Despite various peace initiatives, violence has continued sporadically since.

In May 2003 President Wade met a central political leader of the rebel MFDC and both sides made specific commitments to move the peace process forward. A ceasefire agreement was agreed towards the end of December 2003 with the armed faction of Fogny in the northwest area of the Casamance. The agreement, including demining, is in the process of being implemented.

Human Rights Abuses.

31. **Mr. Broughan** asked the Minister for Foreign Affairs the discussions held with the Sudanese Minister for Humanitarian Affairs, Mr. Ibrahim Mahmoud Hamid, at the high level donors' consultations on Darfur, Sudan, in Geneva recently; the steps the EU can take to resolve the mounting humanitarian crisis in Darfur; and the manner in which the €1.5 million pledged by Ireland for assistance for the Darfur region will be allocated. [18830/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): On 3 June I co-chaired the high level donors' consultations on Darfur in Geneva along with United Nations Under Secretary-General for Humanitarian Affairs, Jan Egeland, and the administrator of USAID, Andrew Natsios. The meeting was an opportunity to engage directly with the Government of Sudan and Darfur rebel groups. I highlighted the pattern of gross violations of human rights being practised by GoS backed militias, including indiscriminate attacks on civilians, rape, forced displacement and disappearances.

I held a separate meeting with the Sudanese Minister for Humanitarian Affairs, Mr. Ibrahim Mahmoud Hamid. I demanded immediate and unrestricted access for aid workers and aid supplies to the most needy and vulnerable in Darfur.

I am pleased to note that there has been improvement in access for Irish NGOs and others recently. I also stressed that it was the responsibility of the Sudanese Government to protect its citizens against militias in Darfur.

The Irish EU Presidency has taken every opportunity to highlight the situation in Darfur with our EU partners. I have written to my counterparts in the EU in relation to Darfur and raised the matter at the EU development Ministers informal meeting in Dublin on 1 June. At that meeting, Ministers supported the immediate deployment of the African Union ceasefire monitoring mechanism to oversee the monitoring of the ceasefire on the ground in Darfur. Financial support for this mechanism from the EU was confirmed at the European Council meeting in Brussels on 17-18 June. At the meeting in Geneva, I announced new EC humanitarian assistance for Darfur amounting to €10 million. This is in addition to individual pledges by EU member states.

Ireland allocated €2.5 million for immediate humanitarian assistance in Darfur. The funding is being dispersed to humanitarian agencies best placed on the ground to deliver life-saving assistance to the worst affected. Funding has already been delivered in support of the humanitarian programmes of Concern and the UN World Food Programme. Further funding is being considered for other relevant humanitarian agencies.

UN Conference.

32. **Mr. Eamon Ryan** asked the Minister for Foreign Affairs if he will report on the outcome of the UN Conference on Trade and Development held in mid-June in Brazil. [18860/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): I led the Irish delegation to the UN Conference on Trade and Development, UNCTAD XI, held in Sao Paulo, Brazil from 13 to 18 June. It also included my colleague, the Minister of State at the Department of Enterprise, Trade and Employment, Deputy Michael Ahern. The official delegation also included two representatives of Dóchas, the umbrella organisation for Irish development NGOs.

In my address to UNCTAD, on behalf of the EU, I highlighted the EU's commitment to securing a successful outcome to the Doha development round of trade negotiations. I outlined the significant internal reforms the EU has undertaken, particularly in the agricultural sector, and the flexibility we have demonstrated in our negotiating position. I also spoke of the initiatives we have taken to invigorate the negotiations, including proposals aimed at maximising the benefits of the round for least developed countries and other weak and vulnerable economies.

The leadership role adopted by the EU at the Sao Paulo UNCTAD XI ministerial was based on the thorough preparations of the Irish EU Presidency. A key element of the EU preparations for

the conference was the discussion and adoption by the General Affairs and External Relations Council of the EU's overall strategy for UNCTAD XI. The strategy identified the following three areas as priorities for UNCTAD over the coming four years: integrating trade and investment into national development policies and poverty reduction strategies; regional integration and south-south trade; and commodity dependence and poverty.

The degree to which these priorities are addressed, in the documents agreed in Sao Paulo, clearly reflects the EU's positive and proactive engagement in the conference. At the UNCTAD XI meeting UN member states agreed a political declaration entitled The Spirit of Sao Paulo and a negotiated document entitled The Sao Paulo Consensus. These decisions adopted at UNCTAD XI are essential instruments in the UN member states' continued commitment to support UNCTAD in fulfilling its mandate as the focal point within the UN for the integrated treatment of trade and development.

International Agreements.

33. **Ms Enright** asked the Minister for Foreign Affairs if he will report on the position of the Government with regard to the recent United Nations resolution on Iraq; and if he will make a statement on the matter. [18781/04]

60. **Ms Lynch** asked the Minister for Foreign Affairs his views on whether the United Nations Security Council will be able to bring forward a resolution to set out clearly the road to Iraqi sovereignty before the hand-over to a caretaker Government at the end of June 2004; his further views on whether the US Government will insist it retains its grip on decision-making through US-appointed committees; and if he will make a statement on the matter. [18839/04]

68. **Mr. Boyle** asked the Minister for Foreign Affairs the Irish Government's approach to the recent UN Security Council resolution on Iraq; and if he will make a statement on the matter. [18854/04]

Minister for Foreign Affairs (Mr. Cowen): I propose to answer Questions Nos. 33, 60 and 68 together.

Resolution 1546 on Iraq was adopted by the United Nations Security Council on 8 June 2004. The resolution endorses the formation of a sovereign interim government which will assume full responsibility and authority by 30 June for governing Iraq. It welcomes the ending of the occupation by that date and the reassertion by Iraq of its full sovereignty. It reaffirms the right of the Iraqi people to determine their political future and to control their financial and natural resources. The resolution endorses the proposed timetable for Iraq's political transition to democratic government, spells out the role of the United Nations and reaffirms the authorisation

for a multinational force, which is the subject of an exchange of letters.

Ireland, nationally and as Presidency of the European Union, welcomed the adoption of Resolution 1546 on Iraq by the Security Council. The unanimous adoption of the resolution conveys the support of the international community for the transfer of sovereignty to an interim Iraqi Government. This broad international support will help to stabilise the situation in Iraq. In particular, I hope it will mark a new and successful stage with the UN playing a key role in the process of political and economic reconstruction in Iraq.

The interim Iraqi Government was appointed on 1 June 2004. The Iraqi Governing Council has now disbanded and full sovereignty is due to be transferred to the interim Government on 30 June in accordance with Security Council Resolution 1546. No provision is made for US-appointed committees. I welcome the formation of a new interim Iraqi Government and wish it every success in governing Iraq to the point at which free and fair elections can take place.

Arms Trade.

34. **Mr. Gogarty** asked the Minister for Foreign Affairs the progress that has been made in tightening up the EU code of conduct on arms exports; and if he will make a statement on the matter. [18859/04]

Minister for Foreign Affairs (Mr. Cowen): Ireland was actively involved in the establishment of the EU code of conduct on arms exports, which was adopted by the EU General Affairs Council in June 1998. The code, which is politically binding on all EU member states, sets out factors to be taken into account when deciding whether to allow the export of military goods. These factors include respect for human rights, the internal situation in the country of final destination and the preservation of regional peace, security and stability. A review of the code of conduct, which was initiated during Ireland's Presidency of the EU, is currently under way to take account of developments since the code entered into force in 1998. A number of proposals to strengthen and update the code are being considered including a proposal to reinforce its status by transforming it into a legally binding EU common position. Ireland is supportive of such a reinforcement.

Representatives from several EU member states, including Ireland, met with a number of non-governmental organisations, NGOs, last month to discuss and exchange views on the ongoing review of the code. Ireland also circulated to our EU partners for consideration suggestions made by NGOs for possible improvements to the code. The examination of the code of conduct with a view to reaching agreement on revisions is continuing.

Foreign Conflicts.

35. **Mr. J. O’Keeffe** asked the Minister for Foreign Affairs if he will report on the political situation in Macedonia; and if he will make a statement on the matter. [18803/04]

Minister for Foreign Affairs (Mr. Cowen): In the three years since the violent conflict in the former Yugoslav Republic of Macedonia there has been remarkable progress in the establishment of political stability and the implementation of far-reaching reforms in co-operation with the European Union. On 2 April, the then Prime Minister of the former Yugoslav Republic of Macedonia, Mr. Branko Crvenkovski, was elected President of the country, to replace the late President Boris Trajkovski. Earlier this month, on 2 June, the former Minister of the Interior, Mr. Hari Kostov, was formally approved by Parliament as Prime Minister. His Government represents continuity with its predecessor in terms of policy and personnel. It is a coalition led by the main Slav party, the SDSM, in partnership with the largest ethnic Albanian party, the DUI. It remains fully committed to the implementation of the Ohrid framework agreement, which ended the 2001 conflict and which provides the basis for progress in the development of closer relations between the EU and the former Yugoslav Republic of Macedonia.

The Taoiseach, in his capacity as President of the European Council, formally accepted the application for membership of the EU from the former Yugoslav Republic of Macedonia at a ceremony in Dublin on 22 March. The application was presented by Prime Minister Crvenkovski leading a delegation representing the two main communities in the country and the cross-party support for closer relations with the European Union. The General Affairs and External Relations Council considered the application at its meeting on 17 May and requested the European Commission to prepare its opinion for presentation to the Council. This process is expected to take about one year. The EU continues to work closely with the Government of the former Yugoslav Republic of Macedonia to consolidate peace and stability. The Ohrid framework agreement, which was brokered by the EU, has as its objective the creation of a truly multi-ethnic state. It provides for a series of constitutional amendments to safeguard minority rights, strengthen local government and secure equitable representation for the two main ethnic communities at all levels in the state administration. Important progress has been made in implementing the agreement, but the Government recognises that further efforts are needed, especially in relation to the legislative proposals now before Parliament for the decentralisation of authority from central to local government and the revision of municipal boundaries.

In the period ahead, the EU will play a close co-operative role in support of the reform process, politically, economically and in terms of

security. The stabilisation and association agreement with the former Yugoslav Republic of Macedonia, which was concluded in October 2001, entered into force on 1 April, the first of these agreements between the EU and the countries of the region to do so. The EU is continuing to help address the security challenges through the EU police mission, Proxima. The EU will also decide soon on the appointment of a new special representative in Skopje, to replace Mr. Soren Jessen-Petersen, who will take up the position of special representative of the UN Secretary General in Kosovo later in the summer.

36. **Mr. O’Dowd** asked the Minister for Foreign Affairs if he will report on the political situation in Kosovo; the numbers currently serving with KFOR; and if he will make a statement on the matter. [18785/04]

Minister for Foreign Affairs (Mr. Cowen): The security situation in Kosovo has stabilised since the outbreak of ethnically-motivated violence in March. However, the situation remains tense and there have been a number of further violent incidents, including the brutal killing of an ethnic Serb youth on 5 June. It is clear that the recent violence poses a serious challenge to all those working to build a multi-ethnic Kosovo in which all its citizens can live in peace and security, as foreseen in UN Security Council Resolution 1244 of 1999. During Ireland’s EU Presidency, the European Council and the General Affairs and External Relations Council have paid close attention to developments in Kosovo. The EU has reiterated its strong support for the UN mission in Kosovo and for the special representative of the UN Secretary General in their efforts to implement Security Council Resolution 1244. The EU has also reaffirmed its commitment to the policy of standards before status and to the standards implementation process and has called on Kosovo’s political leaders to demonstrate unambiguously their commitment to a multi-ethnic Kosovo and to the protection of the security and rights of minority communities. It is important that all parties co-operate in order to achieve practical results from the standards process in the months ahead. This must involve the participation of Kosovo Serb representatives and the resumption of the direct dialogue between Belgrade and Pristina, which has been suspended since March.

Last week, on 15 June, I chaired the first ever EU Troika ministerial meeting with Serbia and Montenegro. I encouraged Foreign Minister Vuk Draskovic to use the influence of the Belgrade authorities to persuade the representatives of the Kosovo Serb population to re-engage in dialogue on reconstruction, security, and the restructuring of local government, in the interests of all the people of Kosovo. On 11 June, the special representative of the UN Secretary-General, Mr. Harri Holkeri, resigned from his position for health reasons. I express the Government’s appreciation for his work in Kosovo over the past

year, which he undertook with the same sense of dedication and commitment demonstrated when he was one of the co-chairmen of the multi-party talks leading to the Good Friday Agreement. The European Council on 18 June welcomed the announcement by the UN Secretary General that he intends to appoint Mr. Soren Jessen-Petersen as his new special representative. Mr. Jessen-Petersen is currently the EU special representative in the former Yugoslav Republic of Macedonia.

The year ahead will be a difficult one in Kosovo, which retains the potential to cause instability in the wider region. Elections will be held in October and it is still hoped that sufficient progress will have been made on the UN's standards implementation plan to enable a review of progress in mid-2005. In response to the difficulties of recent months, the UN is examining the issue of how UNMIK might be restructured to better meet the needs of the situation. The EU is considering ways in which it can enhance its role in support of the implementation of Security Council Resolution 1244. Whatever the outcome of eventual consideration of the final status question, it is clear the long term future of Kosovo will be in the context of a multi-ethnic society with its place secure in the region and in Europe.

There are currently 213 Irish troops serving with KFOR, the UN-mandated peacekeeping force in Kosovo. I express again today the appreciation of the Government for the role being played by members of the Permanent Defence Force in Kosovo and especially for their courageous and effective handling of the difficult situation in March. Earlier this week, the Government agreed to continue to provide a contingent of the Permanent Defence Force for service with KFOR for a further period of 12 months beyond June 2004.

37. **Mr. Stanton** asked the Minister for Foreign Affairs his views on current relations between India and Pakistan; and if he will make a statement on the matter. [18799/04]

Minister for Foreign Affairs (Mr. Cowen): As Deputies will be aware, historically relations between India and Pakistan have often been difficult. Indeed, on two occasions in 2002 these nuclear-armed countries again came close to the brink of conflict. The situation in Kashmir remains serious. There have nonetheless recently been encouraging political developments in this important bilateral relationship. New Delhi and Islamabad have begun a composite dialogue, which includes the issue of Kashmir. A ceasefire along the "line of control" has been in place since 25 November 2003.

Following bilateral talks on the margins of the South Asian Association for Regional Co-operation, SAARC, summit, held in Islamabad on 5 January 2004, the President of Pakistan and the then-Prime Minister of India announced in a joint statement to the effect that they had agreed to commence a process of composite dialogue. On 18 February 2004, the foreign secretaries of India

and Pakistan met and agreed to modalities for the composite dialogue, which would lead to a meeting of the two Governments, at the more senior level of Foreign Ministers in August 2004. The recently-elected Government in India, led by Dr. Manmohan Singh, has announced publicly that it is committed to continue the composite dialogue with Pakistan and to discuss all relevant issues, including the Kashmir conflict, terrorism and nuclear questions.

In accordance with the agreed modalities for the composite dialogue, expert level talks on nuclear confidence building measures were held in New Delhi on 19 and 20 June 2004, at which it was agreed to upgrade the existing emergency telephone hotline between the directors general of military operations and to establish a similar system at the level of foreign secretary. The progress achieved at the talks will be reported to the respective foreign secretaries of India and Pakistan, who will meet in Delhi on 27 and 28 June 2004 as foreseen in the agreement on the modalities for the composite dialogue. Discussions will cover the issues of Kashmir and nuclear confidence-building measures. Foreign Ministers Natwar Singh of India and Mahmud Kasuri of Pakistan met on 21 June 2004 and had bilateral discussions in the margins of the third Asia co-operation dialogue in Qingdao, China. The discussions, which have been described as warm and productive by Minister Singh and significant by Pakistan's foreign ministry, indicate the continuing political commitment for the peace process following the change of Government in India. The Foreign Ministers are due to meet within the process of the composite dialogue in August 2004.

Ireland, together with our EU partners, and indeed the broad international community, attaches the greatest importance to these significant and positive developments in relations between India and Pakistan. There is widespread hope that these will lead to progress in resolving long-standing difficulties and that improved relations between New Delhi and Islamabad will advance peace and stability in the region. The EU stands ready to support both countries in their efforts to reduce tension and to seek a lasting solution to their outstanding differences — in any way considered appropriate by both parties. In mid-February 2004, in my capacity as Presidency, I led an EU Troika mission to India and to Pakistan. The troika reiterated the European Union's very positive disposition towards the composite dialogue and the efforts of the two Governments. Following the Troika missions, the General Affairs and External Relations Council adopted conclusions on 23 February. The Council welcomed the start of composite dialogue between Pakistan and India and reiterated that the European Union is ready, at the request of the parties, to assist in any way that may be appropriate.

Human Rights Issues.

38. **Mr. Coveney** asked the Minister for Foreign

[Mr. Coveney.]

Affairs if he will report on the political situation in Zimbabwe; if during the Irish Presidency of the European Union, there has been formal contact between the EU and Zimbabwe; and if he will make a statement on the matter. [18771/04]

Minister for Foreign Affairs (Mr. Cowen): The political situation in Zimbabwe continues to deteriorate and remains a cause of serious concern for Ireland and EU partners. The decline in respect for human rights and the rule of law persists. Arbitrary arrests and political violence continue. Inflation now stands at over 600% and the World Food Programme estimates that over half the population will require food aid this year, despite the predictions of the Zimbabwe Grain Marketing Board, GMB, and the decision on the part of the Government not to request international general food aid. The conduct of the Zengeza and Lupane by-elections in March and May 2004, respectively, was marred by violence, intimidation and irregularities. The EU stated, in a Presidency declaration, that the electoral environment of these elections cannot be deemed to have been free, fair or safe for voters. In response to both elections the EU called on the Government of Zimbabwe to allow every political party an equal level of electoral freedom to prevent instances of violence and intimidation in the pre-election period. This is of particular importance in view of the parliamentary elections scheduled for March 2005. The political dialogue initiated between the EU and Zimbabwe to address ongoing concerns was closed in February 2002 when it became clear that the Government of Zimbabwe was not willing to engage on any meaningful level. The lack of progress by the Government of Zimbabwe on these issues is reflected in the EU's Common Position on Zimbabwe, which was renewed in February 2004. The Council renewed sanctions on those individuals whom the EU regards as bearing the main responsibility for serious violations of human rights in Zimbabwe. The sanctions are targeted exclusively against the political elite and include a travel ban and assets freeze, as well as an arms embargo.

EU concerns with respect to Zimbabwe have been raised in dialogue with our African partners. This was done at the EU-Africa and EU-South Africa ministerial meetings which I chaired in Dublin on 1 and 2 April 2004. The Irish Presidency arranged for the EU's Common Position on Zimbabwe to be formally communicated to all members of the Southern African Development Community. We also reiterated our willingness to engage with the Government of Zimbabwe but only on the basis of an established set of governance-centred benchmarks. The EU has no formal political contact with the Government of Zimbabwe. EU heads of mission in Harare do, however, engage with the authorities when delivering *démarches* expressing our concern at specific events or general policies condemned by the EU.

The EU does not wish to pursue a policy of isolation in relation to Zimbabwe. It has identified a number of governance-centred benchmarks for the Government of Zimbabwe to implement. Satisfaction on these benchmarks would open the way towards normalisation of EU relations with Zimbabwe. The EU is strongly committed to the welfare of the Zimbabwean people, as evidenced by its allocation of over €370 million of humanitarian assistance to the citizens of Zimbabwe over the 2002-04 period. Development Co-operation Ireland, DCI has also made €8 million in emergency and humanitarian assistance available for the affected countries in southern Africa, of which €3 million went to Zimbabwe. DCI also provided funding of over €2 million to five development projects in Zimbabwe. All of this aid is channelled through the World Food Programme, UNICEF, the Red Cross and other international NGOs.

Question No. 39 answered with Question No. 9.

Illegal Immigrants.

40. **Mr. Connaughton** asked the Minister for Foreign Affairs if the plight of the undocumented Irish in the United States of America will be discussed at the upcoming EU-US summit; and if he will make a statement on the matter. [18780/04]

57. **Mr. Deenihan** asked the Minister for Foreign Affairs if his attention has been drawn to the plight of thousands of undocumented Irish immigrants in the USA, the fact that many are reluctant to return home for funerals and so on due to immigration controls at Shannon, are vulnerable to exploitation at their place of employment and are unable to obtain a driver's licence or health coverage; and if he will make a statement on the matter. [18746/04]

75. **Mr. Rabbitte** asked the Minister for Foreign Affairs if it is intended to raise with President Bush during the EU-Ireland summit the position of undocumented Irish in the United States and urge him to take steps to regularise their position; the representations he has made generally to the US authorities on this issue; and if he will make a statement on the matter. [18827/04]

Minister for Foreign Affairs (Mr. Cowen): I propose to take Questions Nos. 40, 57 and 75 together.

In our capacity as Presidency of the European Union, Ireland will host the forthcoming EU-US summit on 26 June. The main issues for discussion will relate to foreign policy, economic and trade relations and other areas of shared EU-US interest. Due to the nature of the meeting, it would not be appropriate to raise bilateral issues such as the situation of undocumented Irish people in the USA. It may be, however, that there will be an occasion to do so bilaterally. I assure the Deputies that this issue has been directly taken up in bilateral contacts with US

political leaders. When I visited Washington in March, I met a number of prominent politicians there and took the opportunity to flag our concerns about the position of Irish immigrants in the USA. In particular, I welcomed the proposals made earlier this year by President Bush, by Senators Tom Daschle and Chuck Hagel and, more recently, by Senator Edward Kennedy. These proposals represent genuine efforts to deal with the situation of the undocumented in the USA in a constructive and sympathetic way. While there appears to be no prospect of a formal amnesty for the undocumented at the present time, the Daschle-Hagel and the Kennedy proposals in particular appear to offer undocumented Irish people an opportunity to obtain permanent legal residency. As these proposals will have to be approved by the US Congress, it is too early to say what changes or amendments may be made in the course of their consideration. I will continue to monitor the progress of both initiatives through the US Congress closely in the coming months.

In the meantime, I am aware that, as a result of increased security controls following the terrorist attacks of 11 September 2001, it is becoming harder for undocumented foreign nationals in the USA to obtain social security cards and driving licences. While we will continue to do what we can, from a humanitarian point of view, for Irish citizens who are affected by these new controls, the best hope for the future is early progress on the legislative proposals to regularise the status of the undocumented in the USA. I assure the Deputies therefore that, through the ongoing efforts of our embassy in Washington and through my own contacts with political leaders in the USA, I will continue to encourage and support measures that would benefit Irish citizens in that country.

EU Constitution.

41. **Caoimhghín Ó Caoláin** asked the Minister for Foreign Affairs if he will report on the outcome of the EU constitutional treaty negotiations; and if he will specify all instances where the outcome fell short of Irish demands. [18867/04]

Minister for Foreign Affairs (Mr. Cowen): As the Deputy will be aware, agreement was reached by EU Heads of State or Government on the constitutional treaty on 18 June. It is a particular honour for Ireland that it was possible to do so in the course of our Presidency of the European Union. The constitutional treaty represents a compromise agreement between 25 sovereign member states and builds on the excellent work of the convention to ensure that the Union enhances its capacity to act effectively and meet the demands and expectations of its citizens. Reaching such a compromise required that the key concerns of all member states were listened to and accommodated as far as possible.

Before the IGC, the Government indicated its broad satisfaction with the convention draft while making clear that a few key issues needed to be addressed further. These were the retention of unanimity in regard to all taxation matters; the maintenance of appropriate safeguards in the area of criminal law and ensuring that the Union would be equipped to play a more effective role internationally, while also guaranteeing that Ireland's traditional policy of military neutrality was fully protected. On all three issues, we are fully satisfied with the outcome. The constitutional treaty sets out a balanced institutional framework which respects the rights of all member states, large and small.

Partnership for Peace.

42. **Mr. Durkan** asked the Minister for Foreign Affairs Ireland's current position on the PfP; and if he will make a statement on the matter. [18871/04]

Minister for Foreign Affairs (Mr. Cowen): The basic principles underlying the Partnership for Peace, PfP, as set out in the PfP framework document of January 1994, remain unchanged. This document sets out the political purposes of PfP which include the protection of human rights; the safeguarding of freedom, justice and peace; the promotion of democracy; the maintenance of the principles of international law; and the fulfilment of the obligations of the UN Charter, and of OSCE commitments. A key principle which applies is that of self-differentiation whereby each PfP country determines the nature, scope and limits of its participation. A key aspect of PfP membership, from Ireland's perspective, lies in the core principle of self-differentiation, whereby each country participates according to its own interests and priorities. This principle remains at the core of PfP activity.

Making its own choices, Ireland continues to benefit in particular from experience gained in the peacekeeping area, especially through the development of enhanced interoperability which is contributing to the ongoing improvement of our ability to undertake peacekeeping operations in a safe and effective manner. Ireland also continues to take part in the Euro-Atlantic Partnership Council, the political umbrella body for participants in PfP. Following the enlargement of the North Atlantic Treaty Organisation in April 2004, the number of non-NATO countries participating in PfP has fallen from 27 to 20. This development does not have any direct impact on Ireland and the nature of our participation in PfP. However, the future role of Partnership for Peace is one of the topics that will be considered at the forthcoming meeting of the Euro-Atlantic Partnership Council meeting at Heads of State and Government level to take place in Istanbul on 29 June 2004.

UN Reform.

43. **Aengus Ó Snodaigh** asked the Minister for

[Aengus Ó Snodaigh.]

Foreign Affairs if he will report on the steps the Government took during the period of the Irish Presidency of the European Union in relation to UN reform and the promotion of the principle of UN primacy within the European Union.
[18865/04]

Minister for Foreign Affairs (Mr. Cowen): A central theme of Ireland's Presidency has been the promotion of a more effective multilateralism and the strengthening of the rules-based international order, with the United Nations at its centre. This was an urgent task given the international divisions that prompted Secretary-General Annan to state at the United Nations last September that the United Nations "had come to a fork in the road". One of the particular concerns which Secretary-General Annan pointed to last year was the need to reform the UN system. He drew attention to the inefficiency in the UN General Assembly which led to important substantive issues being crowded out by, as he put it, "repetitive and sterile debates". The current President of the General Assembly, Julian Hunte, the Foreign Minister of St. Lucia, has been an active promoter of revitalisation of the General Assembly. The EU, under Ireland's leadership, has worked hard in New York to support this process so that the working methods of the UN General Assembly are more efficient and its agenda is made more manageable. The EU has also worked hard in New York to reform and streamline the UN budgetary process.

Secretary-General Annan also drew attention to the widely held perception that the UN Security Council was not broadly representative of the UN membership and needed to be reformed. Ireland, nationally, remains centrally involved in the discussion of Security Council reform and supports an increase in the membership of the Security Council, in both the permanent and non-permanent categories, to reflect today's realities. However, there is no common position among European Union partners on this issue due to diverging perspectives and aspirations and therefore this is one aspect of UN reform on which the EU collectively does not pronounce in substantive terms. The divisions of last year posed serious questions about the future of the multilateral system and the primacy of the United Nations.

The Government believed it was vital for its EU Presidency to harness the considerable and growing economic and political profile of the European Union to strengthen the United Nations and increase the capacity of and confidence in the multilateral system. This approach took a number of concrete forms in the Irish Presidency programme. The Irish Presidency has worked closely with the EU Council Secretariat and the UN's Department of Peacekeeping Operations in the implementation of the EU-UN Joint Declaration on Co-operation in Crisis Management of September 2003. A Presidency paper elaborating modalities under which the EU could

provide military capabilities in support of the UN was endorsed by the European Council last week. I formally presented this paper to UN Secretary General, Kofi Annan, in New York yesterday. The Secretary General welcomed the paper's content and the efforts of the Irish Presidency in this area.

The Presidency paper identifies two main options for EU support to the UN in military crisis management including the establishment of a clearing-house process to enable EU member states to co-ordinate their contributions to a given UN operation and deployment of EU rapid response operations in response to a request from the UN. Work on a complementary document on civilian aspects is being taken forward by the appropriate Council bodies. Last November, Secretary General Annan established a high-level panel on threats, challenges and change composed of eminent international figures to analyse the nature of current and future threats to peace and security and assess how best international action could meet these challenges. The EU has made a written contribution, co-ordinated by the Irish Presidency, to assist the work of the panel. This contribution stresses, *inter alia*, the importance of dealing with long-standing challenges such as poverty and under-development as well as ensuring greater Security Council involvement in tackling more recent threats such as the global terrorism and the proliferation of weapons of mass destruction. The EU contribution underlines the need for sustained international engagement with societies threatened with conflict or just emerging from conflict.

The EU, under Ireland's Presidency, has engaged actively with key regional partners on the issue of effective multilateralism. To heighten the profile of this issue, the EU has agreed declarations with the African Union, Latin America and the Caribbean and with our Asian partners in the Asia-Europe Meeting, ASEM, which reaffirm support for an effective multilateral system. This was also an important issue in at last Tuesday's EU Summit with Japan in Tokyo.

My meeting yesterday at the United Nations in New York with Secretary General Annan was very productive. We reviewed the European Union's support for the United Nations across a range of areas during Ireland's Presidency, as well as a number of pressing international issues. I assure the House that the Secretary General expressed deep appreciation of Ireland's work as EU Presidency to promote and advance EU-UN co-operation.

Nuclear Disarmament Initiative.

44. **Mr. Noonan** asked the Minister for Foreign Affairs if he will report on the work of the International Atomic Energy Agency in Libya; and if he will make a statement on the matter.
[18782/04]

Minister for Foreign Affairs (Mr. Cowen): On 19 December 2003, Libya announced its inten-

tion, following negotiations with the UK and US, to eliminate all materials, equipment and programmes which lead to the production of internationally proscribed weapons. In the months since, the International Atomic Energy Agency, IAEA, has been working closely with the Libyan authorities to gain a complete picture of its nuclear programme. A resolution, adopted on 10 March 2004 by the board of governors of the agency, welcomed Libya's voluntary decision and requested it to provide continuing co-operation and full disclosure while agreeing to report past non-compliance to the Security Council for information purposes. The latest report by the director general of the agency, Dr Mohammed El Baradei, published on 1 June, was delivered at the most recent meeting of the IAEA board of governors in Vienna this month. The report confirms that Libya has proactively co-operated with the agency by providing information and prompt access to all locations requested.

The IAEA is making good progress in understanding Libya's past nuclear activities. However, some aspects still need to be assessed and it is important that Libya facilitate this by providing the necessary information. One important aspect is co-operation with the agency investigation into the illicit trafficking in nuclear materials and the origins of such materials. Full and close co-operation by all third countries with the agency is also essential in the clarification of outstanding questions. Ireland fully supports the work of the IAEA in verifying the dismantling of the Libyan programme and looks forward to the next report of the director general of the IAEA on further progress in Libya at the next board of governors meeting in September.

Ireland has also welcomed Libya's accession to the chemical weapons convention and subsequent declaration of its chemical weapons agents. As with the IAEA's verification activities, we are looking forward to Libya's continued co-operation with the Organisation for the Prohibition of Chemical Weapons with regard to fulfilling its obligations to comply with the requirements of the convention.

Question No. 45 answered with Question No. 15.

State Visits.

46. **Ms Burton** asked the Minister for Foreign Affairs if he intends bringing to the attention of US President George Bush during his visit here for the EU-US summit the ongoing protests from the Irish public at the use of facilities at Shannon Airport by the US military for operations in the Middle East; and if he will make a statement on the matter. [18826/04]

Minister for Foreign Affairs (Mr. Cowen): The EU-US summit takes place at Dromoland Castle on 26 June 2004. The agenda for the meeting will include substantive and wide-ranging discussion on matters of mutual interest to the EU and the

USA, including the situation in Iraq. With regard to the use of Shannon Airport by the USA, this is a long-standing practice which has been in place for several decades and spans a period which has seen a number of conflicts involving the USA. The Deputy will be aware that a resolution to continue to make the Shannon Airport facilities available was approved by the Dáil in March 2003. I am sure President Bush will be also briefed on the other views on this issue which are held here.

Overseas Development Aid.

47. **Aengus Ó Snodaigh** asked the Minister for Foreign Affairs if he will report on the steps the Government took during the period of the Irish Presidency of the European Union in relation to the EU's role in achieving the UN millennium development goals on the halving of global poverty by 2015. [18864/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): I refer the Deputy to my reply to Questions References Nos. 14611/04 and 14608/04 of 19 May last on this same issue. From the outset of the EU Presidency, Ireland has promoted strong leadership by the EU on the millennium development goals, MDGs. In January 2004, we used the occasion of the annual orientation debate on the effectiveness of the EU's external actions at the General Affairs and External Relations Council, GAERC, to highlight the central importance of the MDGs to the EU's foreign and development policies. The GAERC adopted conclusions which state that achieving the MDGs is a key objective for the European Union and the wider international community and that the commitments made by EU member states at the 2002 Monterrey conference on financing for development reflect the Union's leadership role in international efforts to achieve the MDGs.

UN member states have agreed to convene a major event — possibly a summit at Head of State or Government level — in New York in September 2005 to review progress towards achieving the MDGs in the period 2000 to 2005. As most of the MDGs have set 2015 as the target date for their achievement, the 2005 review meeting in New York will be the first major milestone on the road to 2015. Ireland believes that the EU should contribute to this UN stocktaking exercise through a co-ordinated EU report. At the GAERC on 27 April, on the basis of a Presidency initiative, Ministers mandated the Commission to co-ordinate an EU input to the September 2005 UN stocktaking. The Council conclusions provide that each member state must submit a national MDG report to the Commission on the basis of an agreed reporting format. The Commission will then synthesise these national reports into a joint EU report which, after discussion and approval by Ministers, will be submitted to the UN next year. The Council conclusions make clear that the national MDG reports must pay particular atten-

[Mr. Kitt.]
 tion to MDG 8 — global partnership for development — which embraces such issues as levels of official development assistance, debt and trade. This particular goal is most relevant to donors and needs to be examined in detail in the national MDG reports.

On 1 June last, I hosted an informal meeting of EU development Ministers where we reviewed the effectiveness of EU development policy with a particular emphasis on strengthening its contribution to the achievement of the MDGs and meeting the Monterrey commitments. The European Council on 17 and 18 June concluded that the EU must continue to strengthen its leadership role in the fight against global poverty and expressed concern at the faltering progress towards the achievement of the MDGs, especially in Africa. The EU leaders also reiterated that the Union will intensify its efforts to fulfil the commitments undertaken in Monterrey regarding funding for development and will strongly support UN attempts to accelerate progress towards the achievement of the MDGs. In addition to these actions at the European Council and the GAERC, the Presidency has used every possible opportunity to highlight the importance of the MDGs and to promote the EU's view that development policies and programmes need to be aligned with the objectives of the goals. In his address on behalf of the EU to the spring meeting of the UN's Economic and Social Council with the Bretton Woods institutions and the World Trade Organisation, the Minister for Finance, Deputy McCreevy, called for greater policy coherence at national and international levels and for UN members to meet the commitments made at the international conference on financing for development in March 2002.

I am satisfied that during our Presidency we have helped place the MDGs at the centre of the EU's development and foreign policies. We have also taken initiatives that will ensure the EU continues to focus its attention on the MDGs and will play a leading role in the UN's review of progress towards the MDGs in September 2005.

Human Rights Issues.

48. **Mr. Connaughton** asked the Minister for Foreign Affairs if, in view of the information now available concerning the treatment of prisoners in Iraq, the Government has satisfied itself with arrangements in place to ensure that prisoners being held in Guantanamo Bay in Cuba are being humanely treated; if the holding of these prisoners without trial and away from international observation will be raised with the President of the United States during the EU-US summit; and if he will make a statement on the matter. [18777/04]

Minister for Foreign Affairs (Mr. Cowen): As the Deputy is aware, I have previously expressed to the House the Government's concern that the detainees in Guantanamo Bay be treated in

accordance with the provisions of international human rights and humanitarian law. The United States authorities are well aware of the Government's position which has been conveyed to them on a number of occasions. These concerns were conveyed to the US embassy in Dublin by my Department and raised by the Taoiseach when he met President Bush on 17 March in the White House. In all contacts with the US authorities on the issue we have been assured that they are keenly aware of their obligations under international humanitarian law. Dr. Jakob Kellenberger, President of the International Committee of the Red Cross, ICRC, during a visit to Ireland in January, stressed his organisation's position that under the Geneva Convention, the Guantanamo detainees should be given the status of prisoners of war unless a competent tribunal decides otherwise. As the Deputy knows, this has not been the situation with these detainees. This continues to be the consistent view of the Government also.

The USA is well aware of international concern about this issue. The matter is also before the US Supreme Court where a judgment is expected before the current court session concludes. Together with our EU partners, the Government recognises the danger posed by terrorist networks such as al-Qaeda and is committed to working with the USA and all our other international partners in the fight against international terrorism. However, the Government and our EU partners are concerned that any action taken in the fight against terrorism should be fully in accordance with the provisions of international human rights and humanitarian law. The Deputy will also be aware of the Taoiseach's statement on the abuses of Iraqi prisoners being detained at the Abu Ghraib prison made on 14 May.

The agenda for the forthcoming EU-US summit at Dromoland Castle covers a very broad array of international matters. While the precise issues which will be raised within the broad agenda have still to be fully finalised, I assure the Deputy that our views on this matter are already very well known to the US authorities.

Arms Trade.

49. **Mr. Coveney** asked the Minister for Foreign Affairs if the Government intends to give public support to a campaign by Oxfam and Amnesty International to control the global arms trade; and if he will make a statement on the matter. [18802/04]

Minister for Foreign Affairs (Mr. Cowen): As I have stated previously to the House, I am aware of a process led by a number of non-governmental organisations, NGOs, including Amnesty International and Oxfam, aimed at the development of an international arms trade treaty. This treaty is intended to be a legally binding agreement with core principles and mechanisms relating to the international transfers of arms. A wel-

come aspect of the proposed treaty is that it has the objective of setting out states' existing international legal obligations in the area of the international transfers of arms. In addition, once ratified the draft framework treaty would enable the international community to move forward incrementally by means of subsequent more specific instruments. While work on the drafting of the text is still ongoing, it is a promising initiative and I commend the NGOs concerned for their efforts.

The proposed treaty is also under discussion within the EU at working group level. An official of my Department participated in a conference held last November at Cambridge University in England, the purpose of which was to examine the text of the draft treaty. I understand that the text of the proposed treaty is currently being re-examined from a legal perspective by those NGOs involved in the arms control campaign who met last February in Costa Rica and that as a consequence of those discussions revisions to the text are to be made. An official from my Department also attended an international workshop, Enhancing the International Export Control of Small Arms and Light Weapons — the Case for an International Arms Trade Treaty, which took place in Helsinki earlier this month. There was broad representation at the workshop, both from Governments and NGOs. Ireland will continue to be associated with the process and will closely monitor developments.

Northern Ireland Issues.

50. **Mr. P. McGrath** asked the Minister for Foreign Affairs his views on whether the proposed disbandment of the PSNI full time reserve will have security implications for Northern Ireland which may impact upon Ireland; and if he will make a statement on the matter. [18793/04]

Minister for Foreign Affairs (Mr. Cowen): The phasing out of the full-time reserve is a core recommendation of the Patten report. The PSNI Chief Constable and the Northern Ireland Policing Board devised and agreed a comprehensive human resources strategy in October 2002 which included reference to the full-time reserve. Under the strategy and in the context of a lack of deterioration in the security situation, the full-time reserve is due to be phased out over an 18-month period beginning in April 2005.

In regard to the question of the security implications of the phase out of the reserve, I assure the Deputy that I have every confidence that the Chief Constable and the Northern Ireland Policing Board, in agreeing the human resources strategy, were guided by the overriding need to ensure public safety and security on both parts of this island. Moreover, the Chief Constable stated in January 2003 that the phasing out of the full-time reserve would be subject to a further security review to ensure that the PSNI would not be left short-staffed by the plan to end contract renewals in April 2005. We understand that the review is

expected in the autumn. The conclusions of the review will be subject to further discussions between the Chief Constable and the policing board in the context of the human resources strategy.

The Government is conscious that April 2005 also coincides with the expiry of the current mandate of the Patten Oversight Commission. The report of the Oversight Commissioner at this time will serve as an occasion for a fundamental stocktake of the implementation of all of the Patten recommendations, including its recommendation regarding the full-time reserve.

Common Foreign and Security Policy.

51. **Mr. Boyle** asked the Minister for Foreign Affairs the changes to the draft EU constitution proposed by the Irish Presidency to the June 2004 summit in the field of common security and defence policy; and if he will make a statement on the matter. [18855/04]

56. **Mr. Cuffe** asked the Minister for Foreign Affairs the Irish Presidency's proposals for enhanced co-operation on defence issues in the EU constitution; and if he will make a statement on the matter. [18857/04]

80. **Mr. Cuffe** asked the Minister for Foreign Affairs to elaborate on the new Article I-40(7) proposed by the Irish Presidency in the draft EU constitution on mutual defence; the way in which the specific character of Ireland's security and defence policy is not prejudiced when the commitments and co-operation in this area shall be consistent with commitments under NATO; and if he will make a statement on the matter. [18856/04]

Minister for Foreign Affairs (Mr. Cowen): I propose to answer Question Nos. 51, 56 and 80 together.

The foreign policy, security and defence proposals in the draft constitutional treaty were discussed in detail by the Intergovernmental Conference under the then Italian EU Presidency in 2003. Following a meeting of Foreign Ministers in Naples on 28 and 29 November 2003, the then Presidency produced a revised package of proposals on defence, structured co-operation and the solidarity clause which achieved consensus. These proposals represented a significant improvement on the original convention proposals in this area which had been problematic for a number of member states including Ireland and the other neutral and non-aligned partners. In particular, the concerns of Ireland, Finland, Sweden and Austria, who conferred closely at the time on the issue of mutual defence, were resolved by the post-Naples text. Although no formal political agreement was reached on these proposals, they secured a wide measure of consensus among EU partners, including among our fellow neutral and non-aligned EU member states, at the subsequent meeting of the Intergovernmental Conference held in December

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2003. Against this background, no necessity arose for the Irish Presidency to bring forward new proposals in these areas. In keeping with this, the draft security and defence provisions were included in the paper of closed issues presented to the meeting of foreign Ministers on 17 and 18 May 2004. On this basis, they were subsequently incorporated in the overall agreement reached last week by EU Heads of State and Government.

In relation to Article 40.7 of the treaty, I underline that the agreement reached has fully retained the safeguard clause included at the instigation of Ireland and our fellow neutral and non-aligned member states. This makes clear that the obligation to come to the aid of another member state in the event that it is attacked is without prejudice to the specific character of the security and defence policy of certain member states. Ireland retains the right to take its own sovereign decision to come to another member state's assistance in the event of an armed attack. This is in keeping with the Government's position on non-participation in a mutual defence commitment as set out in Ireland's national declaration at the European Council in Seville on 21 June 2002. As regards references to commitments to NATO, the Deputy will note that upon inspection of the text of the draft treaty article in question, it will be clearly seen that these are only of relevance to EU member states which are also members of that organisation.

Foreign Conflicts.

52. **Mr. Crawford** asked the Minister for Foreign Affairs if he will report on the security and political situation in Afghanistan; and if he will make a statement on the matter. [18766/04]

Minister for Foreign Affairs (Mr. Cowen): As Afghanistan prepares to hold elections in the autumn, the security situation in the country is a source of concern. This concern is fuelled by an increasing number of attacks on personnel involved in preparations for elections, continued factional fighting in the north west and the recent deplorable murders of foreign nationals involved in humanitarian and reconstruction work. It is important that the international community should remain focused on how best to support Afghanistan in the period ahead. The decision of the UN Security Council to authorise an expansion of the NATO-led international security assistance force in Afghanistan, ISAF, through provincial reconstruction teams, PRTs, is an important development in this regard. It is now envisaged that the NATO summit which will take place in Istanbul on 28 June 2004 will devise an operational plan for the expansion of ISAF and that a further number of PRTs will be deployed before the elections.

I am pleased to inform the House, on behalf of my colleague, the Minister for Defence, Deputy Michael Smith, that Ireland will continue to pro-

vide seven members of the Permanent Defence Force for a further period from July 2004 for service with ISAF in Kabul, subject to ongoing review. In order to ensure a secure environment in Afghanistan, it is important that all irregular forces are disarmed and demobilised or integrated into the national army. I welcome the steps already taken towards this end, but much more needs to be done so that the future Afghan government has unified armed forces at its disposal. To this end, I strongly urge all concerned to make a full commitment to the vigorous implementation and intensification of the disarmament, demobilisation and reintegration process. The elections which are scheduled for September 2004 will constitute the next and final step in the implementation of the Bonn agreement of December 2001 on arrangements for the re-establishment of permanent government institutions in Afghanistan. For the elections to be credible, a successful registration process is needed.

The special representative of the United Nations Secretary General recently reported to the Security Council on the ongoing preparations for the elections and indicated that while the preparations are well under way, concerns remain over funding for the elections and the possibility that lack of security could lead to under-registration in some provinces. As of 16 June, some 4 million Afghans, out of an estimated 10.5 million eligible adults, had registered to vote. Some 36% of those who have registered are women. The electoral authorities in Afghanistan have established a target budget of \$101 million to conduct the elections and have received pledges of approximately \$70 million. Officials in my Department are in discussion with the United Nations Development Programme, UNDP, to transfer Irish funding of €800,000 to support the conduct of the elections. The European Commission is currently putting in place arrangements for effective EU support for the elections. This support will include the deployment of a democracy and election support mission to be distributed across the major regional centres as the security situation permits. The European Commission has committed €24 million towards the total cost of the electoral registration process.

To support Afghanistan's overall reconstruction the EU committed some €2.3 billion at the 2002 Tokyo Conference to cover the five-year period 2002 to 2006. Ireland on that occasion pledged €12 million which has been disbursed in full. At the follow-up conference, Afghanistan and the International Community — a Partnership for the Future, held in Berlin at the end of March 2004, I reiterated — in my EU Presidency capacity — the European Union's continuing firm commitment to Afghanistan's reconstruction. Ireland on that occasion pledged a further €5 billion to be expended over the next two years.

The House will be aware of the grave problems that flow from the resurgence of poppy cultivation in Afghanistan. Ireland, together with our EU partners, fully supports the Afghan tran-

sitional authority's uncompromising stance on the illicit cultivation of and trafficking in drugs. Afghanistan will continue to face many serious challenges in the period ahead and will therefore continue to need extensive support from the international community. Ireland and our partners in the European Union are determined to play our part in this process.

53. **Mr. J. O'Keefe** asked the Minister for Foreign Affairs if he will report on the situation in the Congo and the level of aid from Ireland that will be dispatched to the Congo for 2004; and if he will make a statement on the matter.
[18772/04]

101. **Mr. Durkan** asked the Minister for Foreign Affairs the extent to which the UN and the EU during Ireland's Presidency has examined the situation in the Congo with a view to alleviation of starvation, human rights abuses and war; and if he will make a statement on the matter.
[18961/04]

Minister for Foreign Affairs (Mr. Cowen): I propose to take Questions Nos. 53 and 101 together.

The peace process in the Democratic Republic of the Congo, DRC, remains largely on track, although recent events have underlined the fragility of the transition process established under the Sun City peace accords of 2002. There is a clear need for accelerated progress in implementing the transition if lasting peace and security are to be achieved in the country and indeed in the wider Great Lakes region. The most serious recent incident has been the capture of Bukavu in eastern DRC on 2 June 2004 by rebel forces formerly linked to the RCD Goma movement. This gave rise to protests in Kinshasa and several other Congolese cities directed against MONUC, the UN operation in the DRC, which resulted in a number of civilian fatalities. The European Union took the lead internationally in condemning the capture of Bukavu, issuing a declaration which also condemned the human rights violations accompanying the violence in Bukavu as well as all foreign interference in the DRC. The EU's prompt response assisted in stabilising the situation and encouraging efforts to resolve the crisis peacefully. Bukavu has now returned to governmental control though the overall security situation in eastern DRC remains tense. An attempted coup against the transitional national Government of President Kabila took place in Kinshasa on 11 June but this was quickly quashed without any casualties. In recent days, there have been reports of a substantial troop build-up by Government forces in the eastern DRC but this appears to be more an attempt to assert the transitional Government's authority throughout the entire country than for any other purpose.

The priority now is for all sides in the DRC to re-dedicate themselves to completing the transition process, in line with the Sun City peace accords. The European Council, meeting on 18

June, has called upon the Congolese leadership to fully assume its responsibility in this regard and has urged accelerated progress, in particular, in completing the process of disarmament, demobilisation and reintegration, DDR, and establishment of an integrated national army and police. The European Council also called upon all neighbouring countries and, in particular Rwanda, to do all in their power to support the peace process in the DRC. Support for the peace process in the DRC has been a major ongoing priority of the Irish Presidency and the EU is already actively contributing to strengthening the transitional institutions and helping them to extend their authority throughout the territory of the DRC.

Apart from financial support for the process of DDR, the EU is also providing support, in a two-phase project, towards the establishment of an integrated police unit in Kinshasa, with the emphasis in the initial phase on training and rehabilitation of the training infrastructure. This follows the successful deployment of the EU-led emergency multinational force, Operation Artemis, in the town of Bunia in Ituri province last summer which paved the way for the subsequent deployment of the strengthened MONUC operation last autumn. The EU continues to co-operate closely with the UN and MONUC regarding events in the DRC and is willing to extend any practical assistance it can to MONUC to facilitate implementation of its mandate.

Recent events in the DRC have also underlined the importance of the regional dimension to building peace in the DRC and the Great Lakes region. The European Union fully supports, and has been actively engaged, through the EU special representative for the Great Lakes region, in the preparations for the proposed international conference on the Great Lakes region which is currently scheduled to begin in November 2004. The conference will focus on peace, security, democracy and development in the Great Lakes region and will be held under the auspices of the African Union and the UN. Under our Presidency, the EU has continued to be prominent in raising violations of human rights in the DRC at the UN Commission on Human Rights in Geneva. The Irish Presidency was instrumental in securing a consensus resolution on the human rights situation in the DRC at this year's session. The resolution condemns the ongoing human rights violations still occurring in eastern DRC and provides for appointment of an independent expert to continue monitoring and reporting on the situation. To date in 2004, bilateral funding of over €1.5 million has been allocated by Ireland to the DRC. Of this, over €600,000 has been disbursed to non-governmental organisations, NGOs, providing basic health care for internally displaced persons and other vulnerable groups. Over €900,000 is being provided this year to Concern for longer-term development assistance under Development Co-operation Ireland's multi-annual programme scheme. In 2003 development assistance amounting to over €2.7

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million was provided to the DRC by Ireland. Ireland is also a key contributor to the World Food Programme which is engaged in providing emergency food needs for internally displaced persons and returnees in the DRC.

International Disputes.

54. **Mr. McCormack** asked the Minister for Foreign Affairs if he will report on the situation in East Timor and on the negotiations between East Timor and the Australian Government regarding maritime boundaries; and if he will make a statement on the matter. [18778/04]

Minister for Foreign Affairs (Mr. Cowen): With continuing support from the international community, including from Ireland and the EU as a whole, the Government and people of Timor Leste have continued to make good progress in building up their country, including through the development of their economy and in the consolidation of their democratic institutions. On 18 February 2004, the United Nations Secretary General provided a report on Timor Leste to the Security Council. He observed that remarkable achievements had been registered by the new state. In previous reports, he had already commented on advances in the areas of governance, enactment of legislation, rehabilitation of infrastructure, responsible development planning and budgetary discipline, the country's regional integration, and, most importantly, the commitment to democratic norms and personal freedoms. Secretary General Annan in his February 2004 report, also declared that a modest additional effort on the part of the international community would be invaluable in allowing Timor Leste to reach a threshold of self-sufficiency.

On 21 May 2002, the United Nations Security Council established a UN Mission of Support in East Timor, UNMISSET. On 14 May 2004, by Resolution 1543 (2004), the Security Council authorised, as recommended by the Secretary General, the extension of UNMISSET for a consolidation phase and anticipated that its mandate would be completed on 20 May 2005. On 19 May 2004, UNMISSET handed over all official responsibility for policing and external security to the Government of Timor Leste. Resolution 1543 highlights the need to ensure against impunity for those who have committed criminal acts. It stresses in particular the need for the serious crimes unit, set up under UNMISSET, to investigate serious crimes committed in the period leading up to Timor Leste's independence, to complete all investigations by November 2004, and to conclude trials and other activities no later than 20 May 2005. The resolution calls for continued and co-ordinated donor and UN support to Timor Leste. Finally, it calls on the UN Secretary General to report to the Security Council every three months on the situation in Timor Leste.

Despite continued progress, and the achievements of the past three years, Timor Leste con-

tinues to face a number of major challenges. These include the building up of support for core administrative capacities, strengthening the justice system and creating a favourable climate for sustainable social and economic development. Timor Leste remains one of the poorest nations in the world and there remains a critical need for the continued support of the international community.

Negotiations on the definition of maritime boundaries can be complex. Timor Leste and Australia make overlapping claims to parts of the continental shelf in the Timor Sea, an area understood to contain large reserves of oil and gas. Pending agreement on the maritime boundary between the two countries, Australia and Timor Leste concluded the Timor Sea Treaty in May 2002, which accords to Timor Leste 90% of the revenue from a joint development area in the Timor Sea. This issue was discussed at the EU-Australia ministerial Troika on 21 January, when Foreign Minister Downer advised us that Australia is committed to resolving this issue with Timor Leste. The issue was also discussed at official level in an EU-Australia Troika meeting at Brussels on 10 June. I understand in the meantime, that negotiations continue to take place at official level to resolve the wider maritime boundary dispute.

In March 2003, the Government announced that Ireland had accorded Timor Leste programme country status for development co-operation purposes. This announcement reflects a recognition of the significant progress made to date in Timor Leste and demonstrates our continuing commitment to the political and socio-economic development of Timor Leste and the promotion of good governance and human rights in these crucial formative years. The Ireland Aid Timor Leste country strategy covers the period 2003-05 and provides for funding of more than €11 million. Ireland will continue to play its part in the provision of ongoing international support for Timor Leste and will continue to follow developments there very closely.

Diplomatic Representation.

55. **Mr. Ring** asked the Minister for Foreign Affairs if it is usually the case that the diplomatic bag is used by Government to send party political election literature to civil servants on missions overseas; and if he will make a statement on the matter. [18786/04]

Minister for Foreign Affairs (Mr. Cowen): I refer the Deputy to my earlier reply to a priority question on this subject. It is the Department's practice to allow officers serving abroad and members of their families residing with them use of the diplomatic bag facility to send and receive private correspondence. At election time, it has also been the practice to automatically forward to officers serving abroad and their spouses any personally-addressed election literature received in the Department. It is important when exercis-

ing their fundamental and democratic right to vote that citizens do so on an informed basis. I take the view that it is appropriate in the circumstances of service abroad, where the transmission of election material can help to inform the constituent, to use the diplomatic bag for this purpose.

At the end of May, the Fianna Fáil Party asked if the Department would forward to each of the Department's registered postal voters election literature in the form of a single, generically-addressed letter from the party leader and that request was acceded to. The Department would have equally agreed to a similar approach from other parties. In the light of subsequent expressions of concern about the issue, I announced on 6 June that a review of procedures would be conducted. I also indicated that the outcome of the review would be conveyed to the political parties and made publicly known, so that all candidates for election and other interested parties would be fully aware of it. It is accepted that the arrangements now need to be put on a more structured basis. The review is under way and I expect to be able to inform interested parties of new procedures at a reasonably early date. In this regard, the Deputy can be assured that the new arrangements will ensure that the process is fully transparent, and known to all interested parties at election time.

Question No. 56 answered with Question No. 51.

Question No. 57 answered with Question No. 40.

58. **Mr. Perry** asked the Minister for Foreign Affairs if he has had contact with the authorities in Saudi Arabia with regard to the murder of an Irish national in Riyadh in June 2004; the number of Irish nationals currently in Saudi Arabia; and if he will make a statement on the matter. [18790/04]

Minister for Foreign Affairs (Mr. Cowen): An Irish national was tragically killed in Saudi Arabia earlier this month. Our embassy in Riyadh extended all possible consular assistance to the family of this individual and has had numerous contacts with the Saudi Arabian authorities in relation to the case. We have emphasised to them the importance of protecting the lives of expatriates in Saudi Arabia and have called for the killers of this person to be brought to justice. I understand that a memorial service was held in London on Tuesday at which the Irish embassy in London was represented. I am sure I speak for all members of the Dáil in extending our deepest sympathy to the family. The number of Irish citizens in Saudi Arabia at the moment is currently estimated at around 1,300 to 1,400.

Common Foreign and Security Policy.

59. **Caoimhghín Ó Caoláin** asked the Minister

for Foreign Affairs if he will report on the steps the Government took during the period of the Irish Presidency of the European Union to promote the demilitarisation of the EU and the status of the neutral States within the EU. [18866/04]

Minister for Foreign Affairs (Mr. Cowen): I welcome the Deputy's interest in matters relating to demilitarisation. His question is best answered through reference to Irish Presidency achievements in the areas of conflict prevention and civilian aspects of EU crisis management activity. Conflict prevention has been a central element of Ireland's EU Presidency work programme and was the subject of a report by the Presidency approved by the June European Council. Covering the period of the Irish and Italian Presidencies and drawing on the outcome of the conflict prevention conference held in Dublin from 31 March to 2 April, this report can be considered the most substantive document on EU conflict prevention activities since the Swedish Presidency's EU programme for the prevention of violent conflicts of 2001. Against the background of recommendations contained in the European security strategy setting, the report sets out an analysis of EU activities in the conflict prevention area and identifies the significant challenges that remain in addressing root causes of conflict, escalation of conflict and post-conflict stabilisation. The report underlines the need to undertake further work in the area of early warning and to examine more closely the link between security and development. It recommends that work on conflict prevention takes account of the broader preventative agenda, as set out in the European security strategy. I am satisfied that a firm basis now exists for ongoing work on these issues under the incoming Dutch Presidency and beyond.

I am also pleased to report that Irish EU Presidency has made very significant progress towards ensuring a continuing and appropriate balance between military and non-military aspects of European security and defence policy, ESDP. In particular, agreement was reached with our EU partners on a specific Irish initiative which has resulted in adoption by the European Council of an important and substantive action plan on civilian aspects of ESDP. A further EU capabilities conference in this area will take place in November. As regards military aspects of European security and defence policy, I underline to the Deputy that these relate to the issues of peace-keeping and crisis management. Solid progress was also made in this area under the Irish Presidency, including through agreement on how such EU capabilities could be deployed in support of the United Nations. Ireland will continue to have the possibility to take part in EU crisis management operations, authorised by the United Nations, on a case-by-case basis.

Finally, I am happy to assure the Deputy that the status of neutral states within the EU, including Ireland, has remained fully upheld and

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accepted by the entire Union membership throughout our Presidency.

Question No. 60 answered with Question No. 33.

61. **Mr. Crawford** asked the Minister for Foreign Affairs if the situation in Tibet has been discussed recently by the European Union Council of Ministers; when Tibet will next be discussed by the Council; and if he will make a statement on the matter. [18797/04]

Minister for Foreign Affairs (Mr. Cowen): Ireland established diplomatic relations with the People's Republic of China in 1979, and has, from that time, recognised Tibet as an integral part of China. While both the European Council and the General Affairs and External Relations Council, GAERC, have considered aspects of the EU relationship with China on several occasions over the last year, there have been no recent discussions at the European Council on Tibet as a separate issue, nor am I aware of any plans to have such discussions in the near future. With regard to the human rights situation in Tibet, the Government has consistently called on the Chinese authorities to respect fully the rights of the Tibetan people. We will continue to address our ongoing concerns regarding the protection of human rights in Tibet, both bilaterally and within the framework of the EU-China human rights dialogue. It is the considered view of the Government that the dialogue is the most effective form of engagement with China on human rights issues. It is a method that has led to constructive discussions and one which also offers the most effective means of raising and following up on individual cases of concern.

62. **Mr. Gogarty** asked the Minister for Foreign Affairs the envisaged creation of a new EU diplomatic service; and if he will make a statement on the matter. [18858/04]

Minister for Foreign Affairs (Mr. Cowen): Article III-197 (3) of the constitutional treaty states that in fulfilling his or her mandate, the Union Minister for Foreign Affairs shall be assisted by a European external action service. This service shall work in co-operation with the diplomatic services of the member states and shall comprise officials from relevant departments of the General Secretariat of the Council and of the Commission as well as staff seconded from national diplomatic services of the member states. The organisation and functioning of the European external action service shall be established by a European decision of the Council. The Council shall act on a proposal from the Union Minister for Foreign Affairs after consulting the European Parliament and after obtaining the consent of the Commission.

An accompanying declaration states that as soon as the treaty establishing a constitution for

Europe is signed, the Secretary General of the Council, the high representative for the Common Foreign and Security Policy, the Commission and the member states should begin preparatory work on the European external action service. I expect that work to establish the European external action service will commence later this year. It is not intended or envisaged that the European external action service should supplant the diplomatic services of the member states but rather that it should enhance the Union's capacity for co-ordinated action internationally. I look forward to Ireland playing a full role in the service's development.

Foreign Conflicts.

63. **Ms O. Mitchell** asked the Minister for Foreign Affairs if he will report on the situation in Liberia; and if he will make a statement on the matter. [18775/04]

Minister for Foreign Affairs (Mr. Cowen): Under the terms of the comprehensive peace agreement of August 2003, Liberia is currently administered by a transitional Government under the chairmanship of Mr. Gyude Bryant until parliamentary and presidential elections are held before the end of 2005. One of the key challenges facing the transitional Government is to pave the way for free and fair elections. In this respect, the National Electoral Commission, NEC, of Liberia was reconstituted under the terms of the comprehensive peace agreement to take account of the new situation obtaining in Liberia since the departure into exile in August 2003 of former President Charles Taylor. The NEC is currently engaged in voter registration and civic education programmes in collaboration with international organisations and under the supervision of the United Nations. On 11 May 2004, the international contact group on Liberia — of which the EU is a member alongside, among others, the UN and the African Union — urged all Liberian parties to engage constructively in preparations for the 2005 elections and underlined the need for the National Election Commission to operate effectively.

Despite recent improvements in the security situation in areas which are under the control of the United National Mission in Liberia, UNMIL, and progress in the implementation of the comprehensive peace agreement, the peace process remains fragile. Monrovia is now a weapons-free zone but the situation is less stable in other areas. Sporadic outbreaks of fighting in rebel strongholds highlight the need for a comprehensive process of disarmament, demobilisation and reintegration. The programme of disarmament, demobilisation and rehabilitation, DDR, for rebel groups, co-ordinated by UNMIL, recommenced on 15 April 2004, after an earlier launch last December had been postponed. UNMIL is currently operating with approximately 14,500 military personnel on the ground, with a total authorised strength of 15,000. Its current one-year

mandate is due to be renewed by the UN Security Council in September 2004.

The Government has deployed a contingent of the Permanent Defence Force to participate in the UN peacekeeping mission UNMIL. The Irish contingent comprises a motorised infantry battalion, of some 430 personnel, including the deployment of a small number of personnel at force headquarters in Monrovia. The Government is of the view that the deployment of UNMIL is critically important in supporting the implementation of the comprehensive peace agreement and for the political and economic recovery of Liberia. Our personnel have been widely commended for the professionalism of their work. On 5 and 6 February 2004, the Liberia reconstruction conference was held in New York. The Minister of State, Deputy Kitt, represented the EU and announced \$200 million in EC assistance, as well as a further €5 million in funding from Ireland. Ireland will continue to encourage all parties in and around Liberia to carry out their commitments and obligations under the comprehensive peace agreement. We will lend active support to the work of the United Nations special representative in Liberia, Jacques Klein, and to the EU special representative for the region, Hans Dahlgren of Sweden.

Overseas Development Aid.

64. **Mr. Howlin** asked the Minister for Foreign Affairs if he will report on the outcome of the recent EU conference on development aid at Dublin Castle; his views on whether the “Everything but Arms” agreement negotiated by the EU in 2001 to ensure the 49 poorest countries in the world have unrestricted access to EU markets for all goods other than sugar, rice, and bananas, is working effectively; and if he will make a statement on the matter. [18833/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): On 1 June 2004, I chaired an informal meeting of EU development co-operation Ministers at Dublin Castle. Ministers had a very useful meeting on a number of issues of relevance to the global development debate. The EU is the largest provider of aid worldwide. With a population since enlargement of 450 million, the EU is now in an even stronger position to make a real difference to the lives of poor people in the developing world. To do that, we have to use our aid effectively and implement coherent policies that will contribute to poverty reduction. At the beginning of Ireland’s Presidency, we said that poverty eradication should be the central objective of the Union’s development policy. In the long-run, meeting the millennium development goals, MDGs, will be the yardstick for our performance.

At our meeting in Dublin Castle, Ministers discussed a number of issues which would help to advance these priorities, including: the need for greater aid effectiveness to ensure that development co-operation is well managed and that EU

aid quality continually improves; the importance of a strong voice for development within the European Commission; the relationship between development and security — where we recognised that there can be no long-term development without creating secure environments, but equally, that long-term security is dependent on sound development; and the appalling humanitarian situation in Darfur, Sudan, in respect of which we expressed support for the efforts of the African Union, AU, to establish a ceasefire monitoring mechanism for Darfur and backed the immediate deployment of the AU ceasefire monitoring mechanism to oversee the ceasefire on the ground. The development campaigner, Bono, joined us at lunch for a discussion of debt and trade issues.

Under the “Everything but Arms”, EBA, initiative, which was agreed by the European Union in February 2001, the 49 least developed countries, LDCs, both within and outside of the African, Caribbean and Pacific, ACP, group, have gained duty and quota-free admission to the Community market for all but three products from March 2001. In three sensitive commodity sectors, full and free access will be achieved more slowly and on a phased basis by 2006 for bananas and by 2009 for rice and sugar. The EBA initiative is a particularly significant breakthrough for the LDCs as it offers market-free access in areas such as agricultural and textile products in which they are most likely to be competitive and which, up to now, have been highly protected. Only moderate gains have been achieved from the EBA initiative to date. I urge the LDCs to make every use of the general quota and duty-free access to the EU to which they are now entitled.

I refer also to the related issue of current negotiations on economic partnership agreements, EPAs, between the EU and the ACP states. Under the Cotonou agreement, the current all-ACP non-reciprocal tariff preferences will be maintained only until 31 December 2007. This agreement introduced a framework for the negotiation of new reciprocal trading arrangements between the EU and the ACP states known as EPAs. EPAs should help to reduce and eventually eradicate poverty, increase ACP competitiveness and the gradual integration of ACP states into the world economy. EPAs are mandated to enter into force from 2008 until 2020. ACP states are able to enter into such arrangements individually, or as part of a group, the latter intended to build upon existing regional integration schemes. EPA negotiations have now commenced between the EU and West Africa, Central Africa, the Caribbean, and East and Southern Africa.

Decentralisation Programme.

65. **Mr. J. Bruton** asked the Minister for Foreign Affairs his views on whether the decentralisation of the civil servants responsible for overseas development aid programmes may harm these programmes, as recently opined by the chief

[Mr. J. Bruton.] executive officer of a major charity here; and if he will make a statement on the matter. [18788/04]

Minister for Foreign Affairs (Mr. Cowen): I assume the Deputy is referring to an article attributed to the CEO of Concern which appeared in *The Irish Times* on 24 May 2004. As the Deputy will be aware, this was a wide-ranging article which covered a number of issues, including the decision to decentralise the development co-operation directorate of the Department of Foreign Affairs to Limerick. The decentralisation implementation group, established last December by the Minister for Finance, recommended in its report of 31 March 2004 that each Department and agency participating in the decentralisation programme prepare its own implementation plan. The Department of Foreign Affairs' initial plan is in the final stages of preparation by the Department's decentralisation committee, which has been tasked with managing the decentralisation of the development co-operation directorate and the other aspects of decentralisation which will impact on the Department. The plan will require updating over the lifetime of the decentralisation project, as additional information emerges and issues about which there remains uncertainty, particularly in the HR area, are clarified and agreed between Civil Service management and unions.

The decentralisation of the development co-operation directorate will pose challenges. The Department's implementation plan will seek to identify and address those challenges, including in areas such as service and business continuity, corporate memory, efficiency and effectiveness and financial management. The article to which the Deputy refers acknowledges that the quality of the Government's aid programme is high and that this was verified by the OECD's peer review, published at the end of 2003. I am confident that the approach which I have outlined above will ensure that there will be no detrimental impact on the high quality of the Government's overseas development co-operation programme.

EU Presidency.

66. **Mr. Deasy** asked the Minister for Foreign Affairs the total cost to the taxpayer of Ireland's Presidency of the European Union; the value of sponsorship which was associated with the Presidency; and if he will make a statement on the matter. [18792/04]

Minister for Foreign Affairs (Mr. Cowen): It is not possible for me to indicate the total cost to the taxpayer of the Ireland's Presidency of the European Union as each Department and State body involved in the Presidency has been provided with a Presidency budget and is responsible for its own expenditure and costs. I cannot, at this stage, say what is the total cost incurred by the Department of Foreign Affairs as there are a number of invoices outstanding. In some cases where invoices have been received, officials are

checking them against expected costs and seeking clarification where necessary. My Department is in contact with the relevant suppliers in relation to agreeing these costs and we would hope to be in a position to finalise the Department's expenditure in the near future.

It is envisaged that the Department of Foreign Affairs will incur costs in the following areas: salaries and allowances, travel and subsistence, training, accommodation, transport, catering, media and communications. Miscellaneous costs will include printing and signage etc.

The Department of Foreign Affairs availed of sponsorship arrangements offered by Eircom, Audi, Tipperary Water and Kerrygold. Support was also received from a number of local organisations and companies. While it is not possible to provide at this time the total value of the sponsorship, the Deputy may wish to note that by the end of the Presidency, Eircom and Audi between them will have supplied goods and services worth approximately €5 million. This has helped to ensure that the approximately 230 meetings, including ministerial level meetings, held in Ireland ran smoothly and efficiently. Tipperary Spring Water and Kerrygold also supplied their products free of charge for every ministerial level meeting in Ireland as well as for meetings in Brussels.

Foreign Conflicts.

67. **Mr. P. Breen** asked the Minister for Foreign Affairs if he will make a statement on the political situation in Sri Lanka. [18798/04]

Minister for Foreign Affairs (Mr. Cowen): On 23 February 2002, a formal ceasefire agreement was signed with Norwegian facilitation between the Liberation Tigers of Tamil Eelam, LTTE, and the Sri Lankan Government. Despite the LTTE's withdrawal from the peace talks on 21 April 2003 and the ongoing political difficulties on the island, the ceasefire has continued to hold. On 4 November 2003, President Kumaratunga relieved three senior Government Ministers of office and personally assumed their powers. President Kumaratunga was reportedly concerned about LTTE proposals on an interim administration for the north and east of the country and claimed that the Government, led by then-Prime Minister Wickramasinghe, was making too many concessions to the LTTE side. She announced that talks with the LTTE had been postponed indefinitely. A state of emergency was declared and Parliament was prorogued for two weeks.

On 8 February 2004, President Kumaratunga dissolved Parliament and called for elections to be held nearly four years ahead of schedule. In the general election which took place on 2 April 2004, President Kumaratunga's United People's Freedom Alliance, UPFA, coalition won 46% of the parliamentary seats. This was eight seats short of an overall majority. Prime Minister Ranil Wickramasinghe's United National Party won only 38%. On 10 April 2004, President Kumara-

tunga formed a coalition Government with the People's Liberation Front, JVP. The new Prime Minister is Mahinda Rajapakse of the UPFA.

Following President Kumaratunga's re-election, in a major policy shift the Government announced in a statement on 9 May 2004 that it now recognises the LTTE as the principal Tamil party for the purposes of negotiating a permanent peace. The statement indicated that peace talks had to be between the two main parties — the government and the LTTE. The LTTE has continued to reaffirm its commitment to the peace process and abide by the terms of the February 2002 ceasefire. During a visit to Sri Lanka by the Norwegian Deputy Foreign Minister on 12 May, the LTTE announced that they had agreed with the Government to restart peace talks.

A co-chairs conference took place in Washington on 17 February 2004 as a follow-up to the June 2003 Tokyo donor's conference on Sri Lanka. The co-chairs consist of the EU, Japan, the US, and Norway, the last in view of its position as facilitator of the peace process. Co-chairs are responsible for monitoring progress towards peace and advising on actions by the donor community. A further co-chairs conference took place in Brussels on 1 June 2004. Following the conference, the co-chairs emphasised the importance of preserving the gains already made in the peace process and called on both parties in the process to bear in mind the principles of the Tokyo declaration. Stressing that there should be no delay in resuming the peace process, the co-chairs called on donors to stand ready to accelerate the delivery of their Tokyo pledges once properly prepared peace talks have resumed. In a speech on 12 June 2004, President Kumaratunga reaffirmed her Government's commitment to the ceasefire and to negotiations with the LTTE on preparing an agenda for the recommencement of peace talks.

The EU stands ready to support Sri Lanka in resolving this issue. On 4 November 2003, the Presidency of the European Union, in conjunction with the European Commission, issued a statement urging the parties involved to continue to work together in support of a negotiated political solution. From 24 to 27 November 2003, EU External Relations Commissioner, Mr. Chris Patten, visited Sri Lanka where he held meetings with both Government representatives and the LTTE. An EU election exploratory mission took place from 16 to 19 February and an EU election observation mission was deployed for the elections on 2 April. Through various channels, both Ireland and the EU will continue to take all appropriate opportunities to encourage the parties concerned to bring the peace process to an early, successful conclusion.

Question No. 68 answered with Question No. 33.

Question No. 69 answered with Question No. 28.

EU Accession.

70. **Mr. Stanton** asked the Minister for Foreign Affairs if he will report on the ongoing contact between Turkey and the European Union regarding possible membership of the Union and on the efforts being made by Turkey to meet accession criteria; and if he will make a statement on the matter. [18768/04]

Minister for Foreign Affairs (Mr. Cowen): The Helsinki European Council in December 1999 decided that Turkey is a candidate country destined to join the European Union on the basis of the same criteria applied to other candidate states. The Copenhagen European Council in December 2002 made the clear commitment that if the European Council meeting in December 2004 decides that Turkey has fulfilled the Copenhagen political criteria, the EU will open accession negotiations without delay. The political criteria require a candidate country to have achieved stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities. December's decision will be taken on the basis of a report and recommendation by the Commission, which will be prepared following extensive consultation with the Turkish authorities under the terms of the revised accession partnership between the EU and Turkey.

The Government has welcomed the remarkable and sustained progress made by Turkey in recent years in legislating for reform. Most recently, on 7 May the Turkish Parliament approved a significant package of constitutional amendments which include provision for the abolition of the State Security Courts, further measures to bring civil-military relations into line with EU standards and to strengthen freedom of the press and the insertion of a constitutional clause on gender equality. The measures also remove all references in the constitution to the death penalty, which has been abolished in all circumstances. I welcome the decisions taken recently in implementation of the reforms, especially the decision to begin Kurdish language broadcasts on radio and television. The Government has had regular contact with Turkey throughout Ireland's EU Presidency. The Taoiseach has had a series of discussions with Prime Minister Erdogan, who was most recently in Brussels for the meeting of the Intergovernmental Conference on 17 and 18 June. I represented the EU at the EU-Turkey Association Council in Brussels on 18 May and also held very useful bilateral discussions with Foreign Minister Abdullah Gul. Foreign Minister Gul informed us of plans for further legislative reform in the months ahead.

The European Council on 18 June welcomed the significant progress made to date by Turkey in the reform process, including the important and wide-ranging constitutional amendments adopted in May. It also welcomed the continued and sustained efforts of the Turkish Government

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to meet the Copenhagen political criteria and emphasised the importance of concluding the remaining legislative work and accelerating efforts to ensure decisive progress in the full and timely implementation of reforms at all levels of administration and throughout the country. The European Council reaffirmed the commitment that if the December European Council decides that Turkey fulfils the Copenhagen political criteria, the EU will open accession negotiations with Turkey without delay. The EU will continue to assist Turkey in its preparations and to work towards full implementation of the pre-accession strategy.

Foreign Conflicts.

71. **Mr. McGinley** asked the Minister for Foreign Affairs if, in view of the ongoing violence in Chechnya, the situation was discussed with the Russian Administration at the recent high level meetings in Moscow; and if he will make a statement on the matter. [18804/04]

Minister for Foreign Affairs (Mr. Cowen): I take this opportunity to condemn most strongly the attacks in Ingushetia which have caused a significant loss of life this week. No cause can ever justify acts such as these.

The Taoiseach raised ongoing EU concerns about the situation in Chechnya with President Putin at the EU-Russia Summit in Moscow on 21 May. I also raised these concerns at the meetings which I had with Russian Foreign Minister Lavrov during the Irish Presidency.

The Taoiseach expressed the EU's strong condemnation of recent terrorist attacks in which Chechen and Russian people have been killed, including Chechen President Akhmad Kadyrov. Ireland and the EU recognise Russia's territorial integrity, and its right and responsibility to protect its people from attack. The Taoiseach underlined, however, that respect for human rights is essential to the fight against terrorism and to building a lasting peace.

The European Union, which has already provided €120 million in humanitarian assistance over the last five years, restated its willingness at the summit to offer further humanitarian assistance to the region, provided that the very difficult security situation allows. In response, President Putin expressed his appreciation of EU assistance to date, and his determination to move forward on democratisation and reconstruction in Chechnya.

The EU looks forward to a free and fair presidential election in Chechnya on 29 August. This could provide an opportunity for progress on reconciliation, and for the promotion of peace, stability and development in Chechnya. The EU believes that a lasting solution to the situation in Chechnya requires a political settlement which guarantees protection for human rights and which commands the support and confidence of the Chechen population.

Human Rights Issues.

72. **Mr. Costello** asked the Minister for Foreign Affairs his response to the letter of protest sent by the Israeli Government expressing disgust at his statement that Israeli forces had displayed disregard for human life during the military operation in Gaza's Rafah area; if he sent a reply to the Israeli Government following receipt of their letter; the content of any such letter; and if he will make a statement on the matter. [18836/04]

Minister for Foreign Affairs (Mr. Cowen): I have received no letter from the Israeli Government concerning any statement of mine. I am aware that the Israelis expressed dissatisfaction at some of my comments on the activities of their forces in the Gaza Strip in May which had also been the subject of criticism by the UN Security Council and the broad international community, but this has not been the subject of correspondence.

EU-US Summit.

73. **Mr. Deenihan** asked the Minister for Foreign Affairs if the possible recognition by the United States of America of the International Criminal Court will be discussed at the upcoming EU-US summit; and if he will make a statement on the matter. [18779/04]

Minister for Foreign Affairs (Mr. Cowen): The United States of America signed the Rome Statute of the International Criminal Court in December 2000. However, in May 2002 the US informed the Secretary General of the United Nations that it did not intend to become party to the statute, and that it accordingly had no obligations arising from its signature.

The objections of the US to the International Criminal Court are based on its view that US citizens and in particular its military forces, could be subjected to politically motivated prosecutions before the Court.

As I have stated previously, while I recognise these concerns I do not share them. The jurisdiction of the ICC is complementary to national jurisdictions, meaning that the court will become involved in a case only where a state with jurisdiction over a crime is unable or unwilling genuinely to carry out an investigation or prosecution. The Rome Statute contains strong and carefully drafted safeguards to prevent politically motivated prosecutions. I would also point to the integrity, character and professional qualifications of the persons who have been elected to serve as prosecutors and judges of the court.

This view is shared by our EU partners. In recent years, approaches have been made to the US on behalf of the EU, outlining the EU position on the court and urging US support for it. In addition, the EU council conclusions on the ICC of 30 September 2002 recall the shared objective of the EU and US of individual accountability for the most serious crimes of concern to the international community, and call for a broader dia-

logue between the EU and US on all matters relating to the ICC.

I am satisfied that the US is fully apprised of the EU's position in respect of the ICC and I wish to reiterate my hope that, in time, the ICC will come to enjoy universal support, based on the common interest of all states in seeing that the most heinous crimes of international concern do not go unpunished.

Middle East Peace Process.

74. **Mr. M. Higgins** asked the Minister for Foreign Affairs the response he received to his call for a ceasefire in the Middle East which he raised when attending a recent meeting of foreign ministers of the Group of Eight industrialised nations in Washington; and if he will make a statement on the matter. [18837/04]

Minister for Foreign Affairs (Mr. Cowen): The recent meetings of the G8, both at foreign ministerial level and at the summit, included useful discussions on the Middle East peace process. The main purpose of the G8 Foreign Ministers' meeting on 14 May was to prepare for the summit. The G8 meetings took place after the New York meeting of the Quartet on 4 May. As the Deputy will be aware, the Quartet welcomed the efforts of the Government of Egypt to achieve a comprehensive and lasting ceasefire. The importance of a ceasefire was understood by all G8 Foreign Ministers. At the G8 meetings, there was general agreement on the need for international action in support of the peace process and at the summit it was agreed that the Quartet should meet again before the end of this month. The statement on the Middle East issued after the G8 summit urged the Government of Egypt to continue its important work in this regard.

Question No. 75 answered with Question No. 40.

EU Presidency.

76. **Mr. R. Bruton** asked the Minister for Foreign Affairs if he will report on the progress made during Ireland's Presidency of the European Union with regard to achieving the goals set by the Lisbon Agenda; and if he will make a statement on the matter. [18805/04]

Minister for Foreign Affairs (Mr. Cowen): As I outlined to the House on 19 May, the Irish Presidency has made significant progress in advancing the Lisbon Agenda. It focused the spring European Council on the central Lisbon goals of promoting sustainable economic growth while delivering more and better jobs. It also secured major progress on legislative dossiers in the areas of financial services, competition, mobility, intellectual property rights, consumer protection, health, environmental protection and infrastructural development. The implementation of these dossiers by member states will advance the Lisbon Agenda significantly. The June Euro-

pean Council also endorsed the updated broad economic policy guidelines and employment guidelines, providing for the integration of the new member states into these policy areas that are fundamental to the achievement of the Lisbon goals. The Taoiseach will report to the House shortly on the outcome of the June European Council, including with regard to the progress on the Lisbon Agenda during Ireland's Presidency term.

Human Rights Issues.

77. **Mr. Quinn** asked the Minister for Foreign Affairs his views on the affiliation of any proposed interim Government in Iraq, or indeed any future Government, to the International Criminal Court; his views on the fact that those responsible for abuses in Iraq by the occupying forces should be brought before the International Criminal Court; and if he will make a statement on the matter. [18824/04]

Minister for Foreign Affairs (Mr. Cowen): Ireland, together with its EU partners, supports the widest possible participation in the International Criminal Court, ICC. Currently, 94 states are parties to the Rome Statute of the ICC and an additional 50 are signatories to it. As President of the Council of the EU, Ireland drew up a target list of countries to be approached by the EU during our presidency with a view to increasing the number of states parties to the Rome statute. This was done in accordance with the EU action plan on the ICC finalised earlier this year. In accordance with this target list, a series of bilateral démarches have been carried out by or on behalf of the Irish Presidency in all regions of the world and the issue of the ICC has also been mainstreamed in ongoing EU dialogue with third countries.

To date, Iraq has neither signed nor become a party to the Rome Statute of the International Criminal Court. The Government hopes, however, that Iraq will accede to the statute and expects that the European Union in its contacts with Iraqi authorities in the future will promote knowledge and understanding of the ICC in Iraq and encourage Iraqi accession in due course. The Government would also welcome states, such as Iraq, which are not yet party to the statute agreeing to co-operate with the court, as provided for by the statute.

In relation to those accused of abuses in Iraq, as has been mentioned previously to this House, the role of the International Criminal Court in these cases is limited by the fact that it has jurisdiction only over crimes committed on the territory of a state party, or by a person who is a national of a state party. As I have said, Iraq is not a state party to the Rome Statute and many of those accused of abuses are not nationals of a state party.

An additional point to note is that, even where abuses have been committed by a national of a state party to the Rome statute, the International

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Criminal Court, in accordance with the principle of complementarity set out in the statute, may take action only where a state with jurisdiction is unable or unwilling genuinely to investigate and prosecute the alleged crimes

Overseas Development Aid.

78. **Mr. Gilmore** asked the Minister for Foreign Affairs the outcome of the World Food Programme global meeting held in Dublin earlier in June 2004; the way in which the extra €1.5 million pledged by the Government for the WFP will be spent; and if he will make a statement on the matter. [18831/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): The World Food Programme, WFP, is a key partner for Ireland in the fight against global hunger. In 2003 alone, the WFP met the needs of over 100 million people in 81 countries. Food deliveries to hungry families by the agency increased by 57% compared to 2002.

The WFP global meeting, the first to be organised for five years, took place in Dublin from 7 to 10 June. The choice of Ireland for the meeting is a reflection of Ireland's growing role and reputation in humanitarian action and development co-operation. The global meeting brought together all the WFP's country directors from across the world, senior management and a number of experts in the field of food security and related areas. An important objective of the global meeting was to provide a forum for discussion and an examination of best practice in relation to meeting the needs of the world's hungry. The delegates were addressed by, *inter alia*, the WFP's executive director, Mr. James Morris, the administrator of USAID, Mr. Andrew Natsios and the UN's Under-Secretary General for Humanitarian Affairs, Mr. Jan Egeland. The private sector and NGOs also had the opportunity to participate in the discussions.

The global meeting has given the WFP a renewed sense of mission focusing on the target of reaching the millennium development goal, MDG, of halving world hunger by 2015. The WFP is uniquely placed to give impetus to actions in relation to this goal. When I spoke to the delegates, I assured them that Ireland will continue to work with the WFP as a key partner, in our shared goal of saving lives and rebuilding livelihoods.

During the course of the global meeting, I announced additional funding of €1.5 million for the WFP. Of this new funding, €500,000 will be utilised to meet the food needs of those made so vulnerable by the conflict in Darfur, Sudan. The remaining €1 million is currently being allocated by the WFP to other pressing humanitarian emergencies. This new funding brings Ireland's commitment to the WFP this year to approximately €9 million — including assistance provided by the Department of Agriculture and Food.

EU Accession.

79. **Mr. Murphy** asked the Minister for Foreign Affairs if he will report on the ongoing efforts being made by Romania and Bulgaria to meet European Union accession criteria; and if he will make a statement on the matter. [18770/04]

Minister for Foreign Affairs (Mr. Cowen): Compliance with the political criteria is a prerequisite for the opening of negotiations with candidate countries for accession to the EU. The EU considers that both Romania and Bulgaria continue to fulfil the political criteria. With regard to the economic criteria, Bulgaria is regarded as having a functioning market economy while Romania can be considered a functioning market economy once the good progress made has continued decisively.

The European Council, at its meeting in Brussels on 18 June, noted with great satisfaction that Bulgaria had provisionally closed all the negotiation chapters and that Romania was substantially closer to achieving the same objective by the end of 2004. It reiterated the European Union's aim to welcome the two countries as members of the Union in January 2007, if they are ready.

Question No. 80 answered with Question No. 51.

Overseas Development Aid.

81. **Mr. Gormley** asked the Minister for Foreign Affairs the OECD's Development Assistance Committee policy paper entitled A Development Co-operation Lens on Terrorism Prevention: Key Entry Points for Action and in particular to address the concerns of Comhlámh and other development NGOs that development assistance is in danger of being militarised towards a war on terror instead of a war on poverty; and if he will make a statement on the matter. [18852/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): The OECD Development Assistance Committee, DAC, reference document, A Development Cooperation Lens on Terrorism Prevention: Key Entry Points for Action, was endorsed by the DAC high level meeting in 2003 and complements the DAC Guidelines Helping Prevent Violent Conflict in 2001, a reference point for development co-operation actors in this field.

The DAC reference document draws on donor responses to international terrorism. It is intended to guide the international community and Governments in their efforts to address linkages between terrorism and development, and suggests how donor programmes might be designed or adjusted. It begins with a policy statement in which DAC Ministers and heads of agencies underline key lessons, orientations and entry points for action. While the causes of international terrorism are complex, there are connec-

tions with development arenas, actors and issues. Consequently the international community, aid organisations, Governments, the European Union, the United Nations system and the OECD have embarked on a series of reflections on how best to support global efforts to combat terrorism.

The annual high level meeting of the OECD Development Assistance Committee, DAC, on 15-16 April 2004 debated the relationship between security and development. While participants accepted that the DAC's ODA criteria should include, for example, activities designed to promote peace and stability through the creation of more accountable security forces or the reinforcement of a human rights' culture in developing countries, there was a general agreement that the traditional definition of ODA should be carefully protected in this debate and that the current criteria should not be broadened, apart from three minor clarifications of existing provisions.

The Government's development co-operation programme has a very strong focus on poverty reduction in the poorest developing countries. This will remain our approach.

Nuclear Disarmament Initiative.

82. **Mr. Howlin** asked the Minister for Foreign Affairs if he will urge the US President to stop developing new nuclear weapons such as the so-called bunker buster, and to sign the Comprehensive Test Ban Treaty; and if he will make a statement on the matter. [18834/04]

Minister for Foreign Affairs (Mr. Cowen): Ireland considers the Treaty on the Non-Proliferation of Nuclear Weapons as the cornerstone of the international non-proliferation regime and the essential foundation for the pursuit of nuclear disarmament under Article VI of the treaty. This view is shared by our partners in the European Union. In our statement to the Third Preparatory Committee to the Treaty on the Non-Proliferation of Nuclear Weapons, or NPT, which took place in New York from 26 April to 7 May 2004, the EU reaffirmed its commitment to the preservation of the treaty in all its aspects. This commitment is consistent with the provisions of the EU Strategy Against the Proliferation of Weapons of Mass Destruction, adopted by Heads of State and Government in December 2003.

Article VI of the NPT, *inter alia*, commits all states parties to the treaty, including the five nuclear weapons states, to pursue in good faith effective measures relating to nuclear disarmament. Ireland expects all states parties to the NPT to respect its terms and make every effort to achieve its full implementation. Ireland, as part of the New Agenda Coalition, has indicated that it would be deeply concerned about any future role for nuclear weapons as part of any new security strategy.

The question of testing is inextricably linked to the development of any new forms of nuclear weapons. One of the steps agreed in the final

document of the last review conference of the NPT in 2000 is a commitment to the early entry into force of the Comprehensive Test Ban Treaty. This treaty, which contains an outright prohibition on nuclear tests, will enter into force when 44 named states which are deemed to be nuclear capable — whether civilian or military — have signed and ratified.

All member states of the European Union are states parties to the CTBT and support its early entry into force. Furthermore, in line with its legally-binding common position on the universalisation and strengthening of multilateral disarmament and non-proliferation treaties, adopted in November 2003, the EU is actively involved in promoting universal adherence to the CTBT. The US has signed but not yet ratified the CTBT. In accordance with the EU common position, the question of ratification of the treaty has been raised regularly, including in various multilateral fora.

At the Third Preparatory Committee for the 2005 Review Conference of the NPT, in April this year, the EU reiterated the importance that it attaches to the entry into force of the CTBT at the earliest possible date. We continue to call upon all states that have not yet signed and ratified the treaty to do so without delay and without conditions, in particular those states whose ratification is required for entry into force. Pending the entry into force of the CTBT, the EU urges all states to abide by a moratorium and to refrain from any actions, which are contrary to the obligations and provisions of the CTBT.

Non-proliferation of weapons of mass destruction is a shared priority for the EU and the US and will feature on the agenda at the upcoming EU-US Summit. In accordance with EU policy, including that set out on the EU WMD strategy, issues concerning the strengthening and universalisation of the disarmament and non-proliferation treaties and regimes, including the NPT, will be covered in these discussions. I look forward to a productive outcome at the summit which will help identify joint actions for co-operation in this area.

Foreign Conflicts.

83. **Mr. Hogan** asked the Minister for Foreign Affairs the position regarding the security situation in Iraq; and if he will make a statement on the matter. [18765/04]

Minister for Foreign Affairs (Mr. Cowen): The Government remains very concerned about the security situation in Iraq. Terrorists continue to be active and are carrying out suicide bombings and attacks on civilians as well as on military targets. High-level Iraqi officials and oil pipelines have also been targeted. We are pleased that fighting has died down in Najaf and Fallujah. It is very regrettable that there were civilian casualties when, on 19 June, coalition forces fired on a house in Fallujah which they, and Iraqi Prime Minister Iyad Allawi, believed was being used as

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a safe house by Al-Qaeda militants. The Government have urged the coalition forces to make every conceivable effort to avoid civilian casualties.

The capture and killing of hostages continues. We utterly condemn the recent brutal and savage execution of South Korean civilian Kim Sun-Il. I reiterate our call for the immediate and safe release of all hostages in Iraq and for an end to the practice of kidnapping.

At the recent European Council, Ireland and our EU partners regretted that the campaign of terrorist violence in Iraq is prolonging the suffering of the Iraqi people by posing difficulties for political progress and economic reconstruction in Iraq. The Council welcomed the commitment under United Nations Security Council Resolution 1546 of all parties to act in accordance with international law, including obligations under international humanitarian law, and called on them to ensure observance of these obligations. Our objective is to see a secure, stable, unified, prosperous and democratic Iraq that will make a positive contribution to the stability of the region and work constructively with its neighbours and with the international community to meet shared challenges.

Middle East Peace Process.

84. **Mr. G. Mitchell** asked the Minister for Foreign Affairs the actions which have been undertaken by the Government to make clear, in particular to the Israeli authorities, its concern at the failure to progress the peace accord agreed by the quartet; and if he will make a statement on the matter. [18776/04]

Minister for Foreign Affairs (Mr. Cowen): During our presidency of the European Union, Ireland has consistently worked to advance the aims set out in the roadmap of the Quartet based on a comprehensive settlement of the Arab-Israeli conflict through a two-state solution. Implementation of the roadmap has been slow as neither Israel nor the Palestinians have met their obligations under the roadmap. When I met the Israeli and Palestinian Foreign Ministers earlier this year, I suggested that, if the requirements set out in the first phase of the roadmap were too great, they might consider taking small, concrete, visible steps to build confidence and prepare for larger scale measures.

The roadmap remains the best available way to achieve a just and comprehensive settlement as it contains all the elements which must form part of any eventual solution. The central position of the roadmap in the peace process has been reaffirmed in the statement of European Foreign Ministers at Tullamore in April and in the declaration issued after the meeting of the Quartet in New York on 4 May and again by the European Council last week.

My most recent meeting with the Foreign Minister of Israel was in the margins of the Euro-Med-

iterranean Foreign Ministers' meeting in Dublin on 5 and 6 May. I used the opportunity of our bilateral discussions to emphasise the central importance of the roadmap and the need for both parties to meet their obligations under it. On the same occasion I met the Palestinian Foreign Minister and made the same points to him. On 14 June I met the Foreign Minister of Egypt in Brussels to discuss the Middle East peace process among other matters. We agreed that the roadmap remains central to the process and that unilateral acts, such as withdrawal from Gaza, must take place in the context of the roadmap.

Foreign Conflicts.

85. **Ms McManus** asked the Minister for Foreign Affairs if he will indicate his feelings on the implications of the findings of the 9-11 Commission which suggest that there was no credible connection between the attack on the Twin Towers on 11 September 2001 and the previous Iraqi Administration, in view of the fact that it is the case that the Taoiseach relied on this alleged connection in order to justify the use of Shannon airport by the US military. [18842/04]

Minister for Foreign Affairs (Mr. Cowen): The Government has never taken the position that there was a connection between the attacks on the Twin Towers and the previous Iraqi administration. The Government, therefore, did not rely on this alleged connection in order to justify the use of Shannon airport by the US military.

The provision of facilities at Shannon airport to the US military is a long-standing policy which has been in place for several decades. Within the span of the period, several conflicts have occurred in which the US was involved.

The findings of the 9-11 Commission are a matter for the US Government.

Nuclear Capacity.

86. **Mr. Hogan** asked the Minister for Foreign Affairs if he will report to Dáil Éireann on the situation in Iran, with particular reference to the development of weaponry with a nuclear capability by that country and the exchange of nuclear intelligence with other states; and if he will make a statement on the matter. [18796/04]

Minister for Foreign Affairs (Mr. Cowen): It has been almost two years since Iran's undeclared nuclear programme was first brought to the attention of the International Atomic Energy Agency and the director general of the agency has presented five reports on the matter since June 2003. The most recent consideration of the issue took place in Vienna from 14-18 June at the latest meeting of the IAEA board of governors.

The board considered the latest report on Iran produced by the agency's director general, Dr. Mohamed El Baradei, and adopted by consensus a resolution on Iran. This resolution, the fourth that the board has adopted on this issue, contains both positive and negative elements and takes up

a number of issues identified by the director general both in his report and in his introductory statement to the board of governors.

On the positive side the agency has been making steady progress in understanding the nature and extent of Iran's nuclear programme and in resolving many aspects of Iran's uranium conversion and laser enrichment activities. Iran has continued to implement the terms of its additional protocol and has provided an initial declaration pursuant to its obligations under the protocol. This declaration should provide broader information about Iran's nuclear and nuclear-related activities and will facilitate the IAEA's assessment of the correctness and completeness of the information already provided by Iran on its past and present nuclear activities. In addition Iran has decided, on a voluntary basis, to suspend all enrichment-related and reprocessing activities.

However, the resolution also deplores the fact that Iran's co-operation has not been as full, timely and proactive as it should have been and calls upon Iran to take all necessary steps on an urgent basis to help resolve outstanding questions. The resolution expresses the board's regret that Iran's commitment with respect to the suspension of enrichment-related and reprocessing activities has not been comprehensively implemented and calls on Iran to correct all remaining shortcomings.

During the IAEA's ongoing verification activities in Iran, questions arose in relation to the source of equipment important for use in Iran's programme. The agency signalled its intention to undertake follow-up activities — including with other relevant parties — in regard to information received about the origins of such material. In his latest report, the director general reiterates the need for co-operation from all relevant parties and notes that some information has been received from another state in this connection. The resolution adopted recently by the board recalls that full and prompt co-operation with the agency on the part of all third countries is essential in the clarification of certain outstanding questions.

On 18 June, Ireland, on behalf of the European Union, delivered a statement to the board of governors which supported the director general's call for co-operation from third countries. The statement also welcomed the adoption of the resolution and reiterated our call on Iran for full proactive and transparent co-operation over the coming months so that a complete and final picture can be presented as soon as possible to the board of governors for its consideration.

The European Council on 17-18 June stressed the Union's desire to move towards a closer relationship with Iran, on the basis of action by Iran to address the EU's concerns regarding Iran's nuclear programme, the fight against terrorism, human rights, and Iran's approach to the Middle East Peace Process. The European Council noted the ongoing work of the IAEA in Iran and urged full co-operation with the agency in a

spirit of full transparency in relation to its nuclear programme, with a view to solving all outstanding questions.

Work Permits.

87. **Mr. Deenihan** asked the Tánaiste and Minister for Enterprise, Trade and Employment if a work permit will be issued to a company in respect of a person (details supplied); and if she will make a statement on the matter. [18950/04]

Tánaiste and Minister for Enterprise, Trade and Employment (Ms Harney): I am informed that an application for the renewal of a work permit, for the above named individual, was received on the 2 March 2004. This application was subsequently refused and the work permit section wrote to the employer on the 8 May 2004 informing them of the reasons for the refusal and giving them a right of appeal. To date no such appeal has been received by the work permit section.

World Trade Negotiations.

88. **Mr. Durkan** asked the Tánaiste and Minister for Enterprise, Trade and Employment the current state of progress in the WTO; and if she will make a statement on the matter. [18966/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Aherne): The operation of the European Unions common trade policy lies within the competence of the European Commission. In recent months the Commission has been to the forefront of efforts to re-launch the Doha Development Agenda negotiations, which were stalled following the failure of the World Trade Organisation Ministerial meeting in Cancun in September last year.

The most recent major initiative taken by the Commission was the issue on 9 May of a joint letter from Trade Commissioner Pascal Lamy and Agriculture Commissioner Franz Fischler to all the other members of the World Trade Organisation. The letter sets out the key areas where the EU felt that movement was needed if the negotiations were to progress and also what the EU was prepared to propose in these particular areas.

The areas which were focused on in the letter included agriculture, non-agricultural market access, Singapore issues and development. Most particularly, in relation to agriculture, the EU indicated that it was prepared to negotiate on the elimination of EU export subsidies provided other WTO members reciprocated in relation to other forms of export competition — such as export credits, state trading entities and food aid — and provided that an overall balance could be achieved between and within the pillars on agriculture, including market access, domestic support and export subsidies.

In relation to the so-called Singapore issues — investment, competition, trade facilitation and

[Mr. M. Ahern.]

Government procurement — the EU indicated that trade facilitation is the principal area in which it would wish to see negotiations launched at an early stage; it is prepared to leave the other areas for further consideration within the WTO.

A very significant element of the EU initiative related to the development aspect of the negotiations. The EU is now proposing that in so far as agriculture and non agricultural market access is concerned, the least developed countries and other weak or vulnerable developing countries in a similar situation should not have to open their markets beyond their existing commitments and should be able to benefit from increased market access offered by both developed and advanced developing countries.

There has been a mixed reaction to the EU initiative and intensive discussions are ongoing in Geneva in an attempt to agree a basis for the re-launch of negotiations. The hope is that an agreed framework can be put in place by the end of July.

The Irish presidency of the EU has been actively involved in facilitating EU member state participation in the development of EU policy in this area. The Minister and officials of the Department are closely involved with the Commission in the efforts to put the negotiations back on track.

Special Olympics.

89. **Mr. Penrose** asked the Minister for Defence if, in view of the excellent work carried out by the FCA and Civil Defence during the course of the Special Olympics, if some small memento such as a special medal being struck to acknowledge their voluntary participation during same; and if he will make a statement on the matter. [18928/04]

Minister for Defence (Mr. M. Smith): Service in the Second Line Reserve is rendered on a voluntary part-time basis. I am very conscious of the time and effort which members of the FCA and Slua Muiiri freely give by participating in training and other activities in their own time. Their willingness to serve in a voluntary capacity, and the dedication and enthusiasm that they consistently display, is appreciated in their local communities throughout the country. It is also deeply appreciated by the Government.

This contribution was of course particularly in evidence last year when the Reserve Defence Force played a hugely important support role to the Special Olympics. A total of 9,359 man days were expended in a variety of areas including driver, administration, communications, medical and ceremonial activities. The involvement of the reserve in the Special Olympics exemplified the versatility and capability of the members of the organisation in the execution of a multiplicity of diverse tasks. Their involvement was a major factor contributing to the Special Olympics being such an outstanding international success.

Specific Defence Force regulations apply to the organisation and administration of the Reserve Defence Force. Members of the Second Line Reserve and the Permanent Defence Force are treated similarly in that completion of a specified period of satisfactory service is recognised by the award of service medals and bars.

Members of the Second Line Reserve, which consists of An Forsa Cosanta Áitiuil and An Slua Muiiri, are awarded An Bonn Seirbhise — the Service Medal — on completing seven years satisfactory service. A bar is added to the medal on completing 12 years' satisfactory service and a second bar on completing 21 years' satisfactory service. There are currently no plans to change the relevant regulation to provide for other additional categories of medal.

Defence Force regulations do not provide for the issue of medals to Civil Defence personnel who are not members of the Defence Forces.

Grant Payments.

90. **Ms Enright** asked the Minister for Agriculture and Food the reason a slaughter premium which is due since February 2003 has not yet been paid to a person (details supplied) in County Carlow; and if he will make a statement on the matter. [18926/04]

Minister for Agriculture and Food (Mr. Walsh): Under the 2003 EU slaughter premium scheme 53 animals were deemed eligible to the person named and were paid in full.

A further nine animals, imported from France, were subsequently slaughtered under the herd number of the person named. Payment in respect of these animals will issue within the coming week.

Grazing Rights.

91. **Mr. Durkan** asked the Minister for Agriculture and Food if permission will be given to a person (details supplied) in Dublin 14 to exercise horses in Massey's Woods; and if he will make a statement on the matter. [18927/04]

Minister for Agriculture and Food (Mr. Walsh): The land in question is the property of Coillte Teoranta. The Forestry Act 1988 established Coillte Teoranta as a private company. Operational issues such as access for horse-riding are a matter for the company.

Grant Payments.

92. **Mr. Ring** asked the Minister for Agriculture and Food the reason a person (details supplied) in County Mayo has not been paid forest premium. [18954/04]

Minister for Agriculture and Food (Mr. Walsh): An adjustment is necessary to the amount of premium due in 2004 to the person in question, arising from a reduction in the area originally afforested. The appropriate payment will be made within the next four weeks.

Compensation Payments.

93. **Mr. Crawford** asked the Minister for Agriculture and Food when compensation for tuberculosis reactors will be paid to a person (details supplied) in County Monaghan; the reason the money is not being paid; and if he will make a statement on the matter. [18983/04]

Minister for Agriculture and Food (Mr. Walsh): TB reactor compensation was not paid in this case because of apparent irregularities identified with regard to the testing outcomes for nine of the animals tested in the herdowner's herd in 1996.

Tax Code.

94. **Mr. P. Breen** asked the Minister for Finance if, further to Question No. 125 of 25 May 2004, the application for a waiver has been processed; and if he will make a statement on the matter. [18902/04]

Minister for Finance (Mr. McCreevy): The application for waiver in the case referred to by the Deputy has been processed by my Department and a response issued to the applicants' solicitor on 16 June 2004.

EU Funding.

95. **Mr. B. Smith** asked the Minister for Finance the progress to date in securing European Union funding towards to continuation of the PEACE II programme; and if he will make a statement on the matter. [18984/04]

Minister for Finance (Mr. McCreevy): The PEACE II programme is very important to Northern Ireland and the Border region. It promotes reconciliation by bringing these communities together and delivering projects that benefit those who have been most affected by the conflict.

The Taoiseach and Prime Minister Blair wrote to President Prodi last month to ask the Commission to consider extending the programme until 2006. This would bring it in line with the lifespan of other Structural Fund programmes. On 17 June last, the European Council recognised the valuable role of the PEACE II programme.

The support of all 25 member states for this work and for the possibility of an extension to the PEACE II programme is very encouraging. My officials will work closely with the Department of Finance and personnel in the North, the European Commission and the special EU programmes body in the coming months to make sure that this possibility becomes a reality.

I should point out that what is under discussion at this stage is an extension of the current programme for two further years to the end of 2006 rather than a new programme — a PEACE III — which relates to the 2007-13 financial perspective.

EU Constitutional Treaty.

96. **Aengus Ó Snodaigh** asked the Minister for Foreign Affairs the status of the Seville declaration after the conclusion of the EU constitutional treaty; and if the Seville declaration is among the previous protocols and treaties that are considered to be replaced following the conclusion of the EU constitutional treaty. [18912/04]

Minister for Foreign Affairs (Mr. Cowen): The constitutional treaty now agreed must be ratified by all member states before it can enter into force. When it does so, it will supersede all previous EU treaties.

However, Article IV-3 of the constitutional treaty provides that declarations made with regard to previous treaties shall be preserved unless deleted or amended. The Seville declarations will, therefore, remain fully in place.

The Government will continue to ensure that the commitments made in the declarations, as reflected in Article 29.4.9 of the Constitution, are fully maintained.

Question No. 97 answered with Question No. 10.

Overseas Development Aid.

98. **Mr. Durkan** asked the Minister for Foreign Affairs his plans to address the issue of war and starvation in Africa; and if he will make a statement on the matter. [18958/04]

104. **Mr. Durkan** asked the Minister for Foreign Affairs the extent to which humanitarian aid has been directed to the most sensitive or pressing areas; and if he will make a statement on the matter. [18964/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): I propose to take Questions Nos. 98 and 104 together.

I am deeply conscious of the enormity of the challenges facing African nations as they strive to build the foundations of economic and social development, often in a climate of hunger and warfare. The reduction of poverty, hunger and conflict in Africa is, I believe, one of the most important tasks to which the international community can dedicate itself in the 21st century.

Conflict has many causes and many manifestations. However, it is nurtured, fed and strengthened by poverty, inequality and exclusion. The majority of wars occur in the poorest countries and they mostly affect the poorest people, particularly women and children. Conflict presents complex challenges for us all but our efforts must be clearly focused on the underlying causes. Ireland's development co-operation programme seeks to address the root causes of conflict by ensuring that conflict sensitivity is reflected in all instruments of development support and partnership. Furthermore, our engagement with and support for civil society is a key element of our programme.

[Mr. Kitt.]

The Government responds in two ways to the humanitarian and development needs of Africa. In the short term we focus on saving lives in the most effective way possible, through direct assistance via the UN system and international agencies as well as non-governmental organisations, NGOs. In the longer term, Ireland's development programme tackles the structural reasons underlying endemic poverty.

Ireland's emergency humanitarian aid programme supports the short-term interventions designed to save lives and rebuild livelihoods in the immediate aftermath of natural and man-made disasters. This humanitarian assistance is founded on the principles of a commitment to international humanitarian law, a commitment to needs-based programming and regular evaluations of humanitarian operations. Such an approach ensures that Ireland's humanitarian assistance is directed to where needs are greatest. To date this year, we have engaged deeply in a number of conflict-affected zones, including Liberia, Afghanistan, Sudan and Sierra Leone.

Ireland's humanitarian programme is implemented through valued partners, such as NGOs, UN agencies and international organisations. These partners have the experience and capacity to deliver assistance to the most vulnerable in times of crisis and stress. While relief operations for major emergencies are supported, particular attention is also given to targeting humanitarian assistance at the so-called "forgotten or silent emergencies", especially in sub-Saharan Africa. Last year, the Government's humanitarian assistance to African countries amounted to more than €20 million.

If we are to break the cyclical nature of food insecurity, disease and conflict in Africa, the underlying structural problems affecting poverty and stability must also be addressed through longer-term development assistance. Ireland has strong development partnerships with six countries in sub-Saharan Africa. Through these partnerships Ireland fully engages with the governments, donors, EU and UN agencies on the basis of poverty reduction strategy plans, PRSPs. The PRSPs outline how each country prioritises resources and policies with the objective of reducing poverty. These programmes contain a strong governance element throughout to assist in the building of democratic structures, the rule of law and a culture of respect for human rights.

This comprehensive and African-owned approach by donors, governments and civil societies stands the best chance of reversing the downward spiral of economic and social indicators in sub-Saharan Africa, reducing conflict and facilitating real and positive change in the lives of millions of Africans.

Foreign Conflicts.

99. **Mr. Durkan** asked the Minister for Foreign Affairs the measures he has taken during Ireland's EU Presidency to combat war and

human rights abuses at various flash points in Africa; and if he will make a statement on the matter. [18959/04]

Minister for Foreign Affairs (Mr. Cowen):

Conflict prevention is an overarching theme that Ireland prioritised in our relations with Africa during our EU Presidency. As Presidency, Ireland led EU efforts in contributing to the various regional and country-level peace processes under way.

In January 2004, the External Relations Council adopted a revised EU common position on conflict prevention, management and resolution in Africa. The adoption of this common position underlines the importance which the European Union attaches to its relationship with Africa. The main features of the common position are support for and enhancement of Africa's peace-keeping capacity, regular assessment of potential violent conflicts in Africa and presenting policy options for early action.

The African peace facility was established under the Irish Presidency and has now become operational. It will be financed through an initial contribution of €250 million from the European development fund, EDF. The facility will provide non-military assistance to African peace support operations and will aim to improve institutional capacities of the African Union and relevant sub-regional organisations in the areas of peacekeeping and conflict resolution.

In March 2004, the Council of Ministers renewed the EU's common position concerning human rights, democratic principles, the rule of law and good governance in Africa. This common position sets out an important framework within which we apply human rights principles.

A west Africa strategy paper was finalised in May 2004. A regional strategy is required in order to address the cross-border problems prevailing in all west African crises such as child soldiers, use of mercenaries, small arms, refugees and illegal exploitation of natural resources as well as to address human trafficking and immigration issues.

A degree of success was secured by the Presidency in respect of human rights in Africa, at the recent 60th session of the UN Commission on Human Rights. Achievements include the establishment of a special UN mechanism on the Sudan, and the agreement with the African Union on a resolution concerning the Democratic Republic of the Congo, DRC. In addition, the Presidency and our partners secured the adoption of the Italian technical resolution regarding assistance on human rights in Somalia and supported similar resolutions by the African Union on Chad, Sierra Leone and Burundi.

The EU thematic resolution opposing the death penalty was adopted with a record margin and a record number of co-sponsors. The resolution on the rights of the child which we co-tabled with the Latin American-Caribbean grouping and the resolution on religious intolerance were also adopted. All these resolutions are

universal in their application and are of direct relevance in a number of areas on the African continent.

Also at the UN Commission, the Irish Presidency delivered a strong statement, on behalf of the EU, reaffirming its steadfast commitment to work for the elimination of all contemporary forms of slavery, which scourge still exists in some parts of Africa. Regrettably, the EU's resolution on Zimbabwe was not adopted.

Many African countries continue to experience or are gradually emerging from conflict. With regard to Sudan for example, the EU has been to the forefront of the international community in promoting urgent action to address the appalling humanitarian and human rights situation in Darfur. At the External Relations Council meetings in April, May and June, concern was expressed at the humanitarian and human rights violations in Darfur and the Council called on the Government of Sudan to provide unhindered and safe humanitarian access to the region. The EU has consistently conveyed the message to the Sudanese Government that the EU condemns all human rights violations and particularly the actions of the Janjaweed militias.

I led a ministerial Troika to Eritrea and Ethiopia in April. During this visit, I encouraged both sides to engage in dialogue with the United Nations special envoy and implement the decision of the boundary commission.

Under the Irish Presidency, the European Union has remained actively engaged in supporting the peace process in the Democratic Republic of Congo and in urging accelerated implementation of the transition agenda. The European Union took the lead internationally in condemning the capture of Bukavu by rebel forces on 2 June 2004 and in promoting a peaceful resolution of the crisis in eastern DRC.

The EU has also been active under our Presidency in condemning the serious violations of human rights perpetrated by the Lord's Resistance Army against the civilian population of Northern Uganda. The Irish Presidency has been in regular contact with the Ugandan Government in Kampala at the highest level to convey the EU's concerns and urge a peaceful resolution of the conflict in northern Uganda.

In response to a different question today, I have set out the range of activity in which the Irish Presidency has engaged in seeking to advance the peace process in Burundi.

EU Presidency.

100. **Mr. Durkan** asked the Minister for Foreign Affairs the extent to which he has influenced matters in the Balkans during Ireland's EU Presidency; and if he will make a statement on the matter. [18960/04]

Minister for Foreign Affairs (Mr. Cowen): The EU has taken the lead role in working with the countries of the Western Balkans to consolidate peace and stability in the region. At the start of

Ireland's Presidency, the Government undertook to maintain the priority which the EU attaches to the Western Balkans and the momentum in bringing the region closer to the European Union. The situation in the region was considered by the European Council and at each of the monthly meetings of the General Affairs and External Relations Council which I chaired during Ireland's Presidency. I remained in close contact with the countries of the region, with other member states, High Representative Javier Solana, Commissioner Patten and representatives of the wider international community to ensure that the EU made an effective contribution over the past six months to peace in the region and reform based on European standards.

The EU-Western Balkans Summit, held in Thessaloniki in June last year, agreed a shared agenda for progress towards the objective of the eventual integration of the countries of the region into EU structures. Progress will be based on the fulfilment of agreed, objective political and economic criteria. In its capacity as Presidency, Ireland worked to strengthen this policy framework, which provides for individual progress by the countries of the region, in the context of closer regional co-operation. On 18 June, the European Council, meeting in Brussels, decided on the basis of the Commission opinion that Croatia is a candidate country for membership of the EU, and that accession negotiations will begin in early 2005. On 22 March, the Taoiseach, in his capacity as President of the European Council, accepted the application for membership of the former Yugoslav Republic of Macedonia at a ceremony in Dublin. In May, the General Affairs and External Relations Council requested the Commission to prepare its opinion on the application, for consideration by the Council. I believe that these important policy decisions underline the seriousness of the EU's approach to the countries of the region and that they should be an encouragement to persevere with the reform process and with the implementation of European standards.

In introducing the Irish Presidency last January, I stated that we would work for the implementation of all commitments made by the EU under the Thessaloniki agenda. This has been achieved through a series of important Council decisions, most notably the decision this month to adopt European partnerships for each of the countries of the region. The partnerships draw on the experience of the current enlargement process and set out the specific areas in which each of the countries needs to make progress to enable further movement in the integration process. We have also implemented the commitment to enhance political dialogue with the countries of the Western Balkans. Last week in Luxembourg, for instance, I chaired the first ever meeting of an EU ministerial Troika with Serbia and Montenegro. I also chaired Troika meetings during the Presidency with the Foreign Ministers of Croatia and of Albania.

[Mr. Cowen.]

The European Council last week adopted a comprehensive policy towards Bosnia and Herzegovina, which sets out practical arrangements for strengthening the coherence and effectiveness of the EU's involvement in Bosnia. Throughout the Presidency, Ireland has facilitated important practical steps for the possible transition from the UN-mandated, NATO-led SFOR peacekeeping force in Bosnia to an EU-led force. I would like to take this opportunity to pay tribute to Irish citizens working with the EU and international organisations throughout the Western Balkans, and would note in the Bosnian context the important contribution being made by assistant Garda commissioner, Kevin Carty, who was appointed head of the EU police mission in Bosnia by the General Affairs and External Relations Council on 23 February.

The Council paid close attention to the situation in Kosovo throughout the Presidency, especially in the aftermath of the outbreak of ethnic violence in Kosovo in March, which was discussed in detail at the informal meeting of Foreign Ministers in Tullamore on 16 April. The EU has reaffirmed its strong support for the UN mission in Kosovo and for the special representative of the UN Secretary General in their efforts to implement Security Council Resolution 1244. The Council has stressed its firm commitment to the policy of Standards before Status and to the standards implementation process. It has made it clear that in this difficult period Kosovo's political leaders must demonstrate unambiguously their commitment to a multi-ethnic Kosovo and to the protection of the security and rights of minority communities. It is important that all parties co-operate in order to achieve practical results from the standards process in the coming months. At our meeting last week, I encouraged the Foreign Minister of Serbia and Montenegro, Mr. Vuk Draskovic, to use the influence of the Belgrade authorities to encourage the representatives of the Kosovo Serb population to re-engage with the UN in dialogue on reconstruction, security and the restructuring of local government, in the interests of all the people of Kosovo. The European Council last week welcomed the announcement by the UN Secretary General that he intends to appoint the current EU special representative in the former Yugoslav Republic of Macedonia, Mr. Soren Jessen-Petersen, as his special representative in Kosovo, to replace Harri Holkeri, who has resigned for health reasons. The EU will co-operate closely with the new special representative. We have also begun consideration of ways in which the EU can strengthen its role in Kosovo in support of the standards process, and I hope that decisions will be taken by the Council in the coming months.

Progress in the development of relations with the EU has been slowest in Serbia and Montenegro and in Albania, in each case as a result of continuing political instability. In its capacity as Presidency, Ireland has ensured that the EU's

political message has been conveyed clearly with the emphasis on the credibility of the European perspective offered to the people of the Western Balkans. I hope that it will prove possible to conclude a stabilisation and association agreement with Albania during 2005, based on the implementation of the necessary reforms. I also hope that following the contentious Presidential elections in Serbia on 27 June, the authorities of the state union of Serbia and Montenegro will seize the opportunity to re-engage in the reform process. The EU wants to negotiate with an effectively functioning state union, with a view to early progress in bringing Serbia and Montenegro closer to the Union, based on the commitments entered into at Thessaloniki last year.

Question No. 101 answered with Question No. 53.

Foreign Conflicts.

102. **Mr. Durkan** asked the Minister for Foreign Affairs if he will report on the ongoing situation in Nigeria; if stability has been achieved; and if he will make a statement on the matter.
[18962/04]

Minister for Foreign Affairs (Mr. Cowen): The Irish Presidency issued a declaration on behalf of the European Union on 13 May 2004, expressing its dismay at the outbreak of violence in the town of Yelwa in Plateau State and at the violence that also erupted in the town of Kano. In the declaration, the EU noted the rapid response of the Nigerian Government in despatching additional security forces to the areas concerned and in imposing a curfew in order to stop this dramatic cycle of violence. The EU urged restraint and the need to avoid any acts of retaliation or provocation which would only result in renewed bloodshed and loss of life. The Nigerian Government was also called upon to ensure that any intervention be carried out with full respect for human rights and the rule of law. On 28 May 2004, the Presidency issued a further EU declaration in view of the recent serious disturbances in Plateau State and the suspension of the Governor and the State Assembly by President Obasanjo.

On 18 May 2004, the Irish Presidency launched the first EU-Nigeria political dialogue at ministerial level. My colleague, Minister of State, Deputy Kitt, represented the Presidency and led an EU Troika. At the meeting, the Minister of State, Deputy Kitt, and the Nigerian Foreign Minister, Mr Olu Adeniji condemned the recent outbreak of violence in Plateau and Kano States, and noted that the Nigerian Government had taken measures to maintain the peace and prevent the further escalation of violence. The Troika meeting also addressed a range of other issues, including peace and security, governance and development matters.

Overseas Development Aid.

103. **Mr. Durkan** asked the Minister for For-

Foreign Affairs the steps taken to ensure funding provided through the overseas development aid programme goes directly to those for whom it was intended and is not intercepted by corrupt organisations or administrations; and if he will make a statement on the matter. [18963/04]

Minister of State at the Department of Foreign Affairs (Mr. Kitt): Issues at the heart of effective delivery of assistance to poor people in least-developed countries include clear objectives, a well-articulated strategy for delivery and good oversight and accountability.

As the Deputy will be aware, the central objectives of the Irish programme of development co-operation continue to be the reduction of poverty and the promotion of sustainable development. Meeting the basic human needs of some of the poorest people in the world and improving their access to food, water, health services, sanitation, education and employment are key goals of the bilateral development programme, of our interaction with multilateral institutions and of our engagement with and through NGOs.

It is of critical importance, when operating in an environment of dire poverty and the corruption frequently associated with it, to have robust processes for oversight and accountability in relation to the funding provided. The Development Co-operation Ireland programme provides this through a rigorous system of evaluation, monitoring and audit. All accounts and expenditure are audited and there is a strong, comprehensive monitoring process, which acts as a quality control on the programme. The evaluation approach allows for a forensic examination of interventions to measure effectiveness and identify lessons learned.

I am satisfied that the auditing, evaluation and monitoring systems which we have in place ensure that the funding provided under our programme goes only to those for whom it is intended.

Question No. 104 answered with Question No. 98.

Human Rights Abuses.

105. **Mr. Durkan** asked the Minister for Foreign Affairs the action he took through the UN or EU in relation to the mistreatment of prisoners in Iraq; and if he will make a statement on the matter. [18965/04]

Minister for Foreign Affairs (Mr. Cowen): The Government has reiterated its abhorrence at the mistreatment of prisoners in Iraqi prisons time and again. Ireland also made known its concerns directly to the authorities in London and Washington when the allegations of abuse first came to light.

The European Union has, in very clear language, strongly and publicly condemned any instances of abuse and degradation of prisoners in Iraq as contrary to international law, including the Geneva Conventions. The 25 member states

of the Union did so together with our eight Arab partners at the Euro-Mediterranean meeting of Foreign Ministers held in Dublin on 5 and 6 May. This was the result of an Irish Presidency proposal. At the same time, we acknowledged the commitment of both Governments to bring to justice those responsible for such abuses and also their commitment to rectify any failure to adhere to international humanitarian law.

The EU Council of Ministers, acting upon the initiative of the Irish Presidency, repeated this condemnation in conclusions following its meeting on 17 May and again following the meeting with the Gulf Arab states on the same day. The Council also referred to the report of the UN High Commissioner for Human Rights on the situation in Iraq which was presented on 4 June and called for action to be taken on the recommendations contained in this report.

EU Constitution.

106. **Mr. Durkan** asked the Minister for Foreign Affairs if and when a referendum will be held to ratify the EU constitution; and if he will make a statement on the matter. [18967/04]

Minister for Foreign Affairs (Mr. Cowen): It is envisaged that ratification of the constitutional treaty by member states will take place within two years of signature, which is likely to take place later this year. A decision on when to hold a referendum in Ireland to ratify the treaty will be taken by the Government at the appropriate time.

Question No. 107 answered with Question No. 22.

Foreign Conflicts.

108. **Mr. F. McGrath** asked the Minister for Foreign Affairs if he will urgently intervene at the UN level in the deteriorating situation in Iraq; and if he will call upon the UN Security Council to be more directly involved in solving the extremely volatile situation in Iraq. [18982/04]

Minister for Foreign Affairs (Mr. Cowen): Resolution 1546 on Iraq was adopted by the United Nations Security Council on 8 June 2004. The resolution endorses the formation of a sovereign interim government which will assume full responsibility and authority by 30 June for governing Iraq. It welcomes the ending of the occupation by that date and the reassertion by Iraq of its full sovereignty. It reaffirms the right of the Iraqi people to determine their political future and to control their financial and natural resources. It goes on to endorse the proposed timetable for Iraq's political transition to democratic government. The resolution also spells out the role of the United Nations and reaffirms the authorisation for a multinational force, which is the subject of an exchange of letters.

Ireland, both nationally and as Presidency of the European Union, welcomed the adoption of

[Mr. Cowen.]

this resolution. The unanimous adoption of the resolution conveys the support of the international community for the transfer of sovereignty to an interim Iraqi Government. I believe that this broad international support will help to stabilise the situation in Iraq. In particular, I hope that it will mark a new and successful stage, with the UN playing a key role in the process of political and economic reconstruction in Iraq.

The interim Iraqi Government was appointed on 1 June 2004. The Iraqi Governing Council has now disbanded and full sovereignty is due to be transferred to this new interim government on 30 June. I welcome the formation of a new interim Iraqi Government. I wish the new government every success in governing Iraq to the stage at which free and fair elections can take place.

School Staffing.

109. **Mr. Connaughton** asked the Minister for Education and Science if his attention has been drawn to the fact that two teachers who have been employed by a school (detail supplied) in County Galway for the past three years are not being made permanent; if his attention has further been drawn to the fact that this school is not being allocated its full quota of resource teaching hours and that some students who had been in receipt of resource teaching hours in national school have not been allocated such a benefit when they attended same; and if he will make a statement on the matter. [18894/04]

Minister for Education and Science (Mr. N. Dempsey): My Department approves an annual teacher allocation for each VEC based on the number of schools and the enrolment in the schools on 30 September of the previous year. Teacher allocations are made to the individual VEC scheme rather than individual school and it is a matter for the chief executive officer to arrange for appointment of teachers to individual schools within the VEC.

My Department also allocates resource teacher posts and special needs assistant posts to second level schools and vocational education committees to cater for pupils with special educational needs. Applications for such support are made to my Department by the relevant school authority. Each application is considered on the basis of the assessed needs of the pupil or pupils involved and the nature and level of the support provided is determined after detailed consideration of the supporting documentation provided, including the recommendations made by NEPS, and having regard to the overall level of resourcing available to the school to address special needs issues.

My Department has approved an allocation of 25 additional teaching hours and 22 hours special needs assistant support for the school in question to cater for the special educational needs of pupils in the school.

Higher Education Grants.

110. **Ms Burton** asked the Minister for Education and Science the details of the number of students attending each third level institution in the State who are in receipt of third level grant awards from 1997 to date; and if he can classify such students by institution, or university, county or local authority and parental occupation. [18895/04]

111. **Ms Burton** asked the Minister for Education and Science the details of the number of third level grant awards from 1997 to date, by each county council and local authority area and by parental occupation or class of parental occupation. [18896/04]

Minister for Education and Science (Mr. N. Dempsey): I propose to take Questions Nos. 110 and 111 together.

The information requested by the Deputy is not immediately available in my Department. However, the information is being compiled from the records maintained in my Department and in so far as it is available in the format requested, the information will be issued directly to the Deputy as soon as possible.

Special Educational Needs.

112. **Mr. P. Breen** asked the Minister for Education and Science when a resource teacher will be appointed for a person (details supplied) in County Clare; and if he will make a statement on the matter. [18897/04]

Minister for Education and Science (Mr. N. Dempsey): I can confirm that my Department has received an application for 3.5 hours resource teaching support for the pupil referred to by the Deputy.

All applications for special educational resources received after 31 August 2003, including the application for the person in question, are being considered by the National Educational Psychological Service, NEPS. In those cases, it is intended that the applicant schools will be notified of the outcome as soon as possible in advance of the commencement of the next school year.

Recognition of Qualifications.

113. **Mr. Morgan** asked the Minister for Education and Science if his Department recognises third level qualifications held by persons who gained those qualifications in recognised British Universities; if there is a system in place which requires the holders of such qualifications to be assessed by his Department; and the reason for this system and if it amounts to a failure of his Department to recognise qualifications from competent third level institutions in Britain. [18898/04]

Minister for Education and Science (Mr. N. Dempsey): A general system for mutual recognition of professional qualifications is provided for

under the EU Directives 89/48/EEC, 92/51/EEC and 2001/19/EEC and transposed into national law by my Department by means of Statutory Instruments No. 1 of 1991, No. 135 of 1995 and No. 36 of 2004.

This system applies to persons who have gained professional recognition in an EU member state and who wish to undertake that profession in another member state of the EU. The system provides that such professionals can apply to the designated competent authority for equivalent professional recognition in a host member state. Individual applications are assessed by the appropriate regulatory body in the host member state within the regulations governing admission to the particular profession in that state.

Where the competent authority establishes that there are substantial differences between the professional qualifications held by the applicant and those required of that profession in the host member state, a compensatory measure may be imposed, satisfactory completion of which must precede the grant of recognition.

In the case of recognition of secondary teachers, the competent authority in this State is the Registration Council. Applications for the recognition of qualifications for the purpose of registration are considered by the council at meetings that take place on a regular basis. In order for the council to assess the suitability of qualifications for teaching purposes, full details of the courses of study pursued must be submitted. A decision of the council is issued to an applicant within four months of receipt of a fully completed application for recognition together with all necessary supporting documentation.

The council will afford provisional recognition to an applicant on submission of an application supported by satisfactory documentary evidence of the applicant's professional standing as a second level teacher from a competent authority in another member state. This will allow the applicant to seek employment in State funded teaching positions in second level schools pending a decision of the Registration Council. However, failure to satisfactorily complete any compensatory measures imposed will lead to the withdrawal of provisional recognition.

If the Deputy has a particular person in mind he might refer him or her to the secretariat of the Registration Council at the offices of my Department in Athlone, where he or she will be advised as to how to apply for recognition of the qualifications in question.

Student Support Schemes.

114. **Mr. Ardagh** asked the Minister for Education and Science if a person (details supplied) in Dublin 6W will be assisted in relation to expenses towards their child's schooling. [18904/04]

Minister for Education and Science (Mr. N. Dempsey): The application referred to by the Deputy has been reviewed by my Department.

The position is that my Department considers that satisfactory education facilities exist in the State to meet the person's educational needs. In the circumstances, funding will not be made available by my Department for the person in question to attend school abroad.

Special Educational Needs.

115. **Mr. Crowe** asked the Minister for Education and Science if a person (details supplied) in Dublin 9 will receive a place in a special needs class. [18911/04]

Minister for Education and Science (Mr. N. Dempsey): I am aware that an application was made for the placement of the child in question in a special class in the school referred to the Deputy. I understand that there is currently no spare capacity in the class and that the pupil has been placed on a waiting list. The National Education Welfare Board is currently liaising with the child's parents with a view to securing an alternative placement.

116. **Mr. F. McGrath** asked the Minister for Education and Science if he will give an update on new services for children with acute special educational needs. [18917/04]

Minister for Education and Science (Mr. N. Dempsey): In Circular 24/03, the Department stated its intention to engage in discussions with representative interests with a view to developing a weighted system of teacher allocations for special needs teaching. The allocation of an additional 350 teaching posts for special needs and a new system for the allocation of resources for special needs in primary schools have now been approved.

The new system will involve a general weighted allocation for all primary schools to cater for pupils with higher incidence special educational needs, borderline mild and mild general learning disability and specific learning disability, and those with learning support needs, that is, functioning at or below the tenth percentile on a standardised test of reading and/or mathematics. It will also allow for individual allocations in respect of pupils with lower incidence special educational needs, which are those pupils referred to by the Deputy.

Details of the weighted system are outlined in Circular SP ED 09/04 which may be accessed on my Department's website www.education.ie under children with special needs.

Teachers' Remuneration.

117. **Mr. Ring** asked the Minister for Education and Science the reason part time and substitute teachers who were involved in what was known as voluntary supervision were not given the once off payment as a token gesture for their efforts similar to other teachers; when this payment will be made; if he will place persons in this position

[Mr. Ring.]

on a pay scale that equals their service in the profession; and when the backpay due to them will be paid. [18924/04]

Minister for Education and Science (Mr. N. Dempsey): The arrangements sought by and agreed with the teacher unions in relation to payment of supervision/substitution work carried out in the 2001-02 school year provided that permanent, temporary and eligible part-time teachers who were part of the allocation of staff of the school and who served in the school year were eligible to claim payment. Permanent and temporary whole-time teachers who were certified as having engaged in voluntary supervision/substitution over and above timetabled hours qualified for payment of the full amount. Eligible part-time teachers qualified for payment on a pro-rata basis.

Considerable agreement has been reached at the Teachers Conciliation Council on appropriate rates of pay for part-time teachers which are in accordance with the terms of the Protection of Employees (Part-Time) Work Act 2001. The rates have been applied in respect of the current school year and discussions are ongoing with a view to agreeing a mechanism for payment of arrears due as soon as possible having regard to the significant number of part-time teachers involved and the administrative difficulties associated in calculating the arrears due. Part-time qualified teaching service given since 20 December 2001 will be taken into account where appropriate.

School Staffing.

118. **Mr. Naughten** asked the Minister for Education and Science if an appointment of a resource teacher for a pupil (details supplied) in County Roscommon will be approved; and if he will make a statement on the matter. [18929/04]

Minister for Education and Science (Mr. N. Dempsey): I can confirm that my Department received an application for resource teaching support on 17 May 2004 for the child referred to by the Deputy. I understand that the child is due to commence school on 1 September 2004.

All applications for special educational resources received after 31 August 2003, including the application for the person in question are being considered by the National Educational Psychological Service, NEPS. In those cases, it is intended that the applicant schools will be notified of the outcome as soon as possible in advance of the commencement of the next school year.

Occupational Illnesses.

119. **Ms Cooper-Flynn** asked the Minister for Education and Science the number of teachers which have been approved for a disability pension from his Department on the grounds of job related stress. [18946/04]

120. **Ms Cooper-Flynn** asked the Minister for Education and Science the number of teachers that have been approved for disability pensions by his Department; and the illness or disabilities that have been cited as the reason for approval. [18947/04]

121. **Ms Cooper-Flynn** asked the Minister for Education and Science the number of teachers which have been seen by the occupational consultant (details supplied); the number of teachers which have been approved by same for a disability pension. [18948/04]

Minister for Education and Science (Mr. N. Dempsey): I propose to take Questions Nos. 119 to 121, inclusive, together.

Statistics regarding the numbers of disability pensions awarded to teachers by my Department are maintained on a calendar year basis. In 2003, the numbers of disability pensions awarded came to 122, whereas 132 were awarded in 2002.

The information sought by the Deputy regarding the specific illnesses or disabilities which have given rise to the award of disability pensions and regarding the numbers of cases in respect of which the opinion of a particular occupational health consultant has been sought, is maintained by the office of the chief medical officer for the Civil Service. My Department will contact the office of the chief medical officer in this regard and will communicate separately with the Deputy in the matter.

I should add that disability pensions are awarded where my Department is satisfied that the teacher in question is incapable of performing his or her duties by reason of permanent infirmity of mind or body. All applications by teachers for a disability pension must be assessed by the chief medical officer for the Civil Service. It is open to the chief medical officer to make a recommendation to my Department on the basis of the application or to seek a second opinion.

Vocational Education Committees.

122. **Mr. Ring** asked the Minister for Education and Science the reason the VEC positions are not being filled now during the annual general meeting of the county councils being held in June 2004; and the reason it is necessary to delay this selection until September 2004. [18952/04]

Minister for Education and Science (Mr. N. Dempsey): As the Deputy is aware, the Vocational Education (Amendment) Act, 2001 provides that in addition to the members elected by the county borough or council in the vocational education area and members elected by town councils, formerly urban district councils, the composition of vocational education committees shall also include two members elected by parents, two members elected by VEC staff and four members to be appointed who will be representative of other constituencies including students, voluntary organisations and the business community.

The election of VEC members by parents and staff is scheduled to take place in September next when schools are re-opened after the summer vacation. In the circumstances I am of the view that the election of members by local authorities should also take place in September next. Accordingly, I have asked the local authorities, through the Department of the Environment, Heritage and Local Government, not to elect members to the VEC at this time.

Consultancy Contracts.

123. **Mr. Durkan** asked the Minister for Edu-

cation and Science further to Parliamentary Question No. 280 of 17 February 2004, if he will give names of the consultants, PR agencies, groups or individuals referred to in his report received in this Deputy's office in June 2004; and if he will make a statement on the matter.
[18955/04]

Minister for Education and Science (Mr. N. Dempsey): The information requested by the Deputy is contained in the following tabular statement.

Department of Education and Science — Consultancy Projects 1999-2004

Consultants	Project	Cost
<i>Year 1999</i>		£
S. Ó hUallacháin	Interim Review of Institutes of Technology	4,935
ARCLINE	Archival Records — EDP & An Gúm	70,210
Ernst & Young	Review of Structures in the Building Unit	10,605
Sunglen	YEAR 2000	8,783
Sequel	Conversion — Year 2000	3,087
Wellington	Post-Primary Payroll	847
Core Computers	Primary/Post-Primary Payroll	14,098
Excelsan Computers	LOTUS Notes	1,759
Quest Computers	Post-Primary Database	46,222
Gartner Group	Web Research	331
Software Paths	Schools Database.	2,723
Oliver Freaney & Co.	Accountancy Services	54,599
Hay Management	Interview — Psychologists.	2,904
Maria Curley	Computer Aptitude Tests.	159
Sean Nolan	Review of Funding of Second-Level Schools.	2,400
Prospectus	Business Planning Review of Special Education Unit	69,824
WRC Social and Economic Consultants	Review of VTOS	17,480
WRC Social & Economic Consultants	Women's Education Initiative	20,100
Noel Lindsay	Savings and Loan Fund for Adult and Continuing Education	3,000
Deloitte & Touche	Organisational Review of the Department	25,477
Economics Dept — UCD.	To assess both quantitatively and qualitatively the social and economic contribution of the proposals contained in the Department's initial outline of priority needs for the forthcoming National Development Plan and Community Support Framework, for the period 2000-2006	4,750
<i>Year 2000</i>		£
Prospectus	Business Planning & Partnerships	17,949
Prospectus	Review of Special Education	26,645
Prospectus	Staff Survey on Internal Communications	23,262
Deloitte & Touche	Organisational Review	35,214
Ernst & Young	Review of Work in Building Unit	15,137
Oliver Freaney & Co.	Third Level Finance Accountancy	19,950
S. O'hUallacháin	Interim Review of Institutes of Technology	1,100
Gartner Group	Research Advisory Services (I.T.)	34,878
Quest Computing	PPP UPD 2 Programme Change	207
ICON Systems	Special Educ. Document Management Systems	20,766
Software Paths	Further Development Schools Extract Data	3,376
Core Computers	Post-Primary Payroll	2,744
Core Computers	Primary Payroll	4,068
Wellington Computers	Primary Payroll	14,208
EPS Software	Lotus Notes Development	18,377
LAN Communications	E-Mail Messaging MS	4,828
	Mail for NEPS	7,110

Consultants	Project	Cost
CARA	Infrastructure Wiring Course	1,688.00
Version 1 Software	Primary Statistics	21,598.00
Your Questions Answered (C. Sheffield)	Employee Assistance Service Review	4,090.00
Dermot Rochford	Review of Employee Assistance Scheme	8,894.00
Lesley Dee	Orchard Cope Foundation	5,075.00
Micheál Ó Flannagáin	Review of Special Educational Provisions for Students with Disabilities.	8,684.00
P. Ó Ríordáin	Superannuation Code Training	1,003.00
Dennehy Associates	PR Consultancy	19,360.00
Crowleys — DFK	ESF Verification Report	69,088.00
Price Waterhouse	Evaluation of the Department's Schools IT 2000 Programme	24,200.00
Inishowen Technology	School Information and Communication Technology	16,800.00
NUI — Maynooth	Adult Education Green & White Papers	35,000.00
WRC Social and Economic Consultants	Review of VTOS	11,654.00
WRC Social and Economic consultants	Women's Education Initiative	20,100.00
Noel Lindsay	Savings and Loan Fund for Adult and Continuing Education	2,000.00
Dermot Rochford	Staffing resource and organizational needs for the NQAI, FETAC and HETAC	14,336.08
Eustace Patterson Ltd	Review of Gaisce	15,157.00
The Children Research Centre, Trinity College	Preparation of the National Youth Work Development Plan	54,300.00
Farrell Grant Sparks	Schools Bundle/CSM PPP projects	113,426.47
Dr. Peter Renshaw	Irish Academy for the Performing Arts.	4,115.00
Farrell Grant Sparks	To report under Section 20 of RTC Act 1992	32,017.18
IPA (Dermot Rochford)	The Staffing needs of Administration office in Tourism College Killybegs	4089.90
Tony Bromwell	Review of safety Procedures in Lisnagry, Co. Limerick	3,534.00
WRC Consultants	Improving effectiveness of VTOS	29,140.00
<i>Year 2001</i>		£
EPS Software	Lotus Notes Development	1,361.25
Core Computers	Corepay 2000	7,475.50
Version 1 Software	Software Development	62,203.96
ICON Systems	Document Management System	19,924.00
Connect Business Solutions	Lotus Notes	15,471.00
Wellington Computer Systems	Capitation System for Primary Schools	57,164.00
Gartner Ireland Ltd	Research Advisory Services	20,509.19
Dennehy Associates	Public Relations	78,630.00
Sean Cromien	Review of the Department's Operations, systems and staffing needs.	16,500.00
Prospectus	Internal Customer Service Action Plan and Business Planning	4,848.00
Micheál Ó Flannagáin	Task Force on Autism	35,827.29
Eamon McGuinness	Task Force on Dyslexia	14,134.90
Coras Info Consulting Ltd	Software Payments Database	18,937.50
Mary Browne	Preparation of Asset Register	300.00
Mazars Consulting	Implementation of Corepay for Department	103,604.85
Peggy O'Riordan	Training on Superannuation Scheme	5,032.32
Jack O'Brien	Review of Music Provisions in VECs	2,500.00
P.O'Sionnaigh	Technical Assistance to Post-Primary Building Unit	17,000.00
Dermot Rochford	VEC Staffing Study	53,331.47
PricewaterhouseCoopers	Review of Financial Guidelines	7,440.00
Jonathan Williams	Editing of Reports	550.00
Michael Collins	Architectural Advice	20,400.00
Eddie Leane	Training of Staff on Financial System in PPBU.	569.00
Sean Ó Fiachra	OECD INES Network C. Development of a new Governing Structure for the Education Research Centre in Drumcondra	8,321.00
Dominic McCanny	Investigation for Personnel	2,062.43
National Women's Council of Ireland	Technical Support for Education Equality Initiative	65,792.00
AV Edge	TV Adult Literacy series	380,086.00
McIvor Consulting	Review of PLC sector	69,985.00
WRC Social and Economic Consultants	Women's Education Initiative	6,700.00

Consultants	Project	Cost
PricewaterhouseCooper	Evaluation of Department's Schools IT 2000 programme	24,000.00
Work Research Co-operative, Social and Economic Consultants Ltd	Independent assessment of the young People's Facilities and Services Fund	22,848.00
Connect Business Systems	Engineering Services	10,251.00
The Children Research Centre, Trinity College	Preparation of the National Youth Work Development Plan	32,605.00
PricewaterhouseCooper	The impact of Schools IT2000	77,768.00
Farrell Grant Sparks	Schools Bundle/CSM PPP projects	224,583.50
Deloitte and Touche	National Maritime College of Ireland PPP	265,000.00
Jordan Akustik	Cork School of Music	4,405.63
Mr. Seán Nolan	Legal basis for the establishment of the Irish Academy for the Performing Arts	2,499.73
Educational Research Centre	Evaluation of the sole use of the — answer questions in Apprentice Tests	29,766.00
Anne Colgan	Task Force on Autism	10,000.00
Tony Bromwell	Review of safety Procedures in Lisnagry, Co. Limerick	1,923.00
McIver Consulting	Review of PLC sector	88,722.00
Options Consulting	Further Education consultancy	4,571.00
Eustace Patterson	Contribution to study of FIT	7,618.00
<i>Year 2002</i>		€
Dennehy Associates	Public Relations	8,443.65
Connect Business Solutions	Development Work on Lotus Notes	5,130.07
Dermot Rochford	Study of VEC Staffing Structure and Job Evaluation of Librarian (St. Catherine's)	25,606.50
Micheál Ó Flannagáin	Task Force on Autism	32,549.17
Version 1 Software	Software Development and Feasibility Study	16,087.07
Wellington Computer Systems	Euro Conversion for Primary Grants	6,766.19
Jack O'Brien	Report on the Composition and Structure of the NCCA and Future of St. Catherine's College	9,500.00
Declan Brennan	Qualification Allowance Appeals Committee	1,038.29
Icon Systems	Document Management Systems for Special Education	14,297.25
Eamonn McGuinness	Task Force on Dyslexia	3,740.00
Dominic McCanny	Investigation for Personnel	523.75
Tony O'Gorman	Managing Suicide Prevention in Schools	659.12
Sean Glennane	OECD Ines Network C Contract	3,561.67
Core Computer Consultants	Core pay for Primary/Post Primary payroll	64,009.32
System Dynamics Solutions Ltd	Development + Support with Lotus Notes applications	58,310.03
Helen Leonard	Survey to evaluate pay of Library staff in St. Catherine's	3807.36
IPA	Providing Quality Service	1,000.00
Mazars Consulting	Corepay Support	22,997.18
A& L Goodbody	PPP Projects	3,840.79
Gartner Ireland	Overview Assessment of draft IT Strategy	6,050.00
Occupational Health Consultants	Asbestos Lecture	751.73
National Women's Council of Ireland	Technical Support for Education Equality Initiative	87,000.00
AV Edge	TV Adult Literacy Series	469,201.00
McIvor Consulting	Review of PLC Sector	48,164.96
Mazars and McIvor	Staffing and Structure Review of National Adult Learning Council	49,948.00
AHEAD	Review of Disability Needs in Further Education	38,000.00
Deloitte and Touche	National Maritime College of Ireland PPP	119,185.00
Cynthia Deane	Educational Disadvantage Forum	6,050.00
McIver Consulting	Review of PLC sector	48,164.00
Vision One Software Ltd	Feasibility study of adult education database	66,631.00
Eustace Patterson	Contribution to study of FIT	7,682.00
Mazars McIver	Assessment of staffing requirements of National Adult Learning Council	4,695.00
<i>Year 2003</i>		€
Declan Brennan	Qualification Allowance Appeal Committee	2,431.20
Core Computer Consultants	Corepay — Primary	8,861.74
Systems Dynamics Solutions	PQ System Development and Lotus Notes Support	6,685.25

Consultants	Project	Cost
JJ O'Dwyer + Associates	Review of Partnership in Department	9,740.50
Sean Glennane	OECD Ines Network C Contract	12,666.53
Icon Systems	Special Education Document Management	13,310.00
Giant Accountancy Services	Reading Recovery Study	850.00
Eamonn McGuinness	Advisory Committee of the deaf and hard of hearing	32,836.14
Micheal Ó Flanagan	Applications for students with disabilities for equipment/ Steering Group for Autism at Middletown Centre, Armagh	16,911.02
Michael Collins Associates	Architectural Advice	28,059.97
IPA	Providing Quality Service/Implementation of Devolved Control	13,705.00
Client Solutions Ltd	Web Development	7,970.88
Dr Maeve Martin	Desk Study on Montessori Teachers Qualifications	6,300.00
Ashby Food Safety Associates Ltd	Tendering process for light equipment	1,452.00
Dr. Jane Pillinger	For work on Equality/Diversity Booklet	
Jack O'Brien	State Financial Support for and Recognition of Parental Representation at Second Level	4,000.00
Datanet Ltd	Feasibility Study on Providing Broadband Connectivity to Schools	78,974.74
John Coolahan	Writing of Eurydice Dossier	6,866.40
Indecon Consultants	Report of the Socrates and Leonardo daVinci programmes	97,000.00
Dr. Tom Mitchell	Irish Academy of Performing Arts	3,900.00
Accenture	Consultancy on FMS project	87,429.89
Talbot Associates Ltd..	Review of Supply Teacher Scheme	114,300.00
Audit of Enrolments & Use of Release Time Scheme in Primary Schools	PricewaterhouseCooper Ltd.	57,000.00
Deloitte and Touche	National Maritime College of Ireland PPP	72,863.78
Mazars McIver	Assessment of staffing requirements of National Adult Learning Council	42,253.00
Cooney Carey	Study on transitional difficulties experienced by schools following the phasing out of Community Employment schemes	37,401.00
<i>Year 2004 (to May 2004)</i>		
Market Research Bureau of Ireland	Qualitative Depths	8,712.00
Icon Systems	Special Education Management System	1,331.00
Mazars	Professional fees for Finance Unit Support	7,461.40
Carr Communications	Facilitation at official function	1,900.00
Butler Group UK	Ptinum Subscription Service	11,676.56
Sean Glennane	Review of Post Primary Special Needs Application	12,386.32
Michael Ó Flanagan	Review of Post Primary Special Needs Application	10,932.90
Softex	Consultancy on QSC targets	2,420.00
Market Research Bureau of Ireland	Customer Service Survey	10,073.25
Carr Communications	Advice, support and assistance for YES process	14,74.31
Fiona Looney	Consultancy for YES process	750.00
Liam Cahill	Consultancy for YES process	250.00
Cahill's Sport Emporium	Speech for Minister	900.00

Higher Education Grants.

124. **Mr. Durkan** asked the Minister for Education and Science if persons (details supplied) in County Kildare can qualify for higher education grant; and if he will make a statement on the matter. [18956/04]

Minister for Education and Science (Mr. N. Dempsey): The decision on eligibility for third level grants is a matter for the relevant local authority or VEC. These bodies do not refer individual applications to my Department except, in exceptional cases, where, for example, advice or instruction regarding a particular clause in the relevant scheme is desired. It appears that no such advice or instruction has, to date, been sought in the case of the students, referred to by the Deputy.

If an individual applicant considers that s/he has been unjustly refused a maintenance grant, or that the rate of grant awarded is not the correct one, s/he may appeal to the relevant local authority or VEC.

Where an individual applicant has had an appeal turned down, in writing, by the relevant local authority or VEC, and remains of the view that the body has not interpreted the schemes correctly in his/her case, a letter outlining the position may be sent to my Department. Alternatively, as already indicated, the local authority or VEC may, itself, in exceptional circumstances, seek clarification on issues from my Department.

However, it is not open to me, or my Department, to depart from the terms of the maintenance grants schemes in individual cases.

Sports Funding.

125. **Mr. F. McGrath** asked the Minister for Arts, Sport and Tourism if he will give the maximum support and advice to a club (details supplied) in Dublin 9; and to work closely with the club in seeking a pitch. [18915/04]

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. While this scheme does fund pitch development work, it specifically excludes support for the purchase of premises or sites.

Grants totalling €303,158 have been allocated to the club in question since 1999 under the sports capital programme including a grant of €50,000 provisionally allocated under the 2004 programme. Of these allocations approximately €203,000 was towards the development of a full size sand based pitch and an all weather training facility. To date all of the funding allocated to the club has been paid with the exception of the 2004 provisional grant which I announced last month and which was towards replacing the roof of their main hall.

It is open to the club, should it wish to do so and should it have a project which satisfies the terms and conditions of the programme, to submit an application to the 2005 sports capital programme when that scheme is publicly advertised towards the end of this year.

126. **Mr. F. McGrath** asked the Minister for Arts, Sport and Tourism if he will give the maximum support and assistance to a group (details supplied) in Dublin 9 in their efforts to find a den or to point them in the direction in getting a premises on the northside of Dublin. [18916/04]

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. It is advertised on an annual basis. Projects under the programme must be directly related to the provision of sport and recreation facilities. The programme does not assist in the purchase of sites, premises or personal equipment but rather only projects of a capital nature, which, for the purpose of the programme, are defined as expenditure on the improvement or construction of an asset and includes any costs directly incurred in this process and purchase of permanently based sports equipment, that is, equipment which is securely housed and will remain in use for five years or more.

My Department can only assist the organisation in question should it have a project in keeping with the basic criteria for the sports capital programme, as listed above, in which case it is

open to them to apply under the 2005 sports capital programme, which is likely to be advertised towards the end of this year. The organisation has not applied to the programme in recent years. It can contact the sports unit of my Department if any further information is required.

Medical Cards.

127. **Mr. G. Mitchell** asked the Minister for Health and Children if the SWAHB will issue a medical card to a person (details supplied) in Dublin 24. [18907/04]

Minister for Health and Children (Mr. Martin): Responsibility for the provision of a medical card is, by legislation, a matter for the chief executive officer of the relevant health board/authority.

However, persons suffering from any of the following conditions, who are not already medical card holders, may obtain without charge drugs and medicines for the treatment of that condition under the long-term illness scheme: mental handicap; mental illness — for persons under 16 years only; phenylketonuria; cystic fibrosis; spina bifida; hydrocephalus; diabetes mellitus; diabetes insipidus; haemophilia; cerebral palsy; epilepsy; multiple sclerosis; muscular dystrophies; parkinsonism; thalidomide; and acute leukaemia.

The individual concerned has an illness that is covered under the long term illness scheme.

Health Board Services.

128. **Mr. G. Mitchell** asked the Minister for Health and Children if the SWAHB will replace the spectacles of a person (details supplied). [18908/04]

Minister for Health and Children (Mr. Martin): The provision of optical services, and any matters relating to such provision, within its functional area, is a matter for the relevant health board or the Eastern Regional Health Authority. In the case referred to by the Deputy this responsibility lies with the ERHA.

In the circumstances my Department has requested the regional chief executive of the ERHA to reply direct to the Deputy.

Medical Cards.

129. **Mr. Crowe** asked the Minister for Health and Children the reason a person's (details supplied) medical card was stopped. [18919/04]

Minister for Health and Children (Mr. Martin): Responsibility for the provision of a medical card is, by legislation, a matter for the chief executive officer of the relevant health board/authority. My Department has therefore asked the regional chief executive of the Eastern Regional Health Authority to investigate the matter raised by the Deputy and to reply to him directly.

Health Board Services.

130. **Mr. F. McGrath** asked the Minister for Health and Children if a person (details supplied)

[Mr. F. McGrath.]
in Dublin 7 will be granted full assistance and to ensure their dignity is safeguarded. [18920/04]

Minister for Health and Children (Mr. Martin): As the Deputy will be aware, the provision of health services in the Dublin 7 area is, in the first instance, the responsibility of the Northern Area Health Board acting under the aegis of the Eastern Regional Health Authority. My Department has, therefore, asked the chief executive of the authority to investigate the matter raised by the Deputy and reply direct to him as a matter of urgency.

Adoption Services.

131. **Mr. Penrose** asked the Minister for Health and Children if it is the policy of health boards not to accept outside help in relation to home study courses for adoptive parents, and in particular where a person (details supplied) is a licensed clinical social worker and a national qualified social worker, and who is prepared to offer such courses, to a health board to enable adoptive parents to undertake the necessary home study course prior to being approved for adoption; and if he will make a statement on the matter. [18931/04]

132. **Mr. Penrose** asked the Minister for Health and Children if he will confirm having received the enclosed details from a person (details supplied) in County Westmeath; if he will take steps to deal with the situation; where there is not a sufficient number of home study courses provided for such persons; if he will take steps to expedite the provision of such home study course, wherever in the country for these persons; and if he will make a statement on the matter. [18932/04]

Minister for Health and Children (Mr. Martin): I propose to answer Questions Nos. 131 and 132 together.

A standardised framework for intercountry adoption assessment was introduced in 1999 to streamline assessments and to provide a transparent system centred on the child's best interests. When introduced, the framework was welcomed by both health boards and prospective adopters, and it is regarded very highly in countries from which Irish people adopt. The framework is being implemented nationally.

Assessments for intercountry and domestic adoptions are carried out by health boards or by registered adoption societies. At the outset of the process, applicants are placed on a health board/adoption society waiting list for assessment. The waiting list for assessment varies throughout the country. The assessment process itself involves a number of stages and would generally include an initial assessment, a considerable level of education/preparation work, including an exploration with prospective adoptive parents of the challenges and issues that are likely to arise when undertaking adoption, and a home

study assessment. The purpose of the assessment process is to determine whether applicants are suitable to adopt a child and the length of the process can vary between applicants depending on the particular circumstances of each case, bearing in mind at all times the best interests of the child.

The length of time it takes to complete the necessary assessment and the allocation of resources within the health board is a matter for the management of each individual health board and I understand that the social worker in question has been in contact with the relevant health board in this matter.

I am in receipt of representations from the named person and a reply will issue within the next week.

Medical Cards.

133. **Mr. McGuinness** asked the Minister for Health and Children if a medical card will be granted to a person (details supplied) in County Kilkenny on medical grounds; and if he will expedite a decision in the case. [18939/04]

Minister for Health and Children (Mr. Martin): Responsibility for the provision of a medical card is, by legislation, a matter for the chief executive officer of the relevant health board/authority. My Department has therefore asked the chief executive officer of the South Eastern Health Board to investigate the matter raised by the Deputy and to reply to him directly.

Nursing Home Subventions.

134. **Mr. McGuinness** asked the Minister for Health and Children if the balance of subvention due to Drakelands Nursing Home, Kilkenny, will now be paid immediately by the South Eastern Health Board in the case of a person (details supplied). [18940/04]

Minister for Health and Children (Mr. Martin): As the Deputy will be aware, the provision of health services in the Kilkenny area 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.

Driving Tests.

135. **Mr. Hogan** asked the Minister for Transport when a driving test will be arranged for a person (details supplied) in County Kilkenny; and if he will make a statement on the matter. [18918/04]

Minister for Transport (Mr. Brennan): The applicant has been placed on a cancellation list for a driving test at the Kilkenny driving test centre.

Airport Security.

136. **Ms Shortall** asked the Minister for Trans-

port if his attention has been drawn to reports in a Sunday newspaper (details supplied) to the effect that a reporter was able to clear security at Shannon airport in spite of having bomb-making components in their luggage on one occasion and in their hand luggage on another occasion; if he will carry out an investigation into this matter; and if he will make a statement on the matter. [18981/04]

Minister for Transport (Mr. Brennan): I am aware of the allegations contained in the Sunday newspaper referred to by the Deputy.

I have been advised that the baggage of the reporter presented at the check-in desk at Dublin Airport for an outward flight to Shannon Airport and at the passenger screening point for a return flight from Shannon to Dublin Airport did not contain any prohibited articles or materials which could cause an act of unlawful interference against civil aviation.

I am aware that the security screening equipment at Irish airports operates to internationally recognised standards and that the performance of screening personnel is kept under continuous review. If the baggage of the reporter contained any explosives or other prohibited articles, these would be detected through the screening processes.

Aviation security arrangements at Irish airports are kept under continuous review by my Department and the national civil aviation security committee. The committee is chaired by a senior official from my Department. The committee comprises representatives of Departments, Aer Rianta, airlines, the Garda Síochána, the Defence Forces, Customs and Excise, An Post, Irish Aviation Authority, the Irish Airline Pilots' Association and the regional airports.

Consultancy Contracts.

137. **Ms Shortall** asked the Minister for Transport if he will provide details of the cost of consultancies which he has funded in respect of Aer Rianta in 2003-04; if he will provide details of the first PWC report, the second PWC report, the Mazars report and the Farrell Grant Sparks report. [18988/04]

Minister for Transport (Mr. Brennan): In March 2003 PricewaterhouseCoopers, PWC, prepared certain financial information for the Department of Transport to assist it in giving policy advice to the Government concerning the programme for Government commitment that Shannon and Cork Airports would have greater autonomy and independence. This analysis of detailed projections provided by Aer Rianta was undertaken by PWC at a cost of €58,685, including VAT.

Following a public tender process conducted in accordance with EU public procurement procedures, my Department engaged a consortium of advisers in November last year comprising PricewaterhouseCoopers, Matheson Ormsby

Prentice and a UK based transport consulting firm, Steer Davies Gleave, to advise on all aspects of the preparations, procedures and implementation of the restructuring of the State airports. The matters covered by this contract include advice in relation to corporate finance issues, accounting and tax issues, economic regulation of airports and associated legal advice.

The advisers were not engaged to produce a report but rather to provide, *inter alia*, expert advice in relation to the options for giving effect to the Government decision of July last to establish the three State airports as independent autonomous authorities under State ownership. The precise cost of the advisers will ultimately depend on the level of expert resources necessary to bring this important project to fruition.

As part of its work, PWC assisted my Department in its analysis of revised and updated financial projections and data provided both by Aer Rianta at group level and by the chairmen-designate in conjunction with local Aer Rianta management at Shannon and Cork Airports. These working papers contain confidential and commercially sensitive information. They were, however, provided to Farrell Grant Sparks and Mazars who were engaged by ICTU and the Aer Rianta unions to examine the financial information on their behalf. Both of these companies entered into a strict confidentiality agreement with my Department in respect of these working papers. The arrangements relating to this latter consultancy, including the cost involved, are a matter between the unions and their advisers. However, at the request of ICTU, my Department agreed to make a contribution of €50,000 maximum towards the cost of the unions' financial advisers.

Registration of Title.

138. **Cecilia Keaveney** asked the Minister for Justice, Equality and Law Reform the position in relation to a Land Registry application for a person (details supplied) in County Donegal; and if he will make a statement on the matter. [18903/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I am informed by the Registrar of Titles that this is an application for transfer of part which was lodged on 13 August 2002. Dealing No. D2002WS006667K refers. I am further informed that this application was completed on 22 June 2004.

Refugee Status.

139. **Mr. Timmins** asked the Minister for Justice, Equality and Law Reform the position in relation to an application for refugee status from a person (details supplied); when this will be granted; and if he will make a statement on the matter. [18905/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): The person in question arrived in the State on 13 January 1999 and claimed asy-

[Mr. McDowell.]
 lum. The Office of the Refugee Applications Commissioner recommended that he should not be declared as a refugee and he was notified of this recommendation on 24 August 2001. He then appealed this recommendation to the Refugee Appeals Tribunal. Following an oral hearing, the original recommendation was affirmed and he was informed of this decision on 10 September 2002. On 13 November 2002, the applicant was granted leave in the High Court to initiate judicial review proceedings against the decision of the Refugee Appeals Tribunal. In a High Court judgment delivered on 25 June 2003 the decision of the Refugee Appeals Tribunal was upheld.

In accordance with section 3 of the Immigration Act 1999, the person concerned was informed on 8 July 2003 that it was proposed to make a deportation order in his case. He was given the options of making representations within 15 working days setting out the reasons he should not be deported, that is, be allowed to remain temporarily in the State; leave the State voluntarily before the order was made; or consent to the making of a deportation order. Representations have been received on behalf of the person concerned. His file will be considered within the terms of section 3(6) of the Immigration Act, 1999 and section 5 of the Refugee Act 1996 — prohibition of *refoulement*. I expect his case file to be submitted to me for consideration shortly.

Juvenile Offenders.

140. **Mr. Crowe** asked the Minister for Justice, Equality and Law Reform if his attention has been drawn to the case of a person (details supplied) in Dublin 24, who is currently in custody in Oberstown House for a variety of offences; if the relevant Garda authorities contacted social services regarding this person as per the Children Act; the reason no social worker was assigned; if the Garda authorities stress the need, urgency and priority of outside intervention; if a case study has been carried out on the person and the problems with their family and environment; if a social worker has been assigned to their case and will this be followed through on their release; the steps that are being taken by him and outside agencies to rehabilitate this person and to address the underlying problems associated with this person and their family; and if the Department experiencing similar difficulties regarding social services dealing with troublesome minors. [18921/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): The person referred to by the Deputy was committed on remand from the Children's Court to Oberstown House on 11 May 2004, with, as I understand, another court appearance scheduled for 7 July 2004. As the Deputy will be aware, responsibility for the administration of Oberstown boys' school comes under the aegis of the Department of Education and Science.

With regard to the Deputy's reference to the Children Act, I presume he is referring to section 59 of the Children Act 2001 under which the gardaí are obliged to inform the health board of a child in custody on suspicion of committing an offence if they reasonably believe that the child is in need of care or protection. Section 59 of the Children Act 2001 has not, as yet, been commenced. Responsibility for the implementation of this section of the Act lies with the Department of Health and Children. The assignment of social workers is normally a matter for the relevant health board. I have been advised by the Garda Commissioner that the Garda authorities have been in touch with personnel from the South Western Health Board in relation to the welfare of the child in question and also have liaised with the Traveller unit department in South Dublin County Council.

I can also inform the Deputy that this youth is already under the supervision of the Probation and Welfare Service having first been referred to that service by the courts over two years ago. I am also in a position to confirm that a case study has been carried out on this youth by the Probation and Welfare Service and the gardaí are aware of the Probation and Welfare Service involvement in this specific case.

Dublin Bombings.

141. **Mr. F. McGrath** asked the Minister for Justice, Equality and Law Reform if there is a Garda record of a taxi being hijacked and taken to the Dublin mountains the night before the 1974 Dublin bombings; and if he will make a statement on the matter. [18922/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I am informed by the Garda authorities that there is a record on Garda files of two taxis being hijacked in separate incidents on 16 May 1974, the night before the Dublin bombings, but it is not clear where either was subsequently taken.

Prisoner Death Inquiry.

142. **Mr. Penrose** asked the Minister for Justice, Equality and Law Reform if he will indicate if an investigation is being held into the circumstances surrounding the death of a person (details supplied); and if he will make a statement on the matter. [18933/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I am informed that a comprehensive investigation into the circumstances of this sad event by the governor of Mountjoy Prison is nearing completion and he is expected to report to me in a matter of days.

I would also like to inform the Deputy that, in common with all deaths in prison custody, the gardaí are also conducting their own investigation into this incident. In addition, this death, as with all deaths in prison custody, may be subject to an inquest before a Coroner's Court.

Closed Circuit Television Systems.

143. **Mr. S. Ryan** asked the Minister for Justice, Equality and Law Reform if he will report on the need to provide closed circuit television in Swords, County Dublin; the timescale for same; and when the people of Swords can expect this to be provided. [18986/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I am informed by the Garda authorities that an application for a Garda CCTV system in Swords has been received by the CCTV Advisory Committee. This committee was established by the Garda Commissioner to advise on all matters relating to CCTV systems. This application is currently under consideration by the advisory committee along with applications from other towns throughout the country.

However, it should be noted that there are 17 CCTV schemes nationwide which are either at installation, tender or planning stages that will have to be completed prior to the initiation of future CCTV projects.

Turbary Rights.

144. **Mr. Connaughton** asked the Minister for the Environment, Heritage and Local Government his Department's policy on the question of turf cutting on special areas of conservation bogs in so far as the bogs that were so classified SAC in 2003 and 2002; if the derogation of ten years that was given to other bogs will be applied in this situation; the compensation rates that are available for such bogs if farmers are not allowed to cut turf; and if he will make a statement on the matter. [18901/04]

Minister for the Environment, Heritage and Local Government (Mr. Cullen): Peat extraction for domestic purposes in candidate special areas of conservation, cSACs, does not generally result in significant damage to the conservation value of sites in the short term. In this context, arrangements announced in 1999 provided that domestic turf cutting in cSACs could be allowed to continue for up to ten years from date of notification of proposed designation, in order to give owners time to make new arrangements for alternative sources of supply, save in exceptionally sensitive parts of the bogs which would be identified by my Department. Similar arrangements now apply to additional bogs proposed for designation more recently, as referred to in the question.

The following rates of compensation are payable for raised bogs under the cessation of turfcutting scheme on cSACs. These rates are currently being reviewed by my Department. The rates are: €1,650.66 per acre for freehold title — a contribution will be paid towards legal costs in this instance; €1,396.71 per acre for turbary rights — no contribution payable towards legal costs is payable in this instance; and €253.95 per acre for fee simple title — a contribution will be paid towards legal costs in this instance.

Most damage to cSACs for peat extraction is caused by commercial and industrial operations. In order to maintain the conservation value of these sites, such damaging operations have stopped or are being phased out over as short a period as possible. Commercial operators must consult my Department and cutting is only permitted to continue in the short term in exceptional circumstances. Each case is assessed on an individual basis and, if it is found that cutting must cease in order to protect the cSAC, compensation will be paid for proven actual loss.

Social Welfare Schemes.

145. **Mr. Ring** asked the Minister for Social and Family Affairs if she will furnish all details of the stores and companies who submitted tenders to supply the Western Health Board with furniture and electrical goods for persons applying for assistance under the supplementary welfare allowance scheme; and if the quotations given were inclusive of VAT. [18925/04]

Minister for Social and Family Affairs (Mary Coughlan): The legislation governing the supplementary welfare allowance scheme provides that responsibility for its administration lies with the relevant health board. It is a matter for the Western Health Board, when it has decided that goods or services should be supplied to persons in exceptional circumstances, to make necessary arrangements.

For some years the Western Health Board has operated a policy of using a central supplier/s for the types of goods in question. The board has found that this policy works well from the point of view of efficiency and good value for money. The contract to supply the type of goods in question is reviewed regularly. The latest contract was put in place approximately two months ago.

It was open to suppliers, in response to the board's request for proposals, to apply for the contract for the entire functional area of the board or to submit tenders for parts of the area.

As I said in response to a previous question on this issue, I am assured by the board that the arrangements made were in compliance with best procurement practices. However, I have no involvement in the procedures in question and I would not consider it appropriate for me to be involved in conveying information on the lines requested by the Deputy.

Social Welfare Benefits.

146. **Mr. Durkan** asked the Minister for Social and Family Affairs if a person (details supplied) in County Kildare qualifies for mortgage support; and if she will make a statement on the matter. [18970/04]

Minister for Social and Family Affairs (Mary Coughlan): The South Western Area Health Board was contacted again regarding this case and has confirmed that the position remains as

[Mary Coughlan.]
outlined in my reply to Question No. 152 which I answered for the Deputy on 1 April 2004.

Payment of a mortgage interest supplement ceased following an increase in the level of household income which meant that the person concerned had sufficient means to provide for the interest portion of her mortgage repayments.

If the person concerned considers that her circumstances have changed and she wishes to re-apply for a mortgage interest supplement she should contact the community welfare officer at her local health centre so that an assessment of her current circumstances can be carried out.

147. **Mr. Durkan** asked the Minister for Social and Family Affairs the entitlement of a person

(details supplied) in County Kildare in respect of rent allowance; and if she will make a statement on the matter. [18976/04]

Minister for Social and Family Affairs (Mary Coughlan): The South Western Area Health Board was contacted regarding this case and has advised that the amount of rent supplement in payment was determined in January 2004 on the basis of the income details furnished by the person concerned at that time.

Recently the board was made aware of changes in the person's financial circumstances and as a result a review of the case is currently being carried out in order to determine the appropriate amount of rent supplement payable.