



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

Tuesday, 16 November 2004.

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DÁIL ÉIREANN

—
Dé Máirt, 16 Samhain 2004.
Tuesday, 16 November 2004.
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Chuaigh an Ceann Comhairle i gceannas ar 2.30 p.m.

—
Paidir.
Prayer.
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Ceisteanna — Questions.

Departmental Bodies.

1. **Mr. Kenny** asked the Taoiseach the projected total cost in 2004 of the communications unit in his Department; and if he will make a statement on the matter. [21432/04]

2. **Mr. Sargent** asked the Taoiseach the projected cost of the communications unit in his Department for 2004; the way in which this compares with 2003; and if he will make a statement on the matter. [26388/04]

The Taoiseach: I propose to take Questions Nos. 1 and 2 together.

The projected total cost of the communications unit for 2004 is €299,921, of which €122,990 is a direct cost to my Department with, on average, €35,386 being borne by the five other Departments that have staff seconded to the unit. The cost for the unit in 2003 was €288,737.

The unit provides a media information service to Ministers and their Departments. It furnishes news updates and transcripts, which ensure Departments are kept informed in a fast and efficient manner of relevant news developments. Departments are able to provide a better service to the public this way.

The communications unit operates 18 hours a day based on a flexible rota of three working shifts. The unit is staffed by six established civil servants, five of whom are seconded from other Departments. The work of the unit means that Departments have greatly reduced their use of external companies and ensures they no longer duplicate work such as transcripts and tapes. The unit is estimated to save Departments in excess of €200,000 per annum.

Mr. Kenny: If all that is being collected are newspaper cuttings and relevant current affairs information, why is it not possible to place the

information in the Oireachtas Library daily so that everybody can access it?

Did the communications unit, for example, monitor the information given by an officer from the Department of Community, Rural and Gaeltacht Affairs yesterday? I heard the officer give that information and am glad the Minister, his driver and the tourists involved will be safe and well. However, that information was clearly incorrect. During the discussion on the radio about the accident, I received a text message from somebody in Killarney informing me that the car had been burned out. Did the communications unit monitor the radio report? It may be that the officer in question was not given the relevant information. However, if the unit works 18 hours a day, the information it provides should be correct. If it is only transcripts and newspaper cuttings that are available, why can they not be placed in the Oireachtas Library so that Members from all parties can access the same information as is supplied to Departments and Ministers?

The Taoiseach: I do not think the Department of Community, Rural and Gaeltacht Affairs issued a statement yesterday. The only statements were media reports.

Mr. Kenny: An officer from the Department was on the radio commenting on the accident.

The Taoiseach: The only news I heard was what was on the headlines and the report that the car was burned out. I did not hear any more on it.

In the normal course of events, the unit merely reports the headlines of the main national news, the larger Dublin local news stations, Independent Network News, INN, which is broadcast throughout the country, and the morning newspapers. It merely provides a list of what is in the news. The newspapers are in the Oireachtas Library. The unit's report is merely a list and comes without comment. It is purely a list of what has been put out by the media. We have shown copies of the report to people around the House several times and people have seen them around. There is nothing extraordinary about them. They consist of simple data prepared by six civil servants. The Deputy would not be any more informed by them than he would by his text machine.

Mr. Kenny: Do they know they work for a socialist? If that is the Taoiseach's business, he could surely ensure the information is dispensed so the rest of us can know what is going on.

Mr. Hogan: Democratic centralism.

Mr. Sargent: Will the Taoiseach confirm my understanding that political appointees benefit from the same pay rises as Civil Service colleagues, for example, benchmarking and national

[Mr. Sargent.]
wage agreements? Is that the case? Will he indicate, from the figures he provided, how many special advisers or programme managers have been employed since the general election of 2002? Is there a code of practice in place with regard to divulging who has been employed by, the Taoiseach and Cabinet Members as special advisers? I appreciate the Taoiseach is always quite open——

An Ceann Comhairle: This question refers specifically to the communications unit.

Mr. Sargent: I appreciate the Taoiseach is always quite open about the communications unit and advisers. Is there a code of practice in place that is known to other Cabinet Members when they are asked questions of a similar nature about the communications unit or their position with regard to advisers? There has been some reluctance, certainly on the Tánaiste's part, to divulge information, which would have been seen as straightforward——

An Ceann Comhairle: The question refers specifically to the communications unit in the Taoiseach's Department.

Mr. Sargent: Is there a code of practice in place for all Cabinet Members in that regard?

The Taoiseach: If I may take the next question, I can answer the Deputy's question with it.

Departmental Appointments.

3. **Mr. Kenny** asked the Taoiseach the duties and responsibilities of the special political advisers as appointed by him; and if he will make a statement on the matter. [21433/04]

4. **Mr. Rabbitte** asked the Taoiseach the role and duties of persons appointed by him as special or political advisers; the total cost in terms of payroll and expenses arising from these appointments; and if he will make a statement on the matter. [23379/04]

5. **Mr. J. Higgins** asked the Taoiseach the responsibilities of the special political advisers appointed by him; the total cost of these appointments; and if he will make a statement on the matter. [24147/04]

6. **Mr. Sargent** asked the Taoiseach the responsibilities of the special political advisers appointed by him; the cost of these appointments; and if he will make a statement on the matter. [26389/04]

The Taoiseach: I propose to take Questions Nos. 3 to 6, inclusive, together.

The role of the advisers is to keep me informed on a wide range of issues, including business, financial, economic, political, administrative and

media matters. Under the direction of the programme manager, their primary function is to ensure effective co-ordination in the implementation of the programme for Government.

Each of the advisers liaises with a number of Departments and acts as a point of contact in my office for Ministers and their advisers. My advisers attend meetings of Cabinet committees and cross-departmental teams relevant to their responsibilities. They also liaise, on my behalf, with organisations and interest groups outside of Government.

In addition, a number of my advisers have specific responsibilities regarding speech drafting. My programme manager meets other ministerial advisers on a weekly basis. He monitors and reports to me on the programme for Government. The current annual salaries of my special advisers in total is €858,846. The total cost of expenses from June 2002 to end October is €10,788.70.

In reply to Deputy Sargent, they are mainly paid rates, which are tied to Civil Service rates and benchmarking also applies. The numbers have not changed, other than the filling of one vacancy. That position was for an adviser with responsibility for the co-ordination of Ministers of State. One adviser deals with Ministers of State and there was a vacancy for this position, which was filled in the past month. They are obliged to give information in answer to questions from any other Minister. Any of the advisers or for that matter civil servants, but particularly advisers who are outside of the Civil Service quota, have to answer parliamentary questions.

The Standards in Public Office Commission is responsible for policing the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001. The special advisers have obligations under those Acts, as do I. It is my duty to make sure they complete certain forms and include all relevant information. I am required to lay these documents before the Houses of the Oireachtas in addition to copies of their contracts, statements of relationships and their qualifications for the posts. I am also required to lay before the Houses copies of their declarations of interests. I have complied fully with these obligations.

Mr. Kenny: Does any politically appointed adviser in the Taoiseach's Department deal with e-Government? This matter was the responsibility of the former Minister of State, Deputy Hanafin, but I am not sure what is the position at present.

Are the guidelines that bind politically appointed advisers in terms of their duties published? Have any changes been recently introduced to these guidelines? Earlier this year or late last year it emerged that a prominent political adviser to the Taoiseach was at least associated

with directions to a Minister about allocation of public funding for facilities down south. Has that situation changed or are these political advisers still entitled to give advice that might be accepted or rejected by a Minister as the case may be?

Who is in charge of e-Government? Are these guidelines available on the website or are they published? Have any changes to them been introduced recently and has the practice of politically appointed advisers more or less dictating what Ministers should do come to an end? In other words is the “Yes Minister” period over?

The Taoiseach: Mr. John Lahart, adviser to the Minister of State and Chief Whip, Deputy Kitt, is responsible for e-Cabinet and he is involved in that work.

The conditions under which advisers are covered are included in a number of legislative provisions. Clarification on the role of advisers was sought in the House at the end of last year or the beginning of this year, specifically whether they could be made permanent, the basis on which it could be done and their pensionability. Conditions were written into the Public Service Management (Recruitment and Appointments) Act which effectively mean such people cannot be made permanent. Deputy Kenny will be familiar with the old arrangement whereby persons could be appointed by the Government in the national interest, as they were on a number of occasions. However, that provision has been eliminated and such persons must now re-apply through open competition rather than by any other arrangement. The amendment to the Civil Service Commissioners Act 1956 by the Act to which I referred was made as a result of the issue being raised during Taoiseach’s Question Time.

All special advisers must comply with the ethics in public office provisions. That has all been published and the provisions cover both their contracts and any engagements in which they are involved. It is almost the same as for office holders who must also comply with the conditions. All Government advisers have complied with their obligations except one adviser, who is not one of mine and is new to his position, who has yet to complete his form.

Mr. Rabbitte: Will the Taoiseach inform the House if different rules or yardsticks are applied to fix the salary entitlements of people recruited from the public sector as distinct from those recruited from the private sector to work in the Department of the Taoiseach and throughout the public service? What are the responsibilities of the person recruited to the Department of the Taoiseach on 1 October this year? Why does the total cost for advisers referred to by the Taoiseach appear to be a significant increase on the figure of €750,000, which he give in answer to this question in February of this year?

What rules, if any, apply to the kind of work that may be engaged in by people exiting the service? Is there a period within which they may not deal with the Department in which they worked? Do any rules apply to recruiting people from sensitive positions outside the public service who might later revert to those positions in possession of a great deal of valuable information about matters pending at the heart of Government and beyond the Department in which they were employed? Are these areas unregulated and does the Taoiseach have any apprehensions about them?

The Taoiseach: The only change is the most recently filled vacancy, namely, the special adviser with responsibility for co-ordinating work between all the Ministers of State who was appointed in the past month. Other than the Chief Whip, no other Minister of State has an adviser.

The rates of pay total €858,846. Other than benchmarking, there has been no review or alteration of the rates and there has been no other change in personnel. Therefore, there should be no reason for the position to change.

There are two aspects to the conditions of appointment. The Public Service Management (Recruitment and Appointments) Act applies to special advisers. That covers their positions in the Civil Service and allowed those advisers to remain in office when the appointing Government left office. However, that has now been excluded. It has not been used in the last decade but it had been used in the past. That Act was changed and they cannot do that now.

There are some changes in the proposals about the code of conduct for special advisers. A new Civil Service code of standards and behaviour was approved by the Government earlier this year. Apart from the provisions relating to civil servants and politics, provision has also been made in the code to include its applicability to the posts of Government press secretary, deputy Government press secretary, special advisers and special assistants in Ministers’ offices. I cannot recall exactly what the conditions are but I will circulate a note to Deputy Rabbitte on what changes have been made. I believe it dealt with the issue of a gap from the time they can leave to taking up a position in a sensitive area.

With regard to staff coming from Government Departments and from the private sector, the rule of thumb, although it must be agreed with the Department of Finance and is not always adhered to, is that an increase of roughly 10% is given. However, it is a matter to be agreed between the line Minister and the Minister for Finance. That would apply equally in the public sector as it would in the private sector.

Mr. Rabbitte: I did not appreciate that political advisers were subject to benchmarking. Against whom are they benchmarked? What are the criteria? It is a significant increase in six months.

The Taoiseach said the new appointee is responsible for co-ordinating the Ministers of State. Is this a completely new appointment? What does it mean? Does it mean rounding them up every so often and checking what they are doing? I can understand the need for that but there is an additional cost to the taxpayer. Did this emerge from Inchydoney? What gave rise to it? There have been more solo runs by Ministers of State since the Taoiseach appointed this man than occurred before that. I presume this is a political appointment to try to weld the Ministers of State into some kind of cohesive force or to bring the socialist forces together with the neocons. What is the purpose of this appointment?

The Taoiseach: Perhaps to round up their brothers and sisters. It is not a new appointment; the position existed already. The Government of which Deputy Rabbitte was a member operated a more communist theory, in that there were lots of people and it employed one for one, as it were. There were 15 or 16 Ministers of State and an adviser for every one of them. It was the “one for everyone in the audience” syndrome. We changed that to having just one for all the Ministers of State. It reduced the numbers which was, perhaps, a more capitalist way of doing it.

Caoimhghín Ó Caoláin: The Taoiseach dropped the red flag again.

Mr. F. McGrath: It was a 24 hour sell out.

The Taoiseach: I was trying to get from the communist stage to the capitalist stage so I just had one in the middle — it is more socialist.

The person endeavours as best they can to assist all the Ministers of State. It is a political appointment. The person liaises with the Ministers of State and assists them in political areas where they can. It obviously means the individual can only work on certain projects and do certain work with the Ministers of State but they do that to their best ability. A substantial saving is made due to the fact that 15 or 16 people are not involved. It is, perhaps, not the easiest means for one individual to try to move, but these people work on projects for Ministers of State to the best of their abilities. It is cheaper that way.

Mr. Sargent: Does the Taoiseach believe there is a need for more than guidelines to govern circumstances where advisers leave the service of the Government and effectively make use of that period as a lucrative training ground in pursuing a career in the private sector in lobbying, press relations or some other area? Is it satisfactory that we are operating on the basis of what appear

to be voluntary guidelines? Will the Taoiseach clarify what he means by guidelines in that regard?

The Taoiseach replied on the code of conduct that obtains in respect of standards in public office etc. As regards the provision of information, he stated that there is an obligation on every member of the Cabinet to be open about the identity of advisers, the amount of money these people earn and so on. Will he indicate whether that is understood by every member of the Cabinet in light of the fact that the Tánaiste appears not to understand it?

An Ceann Comhairle: That does not arise out of the question.

Mr. Sargent: Will he communicate with the Tánaiste so that she will not make that mistake again?

The Taoiseach: I am not sure what issue the Deputy is referring to, but under the Ethics in Public Office Act and the Standards in Public Office Act, it is a legal obligation of Ministers to comply with both the contract and the form. Whatever about the issue of the parliamentary question to which, I believe, the Deputy is referring, that is set down in law. On the code of conduct, as I informed Deputy Rabbitte, I will provide a note on the changes that have been made.

In many instances, advisers leave their employment — this has happened in Governments over many years — to take up positions they have been offered. There must, of course, be some control and sensitivity in terms of their returning to such employment. As a result of the vagaries of the political system, the majority of people who are obliged to return to their previous employment do not benefit. Some of them lose rank or are sidelined for some time. It is difficult for these people and they take risks in becoming advisers. I accept that people cannot be allowed to work for the Government and then take with them files and records when they leave to make more lucrative lives for themselves. I think that is covered by the codes. By and large, when these people move on they face a difficulty in finding their feet again in new careers.

Mr. Sargent: It is only a guideline.

The Taoiseach: It is a code of behaviour that was approved by the Government. People are duty bound to live by that code and not abuse it.

Office of the Chief State Solicitor.

7. **Mr. Kenny** asked the Taoiseach if he will report on the implementation of the Nally report on the reorganisation of the Chief State Solicitor's office; and if he will make a statement on the matter. [21436/04]

8. **Mr. Rabbitte** asked the Taoiseach the progress to date with regard to the implementation of the Nally report on the Chief State Solicitor's office; and if he will make a statement on the matter. [23380/04]

9. **Caoimhghín Ó Caoláin** asked the Taoiseach if he will report on progress in the reorganisation of the Chief State Solicitor's office. [28840/04]

The Taoiseach: I propose to take Questions Nos. 7 to 9, inclusive, together.

The recommendations of the Nally report in respect of the reorganisation of the Chief State Solicitor's office have largely been implemented. Agreement with the unions involved was achieved during 2001. The criminal prosecutions functions undertaken by the Chief State Solicitor's office were transferred to the Office of Director of Public Prosecutions at the end of 2001. A common promotion pool within the two offices for professional and technical promotion posts formed part of the agreement and that is now in operation.

A negotiating process with local State solicitors seeking to agree on the transfer of the service to the DPP is under way. Enabling legislation and appropriate legislative provisions are contained in the Civil Service Regulation (Amendment) Bill 2004, which passed Second Stage in the Dáil on 13 October 2004 and is awaiting Committee Stage.

Mr. Kenny: The Taoiseach answered questions on this matter previously. It is not very exciting stuff. How much work is outsourced from the

Office of the Director of Public Prosecutions to private solicitors? What is the nature and extent of that work and is a figure available as to the annual cost to the taxpayer? The Taoiseach will also be aware that last year, the DPP voiced some considerable concerns about the backlog of cases before him, that it could not be cleared and that a period of years might elapse before they would come before the courts. The Taoiseach informed the House last March that there were 17 staff vacancies in the Chief State Solicitor's office consisting of nine professional, five technical and three support staff. Has the Taoiseach an up to date report on whether those positions have been filled or whether vacancies currently exist? If the Taoiseach has the information to hand, will he inform the House on the progress achieved between the offices of the Attorney General and the Director of Public Prosecutions on the implementation of the recommendations?

The Taoiseach: Most if not all of the recommendations of the Nally report have now been implemented, with the exception of the negotiations, which hopefully will be concluded shortly with the State Solicitors' Association. Discussions have been taking place and an offer has been made to bring them under the Office of the

Director of Public Prosecutions. A formal offer was made to the local State solicitors last October. The offer dealt with many of the issues raised in the course of negotiations. The association is currently considering the offer and a detailed response is awaited. Informal contacts are continuing in the meantime. This is the last of the Nally report initiatives to be completed.

I am not sure if I have all the figures to hand as regards staffing and the agreement between the CSSO. The study group addressed the issue of greater cohesion in the criminal justice system. Among the recommendations in the report was the transfer of responsibility for the criminal division of the CSSO and the local State solicitor service to the Office of the Director of Public Prosecutions. The main features of the recommendation included an increase of staff by 75, including 66 in the professional and technical complement in both solicitors' offices. That agreement has been in place for a number of years. A recruitment campaign commenced the confined competitions for serving contract personnel and staff size acceptance to filling promotional posts. There were other issues to do with IT and work management systems. I do not have information on the number of vacancies but I understand there are not many vacancies now due to a series of interviews. A new recruitment scale for solicitors was implemented to replace the existing lower grade. The scale includes a facility for multiple increments after three and six years' service. Fifty-two additional professional staff were appointed which is a 56% increase over the then levels some time ago, including 12 extra senior posts at principal officer level. Fourteen extra technical staff, a 30% increase on existing levels, and also legal clerks were appointed. These appointments were made some time ago when reforms were being undertaken.

In recent times significant steps have been taken by the Government to ensure that the legal offices of the State have the resources to meet the demands facing them. There has been a significant increase in staffing levels in the Office of the Chief State Solicitor in recent years. The introduction of office-wide IT systems, a new organisational structure, modern library and information systems, strategic planning and training and development programmes has been completed. The Office of the Chief State Solicitor has recruited most of the additional staff approved. The staff complement has averaged approximately 225 over the past year. The office has currently 12 vacancies, one professional post, eight technical posts and three support staff. I do not have the figures for the Office of the Director of Public Prosecutions. If a parliamentary question is submitted on the subject I may be able to provide those details.

Caoimhghín Ó Caoláin: Is the Chief State Solicitor's office still responsible for the conveyancing of all State property? Is the office involved in the current sale of all State lands under the decentralisation programme and other programmes, such as the Minister for Health and Children, Deputy Harney's proposed sale of lands attached to various health facilities throughout the State? Is any of this work contracted out?

The Taoiseach: The Office of Public Works does most of the property transactions. I am sure they received advice on these legal matters from the State Solicitor's office but in other cases the State Solicitor's office will allow Departments use solicitors. I am not sure which way the OPW is doing it or whether it is using its own legal advice. I assume if that is the case it is done through somebody who has been contacted by the State Solicitor's office because one has to go through the State Solicitor's office, even to be recommended another solicitor. I am not certain about that and I do not want to——

Caoimhghín Ó Caoláin: Would the Taoiseach come back to me on that?

The Taoiseach: If the Deputy puts down a question I will ask for the information.

Ms McManus: On the transfer of responsibility for those State solicitors outside Dublin, is the Taoiseach saying that no additional legislation is required in that regard? Also, has he any target date for completion of that transfer?

The Taoiseach: To the best of my knowledge, the enabling legislation allowing for that, the Civil Service Regulation (Amendment) Bill passed Second Stage in the Dáil on 13 October and is awaiting Committee Stage. Responsibility will be transferred under the new arrangement when negotiations are complete. The benefit of this is that the Director of Public Prosecutions will have responsibility in the Dublin Metropolitan area and will have equal responsibility for State solicitors throughout the country. The negotiation process with the local State solicitors is currently under way seeking agreement on the transfer to the DPP.

An Ceann Comhairle: As there is just five minutes remaining and there is one question with four or five Members offering, do Members want to take the question or move on to——

Mr. Kenny: Which one is it, a Cheann Comhairle?

The Taoiseach: It is the OECD report.

Regulatory Reform.

10. **Mr. Kenny** asked the Taoiseach if he will report on the implementation of the recommendation of the OECD report on regulatory reform; and if he will make a statement on the matter. [21437/04]

11. **Mr. Kenny** asked the Taoiseach the progress made by the quality customer service working group within his Department established under the strategic management initiative; and if he will make a statement on the matter. [21438/04]

12. **Mr. Rabbitte** asked the Taoiseach the progress to date with regard to the implementation of the OECD report on regulatory reform; and if he will make a statement on the matter. [23381/04]

13. **Mr. Sargent** asked the Taoiseach if he will report on the implementation of the OECD report on regulatory reform recommendations; and if he will make a statement on the matter. [23516/04]

14. **Mr. J. Higgins** asked the Taoiseach if he will report on the progress to date in implementing the recommendations of the OECD report on regulatory reform. [24148/04]

15. **Caoimhghín Ó Caoláin** asked the Taoiseach if he will report on the implementation of recommendations of the OECD report on regulatory reform; and if he will make a statement on the matter. [28841/04]

The Taoiseach: I propose to take Questions Nos. 10 to 15, inclusive, together.

The implementation group of Secretaries General has responsibility for overall co-ordination and promotion of the modernisation programme for the Civil Service. A number of sub-groups oversee the different strands of the modernisation programme, which are taken forward in close collaboration between my Department and the Department of Finance.

The quality customer service working group, chaired by Mr. Frank Daly, Chairman of the Revenue Commissioners, promotes improved service to customers. The group includes members from Departments and offices as well as representatives of customers and the social partners.

The main focus of the group in recent times has been the implementation of the customer charter initiative across the Civil Service. Guidance and training has been provided to Departments and offices to help them prepare the charters, and the majority of Departments have now published their charters; the remainder are scheduled to do so shortly.

These charters have been prepared following consultation with customers. Departments are expected to include measurable targets and then report on the achievement of these targets in

their annual reports, starting in 2004. This process will ensure that the Civil Service remains focused on customer needs and becomes more accountable for achieving service standards.

The group has also overseen an initiative to identify and showcase examples of excellence across the public service. Following a national competition, 20 projects were selected for their achievements in improving customer service and the quality of administration.

These projects were presented at three national conferences in Dublin, Sligo and Limerick during July. I was pleased to present an excellence award to each of the projects. They then represented Ireland at an EU Quality Conference in Rotterdam.

Other projects undertaken by the working group in the past include the preparation of a paper on the customer service aspects of the decentralisation initiative, which has been circulated to all Departments, and a report on the use of accreditation schemes in the Civil Service. While improvements in the level of customer service will ultimately depend on the commitment of management in each Department, the quality customer service working group has helped to deliver improvements.

With regard to better regulation, which is another strand of the modernisation programme, progress has been achieved since the publication of the OECD report on regulatory reform in 2001. Many of its recommendations related to specific sectoral issues and progress in this regard was recorded in a report published in January 2003. A central element of the Government's response to the OECD report was the formulation of a White Paper last January, which sets out the introduction of regulatory impact analysis, initially on a pilot basis; improvements to our approach to sectoral regulation; a renewed drive to tackle red tape; and greater clarity and accessibility of regulation.

A better regulation group of senior officials has been established to oversee implementation of the White Paper and promote better quality regulation across the public service. To date, the group has focused on better regulation issues, including the enterprise strategy group. It also oversees progress on the ongoing programme of statute law revision which seeks to amend the Statute Book.

As already stated, another key action in the White Paper is the development of a system of regulatory impact analysis as recommended by the OECD. A number of Departments have agreed to pilot the draft RIA model.

Overall, good progress has been achieved in modernising the public service. This is extensively documented in the performance verification process under the Sustaining Progress agreement. The progress reports prepared for the Civil Service performance verification group demonstrate

that considerable improvements have been made in the quality and efficiency of services.

Mr. Kenny: As time is short, I will ask only three questions. Do we have too many regulators and would one regulator with real authority, clout and assistance do the job better?

The Taoiseach will be aware of a National Competitiveness Council report in which its chairman, Mr. Burgess, said the single greatest impediment to growth was the issue of costs. In the area of regulation of the furniture business, for instance, what is the Taoiseach's view on recent comments that regulations will be lifted for one company, IKEA, to allow it to come here, whereas they will not be lifted for other companies? Is this fair or legal?

What progress has been made on removing the barrier to foreign educated pharmacists entering the Irish market?

An Ceann Comhairle: Perhaps some of the Deputy's questions would be better addressed to the line Minister.

Mr. Kenny: They all relate to regulatory reform.

The Taoiseach: On the issue of a single regulator, two recent reports stated this issue should be looked at and that, rather than appointing new regulators, we should try to give new regulatory roles to existing regulators. It also stated we should look at having a super-regulator and move away from having a host of regulators in different areas. There is sense in this proposal and the issue is being examined. While I do not believe one individual could do everything, it would make sense for one office to do it.

As the Deputy stated, the National Competitiveness Council has also made such a proposal. It has also raised the issues and burdens facing small companies, in particular, as a result of the way in which regulation is made. Since the White Paper was published, an amount of work has been done on this area. The key to the issue is to make regulatory impact analysis work by carrying out a strict examination before one starts a regulatory or legislative process whether the process is needed, what it is about and what bureaucracy or red tape it will create. I have seen regulatory impact analysis work and it will make an enormous difference. As regards what is already in place, that is perhaps a different area. Regulatory impact analysis is working. It has been done in a number of pilot areas and must be extended. Much work has been done in this area.

The simple answer regarding IKEA is that the matter has to be examined. IKEA's proposal has been around for many years. The only aspect of it that changes is the location, it tends to vary in terms of the part of the country it wishes to locate. The proposal must be examined to see

[The Taoiseach.]

whether we are losing out by not having IKEA stores. Regarding the question of having only one IKEA store, I am not sure that would stand up to scrutiny, which is why there should be closer examination of the issue.

The number of IKEA products being brought into Ireland is enormous. Ballymun is a deserving place, but I have a difficulty, and this is the reason I agreed to regulations limiting the number of stores, in that if an IKEA furniture store is allowed, it will want to open stores selling clothes and other products. I am not sure that, under EU competition policy, that can be regulated. We are examining closely that issue. Good arguments are made about employment and that IKEA products are being brought into the country. IKEA produced a glossy booklet, distributed in most urban areas, that allows people to use its mail order service and many truckers bring in its products every week. The validity of allowing one store only would be extraordinarily difficult to defend. If store size is regulated for one company it must be regulated for every company. Otherwise the decision would be challenged within a month, with the argument put forward that what applies to one company should apply to all. That happened in other countries and it is a difficult issue.

Regarding pharmacists, the Competition Authority is close to completing its study of six or eight professional areas, and that report will be made available. The Department of Health and Children undertook an independent examination of the issue of professional qualifications and I think that work is completed. The Competition Authority indicates that people with qualifications from outside the country are able to enter most of these professional grades here. Already with most professions, including engineering and architects, no debarring mechanisms exist. From my reading of the last draft of the Competition Authority's report, it recommends that it is not compatible to restrict professionals coming from other countries.

Caoimhghín Ó Caoláin: In June 2004, when these questions were last raised, I referred to the section of the White Paper on Regulatory Reform that commits Departments and offices to publish draft heads of Bills where feasible and possible. I asked the Taoiseach if the heads of the Health Bill would be published. The record of the House shows that he replied: "The reform process envisaged by the Health Bill is so complex that the draft heads should certainly be produced." However, that has not happened and the Bill was presented to Cabinet today. Will the Taoiseach explain why his recommendation in June was not adhered to and why, despite all these promises, we do not have this level of signalled co-operation?

Mr. Howlin: On the Taoiseach's commitment to minimise red tape and bureaucracy in terms of how it impacts on entrepreneurship, will he indicate to the House how new legislative measures are vetted in their impact on small businesses? The Construction Industry Federation and IBEC claim the recently published Health and Safety Bill is very burdensome in this regard.

The Taoiseach: The concept of discussion of heads of Bills in Oireachtas committees is a good one because areas can be teased out. Most of the heads in the Health Bill were taken from the reform documents produced since 2001.

Caoimhghín Ó Caoláin: The heads of the Health Bill have not been published.

The Taoiseach: There is nothing new in them and the heads are based around that. Speed and time are the reasons for not debating them at the committee. Where possible, it is better that there is a meaningful discussion about the heads of Bills and I have indicated that to my colleagues. I hope they go before all committees, they certainly go before some. In several cases the heads of Bills published for some time have not been debated in committees, which further delays matters.

The concept of the White Paper, the OECD report and all the work is to inject more rigour into the process of formulating and analysing proposed regulations and the regulatory impact analysis. The process of making regulations in certain cases may take more time but the impact analysis does not apply to all regulations. The idea is that if people must sit down, to examine and think extensively about the burdens and value of regulations and question their effectiveness and their ability to achieve something, half the regulations will not be needed.

I am frequently asked about the Health and Safety Act and what is happening to it. When I introduced it 15 years ago, I never envisaged that we would turn health and safety issues into an industry. After archaeology it must be the fastest growing industry. I was trying to ensure there were rules and guidance to stop the level of accidents happening at the time.

Mr. Howlin: A raft of new regulations needs to be considered now.

The Taoiseach: Unfortunately, behind this there is a large industry of advisers and specialists, degrees and certificates.

Mr. Naughten: It sounds like Government.

The Taoiseach: The Government is shrinking. My Department shrank by 4% this year.

Mr. Howlin: The ambulance drivers in Wexford need life jackets now.

An Ceann Comhairle: Deputy Howlin should allow the Taoiseach to conclude. We have exceeded the time for Taoiseach's Question Time.

Mr. Naughten: What about wellington boots?

The Taoiseach: I will not argue with Deputy Howlin on this because there is a difference between trying to make something safe and writing a great deal into regulations. While no one wants to see accidents on building sites, farms, in butchers' shops or meat factories where they have traditionally happened, we do not need to insist that every small company must have a health and safety clerk to comply with it. That was not the original idea.

Priority Questions.

Community Employment Schemes.

70. **Mr. Hogan** asked the Minister for Enterprise, Trade and Employment the changes he will make to the community employment scheme and training schemes generally; and if he will make a statement on the matter. [28623/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): Following his recent appointment, the Minister reviewed the policy on the operation of the FÁS employment schemes, which comprise community employment, job initiative, and social economy programmes. In undertaking this review, he took fully into account the views and concerns expressed by various interest groups and other key stakeholders, including the social partners.

On foot of this review, the Minister decided that the following changes would take effect as and from 10 November 2004. There will be no compulsory lay-offs on the job initiative scheme and participants who remain on the scheme will have their contracts renewed. People who leave it voluntarily will be replaced by community employment participants to support the service being provided. There will be no compulsory cessation of social economy programmes which play a valuable role in communities. In situations where an enterprise decides to cease activity, the employees affected will be assisted by FÁS in finding alternative employment. The three-year cap will be removed for community employment participants aged over 55. This category of participants will be eligible to participate on the schemes for a maximum of six years. In the case of people advancing beyond 55 years during their normal period of service on community employment, participation can be extended for up to a maximum of six years. The ring fencing and prior-

itisation of the essential services of child care, health related services and drugs task force clients will be maintained.

Community employment will remain as an active labour market programme with the emphasis on progression to employment. Despite the buoyant labour market, the continuing high level of inward migration and low unemployment, there is still a need for these schemes for people who find it difficult to secure employment. Thus, in 2005 there will be 25,000 places overall on community employment schemes, job initiative schemes and social economy programmes. These employment schemes have made a major contribution towards the provision of a network of valuable community services throughout the country. Equally, they offer participants the opportunity of work experience in a wide range of disciplines which equips them in time to progress to full-time employment in the open labour market. There are no plans to make any changes to existing FÁS training schemes.

Mr. Hogan: I welcome the Minister of State's announcement of changes to the community employment schemes. I do not know why the Government took two years to make those changes. There was a 50% reduction in places over two years. Although I am sure the Government Deputies, and certainly all of us in Opposition, were being lobbied by community groups for many years, it has only now come to the Government's notice that it must act to preserve some of the schemes and the valuable work they do. How many places are there in 2004 on community employment, social economy and job initiative schemes? What was the budget allocated for 2004 for those schemes?

Mr. Killeen: The most recent figures available are participation levels as of 24 September 2004. There were 20,643 places on community employment, 1,994 on job initiative and 2,189 on social economy. The budget for this year was of the order of €351 million.

Mr. Hogan: The total number of places for 2005 will be 25,000, which is the same as the number at the end of September 2004. When one adds the three schemes together it comes to approximately 24,826. Despite the 50% reduction in the number of places, an effort is being made to create an impression that community employment schemes are increasing in number. That is the type of spin put on this reform. Does the Minister of State accept that there is a need for additional places to continue the work in resource centres, tidy towns and the various activities that have helped rural and urban communities and, more particularly, have helped participants receive training and gainful employment at a time when they might find it difficult to find employment elsewhere? Does he agree and accept that

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there is a need to provide an additional 5,000 places for the community employment schemes in line with the final outcome for 2003 to maintain the existing level of service in the community employment programme?

Mr. Killeen: Two points about community employment schemes were that there were specific difficulties regarding people aged over 55 years, and the review findings and the Minister's announcement address that difficulty. They also go some way to address the second difficulty about which individual schemes complained, namely, that they had great difficulty in recruiting participants and schemes frequently had approval for a substantially greater number of places than there were eligible and available participants in their immediate areas. The improved situation for the people aged over 55 years is one measure to address that difficulty.

The rural social scheme announced in last year's budget is still available and there are 2,500 places, of which approximately one third have been taken up. Approximately 67,000 people participated in a wide range of active labour market and training programmes under FÁS.

Mr. Hogan: I agree with the Minister of State that the rural social scheme exists but nobody wants to take it up. The proof of the pudding is in the eating where the number of places is concerned. Will the Minister of State indicate how many new posts were created at the FÁS head office in the past year and how many supervisors had to be made redundant at the same time to pay for them?

An Ceann Comhairle: I am not sure that is included in this question.

Mr. Killeen: It is certainly not the kind of information specifically available to me at this stage. I will see if it is available and if it is, I will make it available to the Deputy.

Employment Legislation.

71. **Mr. Howlin** asked the Minister for Enterprise, Trade and Employment the steps he intends to take to introduce measures to provide legal protection for whistleblowers who wish to expose illegalities or wrongdoing on the part of their employers; and if he will make a statement on the matter. [28324/04]

Mr. Killeen: The Whistleblowers Protection Bill 1999 was a Private Members Bill introduced in the Dáil by Deputy Pat Rabbitte on 15 June 1999. The purpose of the Bill is to provide protection from civil liability to employees who make certain disclosures "reasonably and in good faith" regarding the conduct of the business and affairs of their employers. The Bill aims at prohibiting

employers penalising their employees in such circumstances. It also sets out the extensive range of bodies to whom disclosures may be made and the categories of matters where such disclosures are permissible.

The provision of statutory protection for whistleblowers on a sectoral basis would provide a better and more focused approach to dealing with this issue such as in section 4 of the Protections for Persons Reporting Child Abuse Act 1998 and section 50 of the Competition Act 2002. The Safety, Health and Welfare at Work Bill 2004, which is currently before this House, provides for protection against dismissal and penalisation of employees who, in good faith, take steps to protect themselves or others in a workplace situation.

Mr. Howlin: I thank the Minister of State for such a comprehensive analysis of the Labour Party Bill. However, I did not ask about that Bill but about the measures he intended to introduce. By and by, he eventually got around to answering that part of the question by stating that there would be a sectoral approach. Is the Minister aware of the success of the British legislation in this area, known as the Public Interest Disclosures Act 1998? It has spawned a public interest body called Public Concern at Work, which is widely accepted as a very important tool for protecting the public interest in the UK. That public interest group has been recruited by Allied Irish Bank to advise it on procedures, following the damning disclosures about overcharging at that bank that came about because of a whistleblower. Will the Minister consider the urgent need for overarching legislation, similar either to the Labour Party Bill or to the British model which has worked so successfully there in recent years? A sectoral approach means that some sectors will be decades away from being encompassed and that whistleblowers who come up against issues such as that which happened at AIB, would not have the protection of law. I speak with some personal experience of the need to protect whistleblowers who bring matters of public interest into the public domain.

Mr. Killeen: The Government has taken the view that a sectoral approach is likely to be the more successful in this instance. I referred to the Labour Party Bill because it is the legislation that is *de facto* currently before the House and was examined at considerable length by Parliamentary Counsel on how it might be amended. The view was ultimately taken that a sectoral approach was likely to be considerably more effective and would deal with some of the issues. I take the point made by the Deputy on the apparent success of the British initiative. It is worth keeping an eye on. I am also aware of the Deputy's personal experience in this regard. Hav-

ing served with him on the Members' interests committee of the Dáil, it is one of the issues we examined in considerable length. The current view is that the sectoral approach is likely to be more productive and more positive in the short to medium term.

Mr. Howlin: Since the Minister of State and the senior Minister are both new to the Department, I ask them to look again at this issue. A sectoral approach is a way of long fingering real change. There is no obstacle to having one overarching piece of legislation that automatically protects all employees at the same time, rather than waiting for an appropriate piece of legislation which in some areas might take a decade to implement. This is an important matter for whole sectors of the community. It is important to shine the light of public knowledge into dark crevices in the way business is done in this country. It should be part of that phalanx of legislation, which includes freedom of information and the electoral Acts, which have improved public confidence in the operation of business and the operation of public administration. Will the Minister at least indicate his willingness to have an open mind on this issue?

Mr. Killeen: I acknowledge the value attached to having effective legislation in this area, as does the Government. In the legislation to be discussed on Committee Stage next week, I am pleased we will be having a sectoral approach, which we believe will be effective. I will certainly raise the issues with the Minister that were presented by the Deputy.

Job Creation.

72. **Dr. Cowley** asked the Minister for Enterprise, Trade and Employment if he will undertake a root and branch review of the IDA, Enterprise Ireland and other job creation agencies in view of their abysmal job creation record in Mayo; his views on whether IDA Ireland has failed miserably to implement the Government policy that 50% of new jobs be in the BMW area; if he will take steps to make Mayo more attractive for enterprise and industry in view of the recent losses of 325 jobs in Westport; if he has other suggestions such as increasing incentives to locate in the west, fewer incentives for the overpopulated Dublin area and supply of natural gas to all major towns in Mayo including Belmullet; the steps he is taking to replace the lost jobs for balanced regional development; and if he will make a statement on the matter. [28581/04]

Mr. Killeen: Support for job creation and investment on a regional or local basis is a day-to-day operational matter for the industrial development agencies. The agencies are actively promoting all areas, including County Mayo, for new investment and jobs on an ongoing basis. The number of jobs in IDA Ireland client com-

panies in Mayo has increased from 3,170 in 1998 to 3,468 in 2003. The number of jobs in Enterprise Ireland client companies in Mayo has remained relatively steady since 1998, with a slight increase in the numbers employed by client companies, up from 2,820 in 1998 to 2,842 in 2003. Since the beginning of 2003 to date, Enterprise Ireland has approved funding of over €2.5 million and made payments of approximately €1.4 million for projects for client companies in Mayo. Since its establishment the Mayo County Enterprise Board has paid €3.5 million in grant aid to 495 new businesses which between them have created 1,030 full-time jobs and 242 part-time jobs. The board has also provided business advice and training programmes to over 2,000 people involved in the operation of micro enterprises in Mayo involving an expenditure of over €1.3 million.

The Deputy made specific reference to the recent job losses in Westport. Regrettably, while some job losses have also been experienced over the period, in reality this is a recurring feature of economic development in all countries as various sectors expand and contract in response to market demand for goods and services, competitive forces, restructuring and technological change. The above statistics on job creation and employment in companies in Mayo indicate that the trend in job losses in the county has been arrested. This is due in no small part to the work of the development agencies and is all the more laudable when considered in the context of global difficulties experienced during the period. With regard to the geographical spread of foreign direct investment, IDA Ireland is seeking to achieve 50% of all new greenfield jobs in the BMW region over the 2000-06 period and substantial progress is being made. Since 2000, a total of 46% of all new greenfield jobs have been created in the BMW region. In 1999, prior to the start of the Government's current national development programme, 25% of all new greenfield jobs were locating in the region.

Additional information not given on the floor of the House

As County Mayo is an integral part of the Objective One, or BMW region, maximum grant rates to companies are at a higher level than those applying to many other parts of the country. This Government fought for such a concession in the lead-up to the launch of the national development plan and the related EU-funded operational programmes. The aid limits that apply in Mayo are at the highest possible level and are an additional attraction for companies to increase job complements in Mayo.

The issue concerning the supply of natural gas to all the major towns in Mayo is one for the Minister for Communications, Marine and Natural Resources. I am confident the strategies

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and policies being pursued by the development agencies, together with the ongoing commitment of Government to regional development will bear fruit in terms of additional sustainable investment and jobs for the people of all regions.

Dr. Cowley: I thank the Minister of State for his answer, but he is just giving figures. The reality is that our area has suffered tremendously. We cannot keep our graduates as only 9% of them can stay and the rest have to move to the greater Dublin area to get their first job. The reality has been spelled out by the Western Development Commission, which states that there has to be balanced regional development. Unless this occurs, it is a waste of time. We will just get the dirty jobs that no-one else wants and not the jobs that every other place is getting. These are the jobs we need to keep our people.

The figures in the national development plan on roads prove that our area has not done well. What is the Minister going to do about IDA policy? The bottom line is that it has not delivered for us. There is natural gas coming into our county. A large part of IDA policy should be to ensure that the infrastructure is there, including the gas that is needed. Will the Minister make a commitment on that? Westport has lost 325 jobs, so how about decentralisation to Westport? The people are in Dublin and they think they are riding the Celtic tiger, but they are going at ass and cart pace. Our people are in Dublin and they need to be in the west. What is the logic in giving money and jobs to the eastern and southern regions? They already have too many people and balanced development should be ensured. Incentives should be given to ensure jobs will head west and the industrialists will follow the money. Otherwise, there will be no jobs. We are getting the jobs that no-one else wants and we do not want to be a dumping ground for the rest of Ireland. We want proper jobs and we will not get them unless there is balanced regional development.

Only 69% of what should have been spent on the roads in the west has actually been spent. There has been a gross overspend in the south and east of 134%. It does not even compare. We are not at the races because the money is not being allocated. Will the Minister of State give a commitment to investing money in the west, where balanced regional development is needed? Such investment is also in the interests of the south and west. What is the logic of continuing to give big incentives to companies to help them to establish in Dublin and elsewhere? The Government should try to take people out of such regions rather than putting more people there.

Some 400,000 people are passing through Knock Airport each year, 18 years after it opened, but 20 million people will go through

Dublin and Cork airports this year. It is no wonder that Dublin is congested. The Government will not invest the same amount of money in Knock Airport as in the international airports. Will the Government provide the €40 million that Knock Airport needs this year but has not yet been given? It is giving Knock Airport the same petty cash that it is giving other small regional airports. The Minister of State should think of Knock Airport as the catalyst that will drive the development of the west.

Balanced regional development and proper jobs, as opposed to dirty jobs, are needed in the west. I ask the Minister of State to address this serious matter. If he does not do so, the level of congestion in Dublin, which cannot take any more people, will increase.

Mr. Killeen: The Deputy should acknowledge that the percentage of this country's jobs created in the BMW region increased from 25% to 48% over the period of the plan, which is a little more than half-way through. It will be possible to achieve a much better spread if the agencies continue to pursue the policies they are pursuing at present. There is a fairly widespread understanding of the need to spread the development of industry and other matters. The Government has made a commitment in that regard. The Deputy also asked about natural gas and Knock Airport, which are matters for the Ministers for Communications, Marine and Natural Resources and Transport, respectively. The agencies have delivered more jobs to the BMW region, under the guidance of the Government, since the focus was more clearly placed on delivering jobs in the region.

Dr. Cowley: The report of the mid-term review of the national development plan contradicts the Minister. There needs to be a change of tack if we are to stop being totally unbalanced. Will the Minister of State take steps to ensure that there is a public service obligation? Will he apply to the EU to ensure that major towns in County Mayo that had gas 80 years ago, will get gas again? I hope the Minister of State will do that.

Mr. Killeen: I will undertake to raise the matter with the relevant Minister.

Dr. Cowley: Go raibh maith agat.

Economic Competitiveness.

73. **Mr. Hogan** asked the Minister for Enterprise, Trade and Employment the action he will take arising from the recent publication of the report from the National Competitiveness Council in relation to the cost base of doing business here; and if he will make a statement on the matter. [28624/04]

Mr. Killeen: I welcome last month's publication of the National Competitiveness Council's 2004 annual competitiveness and competitiveness challenge reports. The key findings of the reports are that the economic environment for 2004 has been encouraging, significant improvements have been recorded in GNP growth and employment, there has been a reduction in the unemployment rate and foreign direct investment, business confidence and industrial output have recovered strongly.

The council makes a number of recommendations, which are necessary to sustain Ireland's competitiveness, in respect of matters such as the business and work environment, economic and technological infrastructure, education and skills, enterprise and enterprise development and innovation and creativity. The council recommends that Ireland should improve its cost base by removing barriers to competition in key parts of the economy, such as the retail, pharmaceutical, transport and energy sectors. It raises the possibility of the use of fiscal policy to promote economic stability and emphasises the need to make the social partnership process more sensitive to developments in international competitiveness.

Market forces are the best determinant of prices. A robust competition regime and an informed consumer are essential if the market is to work properly. The Government has shown its commitment in such areas. It has strengthened the powers and resources of the Competition Authority, taken determined action to introduce regulatory reform in the insurance sector and established a consumer strategy group to advise on the development of a national consumer policy. The Competition Authority is undertaking reviews of certain building, legal, medical and construction professions to address competition issues in sheltered sectors of the economy. Sustaining competitiveness, including cost competitiveness, will continue to be a high priority for the Government.

Mr. Hogan: With respect to the Minister of State, I am afraid he has ignored a great deal of the National Competitiveness Council's report. The chairman of the council, Mr. William Burgess, has said that the issue of costs is the major economic challenge the Government faces. Many stealth taxes have been imposed in the past two years. The managing director of Tesco Ireland recently told the Joint Committee on Enterprise and Small Business that waste disposal costs 250% more in Ireland than in the UK. The rate of VAT is 21.5% here but just 17% in the UK. VAT on diesel and other fuel products increased by 1% in the last budget. The regulator in the utilities and energy sector, Mr. Reeves, constantly increases energy prices on the spurious basis that he needs to increase prices to bring about more competition.

Will the Minister of State acknowledge that the Irish economy faces a difficult challenge, in respect of its cost base, as it endeavours to cope with its competitors? What action would the Minister of State recommend the Minister for Finance to take in the budget to address that challenge? Is he studying the Single Market of the European Union to increase competition in various sheltered sectors of the Irish economy and to ensure that customers can benefit from the presence of European companies?

Mr. Killeen: The Deputy referred to the role of the regulator, which was debated at some length during Taoiseach's Question Time. It is clear that the Government is examining that matter. Considerable progress could be made in this area if the examination is successful. The Deputy is aware of the work of the anti-inflation group, which has been meeting for a long time and has enjoyed considerable success in getting its proposals dealt with.

Most of the Government's progress in respect of cost competitiveness has been made in the insurance market. Many people strongly believed the initiatives taken in that regard could not and would not work, but it has been proven that it is possible to deal successfully with the difficulties in this area. The Government, which is aware of the competitiveness challenges that arise from the report, is continuing to address the recommendations in that regard.

Mr. Hogan: The Minister of State is correct to state that the insurance market has stabilised. He is aware that the Tánaiste received all-party support in the Oireachtas when she brought legislation to it to facilitate that change. The Personal Injuries Assessment Board has not yet properly come into focus because it is being challenged in the courts. A case was taken on the first day of the new law term to prevent it from doing the work it has been charged with doing. I am sure all Deputies are keen to ensure that the body will be up and running as soon as possible, so that it will have a chance of having a major impact on the cost of processing claims. Does the Minister of State agree that genuine competition will not be seen in the insurance sector and small businesses which are being quoted huge premia will not be assisted if the Single Market of the European Union is not completed to enable small business to shop around the EU for more competitive quotes? I ask this question in light of the fact that just six general insurance companies are prepared to give quotes to small businesses in Ireland.

Mr. Killeen: An examination of the insurance area illustrates well the challenges we face in this regard. The Deputy is right to suggest that competition affects prices and value in this sector more than in many other sectors. He is also right

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to point out that the Personal Injuries Assessment Board has been challenged in the courts. The court challenge highlights the difficulty of dealing with the problems in this area. The National Competitiveness Council report contained good news about costs in areas such as food and clothing and emphasised Ireland's positive position in that regard. It addressed the areas of competition and consumer policy in considerable detail. Despite the ongoing difficulties in the insurance sector which were mentioned by Deputy Hogan, it is fair to say that considerable progress has been made. I do not doubt that similar progress will be achieved in the other areas if the report's recommendations are adopted.

Tax Code.

74. **Mr. Eamon Ryan** asked the Minister for Enterprise, Trade and Employment if he has carried out an analysis of the implications for capital investment here of the US corporate tax amnesty proposed in the American Jobs Creation Act which was signed into law by President Bush in the last week of October 2004. [28585/04]

Mr. Killeen: On 22 October last President Bush signed into law the American Jobs Creation Act of 2004, which provides for the amnesty in question. It gives US multinationals a one-off chance to repatriate to the US accumulated profits held outside the US, by availing of a special effective corporate tax rate of 5.25%. Non-US profits repatriated to the US are normally taxed at between 35% and 40%. As the legislation has just been signed into law, full details of how it will be interpreted by the US Inland Revenue Service and implemented in practice are not yet available. I have been informed that IDA Ireland is not overly concerned that this one-off opportunity to repatriate accumulated profit in the US will affect the level of ongoing US investment in Ireland. Companies committed to existing spending plans can still avail of the US opportunity and proceed with existing investment openings. However, given the significance of US investment to Ireland, IDA Ireland will manage it over the coming months. As part of the process, IDA Ireland and Forfás will undertake a joint review of the legislation, the possible implications for Irish foreign direct investment and how it is structured.

Mr. Eamon Ryan: Will the Minister make available to Members such a report and analysis, given that it is a very important issue for many Irish companies and others based here but held abroad? Is the Minister aware of the figures recently quoted in various media that in 2001 \$26 billion in profits was made by American companies? Given those figures and since a large part will not have been repatriated because of the tax arrangements, we could be looking at a very sig-

nificant, multi-billion, transfer of capital back from Irish funds and accounts to home ones. Is the Minister concerned in that regard about the implications, even though IDA Ireland has assured him that there are no immediate implications for investment policy?

Mr. Killeen: The issue of whether the report will be published is for the Minister, Deputy Martin, and I will mention to him the Deputy's interest in that regard.

On the profits currently enjoyed by US companies in Ireland, it is not at all clear — and not likely — that much is reinvested in Ireland. The taxation regime undoubtedly makes it difficult for the profits to be repatriated to the US, but it is considered likely that a substantial proportion of the profits of US multinationals are invested elsewhere and not necessarily in Ireland. Nevertheless, IDA Ireland and Forfás will keep a very close watch on developments when the blue book has been completed at the end of 2004 and the implications become clear in early to mid-2005.

Mr. Eamon Ryan: Is the Minister aware that, in tables showing repatriated and overseas profits, Ireland, a relatively small country on the world stage, is at the top, with far more significant overseas profits than any other industrialised country with which we might like to compare ourselves, including Germany and Britain?

Does he agree that, while the Taoiseach obviously cheered on the re-election of President George W. Bush as being, as he saw it, good for Irish business, we are exposed in a changing cultural climate in the United States and elsewhere in which overseas investment and the movement of jobs overseas will lead to pressure on the US Government, regardless of who is in power, to cut back on what are seen as tax havens? While we are not a tax haven in the sense of Bermuda, it will be seen, when the figures are shown that a country the size of Ireland can attract \$26 billion a year in profits, that there will ultimately be great political pressure in the United States to amend the tax regime so that we are no longer able to use the advantage of which we have availed for many years. Is the Minister concerned that Ireland is now at the top of the league in that regard and might come under pressure to amend some of its tax haven rules?

Mr. Killeen: I had reason to read all the statements made by the Taoiseach on the US election, both before and after the event, and I found no evidence that he was cheer-leading either candidate. On the contrary, he took an extremely neutral view. I take the Deputy's point on the importance of foreign direct investment in Ireland and that this country has been the biggest beneficiary of American direct investment. That is one reason for Forfás and IDA Ireland to review the impact of the US decision for investment. The

view has been strongly expressed that this economy's success regarding foreign direct investment, particularly from the US, has been driven by factors other than those that will be affected by the decision, but it is very important strategically and economically for this country, and it will certainly be kept under review.

An Leas-Cheann Comhairle: The time for Priority Questions has expired. We must, therefore, take the other questions in ordinary time.

Other Questions.

Lisbon Agenda.

75. **Mr. Broughan** asked the Minister for Enterprise, Trade and Employment if his attention has been drawn to the finding of the report on the Lisbon Agenda, drawn up for the EU summit in Brussels, which shows that spending on research and development here is well below the EU norm; the steps he intends to take to promote greater expenditure on research and development; and if he will make a statement on the matter. [28327/04]

133. **Mr. J. O'Keefe** asked the Minister for Enterprise, Trade and Employment the remedial action he will take to tackle Ireland's substandard performance in areas like public investment in research and development as identified in the National Competitive Council's competitive challenge report of October 2004; and if he will make a statement on the matter. [28352/04]

Mr. Killeen: I propose to take Questions Nos. 75 and 133 together.

The research agenda is one of the most important elements in the Department's drive—

Mr. Howlin: Is the Minister of State not taking all the related questions together?

Mr. Killeen: I am taking these two together, but separately from Questions Nos. 76 and 96.

The research agenda is one of the most important elements in the Department's drive to grow competitiveness and quality employment. As the Deputy has identified, several recent reports, including those of the National Competitiveness Council, the enterprise strategy review group and the national research and development action plan have pointed to our strong economic and commercial need continually to develop our research and development potential.

At the European Council in Barcelona in 2002, the Heads of State agreed that overall spending on research and development in the Union should be increased from the current EU average of 1.9%, with the aim of Europe approaching 3%

of GDP by 2010, and with two thirds of that new investment coming from the private sector. In consequence, each member state was asked to set a target for its research and development spending to 2010 and to draw up an action plan for its achievement.

Ireland's action plan has been developed under the aegis of the Department by a group involving representatives from industry, venture capitalists, universities and institutes of technology, Departments and agencies. The plan was published in August 2004. It sets a target of spending on research and development of 2.5% of GNP by 2010 and makes a range of high level recommendations in pursuit of that aim.

I very much support the action plan targets and recommendations. They are ambitious but represent the kinds of actions that Ireland must undertake to continue to be competitive in a fast-changing, globalised economy. While public expenditure must increase to meet the 2.5% target, it is important to recall that in line with the overall Lisbon and Barcelona strategy, the critical change must occur in industrial involvement in research and development. In that regard, achievement of the target requires that industry research and development spending increase from €917 million in 2001 to €2.5 billion in 2010. While industry must drive the process, we are fully conscious of the vital supportive role that the Government must play in developing the environment for research and development.

In that regard, the National Development Plan 2000-2006 aims for a significant increase in support for research and development, with total spending of €2.48 billion planned for the period. In this Department, expenditure on research and development rose from 8.9% of gross public expenditure in 1999 to over 21% in 2003. In particular, Science Foundation Ireland's investments have made a significant impact in marking Ireland out as an attractive location for excellent researchers from around the world. Similarly, in education, the programme for research in third level institutions has impacted strongly on bringing the research infrastructure in our universities up to the standard expected for carrying out world-class research and development. Under the NDP it is intended that funding for SFI will continue to increase in coming years.

As regards fiscal measures, the Finance Act 2004 for the first time provides for the introduction of a research and development tax credit. The 20% credit provides an effective incentive to industry to increase research and development and help enhance our competitiveness as a location for new internationally mobile research-related investment. In addition, Enterprise Ireland and IDA Ireland provide direct supports to firms to increase their research and development capability and in promoting collaborative research involving companies and the third level

[Mr. Killeen.] institutions. The Department is working with Forfás, SFI and the enterprise agencies, reviewing existing schemes and incentives to ensure that they are optimally tuned to the goal of significantly growing enterprise investment in research and development.

Becoming a truly knowledge-driven and innovation-driven society requires a whole-Government approach. That is why we are putting in place new structures and mechanisms to bring all key research funders and policymakers together. Those include a dedicated Cabinet sub-committee on science, technology and innovation, supported by an interdepartmental committee, and the appointment of Ireland's first chief science adviser. I am asking the interdepartmental committee to ensure that the principal funding agencies be brought together to achieve genuine inter-agency co-operation and a consensus response to the action plan targets.

We must move rapidly from analysis to enhanced action based on the significant achievements of recent years. It is intended that the approach just outlined to the House should result in firm recommendations on the shape and scope of our science and technology programme initiatives and the level of investment required being made available to the Cabinet by the interdepartmental committee by mid-2005.

Mr. Howlin: I thank the Minister of State for his comprehensive reply. While a great deal of work has clearly gone into expanding the role of research and development in Ireland, perhaps I might ask a few specific questions. Notwithstanding all we have done in terms of Science Foundation Ireland and the chief science adviser to the Government, when will Ireland meet the action plan target to spend 2.5% of GDP on research and development? When will we achieve the Lisbon Agenda target of 3%? Is it a cause of concern that while Ireland is performing well on many fronts, only 1.2% of gross domestic product is spent on research and development? Since the Minister of State has identified industrial spend as a difficulty, how does he propose to ensure research and development becomes a critical component of industrial development? What has been the uptake of the tax credit for research and development?

Mr. Killeen: I do not have up-to-date information because figures are not available regarding the uptake of the tax credit.

Mr. Howlin: Has it been good, bad or indifferent?

Mr. Killeen: The indications from industry are extremely positive in that it has been a significant incentive to industry. However, the tax credit is

relatively new. I will forward figures to the Deputy if they become available.

I refer to the GDP target and the current position on expenditure. The Deputy is correct that a significant gap must be bridged. The Minister has asked the interdepartmental committee to set intermediate targets and to report on an ongoing basis because the target has been set for 2010, which is a considerable time away. He is most anxious that intermediate targets should be set and met and, if they are not, new actions to meet the targets should be devised. The 2.5% target referred to by the Deputy is ambitious while the 3% target is extremely ambitious. However, by monitoring expenditure on an ongoing basis, it will be possible to ascertain what progress is being made, what actions are effective and what new and alternative actions may need to be taken.

Mr. Howlin: We all acknowledge that, on the basis of his previous job, the Minister is extremely good at commissioning reports, but we would like to see results.

There is nothing other than the 2010 target date to achieve the level of research and development that those who are charged with formulating the new strategy for Europe regard as critical now. Does the Minister of State regard this deficiency as posing the greatest threat to the continuation in the State of competitiveness and the new era of job growth based on new technologies such as biotechnology and nanotechnology?

Given that Ireland is so far behind now and that all the strategies implemented by the Government parties over the past seven years have resulted in a less than impressive research budget in comparison with our European colleagues, how can we be confident the 2010 target will be achieved?

Mr. Killeen: I refer to the number of research and development personnel. It is projected that to meet the target, Ireland will need to have 8,000 research and development personnel in place by 2010. The report on future skills estimated that, within current constraints across a range of fronts, the shortfall would be between 3,500 and 3,600. A number of initiatives have been taken, not least by Science Foundation Ireland, to ensure the quality of personnel required to advance Ireland's position in research and development are attracted to the State.

I launched a programme on behalf of the heads of universities last week to facilitate personnel who take up these positions. Progress has been made, for example, in identifying the difficulties they face. The programme being implemented by the heads of universities will facilitate the transfer of qualified personnel to the State and will address many issues that have caused difficulty in attracting such people.

The Deputy is correct that Ireland was a late starter in this area. Prior to 1998, no Government spending was directed at science and technology or research and development in the context of the Barcelona and Lisbon targets. That has been addressed quickly. The Minister is correct to ensure intermediate targets are set and met and, if they are not, action should be taken to meet them. No external reports are required in this regard.

Mr. Eamon Ryan: During the debate on the Industrial Development (Science Foundation Ireland) Act 2003, much consideration was given to broadening the areas of investment for research beyond the current two, information technology and biopharmacy, to a third category, sustainable technologies. Given the dramatic increase in the price of oil since and the resultant cost to the State, is the Minister of State happy with the level of research and development in the area of renewable technologies? The only investment of which I am aware is a €7 million budget available from the Department of Communications, Marine and Natural Resources for renewable energy projects. Given the massive financial implications of dwindling oil production for the State, should it increase investment in research and development in industries such as tidal power and wind power where Ireland has a competitive advantage? Will the Minister of State commit to carrying out a review of the broadening the remit of Science Foundation Ireland, as agreed in amendments to the Bill establishing it, and include sustainable technologies as suitable for investment?

Mr. Killeen: Renewable energy is a matter for the Minister responsible. However, a number of programmes have been introduced in this area. The interdepartmental committee and the Cabinet sub-committee are addressing a much wider range of research and development and science and technology proposals than the narrow ones regarded as the core business of Science Foundation Ireland. I attended the launch of the SFI report on 1 September in Dublin Castle and was overwhelmed by the magnitude of the task, but I was also impressed by the manner in which SFI is taking on the challenge, especially given the quality of the people who have been attracted to Ireland and the commitment of third level institutions to this area. I will pass on the Deputy's concerns on renewable energy to the Minister but I assure him that the personnel involved in this area are committed to delivering the target.

76. **Mr. Broughan** asked the Minister for Enterprise, Trade and Employment the progress made with regard to the implementation of those areas of the Lisbon Agenda for which he has

responsibility; and if he will make a statement on the matter. [28326/04]

96. **Mr. Naughten** asked the Minister for Enterprise, Trade and Employment the progress to date on the Lisbon Agenda; and if he will make a statement on the matter. [28353/04]

Mr. Killeen: I propose to take Questions Nos. 76 and 96 together.

In so far as my Department's area of responsibility is concerned, key issues covered by the Lisbon Agenda relate to establishing a European area for research and innovation, creating a friendly environment for starting up and developing innovative businesses, especially small and medium enterprises, developing an active EU employment policy, developing the information society, measures for completing a fully operational internal market and certain company law and corporate governance measures. While the Lisbon Agenda is supported by a series of sectoral targets and structural indicators against which EU performance is measured by reference to the average performance of member states, it is not based on country specific targets. It is a matter for each member state to take appropriate action and develop its own mix of policies with a view to contributing to the EU-wide goal of the Lisbon Agenda.

Implementation of the agenda is an incremental process across a wide range of diverse policy areas. However, my Department has been and will continue to be proactively engaged in pursuing policies in the areas under the agenda for which it is responsible that are designed to contribute to the achievement of the overall Lisbon goal. The key actions include completing the Internal Market. Ireland's commitment to the Internal Market is clear from the significant progress with regard to the implementation of internal market measures in recent years, moving from a ranking of 13th in the league table of member states in the European Commission's Internal Market scoreboard in mid-2003 to a position of joint third in the latest scoreboard published by the Commission in July. Ireland's transposition deficit of 1.2% is ahead of the target of 1.5% set by the European Council in the context of implementation of the Lisbon Agenda.

A key component of the agenda is the creation of the European research area and the European Council has set a target of average overall spending on research and development of 3% of GDP by 2010, and with two thirds of this new investment coming from the private sector. Ireland's investment in research and development is approximately 1.4% of gross national product, which is below the EU average. However, the recently published Irish Action Plan for Promoting Investment in R& D, dated August 2004, responds to the earlier recommendations of the Commission in this area. It sets a challenging but

[Mr. Killeen.] achievable target of 2.5% of GNP spend on research and development by 2010 and proposes a range of actions to achieve this.

With regard to employment, the targets set at Lisbon for 2010 are an overall employment rate of 70%, a female employment rate of 60% and an employment of older workers of 50%. The European employment strategy is the tool used for the implementation of the employment objectives of the Lisbon Agenda. The National Employment Action Plan 2003-2005, prepared by my Department, is Ireland's response to the European employment strategy. Ireland had achieved an overall employment rate of 65.4% at the end of 2003. The employment rate for women stood at 55.8% while that of older workers stood at 49%. By contrast, the average employment rates for the 25 EU member states for the corresponding period are an overall employment rate of 62.9% and 55% and 40.2% for female and older workers respectively.

Measures in a range of other areas such as enterprise and SME policy to improve the administration of business start-ups, implementation of the charter for small enterprises, e-business, development of a national e-business strategy, regulatory reform and company law are also relevant.

Mr. Howlin: We have listened to the laudable list of objectives set out in the Lisbon Agenda. Does the Minister of State accept that the outgoing European Commission President, Mr. Romano Prodi, has labelled the process a big failure? Does he also accept that the expert group, chaired by the former Dutch Prime Minister, Mr. Wim Kok, published its report in the past few days indicating there is a lack of commitment and political will towards the process? It warns that the process could become a synonym for missed objectives and failed promises. In that context, is the process still on track?

What does the Minister of State propose to do to deal with Mr. Wim Kok's recommendation that member states prepare national programmes to commit themselves to delivery on the process and to engage citizens and stakeholders in it? Does he agree with the recommendation that far more emphasis must be placed on involving European social partners and engaging European citizens with the case for change?

The Minister of State has listed all the positive achievements for Ireland. However, does he have anything to say with regard to the objective of social cohesion, in particular, the finding in the analysis that Ireland has 21% of its population at risk of poverty, in comparison to the European Union's average of 15%? Despite our growth, success and employment rates, 6% more of the Irish population is at risk of poverty than the

populations of any of our European member state countries.

Mr. Killeen: I am aware of the findings of Wim Kok's report. The Deputy will not be surprised to hear that the issue frequently features at European Council meetings. The European partners have directed much attention to trying to achieve the Lisbon targets and those of the Barcelona agreement in that regard.

The partnership process here is considerably more, well developed than at European level, but I take the Deputy's point that there is a strong case for better involvement of the social partners at European level. We try to encourage them to use our experience to advantage at that level. With regard to the targets, Ireland has, undoubtedly, set about addressing them as discussed in the previous question. On the question of social cohesion, nobody can argue otherwise than that the social partners have a direct and strong involvement in ensuring we meet the targets in that regard.

Written answers follow Adjournment Debate.

Adjournment Debate Matters.

An Ceann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 21 and the name of the Member in each case: (1) Deputy Finneran — the need for the Minister to extend the rural renewal scheme to coincide with the period of Objective One status in that region; (2) Deputy Connaughton — the financial help the Government proposes to make available to groups who are struggling to help Irish emigrants abroad; (3) Deputy Durkan — the circumstances alleged in a Sunday newspaper (details supplied) article that a special deal was offered to a particular telecommunications service provider; (4) Deputy Pat Breen — that the Minister provide extra funding from the local government fund in 2005 to Clare County Council; (5) Deputy Cowley — to ask the Minister if he will consider reform of An Bord Pleanála; (6) Deputy O'Dowd — to ask the Minister to state his immediate response to the fact that BSE risk material may have unsuspectingly entered the national food chain through the pipes of a Drogheda company (details supplied); (7) Deputy Sherlock — the closure of the Nestlé Rowntree chocolate crumb factory in Mallow, County Cork and the consequences for the region; and (8) Deputy Fiona O'Malley — to discuss the destruction of Carrickgollogan Woods in County Dublin by the ESB and the inevitable abandonment of the SRUNA project.

The matters raised by Deputies Finneran, Connaughton, Sherlock and Cowley have been selected for discussion.

Leaders' Questions.

Mr. Kenny: I learned this afternoon that the three top executives in Aer Lingus have indicated their intention to resign with effect from 1 May 2005. This shock announcement comes one day after the news that the Government's chief executive designate for the Health Service Executive will not take up the position. The three Aer Lingus managers, in association with their workforce, have done a remarkable job in Aer Lingus in recent years, turning it from a loss-making doomed airline to a profitable low cost carrier. Their departure will be a serious blow to the national airline and its credibility and will cause major concern to its staff and customers.

The Government has received the Goldman Sachs report with which a Cabinet sub-committee is dealing. Will the Taoiseach tell the House whether the dithering and confusion that appears to exist among Government circles about the future of Aer Lingus has contributed greatly to this shock announcement of the departure of the chief executive and his two partners, all three of whom were concerned with a proposal for a buy-out of Aer Lingus? Does he consider that the six-month deferral of their resignation has implications for the airline? Has he considered that an alternative carrier may have approached these three executives to bring their experience to it?

The Taoiseach: I heard yesterday evening that the chief executive, chief operations officer and chief financial officer of Aer Lingus were about to tender their resignations and so the Minister met them this morning. I wish to express my gratitude for the work they have done over the past three years, as I have done two or three weeks in a row. Their work has proved we have a profitable successful airline today, despite the difficulties we know exist in the aviation industry and that could exist for Aer Lingus in future years. All airlines are suffering.

The Minister for Transport will meet the acting chairman, Mr. John Sharman, on Thursday to clarify how quickly the board can move in appointing replacements. Today's developments will not deflect the Government from any of the measures that need to be implemented in Aer Lingus at operational or strategic level. On the operational level, it will be a matter for the board and management to work through the implementation of the business plan by direct engagement with the staff representatives and, where appropriate, with the assistance of the staff industrial relations machinery. I have been clear on this in recent weeks. The Government's obligation is to deal with the several thousand people who work in the Aer Lingus complex. We must protect our interests. I have not supported some of the initiatives brought forward. I assume what I said about the MBO and some of the other issues did not find favour with everybody but I hope that was

not a factor in all of this. My view on the MBO has not changed. It should be clear to all that in the airline business, in particular, companies must be continually prepared to adapt to the rapid changes that are now a standard feature of the commercial aviation environment.

Turning to the strategic matters that are the concern of the Government as shareholder and policy maker, the Minister and I have already had a number of discussions in recent weeks to bring clarity to the Government's medium and long-term intentions on the future ownership of Aer Lingus. We know we have to make changes. Management knows that, as do the board, staff and the travelling public. People have seen what is happening with Sabena, Alitalia and many other airlines around the world.

As far as I am concerned, today's events will not deflect the Government from giving its early attention to the ownership issue and to the strategic concerns that arise from that issue. The Minister for Transport and I are aware that, increasingly, the commercial opportunities for Aer Lingus in terms of services between Ireland and the US is an important element of the overall strategic future of the airline. We have been working on a review of the bilateral aviation agreement between Ireland and the US to address this issue. We must seek to secure the best outcome for Aer Lingus, the tourism sector and the Shannon region.

Mr. Kenny: It is time the Taoiseach came clean on all of this. We need a far greater level of truth, openness and clarity from him. Is it not a fact that the entire leadership of Aer Lingus is now leaving? Does this not amount to a serious vote of no confidence in his Government's handling of the future of Aer Lingus, its workers and customers?

When did the Minister for Transport last meet the three executives in question? Did Mr. Willie Walsh and his partners express any dissent or concern to the Minister for Transport and what was the nature, form and extent of that dissent? Did the Minister for Transport attempt to dissuade the three leaders of Aer Lingus from leaving at this time? Will the Minister for Transport give a full and clear statement to this House about the atrocious and appalling conduct of the Government in handling this business?

The Taoiseach said this will not dissuade or deflect the Government from dealing with this matter at an early date. What in the name of heaven does he mean? This issue has been outstanding for the past 18 months and nothing but clouds of confusion, rumour, innuendo and allegations are coming from Members of the Government. An announcement has been made that the leadership of Aer Lingus is leaving which the Taoiseach said will not dissuade or deflect him from dealing with the matter at an early date.

[Mr. Kenny.]

Will the Taoiseach give the House the answers to the questions I have asked so that everybody might know exactly where we stand?

The Taoiseach: I reject outright what Deputy Kenny said. This has probably been Aer Lingus's best ever year. Following its reform programme, its profits this year will be extraordinarily good. We have been working to try and assist Aer Lingus through the aviation difficulties in which it found itself, with the trade union movement and management, including the chief executive, chief operations officer and chief financial officer, and we have been successful in that regard. I accept it is a difficult climate for the aviation industry. The company had to reduce its staff and cost base, open new routes and make fundamental changes to its structures. The company received the approval and support of Government for all of those things and it has achieved an excellent profit.

Deputy Kenny is correct to state that three senior executives are leaving but it was not due to a lack of decision. When Deputies Kenny and Rabbitte asked me in this House about the MBO I said I was not in favour of it. I said I did not think it was good for the health of Aer Lingus. I did not think three members of senior management should be in a position to become wealthy overnight from a State company. I said that, but I did not say it to offend them or so that they would walk away. They came afterwards and said they would not have done it that way and they did not mean to say that. That does not matter. I was opposed to it and if it were today I would be opposed to it as well. Aer Lingus is a State company with a large staff. This is an island where we need to think carefully about our aviation policy.

Mr. F. McGrath: We said that, months ago.

The Taoiseach: It is not just a question of privatisation and finding a strategic partner. I praised Aer Lingus management and workers in a reply to Deputy Sargent last week. It is not an easy issue. I accept there will be difficulties down the road.

I cannot answer Deputy Kenny's question about what these gentlemen are going to do. I thank them for their contribution. Two of them came from the ranks and have done a good job. I am sure there are other such people still in the ranks. We know we have to make decisions. We are aware there are difficulties in world aviation. We accept the Shannon stop-over is an issue. We have to come to final decisions on these matters.

Mr. Kenny: Is the Taoiseach not suggesting—

An Ceann Comhairle: Deputy Kenny should allow the Taoiseach to speak.

The Taoiseach: It is not just a case of Government policy, we also have to take into account EU aviation policy and the position of the United States. We will address the issue as quickly as possible.

The Minister had a detailed discussion with the three executives today and he also had discussions with them on a number of occasions in recent weeks.

Mr. Rabbitte: I want to ask comrade Taoiseach now that he has come out as a socialist how this will affect the ordinary lives of our citizens? Nothing has stretched credulity so much since the press conferences in Baghdad of "comical Ali". Will the Taoiseach say what this will mean in practice for ordinary people? How will it change the lives of ordinary people now that a true socialist leads the Government?

Mr. S. Ryan: He always was.

Mr. Rabbitte: Will it mean that the millionaires who pay no tax—

An Ceann Comhairle: Allow Deputy Rabbitte to speak without interruption, please.

Mr. Rabbitte: —will have to pay a fair tax? Does it mean that he will undo the cuts of €58 million from the most vulnerable people on the margins of society in the social welfare package? Does it mean he will restore the RAPID programme that was designed to transfer resources to the most disadvantaged areas of the country? Does it mean that a woman fleeing domestic violence will now qualify for the rent supplement? People will want to know if his calculated, cynical announcement at the weekend will mean a change of direction in the Government policies he has pursued for seven and a half years?

Does it mean that people who cannot afford a mortgage will now have a chance of getting a local authority house? Up to now these people had to make do with a total of 315 houses built under the new social provisions of the planning legislation. Will the Taoiseach indicate to the House if people on very low incomes, for example, will qualify for medical cards as a result of this change of Government direction?

Does the Taoiseach have many soul brothers and sisters in the Cabinet to assist him in this change of direction?

Mr. Durkan: The Taoiseach would look well beside a picture of Che Guevara.

The Taoiseach: The core of centre left political ideology is the desire to spread more wealth equally.

(Interruptions).

Mr. Durkan: He is more serious than Che Guevara.

An Ceann Comhairle: Allow the Taoiseach to speak without interruption, please.

The Taoiseach: Since we returned to office in 1997, Fianna Fáil's record—

Mr. Hogan: The Taoiseach is reading too much.

The Taoiseach: —is that of the most left-wing Government the country has ever seen.

An Ceann Comhairle: The Taoiseach should be allowed to speak. He is entitled to exactly the same courtesy as Deputy Rabbitte received. If the Deputy does not wish to listen the Chair will deal with him.

(Interruptions).

The Taoiseach: It is all right, a Cheann Comhairle. The Ceann Comhairle should not get upset. I am quite enjoying the fact that the Labour Party has not been so upset for 20 years. There is no arguing with my party's clear achievements in ensuring that economic prosperity is more equitably spread throughout our communities. This Government has done much more than any other on pensions and social welfare, tackling unemployment and disadvantage, investing in health and education and committing resources to marginalised communities and the disability sector. The Government has done more than any comprised of the Labour Party or Democratic Left for that matter. Deputy Rabbitte referred to a number of these issues earlier.

The Government has made no cutbacks in social welfare this year, rather it spent more than €100 million extra. Deputy Rabbitte criticised the Government's record on tackling unemployment even though *The Economist* reports this week that Ireland comes out best of more than 100 countries in respect of unemployment and taxation. Most centre left, left or "commie" parties in Europe would be very pleased to have our economic statistics and when they meet Deputy Rabbitte to talk about the socialist republic, they ask him how we do it.

Deputy Rabbitte criticised the Government for doing nothing for people with disabilities, yet it is spending €2.5 billion. When Deputy Rabbitte's party last held the Finance portfolio, its gave just €500,000 in the budget.

A Deputy: Shame.

The Taoiseach: Deputy Rabbitte criticised the Government's record of creating a fair and equitable tax system, yet the most recent data from the OECD shows that in 2003 Ireland had the lowest tax wedge in the European Union and one of the

lowest in the OECD for a single person on the average production wage.

Mr. Hogan: Where did the Taoiseach read that?

The Taoiseach: Deputy Rabbitte stated that the tax system ignores the low paid, yet of the 1.8 million people in the work force, more than 620,000 are exempt from income tax. Where a number of years ago, one quarter of workers were exempt from income tax, the figure is now one third.

In the past seven years, the Government has reduced the standard and higher rates of income tax by six percentage points. When the Labour Party had the opportunity it reduced rates by just 1%. The Government has introduced a fairer system of credits, increased their value substantially and widened the standard band. We have doubled the tax exemption limits to €15,500 for single people and to €31,000 for married people. The average industrial worker, in whom Deputy Rabbitte purports to be interested, earns €10,000 more than in 1997, but pays approximately €250 less in tax. The Government has also introduced one of the lowest rates for people on the minimum wage. Some 30% of the population holds a medical card and the Government is seeking to expand that figure.

Mr. S. Ryan: The Taoiseach should not talk about medical cards.

Ms McManus: The Government's record is a disgrace.

The Taoiseach: Whether it is targeted support packages for disadvantaged children, assistance for disadvantaged areas or resources invested under the RAPID scheme in Ballymun and other areas in which it was needed, the Government has invested huge resources. Those are the facts, which Deputy Rabbitte cannot deny.

Mr. Rabbitte: If Mr. McCreevy was listening in the Berlemont building to the revelation that all this time he was the Minister for Finance of a socialist Government, he would be twirling on a spit. How can the Taoiseach rhyme off such statistics when the Government sucked the average industrial earner, to whom he referred, into paying tax at the top or marginal rate for the first time in the history of the State? For the first time, people earning €258 and with three children cannot get a medical card. The Government has taken 101,000 medical cards out of the system in contradiction of a programme for Government pledge to enhance it by 200,000, not counting the impact of the people over 70 years to whom the Government extended the scheme.

There are 315 social and affordable houses. The Government has structured the tax system in

[Mr. Rabbitte.]

such a way that shelters and tax incentives are available to people even where there is no economic merit to the continuation of a particular scheme. Very high rollers in our society can organise their tax affairs in such a fashion that they quite legitimately have no tax liability. According to the most recent figures, 11 millionaires have no tax liability at all while, at the same time, the average industrial earner or someone on 90% of the national minimum wage is liable to pay tax. The Government cut €58 million from the most vulnerable in our society and pulled the plug on the election promise of fast tracking €2 billion to urban areas in which poverty is clustered as soon as the election was over. How can the Taoiseach reconcile that with his calculatedly cynical attempt to re-brand and re-position the most right wing Government this State has seen since its foundation?

The Taoiseach: The social welfare budget was increased by €640 million, which is an enormous increase. Approximately 13,000 people will be catered for by the social and affordable housing scheme, which is higher than any figure since 1986. These are facts.

Mr. Gilmore: That is rubbish.

Mr. S. Ryan: That is not the truth.

An Ceann Comhairle: This is Deputy Rabbitte's question. If Deputies Gilmore and Seán Ryan are not happy with that, they will have to sort it out.

The Taoiseach: The income tax burden for the average household has fallen from 30% in 1996 to 18% today. Deputy Rabbitte referred to the average industrial wage which is up €10,000, even with all the increases, a person on the average wage today will pay €300 less than they would have been.

Mr. Gormley: What about stealth taxes?

The Taoiseach: The reason more people do not require medical cards is that they are working.

Mr. S. Ryan: Are people not getting sick?

Mr. D. Ahern: The Opposition was satisfied for such people to be on the dole.

Ms McManus: The Taoiseach should tell the truth.

The Taoiseach: It is because they are working. We no longer have 17% unemployment. We are not all unemployed as when the Labour Party was in control of these issues and pursued tax and spend policies. The great social philosophy of the Labour Party left people unemployed or emigrat-

ing and with high taxes. The country was goosed but we are away from those policies now. Deputy Seán Ryan knows in his heart that the real workers' party in this country is Fianna Fáil. Why does he not admit it?

Mr. S. Ryan: Is that what the electorate told the Taoiseach in the June election?

Mr. Rabbitte: They were in the tent at the Galway Races.

The Taoiseach: We have the highest minimum wage. I had to fight and wait for several years to see the Labour Party out of Government in order to see a minimum wage, which is now the highest in Europe. All these figures show that while everything is not done, the old circumstances of high unemployment, low wages and high taxes are not with us anymore, for which I thank God.

Caoimhghín Ó Caoláin: Will the Taoiseach inform the House why the newly appointed head of the Health Services Executive has decided not to take up his position?

Ms Burton: He must be afraid of a red Government.

Caoimhghín Ó Caoláin: Does the Taoiseach agree that this very late decision is worrying and what messages does it send out? Is the Taoiseach aware of the great disaffection and disgruntlement in the IMPACT trade union, which represents some 25,000 health service workers and is advising its members not to participate in briefings organised by the new Health Service Executive? Does he agree this is a worrying indicator of a failure to properly involve, consult and engage with one of the key elements within the overall configuration of workers within the health services? Does he agree that this is a result of the failure to properly explain to and engage with the union and its membership and that people feel they have been left in the dark?

Will the Taoiseach explain to the House why, a short time before the changeover from what remains of the health board structures to the new Health Services Executive, we are looking at absolute chaos? Why has the Government so mis-managed this proposed transition? Is the Taoiseach also aware that people with disabilities have expressed concern? While they have been engaged in a liaison role with the existing health structures, they are in the dark as to how they are to relate to the new health structure when it is established. This is a further example of the same approach with regard to the IMPACT union.

Will the Taoiseach explain why the Minister for Health and Children has deemed it necessary to reappoint the existing chief executive officers of the outgoing health boards for a further six months?

An Ceann Comhairle: The Deputy's time has concluded.

Caoimhghín Ó Caoláin: Does all this not indicate that we will face weeks and possibly months — God knows how long — of bureaucratic chaos in the course of this transition? Energy will be spent on this that would have been better employed in ensuring there is delivery of critical services at the coalface of the health service, in terms of the appointment of more nurses, seriously tackling the crisis in the accident and emergency sector and making more beds available.

An Ceann Comhairle: The Deputy must give way to the Taoiseach. He has gone a minute over his time.

The Taoiseach: The Government regrets that Professor Aidan Halligan will not take up the job of leading the new Health Service Executive. We respect the reasons he has given for his decision. Professor Halligan made his decision clear to Kevin Kelly, the chairman of the interim HSE last week. Mr. Kelly kept the Tánaiste informed on all aspects of the transition to the new HSE. There will be no loss of momentum in the reform programme. Interviews for the second tier of management are completed and announcements about that level of senior management will be made. Professor Halligan has opted to stay in the health service in Britain. It is his decision and I respect it.

We have worked on the legislation giving effect to the reform programme over the past three years. We have worked through all the agencies, including IMPACT and the other unions. They are clear about the structure; it has long been outlined to them. Nobody will lose their position or have their conditions changed. That was made clear from the outset.

Obviously, in the reform of a health service there will be changes, including in the structures. The health boards are gone and the legislation has been passed. We must reform the health service. This is a small country and 100,000 people work in the service. We spend €11 billion per year on the service so obviously there will be changes and reforms along the way. We will have to deal with those issues as we proceed. I hope the trade union leaders will engage with the changes and the restructuring. There is no need to attempt to ratchet up concerns or fears among ordinary staff members who are doing a good job and most of whom are unlikely to experience change in any significant manner.

It will be the Government's job to put the Health Service Executive in place, resource it and, as the Deputy said, try to provide a better service in a more meaningful way. That is what is necessary and it is set out in the programme. The programme is being followed and it is clear from

the Brennan report, the Prospectus report and other initiatives what the Government is endeavouring to do.

Caoimhghín Ó Caoláin: The Taoiseach indicated that Professor Halligan advised Kevin Kelly of the circumstances surrounding his decision. My question was whether the Taoiseach would advise the House of his understanding of those reasons. He clearly failed to do that. Will the Taoiseach outline his understanding of the reasons that Professor Halligan took this decision at such a late hour?

Furthermore, the Taoiseach said that nobody would lose his or her position. However, with regard to the IMPACT trade union and those with disabilities who have voiced their concerns, nobody seems to know what is before them. This House, too, remains in the dark about this. The recent statement from the Tánaiste, which was relayed by the Progressive Democrats, indicates that she might want to increase private sector involvement in the health services. How does that affect the Taoiseach, given that he is such an exponent of republican and socialist ideals? Does he believe the further privatisation of the health services is the way forward, in view of the problems we currently face?

An Ceann Comhairle: The Deputy's time has concluded.

Caoimhghín Ó Caoláin: Is the Tánaiste's interest in moving in that direction not underlined by her recent visit to New York to inform herself about the New York experience?

An Ceann Comhairle: The Deputy cannot continue to ignore the Standing Order. The Standing Order applies to the Deputy in the same way as to other Members.

Caoimhghín Ó Caoláin: Will the Taoiseach answer the questions I posed?

The Taoiseach: I did not speak to Professor Halligan so I cannot give precise details. The Government had been in negotiation with him during the summer about conditions, moving and related issues. We had finalised a very satisfactory package. It was well known that Professor Halligan was probably coming here, although it was generally expected in the medical business in the UK that he would have got the top job there. He had agreed and signed up but, on reflection, he decided to stay in the UK for family reasons. That is his purpose. I wish him well in the top job in the UK, which he will probably get.

With regard to the Health Service Executive, we have laid down in the reforms over recent years what we are seeking to do. It has been clearly set out. There was an enormous round of discussions based on the Prospectus, Brennan and

[The Taoiseach.]
other consultants' reports and now we will implement them. Of course, change creates problems and difficulties but with the goodwill of everybody we will have a better service that will help individual patients. That is the purpose of the reforms.

Requests to move Adjournment of Dáil under Standing Order 31.

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

Mr. O'Dowd: I seek the adjournment of the Dáil under Standing Order 31 to raise a matter of national importance, namely, the fact that BSE risk material may have entered the national food chain through the pipes of a Drogheda factory and the need for the Government immediately to initiate a full inquiry into this matter.

Ms McManus: I seek the adjournment of the Dáil under Standing Order 31 to raise a matter of national importance, namely, the decision of Professor Aidan Halligan not to take up his post as chief executive of the Health Service Executive and the need for the Minister for Health and Children to outline what she intends to do to restore cohesion to the Government's programme for health reform.

Mr. Connaughton: I seek the adjournment of the Dáil under Standing Order 31 to raise a matter of national importance, namely, the closure of Barford Meats plant, Carrickmacross, County Monaghan, with the loss of 82 jobs and the proposals the Department of Enterprise, Trade and Employment has to replace these jobs.

Mr. Neville: I seek the adjournment of the Dáil under Standing Order 31 to raise a matter of national importance, namely, the need to establish an independent inquiry into the death of a long-stay psychiatric patient at St. Brendan's Hospital, Dublin, on 1 September who, due to the side effects of medication, choked to death on her food.

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

Order of Business.

The Taoiseach: It is proposed to take No. 9, motion re referral to select committee of proposed approval by Dáil Éireann of the amendments to the convention establishing the European Telecommunications Satellite Organisation;

No. 10, motion re referral to select committee of proposed approval by Dáil Éireann of the amendments to the convention for the establishment of the European Radiocommunications Office and the ratification of the instrument amending the ERO convention; No. 11, motion re referral to select committee of proposed approval by Dáil Éireann of the double taxation conventions between Ireland and the Republic of Iceland, Hellenic Republic and Canada; No. 11*a*, motion re referral to joint committee of the report of the independent commission of inquiry into the Dublin bombings of 1972 and 1973 — on the Supplementary Order Paper; No. 12, motion re membership of committees; No. 13, motion re appointment of ordinary Members to the Houses of the Oireachtas Commission; No. 24, Council of Europe Development Bank Bill 2004 — Second Stage (resumed); No. 25, Road Traffic Bill 2004 — Second Stage (resumed); and No. 26, Disability Bill 2004 — Second Stage (resumed). It is proposed, notwithstanding anything in Standing Orders, that Nos. 9, 10, 11, 11*a*, 12 and 13 shall be decided without debate. Private Members' business shall be No. 36, Consumer Rights Enforcer Bill 2004, Second Stage, and the proceedings thereon shall, if not previously concluded, be brought to a conclusion at 8.30 p.m. on Wednesday, 17 November 2004.

An Ceann Comhairle: There are two proposals to put to the House. Is the proposal for dealing with Nos. 9, 10, 11, 11*a*, 12 and 13, motions regarding referrals to select committees, membership of committees and the appointment of an ordinary Member to the Houses of the Oireachtas Commission, without debate, agreed?

Mr. Sargent: It is unacceptable to members of the parties which form the Technical Group that they are excluded from consideration for No. 13, which relates to the appointment of an ordinary Member to the Houses of the Oireachtas Commission. The 25 Members to whom I refer are not represented on the commission. I ask that the Ceann Comhairle, who represents all Members of the House, take that on board. At present, a significant number of Members of the House are excluded from serving on the commission. Does the Ceann Comhairle find that acceptable and will he seek to have it amended?

The Taoiseach: There is an Independent Member from the Seanad on the commission. That was what was agreed when it was put in place.

Question, "That the proposal for dealing with Nos. 9, 10, 11, 11*a*, 12 and 13 without debate be agreed", put and declared carried.

An Ceann Comhairle: Is the proposal for dealing with Private Members' business agreed? Agreed.

Mr. Kenny: Has the Government received advice from the Attorney General regarding payments taken from persons over 70 years of age who were allocated medical cards and who are occupying long-stay public beds? This advice, which relates to a matter of major concern for up to 10,000 people, is long awaited.

We are just ten days from the appointed date for reaching agreement on the current difficulties relating Northern Ireland. After that date, it appears the British and Irish Governments will take an alternative view or approach. Does the Taoiseach wish to provide an update on what is happening in respect of this matter or must we wait until after 25 November to discuss matters relating to the Good Friday Agreement and current difficulties between the DUP and Sinn Féin?

The Taoiseach: The Attorney General has completed the report. I must check, however, whether he has passed it on to the Tánaiste and Minister for Health and Children. I will confirm the position for the Deputy through my office.

On the second issue, discussions are taking place on a daily basis. Not much has changed from what I said last week. It is to be hoped that the Governments will be in a position to outline to the parties during the course of this week what we are endeavouring to do. The parties will then be able engage in consultations with their colleagues. I am anxious to debate the matter in the House but the timing of such a debate would be somewhat problematic. I will keep in touch with Deputies Kenny and Rabbitte and the other party leaders on this matter. However, we will not just cut matters dead without holding a debate. I will ensure that such a debate takes place before matters are finalised.

Mr. Rabbitte: As we speak, US forces are pounding Falluja with apparently little regard for civilian casualties or the rights of the wounded. Has the Taoiseach registered a protest to the American ambassador—

An Ceann Comhairle: That does not arise on the Order of Business. Does the Deputy have a question appropriate to the Order of Business?

Mr. Rabbitte: —or does the Government intend to continue to make Shannon available for the transport of troops, regardless of the casualties in Iraq?

An Ceann Comhairle: That does not arise. I call Deputy Sargent.

Mr. Rabbitte: It is traditional to permit party leaders to put—

An Ceann Comhairle: Leaders' Questions was introduced to facilitate the leaders of parties.

Mr. Rabbitte: I could have raised the matter under the general socialist cover but I chose not to do so. This is a serious matter about which many Members are concerned.

An Ceann Comhairle: I accept that but it is not appropriate to the Order of Business.

Mr. Rabbitte: I thought the Taoiseach might take the opportunity to comment on what we have witnessed, via our television screens, in Falluja.

An Ceann Comhairle: It is an abuse of the Order of Business to raise questions on all kinds of issues.

Mr. Rabbitte: What we see on our television is abuse of civil rights and the Geneva Convention.

Mr. Sargent: If a humanitarian attitude were adopted, it might allow an opportunity to remark on the measures needed to alleviate some of the suffering in Falluja. However, I will not comment on that matter at this stage.

I understand Deputy Kenny's reasons for seeking a debate on Northern Ireland. The Taoiseach stated that he would keep in touch with the party leaders. Will he make a formal arrangement in terms of engaging the parties in Opposition which have their own contacts and which may wish to make suggestions that would be helpful but which have no other means of putting forward such suggestions than by seeking a debate? As the Taoiseach stated, such a debate would be quite public in nature. Will he acknowledge that it is far from acceptable for this to be the only means by which Opposition parties can engage in matters of continued mutual interest relating to developments in Northern Ireland and that there should be another way of dealing, in a bilateral or multilateral way, with parties in Opposition? Will the Taoiseach take that on board, particularly as he stated that a debate might not be appropriate?

An Ceann Comhairle: The Deputy has made his point.

Mr. Sargent: The coastal zone management Bill was withdrawn. It was felt that it would be better to incorporate it into the marine service Bill. I understand it is not possible to indicate when the latter will be published.

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

Mr. Sargent: I am asking a question on the legislation. Matters relating to the marine appear to be continually placed on the long finger. Will the Taoiseach indicate when the legislation will be forthcoming?

The Taoiseach: The coastal zone management Bill was designed to establish a new legal framework for the integrated management of the coastal zone and to replace the Foreshore Acts. It is being incorporated into the marine services Bill to put in place a comprehensive and new legislative provision to deal with the seafood sector and the marine coastal zone. I will see if the Minister has a date for the publication of the legislation.

A number of Deputies have been helpful in respect of matters relating to Northern Ireland, either in terms of making visits or talking to people, either here or elsewhere, to elicit their views. It would be good if they could arrange with the small team we have working on Northern Ireland issues to have those views heard or to have what is happening explained. The position between the parties is sensitive at present. I do not mind having debates at any time but we must recognise the positions of the parties at this stage in the negotiations. I would be glad, at any stage, to make available—

Mr. Sargent: It was the Taoiseach who introduced the small team.

The Taoiseach: —facilities in which people may engage in discussions or in which the views of contacts might be heard.

Ms O. Mitchell: In light of the resignation of the entire Aer Lingus management team today, is it the Taoiseach's intention to implement the provisions of the Aer Lingus Act 2004?

The Taoiseach: The legislation was enacted some months ago. The management of the company and the Department of Transport have been engaging with the three individuals in respect of its workings.

Ms Burton: What is the position regarding the publication of the Estimates on Thursday, particularly in view of the comments of the Minister for Finance that they may not be complete and that more information, above and beyond what is normally put forward, may be provided on budget day? How are we supposed to have, as the Taoiseach promised last week, a detailed debate on the Estimates if we do not receive the full details we normally receive on Thursday next? The Minister for Finance has made several references to "holding back" until budget day. That makes a nonsense of—

5 o'clock

The Taoiseach: The Book of Estimates will be published on Thursday. The Minister for Finance was reported as saying that because the public private partnership aspect of the capital programme was not up to the level that it was, he intended in the budget to use additional resources to make up the capital programme. The day-to-

day Estimates will be published in the normal way on Thursday afternoon.

Caoimhghín Ó Caoláin: Will the Taoiseach confirm that the health Bill has come before Cabinet today? Will he advise the House when he expects it to proceed through the various Stages?

Will the Taoiseach also advise if the documents from the Department of Transport that advised that some €6 million of Irish taxpayers' money has been used to pay for the transport of US forces through Shannon Airport is correct?

An Ceann Comhairle: The Taoiseach should reply on the health Bill. I suggest that the Deputy submit a question on the other matter.

Caoimhghín Ó Caoláin: Does the Taoiseach intend to continue to abuse the trust which taxpayers have in Government by using moneys in this irresponsible way?

An Ceann Comhairle: The Deputy is out of order.

The Taoiseach: The health Bill will be before the House shortly.

Mr. Durkan: In view of the precarious situation in An Post and the possibility of industrial action coming up to Christmas, is it not now opportune for the Government to speed up the process for the Postal (Miscellaneous Provisions) Bill which has already been ordered but which is becalmed somewhere?

The Taoiseach: The Bill has been ordered for Second Stage. I will raise with the relevant Minister the issue of moving the Bill forward.

Mr. Connolly: Does the Taoiseach regard the proposal to remove the complete surgical team from Monaghan General Hospital to Cavan General Hospital as best and safe practice?

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

Mr. Connolly: Is this what the Taoiseach means when he states there will be no loss of momentum in the health service?

An Ceann Comhairle: The Deputy is out of order.

Mr. Connolly: I believe it does.

Mr. Gormley: Is the Taoiseach aware that the women who were the victims of Dr. Neary were in Leinster House today?

An Ceann Comhairle: That does not arise on the Order of Business. This is not general Question Time.

Mr. Gormley: I am asking about the medical practitioners bill and the fact that a redress board is required.

The Taoiseach: It will be early next year.

European Conventions: Referral to Select Committees.

Minister of State at the Department of the Taoiseach (Mr. Kitt): I move:

That the proposals that Dáil Éireann approves the amendments, approved in May 1999 by the Assembly of Parties of the European Telecommunications Satellite Organisation, to the Convention establishing the European Telecommunications Satellite Organisation, which originally entered into force in September 1985, copies of which, including the amendments, were laid before Dáil Éireann on 27 October 2004, be referred to the Select Committee on Communications, Marine and Natural Resources, in accordance with paragraph (1) of the Orders of Reference of that committee, which, not later than 23 November 2004, shall send a message to the Dáil in the manner prescribed in Standing Order 85, and Standing Order 84(2) shall accordingly apply.

Question put and agreed to.

Minister of State at the Department of the Taoiseach (Mr. Kitt): I move:

That the proposals that Dáil Éireann approves the amendments, adopted at Copenhagen on 9th April 2002 by the Council of the European Radiocommunications Office at its 14th ordinary meeting to the Convention for the establishment of the European Radiocommunications Office, ERO, The Hague 1993, and approves the ratification of the instrument amending the ERO Convention which was signed by the Irish ambassador to Denmark, subject to ratification, in Copenhagen on 17 December 2002; copies of the Convention, including the amendments, and an attached copy of the instrument of ratification were laid before Dáil Éireann on 27 October 2004, be referred to the Select Committee on Communications, Marine and Natural Resources, in accordance with paragraph (1) of the Orders of Reference of that committee, which, not later than 23 November 2004, shall send a message to the Dáil in the manner prescribed in Standing Order 85, and Standing Order 84(2) shall accordingly apply.

Question put and agreed to.

Double Taxation Relief Orders: Referral to Select Committee.

Minister of State at the Department of the Taoiseach (Mr. Kitt): I move:

That the proposals that Dáil Éireann approve the following orders in draft:—

Double Taxation Relief (Taxes on Income and Capital) (Republic of Iceland) Order 2004,

Double Taxation Relief (Taxes on Income and Capital Gains) (Government of the Hellenic Republic) Order 2004,

Double Taxation Relief (Taxes on Income and Capital Gains) (Government of Canada) Order 2004,

copies of which were laid before Dáil Éireann on 2 November 2004, be referred to the Select Committee on Finance and the Public Service, in accordance with paragraph (1) of the Orders of Reference of that committee, which shall, not later than 30 November 2004, send a message to the Dáil in the manner prescribed in Standing Order 85, and Standing Order 84(2) shall accordingly apply.

Question put and agreed to.

Dublin Bombings Inquiry Report: Referral to Joint Committee.

Minister of State at the Department of the Taoiseach (Mr. Kitt): I move:

That Dáil Éireann requests the Joint Committee on Justice, Equality, Defence and Women's Rights, or a sub-committee thereof, to consider, including in public session, the report of the Independent Commission of Inquiry into the Dublin bombings of 1972 and 1973 and to report back to Dáil Éireann within three months concerning any further necessary action.

Question put and agreed to.

Membership of Committees: Motions.

Minister of State at the Department of the Taoiseach (Mr. Kitt): I move:

That Deputy Eoin Ryan be discharged from the Committee on Members' Interests and that Deputy Tony Dempsey be appointed in substitution for him;

That Deputies Tony Killeen and Brendan Smith be discharged from the Committee on Procedure and Privileges and that Deputies Billy Kelleher and Seán Ó Feargháil be appointed in substitution for them;

That Deputy Batt O'Keeffe be discharged from the Committee of Public Accounts and that Deputy Michael Smith be appointed in substitution for him;

That Deputy Seán Power be discharged from the Joint House Services Committee and that Deputy G.V. Wright be appointed in substitution for him;

[Mr. Kitt.]

That Deputy Michael Moynihan be discharged from the Select Committee on Agriculture and Food and that Deputy Máire Hctor be appointed in substitution for him;

That Deputy Tony Killeen be discharged from the Select Committee on Education and Science and that Deputy Michael Moynihan be appointed in substitution for him;

That Deputy Conor Lenihan be discharged from the Select Committee on Enterprise and Small Business and that Deputy Martin Brady be appointed in substitution for him;

That Deputy Seán Power be discharged from the Select Committee on the Environment and Local Government and that Deputy Donal Moynihan be appointed in substitution for him;

That Deputies Michael Mulcahy and Pat Carey be discharged from the Select Committee on European Affairs and that Deputies Dan Wallace and Joe Walsh be appointed in substitution for them;

That Deputy Conor Lenihan be discharged from the Select Committee on Finance and the Public Service and that Deputy John Cregan be appointed in substitution for him;

That Deputy Dan Wallace be discharged from the Select Committee on Foreign Affairs and that Deputy Michael Mulcahy be appointed in substitution for him;

That Deputy Batt O'Keeffe be discharged from the Select Committee on Health and Children and that Deputy Charlie O'Connor be appointed in substitution for him; and

That Deputy Eoin Ryan be discharged from the Select Committee on Transport and that Deputy Ollie Wilkinson be appointed in substitution for him.

Question put and agreed to.

Minister of State at the Department of the Taoiseach (Mr. Kitt): I move:

That Dáil Éireann appoints Deputy M.J. Nolan to be an ordinary member of the Houses of the Oireachtas Commission in place of Deputy Tony Killeen who ceased to be a member in accordance with section 8(17) of the Houses of the Oireachtas Commission Act 2003.

Question put and agreed to.

Council of Europe Development Bank Bill 2004: Second Stage (Resumed).

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

Mr. Stanton: I am pleased to speak briefly on this important Bill. As Deputy Richard Bruton

stated earlier in the debate, Fine Gael supports this Bill. The Council of Europe Development Bank was established in 1956. It is the oldest international financial institution in Europe and the only one with an exclusively social vocation. My interest in this Bill stems from its social vocation. Its main field of action involves strengthening social integration, such as aid to refugees, migrants and displaced populations. Social housing seems to be high on its list of priorities and much of the bank's money has been dispersed in the area of social housing. What medium and long-term plans has the Government to avail of the bank's borrowing facilities to assist social housing in this country? I note that the Minister did not allude to this in his initial speech.

Some of the largest borrowers from the bank include France, Germany, Italy and Spain. In 2003 France borrowed €50 million, Germany €115 million and Italy €242 million. The larger countries seem to borrow the most and are also probably the largest contributors to the bank. It is an important institution. Ireland plans to become more integrated in Europe and its use of this bank and other institutions is a means of doing so. I am concerned whether the Government has any plans to use the bank's facilities to aid refugees, migrants or Travellers. A stated mission of the bank is to strengthen social integration.

The bank is also involved in managing the environment and in preventative action in natural and ecological disasters. Last week during the Adjournment debate in the House I was allowed by the Ceann Comhairle to raise an issue of coastal erosion. The Minister has replied to me on a number of occasions that it is not possible for the Government to protect private property and land holdings from invasion by the sea. That subject should be examined because increasing damage is being caused by the sea, particularly in areas such as east Cork in my constituency where a large area of farmland is under threat from the sea. As the Minister of State is no doubt aware, when salt water lands on agricultural land, the land becomes useless. Will the Government investigate the possibility of using the services of this bank to fund a new scheme of coastal defences where necessary and where it is not possible to do so using any other method.

I note this bank will provide funding to preserve historic and cultural heritage. I am interested to hear of any Government plans in this regard. The Council of Europe Development Bank had assets of €14.2 billion at the end of 2002. Ireland is set to become the 36th member. The social housing sector presents a problem throughout the country. Other countries have used the services of the bank to assist in social housing needs. Has the Government any similar plans? In 2003 the bank approved two schemes in Portugal and Sweden amounting to €55.4 million. In Portugal a project totalling €50 million will provide for the partial financing of the construction of social housing and renovation of existing units by towns, municipal bodies, co-operatives

and associations for the construction and management of social housing by private developers. Something similar happened in Sweden. A loan programme amounting to €5 million out of a total of €108 million was approved recently. That will make it possible to finance, at an advantageous cost, various instruments for housing infrastructure carried out by local communities and companies either owned or guaranteed by Swedish municipalities. They are responsible for providing social housing for low income families and for those who, by reason of age or handicap, must have access to specially equipped housing. Difficulties have arisen here in the administration of the disabled person's grant and the essential repairs grant schemes, an area that needs to be examined.

In Denmark, a €100 million loan was given in favour of Danish local authorities to provide for the construction and renovation of public housing intended for the elderly throughout the country. Something similar was done in Italy in respect of related infrastructures intended for immigrant workers, young families and the elderly. I could name other countries but that appears to be one of the issues for which the bank is being used.

In respect of disadvantaged urban areas in Finland, a loan programme of €25 million, of a total approved of €50 million, was established, again through the local authorities. That is something on which I would like to hear the Government's views.

In Spain, two projects were approved and partially financed. These were to do with cultural infrastructure, in which I am particularly interested. Perhaps the Minister of State, Deputy Parlon, who is responsible for the Office of Public Works, will examine that with his colleague, the Minister for Arts, Sport and Tourism — we no longer have a Minister for culture, which appears to have disappeared off the radar — because many towns in particular do not have cultural centres. They do not have places where youngsters can go and play music or get involved in Irish dancing, céilithe and so on. We must empower local authorities to develop that area, which would not be difficult, because it would provide an outlet for youngsters. The criticism is often made that many teenagers have nothing to do at night and nowhere to go, yet with a little imagination and money we could develop centres in our towns. The people in these towns are crying out for a little support to do that, and a small amount could go a long way.

Ireland has a tradition of people getting involved in drama societies. I am aware that in Spain, this bank was used to finance the construction of cultural buildings such as theatres, concert halls and libraries in rural areas. That is something we should examine. I am not sure whether we can use the services of the bank or whether the Government has plans to do that. If the Government does not want to use the services of the bank to do that, perhaps it should finance it from its own resources.

I understand a new four year development plan has been put forward by the bank, that it was approved in mid-2004 and will be in force from January 2005. Will the Minister indicate whether it has been approved, when it will come into force and what is involved in it? It would be of interest to us to know that information.

I note the Government has been criticised for its lack of support for the Traveller community, particularly in respect of health, halting sites and so on. I am aware this bank has, been used by other countries to help their migrant citizens with such difficulties. I do not know whether the Government intends to do anything like that, but it would be interesting to know.

It is a good move to become involved with this bank because it can provide opportunities for us to access finance to use in a positive and imaginative way. It also allows us become more involved with other countries in Europe and to strengthen solidarity across Europe. I welcome the Bill, which we support. I wish it a speedy passage through the House.

Minister of State at the Department of Finance

(Mr. Parlon): I thank Deputies for their wide-ranging and interesting comments on the Bill. Members of this House have shown a consistent and genuine concern in the affairs of less well-off countries of the world and that is acknowledged by me on behalf of the Government. Deputies, in their various contributions, emphasised the need to focus development efforts on the poorest countries and noted the benefits the Irish experience of development and social change could contribute to the wider world.

Deputy Bruton noted the valuable contribution made to the economic and social development of Ireland by international development institutions, including the European Investment Bank. I agree we should give our thanks for that past support and that, as we become wealthier, we must support other states in their development and in grappling with their problems. I welcome also his proper reference to the careful way past Governments and agencies have used funds given and lent to us by others. It is one thing to get concessional loans or grants and another to use them properly and wisely.

Deputy Bruton referred to debt cancellation, as did Deputy Healy. We have no debts to cancel. Ireland supports debt cancellation and I agree that wealthy countries need to do more to assist the highly indebted countries. This is an issue we have raised in many fora and while support is growing, money for debt cancellation is hard to find from the larger and most developed states. While we will certainly play our part, others are more reluctant. I also agree that the Irish experience has much to offer others in eastern Europe and elsewhere. We have learned some hard learned lessons, which might help others avoid blind alleys.

Deputy Burton noted the time it has taken to get the Bill discussed in this House — it has

[Mr. Parlon.]

awaited Dáil time since February last. It came close to discussion on several days but other urgent legislation pushed it backwards. The Deputy mentioned also the useful work this bank can do in assisting the Roma community in the countries where those communities are established.

Deputy Burton also mentioned the need for good governance, particularly in Africa, where progress in meeting the millennium development goals is painfully slow. Ireland's priority for aid is heavily geared toward countries in Africa, and we also see the need for more assistance and reform in Africa.

Deputy Howlin referred to the fact that we are late in joining the bank. That is true. Our slowness to join the bank was not due to any reluctance as to the importance of the bank, but we were short of funds. He also pointed out the problem of corruption and the hard choices that must be made. On the one hand, some of the poorest people live in countries that have high levels of corruption. Doubly cursed by poverty and rapacious officials, we must ensure that aid and assistance is not stolen or diverted. This House supports aid. It does not support aid being diverted to pay for presidential palaces, back-handers or otherwise.

Deputy Harkin mentioned the high rates of growth Ireland has seen in recent years. It is our intent to use some of this growth to the benefit of others, particularly in support of the millennium development goals.

Almost all Deputies spoke about ODA, and I welcome their support for development aid. Our contribution is new and additional.

Deputy Boyle mentioned the Kyoto Protocol. As he is aware, recent decisions by Russia make ratification likely. No doubt he will not wish to see the developing world repeat the errors that we in the developed world made in regard to energy use. The problems of conservation and sensible development can be regarded as worldwide ones.

Deputy Ó Caoláin reminded us that, in general, Europe has progressed more since 1956 than many other parts of the world. This is due in no small measure to the strong institutions Europe has created — the Council of Europe, the European Union and banks such as the EIB. Europe is not a closed off place. Ten new countries just joined the EU and more are waiting in the wings.

Deputy Hogan mentioned the critical role of employment as an engine of development. We are now fortunate enough to have good employment prospects for our people, but much of eastern Europe faces daunting problems. The Deputy mentioned also the benefit we got from EU transfers and the need for those to be used wisely. This is something we fully support.

Deputy Twomey and others reminded us that while we have a long experience of outward migration, our experience of inward migration is more recent. I hope our support for this bank will

help raise development in countries such as Bulgaria so that their citizens have greater choice regarding employment in that region.

The role of education in development is vital. In Africa and eastern Europe, primary education is not available to all, particularly girls.

Deputy Michael Higgins mentioned the problem of debt created in some cases by inappropriate policies, conflict or ill luck. In the case of Africa, significant debts need to be cancelled but some are in countries that have repudiated participation in the programmes and policies of the Bretton Woods institutions for long periods. The Deputy suggests the neo-liberal economic model has failed. In praising Keynes he may have forgotten that Keynes was one of the principal participants in the Bretton Woods conference that established the IMF and World Bank more than 60 years ago.

Deputy Cowley mentioned the need for balanced regional development. In many places in Europe the drift from the land remains a great problem. The bank supports this objective and tries to ensure that rural infrastructure is upgraded to keep people and jobs in the regions of Europe. Deputy Connaughton also gave welcome support to this Bill, for which I thank him. As representatives of rural communities, Deputies Cowley, Connaughton and I know the people we represent support measures to help rural development in poorer countries, as is the case in the Bill.

Deputy Stanton asked whether the Government would use the bank's facilities for programmes for refugees or social housing. It is not envisaged that Ireland will borrow from the bank. Our participation in it is aimed at supporting the needs of others. As regards other countries, national or local governments or others seeking to borrow may approach the bank and the bank will make decisions within overall policy. Governments do not decide or make allocations. While it is not a requirement of membership of the European Union to be a member of the bank — we joined the EU in 1973 while not a member — it helps to prepare candidate countries for membership.

Deputy Finian McGrath correctly reminds us that Europe has helped create the problems affecting some parts of the world. I welcome his support for Irish people who serve or have served overseas for humanitarian purposes. I welcome his efforts to focus on AIDS, which with malaria and water borne diseases, kill far too many people in the developing world.

Deputy Coveney mentioned the role of the bank in helping countries prepare for EU accession and noted that we spend little on military affairs. I welcome his concern with governance issues.

Deputy Crawford reminded us of problems in the agricultural sector and of our experience of famine. In recent times, people in the Balkans faced hunger and war and reconstruction aid is still required in the region.

I do not have the details Deputy Stanton requested regarding the bank's development plan but I will revert to him on the matters he raised at a later date.

I thank Deputies for their contributions and support for the Bill. Unfortunately time does not allow for further comments in regard to all the points raised. I am, however, heartened that all sides of the House are committed to the expression of solidarity and social inclusion in the wider Europe, which is the core mission of the Council of Europe Development Bank.

Question put and agreed to.

**Council of Europe Development Bank Bill 2004:
Referral to Select Committee.**

Minister of State at the Department of Finance (Mr. Parlon): I move:

That the Bill be referred to the Select Committee on Finance and the Public Service in accordance with Standing Order 120(1) and paragraph 1(a)(i) of the Orders of Reference of that committee.

Question put and agreed to.

**Road Traffic Bill 2004: Second Stage
(Resumed).**

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

An Ceann Comhairle: Deputy Cowley was in possession and has 16 minutes remaining.

Dr. Cowley: I was strongly in favour of the penalty points system. Its introduction had a major effect because drivers believed they had a good chance of being caught. However, they have become complacent and this has put an end to the effectiveness of the penalty points system. In a recent parliamentary question, I asked the Minister for Justice, Equality and Law Reform about the appointment of more gardaí for front line duties and he indicated this would happen. I hope this is the case because resources have always been a difficulty.

Fairness is essential. If the people can be convinced by a policy, its chances of success are much greater. It is unfair that a motorist who drives one mile per hour above the designated speed limit is given two penalty points. The lack of fairness and proportion puts people off, creates unease and interferes with the success of the law and the penalty points system. I call for an intermediate zone in which a monetary fine would be the appropriate penalty.

I am glad to raise again the need to introduce a system to reduce the number of road traffic fatalities. We need a system to retrieve people who are dangerously ill and rapidly transfer them to a so-called centre of excellence. It has been proven internationally that if one can provide

essential treatment within what is known as the golden hour, one can save lives and prevent people from leading a life of disability. It is estimated that a helicopter emergency medical service, which can provide essential treatment within the golden hour, would cut both the mortality rate and the rate of long-term disability by 50%. We do not have such a service.

I feel sympathy for anyone involved in a road traffic accident, including the Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, who was involved in a bad accident yesterday. We are delighted he is all right. As he pointed out his concern is for two American citizens involved in the accident. We hope they will make a full recovery.

When seriously ill victims of accidents require services not available in a local hospital, a helicopter emergency medical service is essential. Provision must be made for such a service as part of the strategy to save lives on our roads. We share with Northern Ireland the dubious distinction in Europe of not having such a service.

For more than a decade I have been involved in a campaign to introduce a helicopter emergency medical service. I met the former Ministers for Health, Deputies Noonan and Martin and the former Minister for Health in the North, Bairbre de Brún MLA, on this issue. I also met the cross-Border working group on pre-hospital care established under the Good Friday Agreement in Newry. As a result of this meeting, a recommendation was made to the North-South Ministerial Council that an all-Ireland feasibility study be carried out. This study was completed in 2002 but was not published until April 2004. To date, nothing has been done on foot of this good report, which clearly states that an inter-hospital retrieval service providing intensive care in flight is necessary. This requirement was flagged in a report on the ambulance service produced in 1993 and reiterated in 2000. Like doubting Thomas, the Minister wanted and was given proof. Now that the baton has been passed to the Tánaiste, Deputy Harney, it is for her to decide on a helicopter emergency medical service. Having been jiggled around between Departments, the issue needs to be grasped.

We are the poor relation in Europe as regards helicopter emergency medical services. When large numbers of Ministers from other European countries visited Ireland during our EU Presidency, we did not have such a service, which is a shame, particularly given that it could save many lives.

Through no fault of its own, the Air Corps, which currently provides a service, is not capable of doing the job because its service is not dedicated and its equipment reflects its multi-purpose role. The Air Corps spends more time bringing Ministers from A to B than taking part in mercy missions. The average time it requires to reach a hospital to collect a patient in desperate need of air transport is 12.25 hours, which is a long time to wait for an essential service. What happens to

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the golden hour in such circumstances? The Bill and the road safety strategy should provide for such a service, without which people who would otherwise survive will die.

If the findings of the Hanly report are implemented — I do not believe they will be — the provision of helicopter emergency medical services will be an imperative. Although they are currently essential, they will become even more important if 24 hour services in local hospitals are closed. If the west does not have a neurosurgical centre, it must have a helicopter emergency medical service. International research has proven that the more one moves a person who has suffered a serious head injury or fractured spine, the greater the chance the person in question will die or lead a life of disability. Patients are currently removed from hospitals such as Mayo General Hospital and placed in the back of an ambulance for 12 to 16 hours, during which they are not connected to the intensive care equipment they need to sustain their oxygen levels and so forth. I am not criticising the ground ambulance service as it is an excellent though unappreciated service. I recognise it has received investment but it is still an incomplete service. No matter how good a ground ambulance is, it simply cannot make the time an air ambulance can. Time can be of the essence in treating victims of serious accidents. A ground ambulance, attempting to reach essential treatment services for patients in Dublin city, is forced to compete with traffic gridlock. If the Government wants to save more lives on the roads, an air ambulance service is one way to do so. Research proves that if accident victims receive treatment in the golden hour, death rates can be halved. Many patients with high sickness scores — the means by which levels of illnesses are measured — cannot be transported in ground ambulances. They should be transported by a helicopter emergency medical service. Introducing such a service would do wonders in reducing death rates and the numbers of people who are disabled for life because of road accidents.

In Beaumont Hospital, alone, it is reckoned four lives per year would be saved by such a service and 16 less people would be disabled for life. For every life saved, it is estimated that €1.27 million is saved on insurance payouts, loss of income and so forth. Multiply that figure and a major saving of more than €25 million per annum could be made through an air ambulance service, more than one would pay for it. It would also lead to the better use of intensive care units with time spent in them reduced by one third, as proven internationally.

The feasibility study spells this out and it should be part of the national road safety strategy. This goes beyond the concerns of individual Departments and is an important recommendation. The Minister for Health and Children in a reply to a parliamentary question on the matter informed me that it would have to be discussed with the Department of Defence.

However, this must be a dedicated service. There is no point in having the Air Corps bringing a Minister to the Blasket Islands when an individual involved in a road traffic accident is in need of transfer to a treatment centre. The Garda received a dedicated helicopter service because the then Minister for Justice, Ms Owen, said that such a service would be of assistance in responding to crimes. All Members know the valuable work done by the Garda helicopter and the force will now get a second one. If a case can be made for a dedicated service to catch criminals, why not one for saving lives?

In the Western Health Board area, three ambulance stations are needed to reach the international standard of a centre for each person within a twenty-mile radius. No matter how well developed the ground ambulance is, it still cannot make the time a helicopter can. Take the scenario of a young man involved in a road traffic accident in the west, suffering with a delicately bleeding brain. Can one imagine taking him the distance on the rocky road to Dublin? That would not be proper treatment for an individual with a bleeding brain, clinging on to life in the hope of reaching the treatment centre in time. International research shows this is when the golden hour comes into play. Reducing services in local hospitals entails a greater risk of serious consequences.

The report presents a wonderful opportunity for saving lives on the roads. I know of people confined to wheelchairs after accidents because they could not be sent to a treatment centre in time. I know of the case of one young man who fell from his tractor on his farm. When his GP saw him lying in the field, he knew he needed urgent treatment in the national neurosurgical centre. However, as he did not get there in time, he is now confined to a wheelchair for life. He was taken by ground ambulance to the local and then regional hospital. It was not until the next morning that he was flown by Air Corps helicopter to the national rehabilitation centre in Dún Laoghaire. Why could he not have been flown from the scene of the accident rather than on the following day? That man will never walk again and there are many similar cases that GPs come across. I can give the names of people who have died because of the lack of an air ambulance service.

The campaign for such a service has gone on for some time. I made a submission to the national road safety strategy on this issue but was disappointed when it was not examined. However, it is never too late. Dr. Jack Philips, chief neurosurgeon at Beaumont Hospital, said that every weekend he sees many young people on life support machines for whom he can do nothing for he knows they are brain dead. So many of these people could have been saved if they received essential care in time. It is criminal not to act on this report. The service could be provided on a North-South basis as Ireland and

Northern Ireland are the two places in Europe not to have this service.

There are many cases of babies from Donegal and Tralee, born with congenital heart disease or suffering from meningococcal meningitis, struggling for life and requiring urgent operations in, say, Our Lady's Hospital for Sick Children in Crumlin, who have died due to the delays of ground ambulances. Another alternative is to open a neurosurgical centre in Galway, but this will not happen. If the recommendations of the Hanly report are introduced, a hospital emergency medical service will be needed more than ever.

The alternative is to build good roads but again this will not happen, particularly in the west. In the mid-term review of the national development plan, 69% of the planned western roads were developed, while 34% more roads were developed than planned in the south and east. The number of road deaths can be reduced at the cost of €12 million for an air ambulance service. Along the west coast, there are already 24 hour helipads. With an annual budget of €10 million, this service could be provided. This is an insignificant amount in contrast to the money spent of e-voting.

Mr. Dennehy: I welcome the opportunity to speak on this Bill, the primary purpose of which is to provide for the introduction of a metric system for road signs. It also involves other issues, for example, the adoption of changes in the administration of the fixed charge system for traffic offences, including outsourcing of certain actions and functions of the Garda in that connection.

I have a concern similar to that which I expressed in regard to the Safety, Health and Welfare at Work Bill, namely, the need for consolidation of the various measures parked in different Acts, which can be confusing. I would like to see those bits and pieces put together in some way. The issue is much too dangerous and hazardous. Any activity that results in 300 or 400 people killed in a year must be dealt with in a particular way. One of the results of the scattered legislation is that people who infringe regulations get away on technicalities partly because issues are not clarified and spelt out in a plain, coherent fashion. As many offences as possible should be listed in one Act.

I am also concerned about road safety and the attitude of some commentators in the media. When we were dealing with the issue of hand held mobile telephones in cars one article appeared in which the writer suggested that the logical follow-on to banning hand held mobile telephones was that one would also need a hands free gear stick and various other mechanical changes in the car. It was ludicrous but it was frightening that anyone could take that kind of approach to such a serious topic and to the fact that 300 or 400 people are killed every year on

the roads. It would not be tolerated in any other country.

The conversion of road signs to metric units is long overdue. We have a mix and mess of road signs, one such stupid example was cited recently in the *Irish Examiner* to the effect that a sign stated a speed limit of 30 km per hour for the next 5 miles. That is the kind of crazy situation we have. Once we adopted the metric system for other transactions such as finance and weights it was logical that we would move quickly to the use of the metric system for measurement on the roads. There have been arguments against this conversion as there were over the other conversions. In this case they range from sentimental attachment to the old Irish mile, a topic on which someone won a prize for letter of the week, to the cost involved in converting speedometers in vehicles when necessary.

Public safety must be the primary consideration on this issue. The question is whether the change to a standardised system will be less confusing and bring more clarity to driving for us and for the thousands of visitors who drive here whether on holiday or business trips. It will certainly in time prove to be a safer system. There will be a bedding-in period and people will take time to deal mentally with the changed situation but that is part of driving and is the primary argument against hand held mobile telephones, namely, that one must concentrate. It is just like a gear change, one must concentrate at all times on what one is doing in the car, on the road and what is ahead. It is much too dangerous to allow anything impinge on road safety, including bad signage. Some people will continue to convert back to miles in their minds but in the long run we will have a more commonly understood and therefore safer system for drivers and other road users.

The main difference between this and the previous metric conversions is that in this case we are dealing with hundreds of lives being lost every year, which is shocking. It is worrying that this is almost accepted. Sometimes people play the numbers game and say it is great that the number is down by 20 or someone in the Opposition will say it is up 40 or whatever but it is tragic and we must take every possible step to make the roads, driving and motorists safer. This is just a step in that direction. Many associated issues lead to the carnage on the roads. One death is one too many. Deputy Cowley mentioned four lives saved by a dedicated air service and someone has obviously done some work on that. More work of that kind should be done on road fatalities in general.

I was shocked recently to read that following a post mortem on a victim of a road traffic accident only the coroner knows whether the driver was incapacitated by drink or drugs. There is talk of bringing in new legislation to make that information available. I always presumed it was available. I requested and understood that each road fatality was investigated in a full and clear manner. When a death occurs we tend to an extent to

[Mr. Dennehy.]

put on the *béal bocht* and worry about bringing more distress to the people who have lost a loved one. The only way we will improve the position is to investigate fully every fatality and every serious event. Speaking as a former industrial safety officer, until we start examining every unsafe practice and serious incident we will not eliminate fatalities because for every death there is a given ratio of dangerous events in which people happened to be lucky enough to get away with it. The same is true of the roads.

I wonder what value we attach to human life. Deputy Cowley mentioned something in the region of €1 million but we certainly do not attach a high enough value to it. If we did we would not allow the situation to continue. Over recent years I have heard scathing comment about the amount of money spent on roads from one party that says we are spending too much on the construction of safer motorways. I drive from Cork to Dublin every week and believe I am fully entitled to the safest possible route. Statistics show that route to be a motorway. I am entitled to that as is every other motorist in the country. How many lives are to be sacrificed to maintain the low cost and low standard secondary road network that we have and on which most driving is done? Many of these roads were created by simply putting tarmac over what were in effect animal paths, leaving the bends and twists in them. We have very bad roads that are more like adventure courses than part of a modern road network. The arguments for cyclists can be made and we can have cycle paths and so on. However, these people will not put the rest of us on bicycles. We are entitled to have good motorways and dual carriageways. It has been proven that they are safer and about 3% of accidents happen on motorways. I make that comment on cycling as someone who did not drive until the age of 34. I practically lived on a bike and I have probably done more mileage in my time than all members of the group to which I refer. I did not pause for too many photographs, unless it was for a sports meeting. At some stage, I had to get a car for practical reasons, but my preference would have been for the bike. Both cyclists and motorists have to be facilitated. However, trying to stop us spending money on a modern set of roads is criminal. This is especially the case when over 300 people die on our roads every year. When people try to block that progress, they are responsible.

I know of at least one Fine Gael Deputy who complained about the signs that are currently on our roads. This is what this is all about; changing the signage for the better. I have made a point three years running to the CEO of the National Roads Authority at the Committee of Public Accounts and I will reiterate it here. The NRA must give advice on the location of such signs. One morning, I counted 46 badly damaged signs between Cork and Dublin. Many were forward warning signs which cost up to €100,000 apiece.

Cullahill in County Laois was the worst example, where all four warning signs were battered to pieces. The NRA took no notice of me and replaced all four in exactly the same location, but they had been hit 30 or 40 times. The manifestation of bad engineering work is that they are badly located. Signs are fine if they are placed in the right location. I appealed to the NRA that the physical damage done showed that they were not in the right location.

I also made an appeal to the NRA on traffic islands. I agree with the creation of the plinths outside of villages and towns as well as the development of lighting for them. There is a plastic object in front of the islands, but 90% of them have been smashed and blown away. Anyone examining the edges of the islands will see that they are regularly struck by passing vehicles. I wanted reflective studs on the base of these islands. The islands consist of a mass of concrete thrown together and they are impossible to see. This is often because they are on the edge of villages or towns where there is not good public lighting. The committee's last meeting with the NRA took place three months ago and the retiring CEO assured me that he was getting a firm of contractors to paint the bottom of these signs and that I should therefore be happy. I am not happy because as they are so close to the ground, they will be covered in mud straight away. Reflective studs, which are the same idea as cats' eyes on a motorway, should be put on all of them. A hazard is being built and that should not be permitted. We have spent much money on traffic calming, but I have been appealing for three years for this to be done and it has always been refused. I hope the Minister of State at the Department of Transport, Deputy Callely, might take that on board. It is a common sense thing. These are being created in different places. There was an attempt made in New Inn in County Tipperary, where the studs were put in the centre of the road in a roundabout effort, but it is scandalous that any of us are allowed to get away with that kind of thing. An attempt will be made to paint the islands black and yellow as that has been traditionally put on moving vehicles, yet they are not suitable for that at all.

If the signs are being battered, then they are being erected in the wrong place. I want to give credit where it is due and the standard is improving immensely with the forward warning signs, in particular the large signs which are quite expensive. A few of them have been badly constructed where the crossbars are slipping down, so that two halves of a sign have a six to ten inch gap between them. That is not good enough. Good signage is critically important and road engineers should treat every road issue as though strangers were driving on it. If one is driving on a motorway or dual carriageway and suddenly a sign pops up, then one will have to break suddenly to swing off it. Good forward warning signs remove that problem. The issue of signs has not been dealt with seriously enough. There have been some

comments on the debate in the media implying that signs will not kill anyone. I know of at least one constituent killed on a motorcycle because a stop sign was in an obscure location. He drove straight on to a main road, so signage is critically important.

There is new legislation to change the administration of the fixed charge system for traffic offences. The Committee of Public Accounts got a report on that which was not very cheerful. There were 87,004 fixed charge notices issued between 31 October 2002 and 31 December 2003, yet 50% of the photographs taken were faulty. With proper administration and the full support of everybody, including gardaí, civilians and traffic departments, we could probably cut our fatalities by 50%. We could do it if people feared that they would receive penalty points for offences. It would put manners on all of us who drive. I am worried about issues like cancel notices and so-called other driver nominations, where 22,881 registered owners contacted regarding offences were not driving the car during the alleged offence. That is a crazy figure. If we need to take steps to prevent cars being driven by others then we should be able to do that. We have taken such steps on the issue of minors. It has taken us a long time to make it a specific offence to supply a mechanically propelled vehicle to a minor. We need to be able to deal with issues relating to the penalty points system, such as cancelled notices, drivers holding foreign driving licences and foreign registered vehicles.

I have not had a chance to compliment Deputy Callely publicly since he was appointed Minister of State at the Department of Transport. In wishing him well, I am sure he will look beyond Dublin as he needs to do. I remind him that a car driven dangerously, for example in dangerous conditions or by a driver under the influence of drink or drugs, can be as dangerous as a shotgun. We insist that those who own weapons should lock them up, take great care of them and possess licences for them. I do not believe that we have been sufficiently stringent in respect of cars, however. I do not accept the "nanny state" argument, which certain commentators seem to find funny enough to use. Such an argument is not appropriate when over 300 of my fellow citizens are being killed on the roads each year. If this Bill is part of the process of getting tough, so be it. I wish the Minister of State well and commend the Bill to the House.

Mr. Callely: I thank the Deputy.

Mr. Stanton: I am pleased to contribute to the debate on this important legislation. I wish the Minister of State, Deputy Callely, well in his important role. I mean that sincerely.

Mr. Callely: I extend good wishes to the Deputy in his new portfolio.

Mr. Stanton: I appreciate that. The work of the Minister of State and the Department of Transport can be a matter of life and death in many instances.

This is a dangerous time of year on the roads because it gets dark earlier. Roads can be more dangerous because of fallen leaves. It is easy to skid on damp roads. I understand that the revised speed limits will be introduced on 20 January next, when we may have icy weather on dark evenings. Is January the best time of the year to introduce a change of this nature? Would it be better to wait until the onset of long and bright evenings when there is less danger? I do not intend my remarks as a criticism, but as a matter of debate. Would it be better to wait until the summer, or at least until the clocks have gone forward? I ask the Minister of State to consider such a change in the legislation, although I appreciate that it may be too late.

Many Deputies have spoken about the need to review speed limits. I understand that there will be a general revision of speed limits in many parts of the country. Is it not possible to introduce changes in speed limits at the same time as the metrification of the limits, rather than making this change now and a further change at a later date? It seems we are increasing the cost, complexity and potential for confusion associated with the changes.

It is important that we acknowledge the need to review speed limits, which are inappropriate in many places throughout the country. The designated limit is dangerously slow in many instances. When one drives from Cork city towards Middleton, a speed limit of 40 mph is imposed for over half a mile of dual carriageway. It can be difficult and almost dangerous to stay within that limit. Many drivers brake suddenly when they realise that a speed trap might be forthcoming and they might get a penalty point if they do not slow down. The level of danger is increased in such circumstances. It is important that such limits should be reviewed.

It appears that some local authority members are putting pressure on council officials to extend 30 mph speed limits to areas further outside towns and villages to increase the likelihood of land in such areas being deemed suitable for development. Such factors need to be taken into account. It is not right to impose an inappropriate speed limit simply to facilitate the future development of land.

I agree with Deputy Dennehy that it is important that cycle ways and walk ways are provided for in road developments to the maximum possible extent. The Government should have a policy of incorporating cycle ways and walk ways where possible, especially near urban areas but also in the country. Many parents are afraid to let their children out on the road on bicycles. The Minister of State, Deputy Callely, who was assigned to the Department of Health and Children, is aware that a lack of exercise can lead to obesity. Cycling in the fresh air, which is one of

[Mr. Stanton.]

the best forms of exercise for children and adults, is now extremely dangerous on many of our roads, especially in rural areas where cars travel at fairly high speeds on narrow roads and around corners.

The Minister of State is from Dublin, but I am aware that he travels to Cork from time to time. I ask him to examine the failure of many local authorities to cut briars on the sides of roads. This issue arises every year when vegetation grows onto roads, thereby reducing visibility and causing danger to pedestrians, cyclists and motorists. Deputy Dennehy was right to mention the need to consolidate the legislation in this regard. Land owners are responsible for cutting vegetation at a certain time of the year, but many of them fail to do so, thereby making roads dangerous and unsafe. I contend that responsibility for the task should revert to local authorities. They should cut vegetation at the sides of the roads in late July and early August to ensure that people can cycle and walk. Our roads are narrow enough, but they become dangerous when vegetation grows and makes them narrower. I ask the Minister of State to consider this issue.

Mr. Callely: I will undertake to examine the matter.

Mr. Stanton: I thank the Minister of State for indicating that he will examine this problem. I am not sure what the answer is, but the matter should be examined because it has caused a great deal of concern, particularly in rural areas. Land owners and local authorities are not certain who is responsible and there is a lack of enforcement.

Mr. Callely: I will seek clarity on the issue and communicate my findings to the Deputy.

Mr. Stanton: I do not want to see all kinds of prosecutions, but I believe this area needs to be examined. I am sure the Minister of State will be pragmatic. I think local authorities should take responsibility for cutting hedges. The cost of doing so should not be huge. I am glad the Minister of State intends to take it on board.

I am agreeing with Deputy Dennehy on many matters this evening, which is unusual. I agree with him that we need to ensure that signposting is clear. If a stranger from somewhere, like County Kerry who does not know Dublin very well is driving through the capital, he or she will find it difficult to find his or her way around. Such problems are also encountered in other towns and cities. It is difficult for people from out of town to find their way around St. Stephen's Green, for example. I recall that I got lost in Tallaght some years ago, which may seem funny to people from the area.

Mr. Curran: I still get lost in Tallaght.

Mr. Stanton: Very good.

Mr. Callely: One could ask for Deputy O'Connor.

Mr. Stanton: Perhaps. Proper road signs are needed to ensure that people such as tourists do not get lost. It can be frustrating to get lost and it can cause people to get very angry. When I stopped at a garage when I was lost, they had three sets of maps on the counter because they were so used to people calling in such circumstances. They had prepared photocopies of the relevant maps to give to people, depending on where they were going. Signposting needs to be clear. I ask the Minister of State to initiate a signposting policy throughout the country to ensure this area is dealt with properly. Signposts should be placed well in advance of the relevant junctions, not just at the junctions in question. It is not right that one should have to swerve at a junction because it was not signposted in advance. Perhaps we need somebody to examine this matter at national level. Each local authority seems to have a different policy in this regard. Local engineers do not seem to be sure whether to put up signposts. I ask the Minister of State to initiate a national signposting group to examine this matter and to take action, rather than simply placing a policy document on the Minister's desk.

The Bill also relates to the penalty points system. I remember when I was driving to Cork on the first morning of the system's operation, it was noticeable that every car on the road was crawling along just under the 60 mph limit.

Now when travelling at 60 mph on a dual carriageway, some fellow behind will flash his lights to encourage more speed. Obviously the fear factor disappeared very quickly. Colleagues on all sides have said that where there is a 40 mph limit gardaí spend a great deal of their time trying to catch people doing 43 mph or 44 mph, and the same approach is adopted to the 30 mph limit. That annoyed many people.

The Minister, who has great imagination, might be interested in a suggestion I came across. Instead of giving someone a penalty point, he might consider asking him or her to take an advanced driving course. One could offer the choice of accepting penalty points, or attending such a course. If a person chose the second route, he or she would have to complete an advanced driving course, paying for it themselves, and learn how to drive properly. I spoke last week to a commercial driver who spent most of his time on the road. His company did a very positive thing: it insisted that he complete such a course. I understand that the company that took him through it came in from the UK. He had been driving for many years and considered himself a good and careful driver. However, having completed the course, he realised that he had not known how to drive properly at all; he had not had a clue. He said that his eyes had been opened to the dangers, the risks and the need for caution. The Minister might wish to take that suggestion on board if he introduces legislation to consolidate matters. It is

the system in countries including America, where they call them traffic violator schools. That might be worth looking at here.

I am confused at the references to “built-up areas”. Areas such as small villages are built up but are not specified in the Bill. Nowadays we have ribbon development, and in many parts of the country there are houses along the roadside. It has happened over the years, and those houses are now a fact, but we have not planned for roads to be widened or for footpaths to be constructed, with the result that, if children have to go from one house to another, they must walk or cycle along a very busy, narrow road. We must consider whether these areas too are built-up areas.

I note that the Minister has decided that those under the age of 16 should not be supplied with a mechanically propelled vehicle. I agree, but I have not seen the definition of such a vehicle or of “supply”. Does it mean that a person may not drive the vehicle on the road? May he or she drive it on a field, or is the person banned from being in charge of such a vehicle in all circumstances? Does the term include golf buggies and lawn mowers? Does it mean that one may not drive, own or be supplied with a car as a gift or even in a will? Someone asked me what would happen if a grandfather willed a 12 year old his vintage Morris Minor. Could that happen?

The concern is small but real. If such things as golf buggies and lawn mowers are mechanically propelled, may a 15 year old cut the grass in his own garden, or does the Bill apply only to the roadway? If he may cut the grass in his own garden on a mechanically propelled vehicle, may he drive a car in his own garden?

Mr. Glennon: It is hard enough to get them to cut the grass.

Mr. Stanton: Though I could respond to that, I will not do so.

In my area, there is a pressing need to bypass Killeagh and Castlemartin in east Cork. I also wish to draw the Minister’s attention to another serious issue. On some dual carriageways there are medians allowing people to cross from one side to another. With the increase in the volume and speed of traffic, that is becoming very dangerous. Imagine a person crossing from one side of a dual carriageway, turning right into the traffic on the other side, which is coming down against him or her. One miscalculation is all that is needed for a major pile-up. There are places where that is waiting to happen, and the Minister should move on it immediately. It might have been all right ten years ago to have such medians on dual carriageways, but nowadays it is not. There are several around the country, and they are extremely dangerous.

The Minister should investigate medians on dual carriageways straight away, asking the NRA to supply him with the information, including their location around the country, with a view to closing them if necessary but preferably to pro-

viding overpasses and slip roads to allow safe passage from one side to the other. One does not see such extremely dangerous medians in Britain or other parts of Europe. People in those areas are worried that the NRA might take the cheap option of simply closing the medians, thus necessitating people travelling many miles to cross to the other side. It is very serious, and I do not want to comment in this House next year or the year after on a major smash because a slow-moving vehicle crossed the median and stalled after its driver miscalculated the speed of oncoming traffic.

I also welcome the Bill’s changes regarding taxis. As I read matters, there has been concern for some years that virtually anyone can secure a licence to drive a taxi. There have been several cases of offences committed by taxi drivers, including assaults on passengers. I have met a fair number of taxi drivers in the course of my travels, and the overwhelming majority are respectable, honourable people who work long hours to earn a living, and they are appalled at such offences. It is important that we have a system to ensure that, when anyone — a child, one of us or any other citizen — gets into a taxi, it is driven by someone who can be trusted not to assault or attack and who has no record of such crimes. That is important, since a lone child is vulnerable in a taxi. I understand that the question is covered in the Bill; it must be enacted quickly.

It has also come to my notice that accidents involving people on legal drugs such as hay fever remedies and so on have soared. Taking medicines can quite often make people incapable of driving. We must make them more aware of the issue, and perhaps the Minister might examine people driving under the influence of medication. There are warnings on the bottles in small print, but people ignore them. Another quite important issue that alarms me and many other colleagues is that many accidents occur very late at night or in the early hours — 3 a.m. or 4 a.m. In many cases people are falling asleep at the wheel. In other countries campaigns have been initiated to make people aware that they should not drive when tired, something that the Minister might take on board.

We all live in very fast-moving and busy times, and many citizens work extremely hard. Increasing numbers of people are driving late at night when they are too tired, and we must take that into account. It is not dealt with in the Bill, but perhaps it should be. Perhaps the Minister might consider it. Some people drive without sleep for as long as 19 hours. That is unbelievable. It is understandable that a driver could fall asleep at the wheel on long stretches of road.

I refer to an issue, which may be considered humorous. Derek Davis raised the need for stop-over points on motorways, in particular, on RTE radio recently. Service stations are provided in France, Germany and Great Britain and if one needs to go to the loo, one can pull in and go but that is not the case in Ireland. What does one do

[Mr. Stanton.]
in Ireland if one needs to go while travelling during the night? One can drive 40 miles and pull in at a garage only to be told there is no loo or the key to the loo has been lost. It is important that this issue should be addressed and, where motorways are constructed in future, service stations should also be built so that drivers can pull in and freshen up if they feel tired or if they want to spend a cent. I wish the Bill good speed.

Mr. Curran: I wish to share time with Deputy Glennon.

I welcome the opportunity to contribute to the debate. While the primary function of the Bill is to provide for the introduction of a new system of speed limits based on metric values, the underlying emphasis is improved road safety under a number of headings. When I read the Bill, my attention was drawn to section 24, which is minor but relevant. It addresses the issue of people under the age of 16 owning mechanically propelled vehicles. The section states:

(1) A person shall not supply a mechanically propelled vehicle to a person under the age of 16 years.

(2) A person who contravenes *subsection (1)* is guilty of an offence and is liable on summary conviction to a fine not exceeding €3,000.

(3) In this section “supply”, includes supply by way of sale, hire, loan, gift, or other means of making the vehicle available to a person.

I welcome the section. Many parts of my constituency continue to suffer from the scourge of joyriding. While a number of the cars involved are stolen, many are not and they are supplied to, young people by uncaring, unscrupulous, selfish and reckless individuals. The Bill goes some way to addressing this issue. When one examines the trail of devastation caused by joyriding, including death, serious injury, damage to property and so on, one wonders whether the penalty provided for in this section is sufficient to meet the crime. If a car supplied to a youth under 16 is involved in an accident resulting in death or serious injury such as a permanent disability, is a maximum fine of €3,000 on conviction appropriate to the crime? Should a judge have the option to impose a custodial sentence? This issue should be examined.

As technology develops, modern cars become less easy to steal and those who are engaged in joyriding are using older cars, which have been traded in through a variety of scappage deals. However, these cars, colloquially referred to as “company cars”, are being sold by, unscrupulous individuals and section 24 attempts to address this problem. The penalty provided under it is sufficient if the car is driven off the road and burnt out but when an accident occurs, which we see all too often in parts of Dublin, the fine is not appropriate.

A related issue is establishing whether the person to whom such a car is sold is 17 or older. I

thought this was a minor and trivial matter but that is not the case. We have laboured with the issue of age for a long time. For example, where alcohol is served, the onus of proof is on the publican when there is a question mark over an individual’s age. Progress has been made through the introduction of identity cards and so on but perhaps the section could be tightened up so that the purchaser must produce a driving licence before completing the sale of the vehicle. The intention of the section is correct but more attention should be paid to the detail because I am concerned the person who sells the car could say the youth looked 17 or 18 years because he or she was not required to seek proof of age. The section is underestimated because it will have wide implications if it is enforced properly.

The definition of “supply” covers sales, hire, loan, gift or other means. How will persons under the age of 16 who use quads or scrambling bikes through their involvement in a variety of sporting clubs be affected? The original intention of the legislation was to cover the use of vehicles in a public place but I am unsure whether it will have implications for using these vehicles. Perhaps the Minister of State will examine this issue.

Previous speakers referred to the speed limits that will result from the conversion to the metric system. It has taken too long to convert speed limits to metric measurement. As one drives along the Naas dual carriageway and reads signs outlining the distances to Cork and Limerick in kilometres, but speed limits are expressed in miles per hour. That is confusing, particularly for tourists who are used to reading signs in kilometres per hour. I am glad the change is being made and, while some will consider it hasty, it is, nonetheless, absolutely necessary, as it will result in uniformity.

However, speed limits will be changed under the legislation and not only converted to the metric system, which I welcome. I am glad that under section 6 a speed limit of 80 kph will be imposed on all regional and local roads. The speed limit currently is 60 mph. I recently met representatives of Rathcoole Community Council regarding a, traffic calming, scheme, which will be implemented on Johnstown Road on the approach to Rathcoole village. The Killeel Road is on the far side of the Johnstown Road. It was a rural road that heads upwards into the mountains and the odd car used it but, following the development that has taken place in the area, this little road is carrying a significant volume of traffic, which travels down the hill at 60 mph. The legislation will reduce the speed on that road from 60 mph to 50 mph. A number of Members have not realised that speed limits on such roads will be changed.

Section 9 permits local authorities to make regulations under guidelines that will be laid down by the Minister. Under the regulations, speed limits could be reduced to as low as 30 kph. While many of us who were councillors up to recently would have envisaged such a speed limit

where road works or housing developments were underway, one of the major issues about which we received queries was road safety in the vicinity of schools where the speed limit is 30 mph. Depending on the regulations that come from the Minister's office, I envisage the new reduced limits of 30 kph will be in the vicinity of vulnerable areas such as schools and other community or high development areas, where the limit is currently 30 mph. The 30 mph limit on some of these roads where the volume of pedestrians is so high is unacceptable and dangerous. However, these decisions will be made at local level, which is appropriate. Having sat on a local authority for a number of years, I know these are the issues that are raised, but until now there was no procedure to effect change in the speed limits. This change is welcome.

Some people will question whether this change will ever be implemented. The Bill will also allow us to increase the speed limit on some of our ordinary roads. Under the guidelines and the regulations of the Minister, the local authority will have an input and say on the limits on these roads. In the case of the Naas dual carriageway, in my area, where most of the intersections are being closed, the road is three-lanes wide and runs into a motorway and there will be questions to address as to whether we can increase the speed limits. The Belgard Road, which links Clondalkin and Tallaght is a dual carriageway with a bus lane and a 40 mph speed limit. Again, the local authority will have the option of addressing the limits on that road.

This legislation also refers to the penalty points system. Some weeks ago the Committee of Public Accounts debated this issue. Penalty points were introduced in late 2002. The hurried manner in which they were introduced resulted in technical and administrative difficulties. These difficulties were the basis of our debate. The contributions of everyone at the meeting, representatives from the main political parties, the Departments of Justice, Equality and Law Reform and Transport, and the Garda Síochána, pointed out that while there were difficulties involved in administering the system, in excess of 100 people were alive today as a result of the introduction of penalty points. At the conclusion of the debate the committee was glad to hear that the issues that arose in the early stages with regard to the implementation of the system have, by and large, been addressed. It concluded that no matter when the system was going to be introduced, it would have involved technical problems. The authorities feel they have overcome the problems. They are confident that the roll out of the remainder of the penalty points system will be successful and will not encounter the same difficulties and impediments it did on its introduction.

One aspect of this Bill is that it allows for the outsourcing of some of the services to implement penalty points. This is appropriate as it is unnecessary for the Garda and Departments to be involved, hands-on, in every aspect of the pen-

alty points system. Detection is one issue, but penalty points also involve significant administration. I am glad the legislation provides for the outsourcing of much of this administration.

In the first year of their introduction penalty points made a significant and beneficial contribution to road safety. Driver behaviour changed. However, last year and over the past number of months, many people have said that we have not maintained the change. As the penalty points system is extended, people will become more aware of it. It has potential and will revert to having the positive impact on changing driver behaviour that it had previously.

Mr. Glennon: I thank Deputy Curran for sharing time. I welcome this Bill, the primary purpose of which is to provide for metrication. It is time our speed limits used metric rather than imperial measures. The issue has been on the agenda since we entered the EEC in the early 1970s. For many of the reasons already mentioned, metrication is a good idea.

It is good the Bill is going through although it is being dealt with in a somewhat rushed manner. Some local authorities around the country will have difficulty providing for 22 January. Whenever there is a deadline, some people have trouble meeting it. However, there was never going to be a perfect time to introduce this necessary legislation.

I wish to consider some issues arising from the legislation. My colleague, Deputy Curran, touched briefly on the penalty points system. We all know about the change in culture brought about by that system. Unfortunately, the change was only temporary and it is generally accepted that the majority of motorists are slipping back into their old ways. There are a number of reasons for this. The novelty of the new system and the blaze of publicity surrounding it were an enormous plus towards a change of culture. However, when people realised enforcement would be as slack as it has been, observance of speed limits dropped.

The motoring public must accept that the Garda cannot stop an accident happening. However, through good management and sensible application of road traffic legislation, the Garda Síochána will be the major contributor to a change in driving culture. This will in turn lead to a reduction in the number of accidents. Gardaí get a raw deal in this regard as they are required to be present whenever there is an accident. Nowadays in particular many accidents occur between 12 midnight and 3 a.m. or 4 a.m. at weekends, the peak hours of business for gardaí on town streets and secondary roads surrounding our towns. It is impossible for them to cover everything. The gardaí are not responsible for preventing accidents nor should we expect that. We cannot allow a blame culture arise or let the finger be pointed at individual gardaí or individual Garda stations asking whether they should have done more to prevent accidents. Gardaí alone will not stop accidents. Only motorists, with the backup of the

[Mr. Glennon.]

Garda, can change the culture and reduce the number of accidents.

Enforcement of speed limits and respect for them and road traffic legislation generally are important. However, we often see silly speed limits in place. I pass one every night on my way home. At the Port tunnel road works there is a 30 mph speed limit on a two-lane stretch at the start of the M1. This limit is observed by one driver in 15. I check every evening to see whether anybody else observes that limit, but I rarely have company chugging along at 30 mph on the inside lane. I do not entirely blame the motorists. The authorities, by placing such an unrealistic speed limit in this area, incur disrespect for realistic speed limits on other parts of the road network.

The problem is not confined to that particular area. Deputy Penrose will be familiar with the situation on the N4. My wife got a lovely letter yesterday morning informing her of her first penalty points. There are three different speed limits over a distance of 1,200 metres on that stretch of road. The signposting of these limits and the confusion arising from them is nothing short of ridiculous. It makes our position as legislators and the position of the Garda Síochána as the enforcement agency much more difficult.

There is an old saying that the law is an ass. The law will continue to be an ass if the authorities insist on making it so. The Government, the Garda Síochána and the local authorities are the authorities. We have inputs and must be reasonable in these circumstances. Carelessness on our part regarding unrealistic speed limit zones contributes to accidents.

I was interested in Deputy Stanton's suggestion about an advance driving course, or traffic violator school, rather than penalty points. Far too many drivers sat their test too long ago or possibly not at all. That suggestion could be positively examined.

I regret there is no provision in the legislation for random breath tests. I am in favour of such tests with regard to alcohol, as well as prescribed and recreational drugs.

Mr. Deenihan: Last Wednesday, the National Roads Authority published findings which show the majority of motorists still recklessly break speed limits and ignore the risk of penalty points. Statistics from the survey are quite worrying. More than 85% of heavy trucks speed on motorways, 60% on dual carriageways and 73% on normal main roads. A total of 86% of cars speed in 30 mph zones in urban arterial areas and 75% in 40 mph zones. An alarming 98% of cars and 92% of heavy goods vehicles and articulated trucks speed on main urban roads to which a speed limit of 30 mph applies. The survey also found speeds have increased on motorways and county roads. Average speeds on back roads, where drivers have not yet been constrained by bends, weather and traffic conditions, also increased from 44 mph two years ago to 48 mph last year. Some 86% of

cars break the speed limit in 30 mph zones in urban arterial zones, 75% in 40 mph zones, and 30% of all car drivers break the speed limit on main roads. The number of heavy duty trucks and cars that break speed limits despite the clamp-down and penalty points system is alarming.

The main provisions of the Bill deal with seven types of speed limit, which will be in kilometres instead of miles. Ordinary speed limits will be fixed by regulation, therefore it is important new regulations are brought in at the same time as the Act. Perhaps officials would clarify this, otherwise there will be much confusion.

It is a retrograde step to increase the 30 mph speed limit to 50 kph, which is 32.5 mph. People will be inclined to calculate in miles per hour over the next few years. It might lead to confusion when they see a sign stating a speed limit of 50 kph. A speed limit of 40 kph would be more appropriate.

There will be an 80 kph, or 50 mph, speed limit on regional and local roads. This will be difficult to enforce. If I travel on the N69 from Tarbert to Listowel, I can drive at 100 kph, or 62.5 mph. I then go on to the regional road between Listowel and Ballybunion where I can only drive at 50 mph. This will cause much confusion, and will be difficult to enforce. National roads will have a speed limit of 100 kph, or 62.5 mph. A limit of 90 mph might be more appropriate in the present circumstances.

The speed limit on motorways will increase to 120 kph, which is approximately 75 mph. The Minister should, for at least the first year, have the power of discretion to vary this limit to enable drivers adjust their thinking. Such a measure is not contained in this particular section of the Bill.

It is hugely important that signs are clear. Perhaps flashing lights are necessary for drivers approaching and leaving built-up areas. Repeater signs could also be installed. Tourists as well as locals must grasp the change. There may be some difficulties for UK and Northern Ireland visitors who will find the system different. Perhaps the Minister will clarify whether the same changes are taking place in Northern Ireland. Change should happen in tandem in both jurisdictions.

Any outsourcing agreement should be brought before the Dáil so that powers given to contractors are scrutinised. There have been considerable difficulties with a number of wheel clamping contractors and the public must be protected from the abuse of power by this quasi-police force. As a number of people have had major difficulties with clamping contractors, when we outsource, as is provided for in this section, we must be careful that contracts are properly scrutinised.

The Bill also amends technical aspects of existing legislation regarding penalty points. The position regarding hand-held speed cameras needs to be clarified. According to reports of District Court judgments, there appears to be an unwillingness to convict where printouts are not available. Perhaps the Minister will examine the position regarding hand-held speed cameras and avail

of the opportunity afforded him to clarify the position in the Bill.

Section 24 is a necessary provision relating to the supply of mechanically propelled vehicles to minors. I am concerned as to how a dealer is supposed to ascertain the age of a young person. Perhaps a similar provision could be added to that in the Intoxicating Liquor Act to enable this potentially useful section to be properly enforced. Will the Minister clarify the issue of what provision will be made in the section for the identification of the age of minors? What measures will be introduced to ensure that young people will provide identification to prove their age?

The Bill will add to the large body of Acts, which somebody referred to as “the jungle of Acts”, on road traffic legislation. The Bill adds new sections to those in existing legislation. It refers to nine Acts of which seven are strictly within the road traffic code. It does not refer to four other Road Traffic Acts, which amend the principal Act of 1961. The 1961 Act will also be amended by, this Bill, which is the 12th Act in the road traffic code. The 1961 Act was also amended by regulations made under the European Communities legislation. Much EC legislation has in reality overruled part of the 1961 Act. The myriad statutory instruments under these Acts, adds to the state of confusion. At a time when at least one person per day is killed and ten people are seriously injured on Irish roads the Legislature should not add to the confusion, yet we appear to be allowing the confusion to continue.

As the main enforcers of the law, the Garda is not supplied — I stand to be corrected — with any modern textbook on traffic legislation. Circulars are received and must be absorbed by the Garda. In most cases these are inadequate. I am aware of one particular book on road traffic legislation, which contains 140 pages. It is very difficult for gardaí to understand and implement the totality of road traffic legislation in order to execute a successful prosecution. Ministers should simplify and summarise traffic legislation for the Garda so as to facilitate it in making convictions. It can be difficult for the Garda to get convictions when faced with a judge and defending barrister because of the complexity of traffic legislation. I look forward to a response on these points from the Minister in his reply. As previous speakers said, it is time for the introduction of a new, reforming and consolidating Act incorporating all existing traffic legislation of domestic and European origin.

I especially welcome section 26, which amends the Taxi Regulation Act. It emerged recently that 20% of taxi drivers in Dublin had criminal convictions, which is very worrying for users, both locals and tourists. Tourists depend heavily on the advice of taxi drivers in terms of getting around the city. It can also be confusing for Irish people to get around the city because of one-way streets and so on. It is most important that taxi drivers are dependable, highly principled and responsible people. This section is very welcome in ensuring

a high quality taxi service in which people have confidence.

Although the point does not directly relate to the Bill, I agree with Deputy Stanton regarding cycle paths and walk ways. We now have a high standard of road network across the country. Some of the finest roads in Europe are being built here at the moment and we should avail of the opportunity to provide proper cycle paths along the sides of these roads. There has been a benefit in this regard on the road from Killarney to the county bounds, which is extensively used by cyclists during the summer. Because of their width these roads are very safe and the surface on them is much better than county or regional roads. We have an ideal opportunity to encourage people to exercise. I accept that not everybody can benefit from such roads if they are not in proximity to them, however, people living adjacent to them should be encouraged to use them. Cycle paths need to be clearly marked out. Walkways should also be encouraged, especially around urban areas where speed limits should be properly enforced.

In this case, people walking in rural areas, on town bypasses and ring roads could feel more confident and safe. I welcome the Bill and look forward to my questions being addressed when the Minister responds.

Debate adjourned.

Private Members' Business.

Consumer Rights Enforcer Bill 2004: Second Stage.

Mr. Connaghton: I move: “That the Bill be now read a Second Time.”

I wish to share time with Deputy Hogan.

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

Mr. Connaughton: The Bill Fine Gael is introducing is an important one which provides for a badly-needed office. I compliment my colleague, Deputy Hogan, on the huge amount of work he has done on this issue. The basis of this Bill is about getting value for money. While we enjoy an exciting economy, with which we are delighted to be involved and which we hope continues, for reasons that have as much to do with the private as the public sector, we seem to have allowed a rip-off culture to develop in every part of commercial life. There is not one family listening to me tonight which does not understand my point.

It appears that no one is in real control, no one to blow the whistle when products and services are put on display for public consumption, irrespective of price hikes and rip-offs for profit which are not being controlled. For many years, I was informed that competition is the life of trade, in

[Mr. Connaughton.]

support of which we have some fine examples. Competition has brought services within the ambit of even the lowest paid workers. I need go no further than refer to air fares. It is not many years ago that travel by air was, in most cases, restricted to the well-off. However, that changed with the advent of cut-throat competition with Ryanair versus Aer Lingus and so on. Under certain conditions, it is now possible to get a flight from Dublin to Manchester or London for the same price as a CIE train ticket from Ballinasloe to Dublin. Everyone understands this phenomenon as well as I do and it would not have happened but for the entry of Ryanair into the business.

The reasoning behind this Bill is that one must have someone in absolute control with the legislative power behind him or her to make the system work. We have gone part of the way, but it appears to Fine Gael that there is not enough intensity of control over what is happening in the marketplace. I am not just referring to excessive prices of, for example, a glass of orange or other mineral, about which most people think when one refers to price control or provisions to stop rip-off Ireland hurting people, but rather to more substantial issues.

Members know that the Government is responsible for the greatest rip-off culture imaginable. For example, from a new house built by a young couple for an average of €230,000, the Government will cream off €106,000 in VAT, stamp duty, capital gains tax, planning permission and so on. While the Minister is likely to respond that those charges always existed, they were at a lower level. However, when one considers that the total share of the Exchequer finances derived from the new home market has increased from 3% to 9% in the past seven years, it gives one an idea of rip-off Ireland perpetrated by the Government.

We are in the happy position of enjoying growth rates of 4% to 5%. Moreover, I note from a recent report that we will have growth of 5% next year. We have better working conditions and life is better for many people, but why has the tiger economy left so many people almost as poor as they ever were, with all the goods and services they have to obtain in their daily lives? Competition in itself has not worked and a heavier hand will have to be brought to bear. This is the reason Fine Gael is proposing the well-named Consumer Rights Enforcer Bill 2004. Rights will be enforced to ensure there is competition and that the rip-off concept will be banned from Ireland for all time.

Mr. Hogan: I thank Deputies Connaughton and Perry for sharing their time with me and apologise for being slightly delayed at the beginning of proceedings. I thank Deputy Connaughton for filling in so eloquently on the Fine Gael proposal before the House.

It is a sad indictment of the Government that rip-off Ireland has become the number one topic of conversation among ordinary people through-

out the country. The level of the Government's failure in this area has been so monumental, deep-rooted and obvious that it has been left to the Opposition to come up with some answers as the coalition slips further into a state of total denial on the matter.

For the benefit of Government Deputies, following are a number of realities of life in Ireland today. Between 2001 and 2002, Ireland overtook the UK and Sweden to become the third most expensive country in the EU for consumer goods and services. By 2003, Ireland was almost on a par with Finland as the most expensive country in the eurozone, both countries being significantly more expensive than the next group of eurozone countries. Dublin is now the 21st most expensive city in the world ahead of Los Angeles, Paris, Miami, Singapore, Honolulu, Vienna, Helsinki and Abu Dhabi. Dublin is the fourth most expensive capital in the EU behind only London, Paris and Copenhagen and Ireland is by far the most expensive country in the EU in which to live. A basket of food costing €100 here, for example, costs just €82 in Britain. All this is delivered by a Government that inherited the lowest rate of inflation in Europe in 1997 at just 1.5%.

Lest the Government think that Fine Gael is making this up, the World Economic Forum has confirmed that Ireland has fallen from fourth to 30th place in the global competitiveness league. Recently, the National Competitiveness Council stated that Irish prices rose 22% more than those in other EU countries in the years 1999 to 2003. The economic consultants Compecon say that the lack of competition in the banking sector is costing small businesses €500 million annually. Mr. Jim Power, chief economist with Friends First, says: "Irish competitiveness has been seriously eroded by a sharp increase in the overall cost base, which will not be reversible".

If the Government thinks we and the best economic brains in the country are making it up, I can refer to quotes from Fine Gael's consumer website www.ripoff.ie, such as: "€2 for a dollop of whipped cream in a café in Donegal", "€18 for an organic chicken in Dublin", "€70 for the installation of a doorbell in a new house", "€14 for a two mile cab journey that the driver insisted be shared with another passenger" and "Irish whiskey cheaper in Boston Airport than in Shannon". Web surfers have been disconnected from "no limit" subscriptions because they were deemed to have "used it too much". These are just some of the examples ordinary people have sent to the website. Economists, politicians and punters are united in their belief that something needs to be done. However, the Government has no consumer policy, telling consumers to "shop around", in the words of the Tánaiste, Deputy Harney, and accuses the Opposition of being unpatriotic.

The Minister for Arts, Sport and Tourism, Deputy O'Donoghue, said in the Brehon Hotel, Killarney, on 4 November 2004: "One of the great myths is there is in existence a rip-off Ireland

mentality. That myth must be laid to rest for the sake of Irish tourism and the Irish economy". I will quote an e-mail received at www.ripoff.ie this week from an Irish American:

Much has been made of the American fear of travelling abroad in our post-9/11 world. This is nonsense. If Ireland has experienced a slow-down in the number of tourists, it is likely because of the exorbitant costs. Why would anyone spend large sums of money to visit Ireland, when they could fly to Spain, and stay there in a 4 or 5 star hotel and eat in great restaurants for a fraction of the cost?

This gentleman, living so far away, clearly did not hear the Minister's words of wisdom on the "myth" of rip-off Ireland. The Minister clearly has much work to do in convincing the American public of his cause, let alone the Irish electorate. Of course, this is the Minister who used the term "zero tolerance". I hope he will not succeed with zero tourism. Figures released by the CSO yesterday show the first reduction in the number of trips to Ireland for the month of September in three years. Fine Gael and I take no satisfaction in warning the Government that our tourism industry remains at risk.

The personification of the Government's inability to get to grips with this problem comes in the form of Senator Leyden, the Government spokesperson in the Seanad on enterprise, trade and employment and a former Minister of State with responsibility for trade and marketing. Last May he said:

Power is in the hands of the consumer. [I will endeavour] to empower consumers to take action to reduce prices and encourage competition. [I am today] launching a "name and shame" consumer price busting campaign.

He continued:

Consumers should now say enough is enough. I am hoping that this campaign will make consumers realise that they have the power to make a difference and through the Seanad I will make their voices heard.

Compare those sentiments with the ones he expressed in the Seanad just last week:

Fine Gael is trying to jeopardise employment and tourism by discouraging people from visiting Ireland. I have travelled in different parts of Europe and, irrespective of the costs, Ireland is relatively competitive in many areas. This has not been recognised on the Fine Gael Party's website.

Senator Leyden's words are Government policy writ large — no vision, no coherence and no grasp of reality. The Senator might be in denial about the access foreign visitors have to his pronouncements in the Seanad — which are just as accessible as anything on our website — but he cannot be in denial about the fact that rip-off Ireland is alive and well. We need to act.

The previous Minister for Enterprise, Trade and Employment, Deputy Harney, was consistently one report away from action. In March 2000 she said: "the Government is determined to tackle inflation by exposing previously sheltered sectors to competition". In September of that year she said: "in an environment where we have 20% tax on capital gains and 12.5% on corporation profits, we cannot have the situation where the only people that pay taxes above 40% and 20% are those who work". Absolutely nothing has been done on that agenda.

Deputy Harney was good at commissioning reports and the Competition Authority was duly charged with investigating anti-competitive practices in the professions. This was done in May 2001. We are still waiting. Furthermore, the Competition Authority has indicated that the order in which professions will be dealt with shall be engineers, architects, dentists, optometrists, veterinary surgeons, medical practitioners, solicitors and barristers. That means the legal profession, which has been shown to constitute a massive drain on taxpayers' money, shall be the last profession to be subjected to regulatory reform.

The current regulatory framework shows how hopelessly prepared Ireland was to deal with the post-Celtic tiger rip off. The bulk of the Irish law on consumer protection dates from the late 1970s and the 1980s. It is worth looking at how archaic some of that legislation is in order to contextualise the changes we are proposing. The Office of the Director of Consumer Affairs was established in 1978 following the enactment of the Consumer Information Act 1978. Consumer law was strengthened in 1980 with the enactment of the Sale of Goods and Supply of Services Act, which guaranteed consumers certain basic rights in the purchase and supply of services and goods. In 1996, the director was also given power to control consumer credit laws and has been given responsibility to enforce EU labelling, pricing and advertising requirements on a number of occasions since then.

However, the Office of the Director of Consumer Affairs is structurally compromised by its status as an agency established under the Department of Enterprise, Trade and Employment. The ODCA receives its budget allocation through that Department and the director is answerable to the Minister in the performance of his or her functions. In recent years, there has been an increasing tendency to remove some of the more substantive powers and responsibilities from the ODCA. In 1991, the director's responsibility to monitor and tackle fair trade and restrictive practices was passed to the Competition Authority. It took another decade to see an increase in the level of activity. In 2001, the powers of the ODCA under the Consumer Credit Act were transferred to the new financial services regulator, the Irish Financial Services Regulatory Authority, which appointed a new consumer director.

[Mr. Hogan.]

Irish society was significantly different in 1978 when the ODCA was established. Technological changes that have revolutionised the world of commerce had not happened. The Internet had not been developed and e-commerce had not evolved as a means of doing business. Scanning had not been developed and most products carried individual prices. Retail formats had not evolved and consumers had less choice of products, goods and services. Credit cards were in their infancy. Most utility services had not been liberalised or opened to competition and there were fewer foreign operators in the market. Consumers were less assertive and a culture of respecting consumer rights had not developed.

By 2004, the legal regime for the protection of consumers and the promotion of their interests has become dated, disparate and ineffective. Instead of a single independent and resourced watchdog, there is the ODCA, which is structurally linked to the Department and which has been denuded of many of its original powers and much of its impetus. In addition, there are up to five sectoral regulators with differing degrees of focus on the rights and entitlements of consumers who avail of those services that are being regulated. It is time for a streamlined and effective system that will ensure competition is allowed to flourish and that consumers get the fair deal they deserve. It is time consumers had a single, powerful champion of their rights and entitlements. Fine Gael policies, and this Bill, will make these aims a reality.

The Bill will replace the ODCA with an independent consumer rights enforcer who would have strengthened powers. The enforcer will be charged with developing a code of conduct for service providers, a quality mark for those service providers who best adhere to that code and a review of the jurisdiction of the Small Claims Court to ensure that it best meets the needs of consumers seeking redress. The consumer rights enforcer will name and shame those service providers it believes are failing to provide consumers with an adequate standard of service. Further, the consumer rights enforcer will have a seat at partnership level to ensure national agreements do not impact too disproportionately on consumers. The Bill will allow for increases in fines and penalties to discourage breaches of legislation designed to protect consumers.

The Bill contains a number of important provisions. Section 4 provides a new mechanism to ensure that the appointment of the consumer rights enforcer will be wholly independent. In the same manner as an ombudsman, the enforcer will be recommended by the Dáil and Seanad and will be appointed by the President.

Section 5 confers a series of powers we believe are necessary to ensure that the rights of the consumer are upheld and, where necessary, enforced. These new powers are in addition to those already in existence. The Bill will enable the consumer rights enforcer to name and shame those

found to be charging excessive prices. While some of these powers may have been given to the ODCA, which it may or may not use, under our Bill, there would be an explicit function.

The consumer rights enforcer would also be responsible for maintaining a website showing price league tables. A further key feature of the enforcer's role would be in the development of codes of conduct for specific service providers and retailers so as to ensure that when the price of a product or service decreases, that reduction will be passed on to the consumer in a systematic and transparent way. The new consumer rights enforcer would establish a scheme for attributing a quality mark to suppliers of goods and services who consistently deliver a high standard of service. With this heightened consumer-driven focus, the consumer rights enforcer would work with local authorities throughout the country to ensure that the interests of the consumer are addressed at local level. In addition to monitoring and acting at national level, the consumer rights enforcer would have a specific role in working jointly with local authorities to drive a pro-consumer agenda at local level.

Local authorities could do a great deal more to drive such an agenda. It has come to our notice that many of the licences issues in respect of waste management should be, constantly reviewed by local authorities to ensure better value for money and lower costs to consumers. A more regular review of licences for waste management operators is essential to ensure that costs are driven down and that those who avail of the services these operators offer can rest assured that they are obtaining them at the most competitive price.

The Small Claims Court can only hear claims involving up to a maximum of €1,270. This level is set by ministerial regulation. Under section 4 of the Bill, the consumer rights enforcer will have a role in reviewing the jurisdiction of the Small Claims Court to see whether it is affording consumers adequate opportunity of redress.

In recent years unions, employers and the State have negotiated a series of pay deals through national partnership agreements. Perhaps one of the most serious failings of this process and other comparable processes is that the specific needs of the consumer have not been represented. We propose to remedy this by giving the consumer rights enforcer a place at the negotiation table to ensure that the voice of the consumer will be heard and not ignored. In addition, the consumer rights enforcer would have a right to be consulted on legislation which impacts on consumers.

Section 6 proposes to increase the penalties for breach of the Consumer Information Act 1978. The outdated £500 fine will be replaced with a fine of €3,000 and the £10,000 penalty will be replaced with the more severe €100,000 penalty. The Director of Consumer Affairs has said she favours tougher fines.

Section 7 would allow the consumer rights enforcer to impose an administrative fine in lieu

of proceeding with a summary prosecution. In the consumer rights area, there has traditionally been a relatively low level of prosecutions. This gives the defendant the option of paying the fine and avoiding a court case and possible conviction. The application of a provision such as this should have the effect of saving time and expense where people do not dispute their guilt or where there is strong evidence that would be likely to secure a conviction in court. The wording of this section is modelled on similar provisions relating to the imposition of fines in respect of offences under the Litter Acts, the Road Traffic Acts and the Company Law Enforcement Act 2001.

The annual report of the Office of Director of Consumer Affairs for last year shows that only 13 prosecutions were taken. This is due to a number of factors, including the burden of gathering evidence sufficient to sustain a summary conviction and the cost of seeing the prosecution process through from beginning to end. Nobody could, in all seriousness, suggest that only 13 breaches of the law occurred in this area last year. It is time to grapple with this serious issue.

Section 8 proposes that the consumer rights enforcer may be called to appear before any committee of the Houses of the Oireachtas to account for the general administration of the office. Accountability is key to this body and the Bill ensures full accountability to the people via the Oireachtas.

I commend the Joint Committee on Enterprise and Small Business which, under the chairmanship of Deputy Cassidy, investigated a number of consumer issues in the past year. In particular, its inquiry into the insurance industry yielded considerable results and support for the Government insurance reform programme. In the latter, the Tánaiste indicated that she wanted to see certain legislative provisions enacted to reduce the cost of processing claims and provide better competitive choice, thereby reducing costs to insurance companies which would otherwise be obliged to make larger pay-outs on claims from consumers. In the past year, the Civil Liability Bill, which outlaws and makes a criminal offence of the exaggeration of claims, and the Personal Injuries Assessment Board Bill were enacted. Regrettably, on the first day of the law term, a case was taken against the full establishment of the PIAB. I hope that, with the help of the Oireachtas, the cost of processing insurance claims will be reduced and that insurance companies, which made profits of up to €700 million in 2003, will come clean and reduce, in a meaningful way, the cost of insurance, particularly as it relates to employers and public liability, for small businesses and consumers in general.

Section 9 of the Bill proposes to amend the penalty provisions in the Prices Act 1958 to increase the penalties applicable for failure to display a price list as required by law. The £100 penalty would be increased to €3,000. The daily continuing offence penalty would be raised from £10 to €300 and the penalty on indictment, from £500

to €100,000, while the continuing offence element would be raised from £50 to €1,000.

The proof that the Fine Gael policy can and will work can be seen in a survey undertaken by my party last year and again last week. In December 2003, we reported that various public houses in the centre of Dublin were charging €4.70 for sparkling water and lime. The Metropolitan Bar on Eden Quay was charging €3.60 and Maguire's of Baggot Street was charging €3.45. Those are some examples of what the survey yielded. Since the publicity created by our website and survey, those establishments have ended their policy of charging for lime and reduced their prices by up to €2. That is the result of just one survey on one product. I ask the House to imagine the customer service and savings that would accrue from a continuous survey taking place with the help of an independent consumer rights enforcer, the power of a State-funded, independent advocate with the resources, drive and power to investigate the economy and root out bad value. For those Government Deputies who hear stories on the doorsteps of rip-off Ireland and who promise their constituents that something will be done, I am offering an opportunity in the context of this Bill to vote with Fine Gael. They can raise whatever problems they may have with the Bill on Committee Stage. On Second Stage they are merely asked to support the broad thrust of Fine Gael's proposals. They can show their spirit and support and show that they are in favour of a meaningful vehicle to represent consumers.

Mr. Perry: I am delighted to speak on this Consumer Rights Enforcer Bill. On a point of information for Deputy Hogan, a pint of Guinness costs €3 in Ballymote and a still water is €1.75. I cannot see the justification for €4.70.

Mr. Hogan: There is a better margin in Dublin.

Mr. Perry: I compliment Deputy Killeen on his promotion and I wish him well. This important Bill is a long overdue measure, which is born out of frustration with the Government's tardy and sloppy approach to consumer rights. There is a significant level of taxation. Deputy Richard Bruton this week noted the level of indirect taxation paid by the consumer. Consumers should be informed of the level of tax being paid on each consumer item. There is a perception that the retailer is earning a high margin of profit but it is often the case that the business, person is a tax collector. For every €100 spent in a grocery store, 9% is collected in value added tax. The level of tax on consumer goods is considerable.

Instead of prioritising consumer rights, the Government has put them behind the back boiler. There is no real commitment to modernise or update our consumer legislation, which is regrettable. I am disappointed at the level of indirect taxation. Personal tax rates have come down but the level of value added tax collected is

[Mr. Perry.]

greater than income tax. It is ironic that indirect taxation now outstrips direct taxation. When compared with other countries in Europe, more indirect taxation is levelled on the Irish consumer. It should be mandatory for retail receipts to show the level of tax being paid to the State. Consumers would then realise that out of €10 spent, the Exchequer receives €3.

The Director of Consumer Affairs does a fine job in difficult circumstances. Her office is tied to the Department of Enterprise, Trade and Employment and relies on that Department for its budget. I have first hand knowledge of her situation as a result of being a member of the Committee of Public Accounts. When the Accounting Officer of the Department made his report he was accounting for the Department. It is not a truly independent body because it is very much linked to the Department, which has failed to upgrade and modernise consumer rights and obligations. This is the 21st century. Deputy Hogan in his fine contribution described the significant anomalies that exist in the system. The market has to deal with scanning of products, the euro-zone, the proliferation of different stores from all over Europe and the sourcing of goods, Internet shopping, e-commerce and a greater use of mail order. The retail market is increasingly, dominated by new entrants. It is imperative that the regulatory environment for these new technologies and markets is capable of adapting to change and responding to consumer demand. Consumer rights should be promoted on the national airwaves; Fine Gael should not have to do the job of Government by setting up *www.rip-off.ie*. It is a shocking situation. The Office of the Director of Consumer Affairs does not have sufficient funding to ensure it can give an immediate response to cases of rip-off pricing. Only 13 prosecutions have been taken and that statistic tells a story of the ineffectiveness of the office. It has not received sufficient support from the Department of Enterprise, Trade and Employment.

It is alarming that the Director of Consumer Affairs has had no statutory powers conferred since the 1980s, nearly a quarter of a century ago. In that time the marketplace has been revolutionised by new technologies. The Director of Consumer Affairs has legislative powers rooted in the last century and this is wrong.

My background is in small business, which has received little or no support for the creation of jobs in the sector. It is regrettable that the biggest cost factor in any small company is the involvement of the State with high taxation and the level of regulation. Penalties for breaches of the consumer legislation are too lenient and too low. Deputy Hogan's Bill has addressed this issue. There must be a real incentive for businesses to protect consumers and comply with the law. It is not good enough for a large billion euro company to be given a slap on the wrist for overcharging a

consumer or failing to display a price. Sanctions must be painful and immediate.

There is much in this Bill to recommend it. The increased involvement of the local authorities, the adoption of codes of conduct, the introduction of price leagues and the inclusion of the enforcer in the loop on new legislation, are all measures that should not present any difficulty to the Members opposite. These measures are what the consumers want and they will deflate the economy. It speaks legions about the Government's lack of commitment to consumers that this Bill is being opposed.

Some years ago, the Tánaiste was asked by the Director of Consumer Affairs to introduce price display regulations for doctors and dentists. To date, we are still waiting for these regulations to be introduced. The Tánaiste was all talk in that regard. As Deputy Hogan said, we have had publication after publication and reports from her former Department that resulted in no action being taken. I hope the same does not happen in the Department of Health and Children. It is difficult for consumers to take the Tánaiste's edict to shop around seriously if her own inaction has left consumers unable to see the price of goods and services on offer.

I welcome the Bill and commend Deputy Hogan for bringing it before the House. He has done trojan work as a crusader for consumers and customers. Consumers are entitled to be impatient and angry with the persistent Government inaction. I hope consumers show the Government a strong no-return policy at the next election.

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

I commend Deputy Hogan for bringing forward the Consumer Rights Enforcer Bill 2004. We usually deal with motions during Private Members' time and I always commend Members on the opposite side of the House who take the trouble to prepare a Bill. On this occasion Deputy Hogan has done the House a service by providing an opportunity to discuss some important issues which arise in regard to consumer protection law. However, for reasons I will outline, the Government does not accept that legislation along the lines outlined by the Deputy is appropriate or timely. The proposed legislation does not take account of work that is ongoing in this Department or that is nearing conclusion in the consumer strategy group.

At the outset I apologise to the House for the absence of the Minister for Enterprise, Trade and Employment, Deputy Martin. He is on Government business overseas. Otherwise, he would be here to participate in the debate. The Minister has made it clear that making progress on the consumer agenda is a key priority for him in the immediate future.

I acknowledge the growing concern that Irish consumers are paying more for many goods and services than our counterparts in other European countries. I acknowledge concerns in the area of

protection of consumers and that the Irish consumer deserves a fair deal. It is instructive to examine what has led to these concerns and particularly what can be done about them.

The pace of growth in the Irish economy over the past decade has been phenomenal, of which we can all feel justly proud. We are now the second richest country in the European Union, barely behind Luxembourg. We have gone from a situation where our best and brightest talent had to move abroad to earn a living to experiencing net immigration with an estimated 100,000 foreign nationals employed in the workforce. Unemployment has plummeted and there are more people at work now than ever before. Ireland remains one of the most attractive locations on the globe for foreign investment and the performance of Irish industry has been robust. Enterprise Ireland last year reported new export sales of €1 billion, and 60 new high export growth companies were established.

Against this background it is hardly surprising that the consumer agenda, which is extremely important for a modern market economy, has moved centre stage. The Fine Gael Party, for which Deputy Hogan prepared this legislation, has referred to it as the rip-off culture and cites the 22% increase in prices over the past four years or so, but the spokespersons always forget to mention the 37% increase in wages during that period. It refuses to acknowledge the significant cuts in income tax during that time and the fact that the minimum wage here is three times that of Portugal. People also tend to ignore the fact that Ireland is cheaper than every other eurozone country for items such as clothing and footwear. The Minister for Arts, Sport and Tourism, Deputy O'Donoghue, is right to draw attention to the fact that damage is being done by the rip-off Ireland catch-cry. We must strike a balance between the need to name and shame, where appropriate, and to present a balanced picture of our overall level of costs and quality of service.

During the last general election campaign I pulled into a service station where a young fellow was filling a car with petrol. I was pleased that he recognised me and he mentioned in passing that his parents were voting for me. He said he would vote for me too if I reduced the price of insurance. I explained as patiently as I could that much work had been done but it would take most of two years before there was any substantial improvement.

Mr. Hogan: A lot done, more to do.

Mr. Killeen: He said that was no good and that he had a customer who promised that if he was elected, he would reduce it straight away.

Mr. Hogan: Was it Deputy Breen?

Mr. Killeen: I will not name anybody. In any event, he indicated that in view of the fact that somebody else was prepared to deliver the goods

immediately he would vote for them. In the excitement of the election campaign I forgot all about it until about six months later when I was back at the petrol station and the same fellow was filling a car with diesel. He told me that I was right, that it cannot be done in six months, but that was no good to me in the short term, no more than it is instructive that the problem highlighted by Fine Gael has short-term political advantages. I acknowledge there is a major job to be done in respect of consumer protection, and the Government is committed to doing that.

Consumers, many of whom enjoy increased spending power in an expanding economy, want to be sure that they are paying a fair price and getting value for money for the goods and services they purchase. Such things matter not only to consumers but are critical in ensuring that our economy remains competitive. The modern consumer operates under increasing time pressures in a fast-moving world and is sometimes faced with an ever-expanding choice of product from a vast array of retailers, some of whom they never see or meet face to face by virtue of the possibilities opened up by on-line shopping. In other circumstances, the consumer is frustrated when confronted by a single service provider offering little or no choice and a take it or leave it approach to doing business. There are many vulnerable consumers in society who deserve protection by law from the predatory instincts of a minority of traders who seek to profit from that vulnerability.

The most effective way to positively impact on price levels in the interests of ordinary consumers is to facilitate effective competition, and however unfashionable it may have become to say it, where choice exists the consumer can benefit and at the same time influence both price and business practices by exercising that choice in an informed manner.

Exercising choice, however, is only part of the equation. It is the responsibility of the regulatory framework to protect the consumer in circumstances where choice does not exist or cannot be exercised or where, for example, the choice is misrepresented or the consumer is otherwise misled by an unscrupulous trader. Where choice does not exist, we must ensure a regulatory regime that guarantees fair competition and allows others into the market to provide the choice that customers want and deserve.

Consumers must have access to fair and impartial information that allows them to exercise their choice in an informed manner. There must be in place a comprehensive and easily understood body of consumer protection law. I do not believe it will be possible to put that in place in the political context. Consumers must know their rights and they must have easy access to redress when those rights are denied. There has to be an adequate sanctions regime against unscrupulous traders who break the law and take consumers for granted. It is not sufficient to focus only on the national picture. We must also have regard to EU and worldwide developments so that we play

[Mr. Killeen.]

our part in protecting and informing our consumers wherever and however they shop.

Consumers of their nature are a disparate group. We are all consumers in one way or another but we rarely act in cohort and are rarely seen as an effective lobby when it comes to influencing decision makers. That has to change. Consumers should be given a voice and a means by which that voice can be heard. Consumers should have the power and influence to impact on decision making across the entire spectrum of society. In particular, consumers must be given the opportunity to influence law-making in Ireland. There is a huge responsibility and obligation on the shoulders of business who must learn to value a satisfied customer and understand that giving value for money makes good business sense. Customers who have not got value for money will not return or encourage others to do so.

The Government is tackling the consumer agenda on all these fronts. Legislation is in place which ensures that clear price information is provided for consumers prior to making a decision to purchase goods. Traders who do not display prices in the required manner are liable to prosecution. We have reviewed the level of fines for breaches of consumer legislation and, as the Minister informed the Seanad last week, he will shortly introduce legislation to update these and bring them into line with the demands of a modern economy. That is something Deputy Hogan's Bill sets out to do.

The Department is engaged in a comprehensive review aimed at the consolidation of all existing consumer protection legislation, which is spread across a large number of statutes. This is a major project overseen by a steering group that includes representation from the Attorney General's office.

The Competition Authority has the resources and autonomy to investigate the reasons for price levels which do not seem justifiable and report publicly on its findings. The authority is conducting studies of the banking and insurance sectors as well as the market for professional services. I expect these studies to be completed shortly. The authority has the necessary powers to investigate price fixing and other anti-competitive practices. Our priority is to ensure the removal of unwarranted restrictions on competition in all sectors of the economy.

Ireland is also participating in international developments aimed at protecting consumer interests. In May this year the Tánaiste chaired the European Competitiveness Council, which reached political agreement on the proposal for a directive on unfair commercial practices and confirmed the European Parliament's agreement on the regulation on consumer protection co-operation. The Council also noted the report of the Irish Presidency's successful conference on Building Consumer Confidence in the European

Online Marketplace held in Dublin Castle on European Consumer Day, 15 March.

The regulation on consumer protection co-operation due to come into force in October 2006 is a new law which will remove barriers to information exchange and co-operation between national consumer enforcement authorities. It will empower the Office of the Director of Consumer Affairs and other enforcement bodies to seek and obtain action from their counterparts in other member states on behalf of Irish consumers.

I mentioned our domestic review of consumer law. This project will dovetail with the implementation of the unfair commercial practices directive, a broad ranging European Union initiative which seeks to establish a single, common, general prohibition of unfair commercial practices distorting consumers' economic behaviour across the EU.

The Government is also determined to ensure consumer law keeps pace with the rapid rate of economic development, new trading mechanisms and new behavioural trends. Key to this is the work of the consumer strategy group established last March to advise on the development of a national consumer policy. The terms of reference of the group are sufficiently broad to allow it to comment and make recommendations on any aspect of the consumer agenda. Its work constitutes the most radical and comprehensive review of consumer policy ever undertaken.

The group has focused on the key principles guiding the consumer agenda, namely, access, safeguards, advice and support, redress, consumer power, and business and the consumer. A public consultation on consumer issues was held and individual consumers, representative organisations, businesses and other interested parties were invited to contact the group with views and submissions by 9 July. In the performance of its role the group is also carrying out a range of activities, including studies, which investigate issues of special concern. These studies are intended to identify areas in which policy intervention could lead to improved consumer access, choice and redress.

I expect the group's recommendations to form the basis of national consumer policy over the coming years and look forward to receiving its final report, which is due to be provided to the Minister for Enterprise, Trade and Employment, Deputy Martin, at the end of the year. The report and recommendations of the consumer strategy group will be considered once they are received early in the new year. Without prejudging the report, it is the Minister's intention to bring forward at an early date proposals for the development of a national consumer policy based on the report and recommendations of the group.

In circumstances in which an expert group is about to produce a report in which the experience of other countries in implementing consumer policy is being taken into account, it is clearly inappropriate and premature to introduce legis-

lation in this area. With the greatest respect to Deputy Hogan, the legislation before us does not have the benefit of the wide, ranging consultations undertaken by the consumer strategy group this year.

The main aim of the Consumer Rights Enforcer Bill 2004 is to establish an independent consumer rights enforcer, a stand-alone office with its own staff and budget. I am interested in the proposed procedure for the appointment of the enforcer who, I understand, would be recommended by the Oireachtas and appointed by the Minister.

Mr. Hogan: The appointment would be made in a manner similar to the appointment of the Ombudsman.

Mr. Killeen: The current Director of Consumer Affairs is an independent statutory officer appointed by the Public Appointments Service. As a general principle, appointments made in this manner are much more likely to find favour outside the Oireachtas than the Deputy's proposal. Members frequently complain that answerability to Parliament is not sufficient across a wide range of issues. If we were to stray into the area of making individual appointments in the manner proposed, we would run into much more trouble than it would be worth. I have never encountered a complaint concerning the independence of the current Director of Consumer Affairs position arising from the manner in which the appointment was made, nor does one, in general, find complaints with regard to the independence of the office. Despite being funded by the Department, the office operates with complete statutory independence.

Ultimately, the inclusion of a number of provisions in the Bill will be helpful because I expect it will be necessary to introduce legislation when the consumer rights group reports. This legislation will be informed by the findings of the expert group and by anyone else who is prepared to be constructive.

Mr. Hogan: I am glad to be helpful because we do not have anything in place at present.

Mr. Killeen: It would be premature to proceed with the Bill given that a report on the matter is only a few months from completion. I acknowledge, however, that there is considerable merit in proceeding with legislation at an appropriate time.

The Bill would simply rename the office of the Director of Consumer Affairs which already exists as an independent statutory office under section 9(5) of the Consumer Information Act 1978. The office's budget for 2004 is €3.9 million. The Bill also seeks to provide for certain functions to be undertaken by the new consumer rights enforcer. Many of these functions are already undertaken by the Director of Consumer Affairs.

The Office of the Director of Consumer Affairs has powers and legitimacy. To date in 2004, 28 traders have been successfully prosecuted and a further eight cases are pending. I accept Deputy Perry's point that consumers need to be advised of their rights and unscrupulous business people need to be advised that this enforcement procedure is in place. Many people would be surprised to learn of the number of prosecutions this year. Thousands of investigations are undertaken each year and the director's inspectors work closely with traders towards achieving her objective of compliance with legislation.

I draw particular attention to the results of price surveys, which the Director of Consumer Affairs has already published on products such as petrol, potatoes, over-the-counter medicines, compact disks and drink price increases coinciding with major sporting and social events. These provide valuable information for consumers wishing to make informed purchasing decisions.

As I stated and the Minister informed the Seanad last week during a positive debate on competitiveness and consumer protection policy, we have reviewed the level of fines for breaches of consumer legislation and the Minister will shortly introduce legislation to update these to a maximum of €3,000. Furthermore, one of the recommendations made by the Director of Consumer Affairs in her submission to the consumer strategy group in July was that the consumer should be represented in the social partnership process — Deputy Hogan also referred to the representation of consumers. The director noted that it was striking that the third pillar had a wide range of organisations but did not include consumers. The Department's representative makes contributions on consumer matters at the anti-inflation group established under Sustaining Progress.

The Department has worked closely with the Central Statistics Office, the Office of the Director of Consumer Affairs, the Consumers' Association of Ireland and Forfás on the issue of price transparency. This resulted in the publication for the first time last July of the CSO consumer prices average price analysis for Dublin and outside Dublin for May 2004. The Department proposes to continue to work with all interested parties to consider if there is further potential to build on this initiative so as to enhance price transparency for consumers and empower them to seek out the best value possible.

In so far as the Consumer Rights Enforcer Bill seeks to go beyond the powers and functions already vested in the Director of Consumer Affairs, it may constitute nothing more than a piecemeal approach to addressing legitimate concerns and interests of consumers.

The Government has been instrumental in moving the consumer agenda to centre stage and recognising its importance in the context of the modern, progressive and confident economy, which has developed in Ireland over recent years. As a direct result of the Government's initiative,

[Mr. Killeen.]

The Irish Financial Services Regulatory Authority was established with a specific consumer focus. The new consumer director within the regulatory authority has already underlined her determination and commitment to represent the interests of consumers in a positive way. For the first time, consumers of financial products have a new champion, a statutory officer, whom they can approach if they feel their rights are being denied. A specific means of redress and source of valuable guidance and information is available to them when seeking advice on the purchase of financial products. Members will acknowledge that the banks were untouchable and theirs was not a consumer-friendly approach. This is a new departure in Ireland, a new focus on the consumer and an indication of the Government's commitment to protecting and representing consumer interests.

The Government has successfully tackled the issue of high insurance costs, which had become an increasing burden for industry and had driven some consumers to the point of
8 o'clock despair. The Government's insurance reform programme is an example of the benefits to be derived from determined and concerted action. The Personal Injuries Assessment Board represents a new consumer focused approach to dealing with insurance claims. I acknowledge the difficulties referred to by Deputy Hogan in this area, which I hope will be resolved shortly. Before the board became fully operational in July 2004, both business and the individual purchaser of insurance products already began to reap the benefits of reduced costs and lower premia. No matter what figures are relied upon, the news is of huge savings. Some estimates place the saving to motorists of reduced premia at approximately €300 million this year. Official figures published by the Central Statistics Office at the start of the summer showed a 14.5% reduction in motorcar insurance between June 2003 and June 2004. A separate survey of motor insurance carried out by the Automobile Association showed an average 22% fall in motor premia over the previous 12 months. There is equally good news for businesses as liability insurance, which cost business approximately €840 million a year, has fallen by at least 20%. This is an additional potential saving of €168 million because of these reforms. In total, the reform process is expected to generate approximate savings of €460 million to consumers in 2004.

Consumer costs are important in their own right but are also as much a part of the competitiveness agenda as are the costs to business and industry. For overseas industry seeking a location for new investment, business costs are only part of the equation. Consumer costs also feed into the mix of employees' welfare and expectations. Consequently, issues surrounding consumers' welfare must be approached with the same urgency and commitment as the general competitiveness agenda. Analysis shows Ireland has

become an expensive place to live and Irish consumers are paying more for many basic commodities than our European neighbours. A report commissioned from Forfás by then Minister of State, Deputy Kitt, first highlighted this in a stark way. "Rip-off Ireland" may be a term coined by the media, but as a perception among members of the public and industry, it is real and merits a positive and proactive approach on the part of the Government.

Mr. Hogan: Someone better say that to Deputy O'Donoghue.

Mr. Killeen: All businesses cannot be tarred with the same brush. The efforts of many to provide real value and service to the consumer must be acknowledged. They have come to appreciate the value of a satisfied customer, seeing a professional approach to quality customer service as a key part of business strategy. The logic of such an approach is irrefutable. A satisfied customer will obviously return when needing to purchase an identical product or service in the future. A satisfied customer will recommend a supplier of a product or service to both family and friends, helping a business to grow.

However, there are also product and service providers who through greed have sought to exploit the vulnerability of many consumers. There are those who feel the need to profiteer on the back of increased spending power in some sections of society. Some unscrupulous traders ignore their obligations under the law. Some businesses seek to capitalise on the lack of competition either sectorally or geographically. These businesses have created rip-off Ireland. They must be the targets of new laws and regulations, subject to penalties imposed by statute or the ultimate sanction, the loss of business because of consumers exercising their discretion to bring business elsewhere. Consumers must not underestimate the power in exercising the choice to shop elsewhere. The consumer can also exercise choice without bringing their business elsewhere. Within the same shop, choices can be available between different brands, different product sizes and packaged and unpackaged goods. The key to exercising that choice is information.

A consumer, armed with the necessary information to determine which product represents best value for money, can exercise discretion in a positive way, influencing not only prices but quality of service. A variety of regulations exist requiring different traders to display the price of goods or services on offer. The unit pricing regulations introduced by the Government 18 months ago are one example. These require all retailers, whether they sell over the counter, by mail order or on-line, to display the price of all products available in the store or catalogue. When the goods in question are packaged and sold by

weight or volume, the price per unit must also be displayed. For example, a supermarket shelf displaying different sized tins of beans, must also display not just the price per tin but, the equivalent price per kilogram in respect of each tin. With liquids, for example, washing up liquid, a price per carton and an equivalent price per litre in respect of each, carton, must be shown.

This extremely valuable information allows the consumer to instantly decide which product size represents the best value for money. The requirement applies to all packaged goods sold by weight or volume. The director of consumer affairs enforces the law. He carries out monthly surveys in compliance with the legislation and will be happy to hear from consumers who feel their local shop is not complying with display requirements. Restaurants, pubs, petrol stations and hairdressers are among those traders in respect of whom price display orders exist to help the consumer make informed choices. The value of such information should not be underestimated. I urge consumers to exercise choice where choice is available.

Consumers are a disparate lot but I recognise the work of the Consumers Association of Ireland, an effective voice on consumers' behalf for many years. Its task has not been an easy task. However, the value of its contribution and the difficulty in creating a coherent voice for consumers must not be underestimated. There may be different priorities and concerns for a consumer who experiences difficulty when purchasing an airline ticket, for example, than for a consumer who feels he or she has been charged an excessive price for basic foodstuffs at the local grocery counter. While I do not wish to prejudge the important work undertaken by the consumer strategy group, a key element of consumer strategy is to harness the voice and represent the interests of all consumers in a coherent way. Someone must speak with conviction and authority on behalf of consumers, not just when seeking redress for wrongs inflicted, but when making new laws and regulations.

I have outlined the comprehensive measures and policies already in place and envisaged, both domestically and internationally, to protect and represent consumer interests. Critically, I have outlined the work of the consumer strategy group which will shortly report to the Minister for Enterprise, Trade and Employment, Deputy Martin, and can be expected to address any gaps or inadequacies in existing consumer policy. I expect the group to suggest some radical measures, bringing the consumer agenda in Ireland on to a new plane. This agenda cannot be prejudged and for that reason I oppose the Bill.

Ms Lynch: I am now more convinced that no Member should be forced to speak for 40

minutes. Whatever a Member has to say, it should not take that long.

Mr. Killeen: Agreed.

Ms Lynch: I welcome the Bill and commend Deputy Hogan and the Fine Gael Party for introducing it. As Christmas approaches, the Bill's provisions are welcome and timely, deserving the support of all Members. It is not as if they are outrageously expensive or will bring the free world as we know it tumbling down. The Bill is modest but will make a great difference to people who are trying desperately to stretch limited incomes as far as possible, with no help from the Government.

There is a clear need to beef up the role of the Office of Director of Consumer Affairs. The director has done an excellent job and very worthy work in recent years in highlighting malpractice by retailers. Unfortunately, she has not had much power to do anything about the problems. Naming and shaming and limited fines are well and good — this is not a reflection on the person or the office — but the question arises as to the degree of power the office holds. The director told us a week after an international rugby match that seven pubs ripped off the public. While closed circuit television does not prevent crime it shows who committed it. Action can be taken only after a wrong has been done, and in the case I mentioned the pubs involved denied that they ripped off people. That is an incredible system to have in a country that claims to be on top of its game in terms of technology and how it operates.

For too long the only weapon at the discretion of the Director of Consumer Affairs has been to name and shame. It is time to give the office much more competence in the area. I welcome the change of role outlined in this Bill to make the office a corporate enforcer with the power to impose fines on those who breach the guidelines. The Bill refers to only one aspect of a much wider problem. People constantly ask who is the consumer. I recall the question posed in school “Who is my neighbour” and the answer given, “My neighbour is all mankind”. That could apply to consumers. All mankind are consumers.

Consumers are insufficiently protected here. There is anecdotal evidence that this is an expensive country. There is evidence to prove that Ireland ranks near the top of the list of the world's most expensive places to live. One would scarcely have thought a few years ago that, in comparison with a shopping basket in Ireland, one in Nice would be cheaper and that one could live on less money there. A few years ago Nice was an expensive place to visit, but that is no longer the case. Ireland is now a very expensive place to visit.

The economic boom has brought jobs, prosperity and opportunities but has also delivered

[Ms Lynch.] growing disparities between rich and poor, aided by profiteering by large companies, which have consistently exploited the Irish consumer. This must come as a shock to visitors from Germany, whose quality of life was far more developed than ours when we entered the European Union, if they have not read about the cost of living here. In the four years up to May of this year the cost of goods and services rose by 22% above the EU average, putting Ireland on a par with Finland. Restaurants and pubs were the main contributors, accounting for 25% of the total in the five years up to January 2004. I saw a chef on television recently who said that after serving a meal and paying the various charges he made €4 profit. If I was making €4 profit after sweating over a hot stove from 4 o'clock in the afternoon I would not be in that kitchen the following night.

An extraordinary financial burden is placed on the average working family, which is especially felt at this time of year, in the run-up to Christmas. The Minister of State said that the Minister intends to put certain measures in place, but if his record in the Department of Health and Children is any measure he will commission a plethora of reports but will do nothing. I am not holding my breath waiting for reform in his Department. The Government is culpable. Its decisions and those of its agents on VAT, price increases and State regulated goods and services, such as electricity and telecommunications, have added almost 8% to the rate of inflation over the past five years. That is an incredible figure. Those charged with protecting the consumer allow the circumstances in which retailers can rip us off.

We do not need to travel outside the island to compare and contrast prices for a range of consumer goods. Supermarket chains in the North that have premises in the South sell exactly the same goods at significantly lower prices in the North. A packet of biscuits in Tesco in Newry is much cheaper than it is in Tesco ten miles down the road in Dundalk. These are fundamental differences. As I listened to the men make their contributions tonight I thought this debate should be limited to women.

Mr. Hogan: That is sexist.

Ms Lynch: It is sexist but I have never made an excuse for that.

Mr. Hogan: The Deputy may be sexy but she is also sexist.

Ms Lynch: If the wives of the Deputies who spoke tonight had made those contributions they would have made more significant points. That the busiest Sainsburys store in Europe is the one in Newry says something about how shoppers flood across the Border in search of more reasonable prices than those available in their own

towns. Dunnes Stores recently refused to appear before the Oireachtas Joint Committee on Enterprise and Small Business to explain why consumers are charged more for groceries in their shops in the Republic than in the North. It is ridiculous that one of the largest supermarket chains in the country is not prepared to justify its prices to public representatives. This is symptomatic of the public's inability to ask questions of major retailers, and I hope this debate will seek to redress part of that problem.

Dunnes Stores argued about its unhappiness with elements of the groceries order regarding below cost selling and so justified its refusal to come before the committee. If Dunnes Stores has a problem with legislation it should have been at the committee. Instead, the company, which holds almost a quarter of the grocery market used this as an excuse to explain why products for sale in its shops are 20% cheaper in the North than here. The groceries order introduces such a level of regulation into the sector that it prevents supermarkets entering price wars whereby below cost selling would surely be the death knell for local independent traders who would be unable to compete with large supermarkets. The committee concluded that if those supermarkets had *carte blanche* to slash prices the prices would not stay at that level. Once competition was eliminated they would return to the old rip-off Ireland. We were all agreed on that. The history of how they operate does not inspire us with confidence. That is the problem with the groceries order.

The Tánaiste, Deputy Harney, was one of the most fervent advocates for the abolition of the groceries order, yet for seven years she was Minister for Enterprise, Trade and Employment and did nothing about it. Similarly with the Personal Injuries Assessment Board, the report was left on her desk to be implemented when she took office seven years ago but she coat-tailed it and did nothing until, under pressure from the Joint Committee on Enterprise and Small Business, she had to set up the board.

Large supermarkets argue that insurance costs, wages, commercial rates and recycling charges contribute to the prices they charge, yet insurance costs have fallen recently, a point on which I agree with the Minister of State, and they should fall further when the Personal Injuries Assessment Board is established. While these retailers continually explain why they cannot introduce lower prices, they never tell us about the difference in the price. We have yet to get to that and it is part of the ongoing investigation. They are quickly running out of excuses for charging exorbitant prices. Just as it did with insurance, the committee will continue to ask the questions and will eventually get answers.

It also appears that changes are to be made to the retail planning guidelines and I am completely opposed to that. I have a friend who has

a small supermarket in a local community. He has told me that he is quite happy with his share of the market. It is not Dunnes Stores, Tesco or Aldi, but he is happy as someone will always forget a pint of milk, bread, butter or something else. It is a drop-in service. If we bring in huge supermarkets on the outskirts of towns to which the motorway leads and we have to shop in these out of town experiences, then my friend will not survive. If I forget to buy a pint of milk, he will not be there. That is not good for the community. The country has to be about community as well as the economy. We must also take much more than low prices into consideration. Issues of food quality and traceability are becoming important, just as other matters such as community, choice and availability are central to the debate. If people are even offered very low prices, then there is a sector of society that simply wants a particular product. Such people will go for quality, presentation and will pay more, so it is not just about price.

More needs to be done in the area of consumer affairs than what is contained in this Bill. However, it is a start and an effort to introduce change in an area that badly requires improved consumer protection. Supermarkets should be made to display and sell sweets from an area of the shop, which can be avoided if one wishes to do so. This would be a great help to parents. I remember a campaign about this when Gay Byrne was still on the radio. I think Marks & Spencers decided to take sweets away from the till. That did not last long. Whether it is a large supermarket or a corner shop, consumers cannot get near the till as they are surrounded by sweets. It is very difficult for parents to continue to say no to their children. Parents have enough hassle doing the shopping and yet they are faced with a barrage of pressure at a time when they are most vulnerable. That is exactly why sweets are displayed at that point. They should be sold from a different part of the shop. It is done with alcohol, so why can it not be done with sweets? The sweets display is in front of us and the newspaper on the counter tells us that the biggest killer in the future will be obesity, yet we cannot avoid the sweets.

Why is meat dearer in supermarkets than in small butcher shops? It is this kind of comparison that consumers need. Why is it so hard to find out why food costs more in the Republic of Ireland than 100 miles away in Northern Ireland? We have more agencies to protect the consumer and to ensure that there are no barriers to competition, yet we are less controlled and less informed than ever. Why do we not have individually priced items on our supermarket shelves? The Minister told us tonight that products have to be displayed by weight, volume and everything else. Why can we not have it on the item? Imagine a situation where each time the

Minister goes into a shop to buy a shirt, a coat or whatever he has no idea what it will cost until he goes to the till and gets a shock. Why are items on supermarket shelves not individually priced? I am always amazed when surveys claim, for example, that only ten out of 166 Deputies know the price of a litre of milk. If the price was on it, we might all know it.

There is no better enforcer of consumer rights than consumers themselves. Consumers have no idea what their basket will cost them until they get to the till. It usually comes as a surprise because it has usually gone up. Decisions by Government, its agents, regulations including VAT increases, price increases and State regulated goods and services like electricity and telecoms are said to have added more than 8% to the rate of inflation over the last five years. If the people charged with protecting the consumer are allowing the market to behave in such a way, then the phrase associated with shopping in Ireland is now "rip-off". That is the word on the ground, but the word from the Minister for Arts, Sport and Tourism is that it is all in our minds. We will fork out more of our hard earned cash this Christmas, but more of us are paying by credit card and hoping that by the time that Bill comes, someone somewhere will have done something about interest rates on credit cards, which is another rip-off. When we do this, we should think about the Minister for Arts, Sport, and Tourism and keep repeating to ourselves that it is all in our mind. The next time a Fianna Fáil or PD Deputy comes to our door and tells us that they will rein in their pals and bring inflation under control in order to allow us to feed our family, buy a house and do the things we should be able to do, we should keep saying to ourselves that it is all in our mind.

I welcome this Bill. As it is an Opposition Bill, I know it will not be accepted, although I hope someone listens and recognises that a country should be more about community than economy. People are very hard pressed and any help they can get from legislators will be welcomed.

Debate adjourned.

Adjournment Debate.

Rural Renewal Scheme.

Mr. Finneran: I call on the Minister for Finance to extend the rural renewal scheme to coincide with the period of Objective One status in that region. For the past six years, the rural renewal scheme has had a major impact on the upper Shannon region of north and west Roscommon. The scheme has achieved some of its goals in encouraging more people to stay and settle in the area, as well as stimulating economic activity gen-

[Mr. Finneran.]
erally. In north Roscommon, it is felt that a further extension of the scheme is necessary to allow us to build on the success of the scheme and arrest population decline in the upper Shannon area once and for all.

Sixteen sewerage and water schemes in the north and west of the county are substantially supporting further residential and commercial development. Planning applications refused on environmental grounds before the schemes were established will now be eligible. An opportunity will be lost if the sewerage and water schemes are not used to their full potential to support sustainable residential and commercial development. Large parts of north and west Roscommon were initially slow to take up the rural renewal scheme because they were so deprived economically. Evidence of growth resulting from the rural renewal proposals is now being found. Some people were unable to take advantage of the scheme because of delays in achieving planning permission for sewerage and water schemes in some designated areas. Hindrances to building houses and developing businesses contributed to the slow uptake of the scheme in such areas. We should take advantage of the recent infrastructural investment.

The Objective One status of the BMW region ends in December 2006 and eligible expenditure will have to be completed by 31 December 2008. The relevant areas would continue to benefit if the rural renewal scheme were extended to coincide with the dates I mentioned. The national spatial strategy has been published since the commencement of the scheme in 1998. Regional planning guidelines have been adopted to provide a more planned framework for regional development. The rural renewal scheme is consistent with the region's policy of distributing population in rural areas to support small towns and villages outlined in its planning guidelines.

There has been a drop in the population of rural district electoral divisions in north and west Roscommon. The population of Boyle decreased by 2% between 1996 and 2002. Such reductions in population constitute a serious threat to the viability of the county's villages and towns. The extension of the scheme would act as a protective mechanism to ensure that the populations of the district electoral divisions in the north and west of the county can be maintained and possibly increased. There is a high concentration of older people, a significant proportion of whom live alone, in north and west Roscommon. There is a low concentration of young people in the north and west Roscommon area, which has a high economic dependency ratio and low labour force participation. Extension of the rural renewal scheme would be a poverty-proofing mechanism to target the most marginalised part of County Roscommon.

Agriculture is the most important industry in County Roscommon. As a result of the farm restructuring system and the Fischler proposals, there is a growing emphasis on encouraging good environmental practice in rural areas, lowering stock numbers and facilitating rural diversification. Extension of the rural renewal scheme would help to sustain County Roscommon's farming and rural population in the north and west of the county. North Roscommon is considered to be a structurally weak area. The housing aspects of the rural renewal scheme would comply with the sustainable development initiative. Structurally weak areas need to accommodate any demand for permanent residential development. Extension of the rural renewal scheme would facilitate a greater uptake and give a greater benefit to structurally weak areas.

The future of employment creation in County Roscommon will involve entrepreneurs and small and medium sized enterprises. Major employers, such as Glanbia in Rooskey, have been lost in north and west Roscommon. The extension of the rural renewal scheme is essential if we are to support job creation in that part of the county. Small and medium sized enterprises are likely to be established in ancillary buildings at the homes of entrepreneurs. An incentive such as the rural renewal scheme would act as a business incentive as much as a residential incentive. The modernisation and rationalisation of the ESB power station at Lanesborough will lead to reduced employment opportunities in Bord na Móna for people in County Roscommon. Similar problems are encountered in respect of Shannonbridge power station.

Roscommon County Council and the county manager, Mr. John Tiernan, suggested that the area south of the N6 route between Athlone and Galway should be included in the rural renewal scheme. The Minister of State, Deputy Parlon, may see merit in the suggestion that areas further east, for example in County Offaly, should be considered.

I am glad the Minister of State is present to listen to my arguments in favour of the extension of the rural renewal scheme. I ask him to ignore those who suggest that the scheme is lining the pockets of millionaires. It is helping to bring people back to the upper Shannon region, specifically the rural areas of north and west Roscommon. Those who claim that it is helping millionaires do not know anything about the lifestyles of the people of the region. They travel through the area once a year as they travel to the west on holidays. They know nothing about the benefits brought to the region by the rural renewal scheme. I ask the Government to ignore the Opposition's calls in this regard and to proceed with the extension of the renewal scheme in the best interests of the further development of

the rural areas of north and west Roscommon, and the upper Shannon region as a whole.

Minister of State at the Department of Finance (Mr. Parlon): I thank Deputy Finneran for raising this matter on the Adjournment.

The rural renewal scheme was introduced in the Finance Act 1998 to address some of the problems facing the upper Shannon region. It was apparent at that time that the region, which has a history of persistent high emigration, poor land and fragmented holdings, was not sharing in the economic rejuvenation experienced in other parts of the State since the mid-1990s. The 1996 census showed that the populations of counties Longford and Leitrim had decreased, even though there had been moderate or significant increases in every other county.

Following the achievements of a succession of urban renewal schemes, which had helped to rejuvenate many inner city areas since the mid-1980s, the former Minister for Finance, Deputy McCreevy, decided that tax incentives for the rejuvenation of urban areas could be successfully applied to the upper Shannon area on a pilot basis. Consequently, he introduced the scheme in the Finance Act 1998. The areas designated for relief under the scheme included, counties Longford and Leitrim and parts of counties Cavan, Roscommon and Sligo. The objectives of the scheme were to reverse the pattern of continuing population decline and to promote private sector investment in the region.

The incentives available under the scheme are broadly similar to the reliefs in the other area-based incentive schemes, such as the urban renewal and town renewal schemes. Accelerated capital allowances of 100% are available for the construction or refurbishment of certain commercial and industrial buildings. Tax relief is available for the construction and refurbishment of owner occupied and rented residential properties. The reliefs were introduced on a phased basis. The rented residential reliefs were introduced with effect from 1 June 1998 and the owner-occupier residential reliefs were introduced with effect from 6 April 1999. The business elements of the scheme were introduced with effect from 1 July 1999, shortly after the approval under state aid rules of the European Commission was secured for the reliefs in June 1999.

It can be said with some justification that the rural renewal scheme is by far the most extensive and wide-ranging area-based tax relief scheme in the State. All the qualifying areas are eligible for the full range of reliefs available under the scheme. By contrast, only certain sub-areas of the towns and villages designated under the urban and town renewal schemes qualify for relief. Each qualifying sub-area or site qualifies for a limited range of reliefs in most cases. The entire area qualifies for rented residential or section 23 relief

under the rural renewal scheme, whereas a limited number of areas or sites are designated for such relief under the urban and town renewal schemes. Those who are familiar with the areas in question can confirm that the scheme brought the benefit of enormous rejuvenation to such places. It is appropriate that we should consider the benefits during the ongoing debate about the existence and effect of tax expenditures and incentives.

While I appreciate that the Deputy is anxious for the scheme's deadline to be extended by five months until the end of 2006, he should consider that the scheme was originally due to terminate on 31 December 2001. It has been extended on a number of occasions since then. The original December 2001 deadline was extended by an additional year in the Finance Act 2000 and by a further two years in the Finance Act 2002. No qualifying conditions were attached to the extended time period in the case of the two-year extension. Such conditions have been imposed in other schemes such as the urban renewal scheme and the reliefs for multi-storey car parks, hotels and holiday cottages. The scheme was one of the few area-based tax incentive schemes to benefit from a straight two-year extension. In the Finance Act 2004, the deadline for incurring qualifying expenditure was extended until 31 July 2006 where a full and valid planning application is received by a local authority on or before 31 December 2004. This extension to the deadline, along with a similar extension for other reliefs, was given to provide for an orderly winding down of the schemes and to cater for pipeline projects that were subject to unforeseen delays.

Irish Emigrants.

Mr. Connaughton: I ask the Government, and particularly the Minister for Foreign Affairs, to treat with the highest respect and dignity the emigrants who sailed broken-hearted from Ireland in the dark years of the 1940s, 1950s and 1960s. When the Estimates are published on Thursday, I demand that a clear and unambiguous message of support be sent from the emerald isle to the thousands of emigrants in the UK, the US, Australia and elsewhere. Such people should be assured that the beneficiaries of the Celtic tiger do not and will not forget where they and we came from.

In a country where materialism is rampant, it is vital that every generation take stock of its history, its commitment to the outside world and its responsibilities to its people — our brothers, sisters, uncles and aunts, most of whom were forced to emigrate to places around the world that were in most cases hostile to anyone calling themselves Irish. Over the past 50 years since the mass exodus of our finest young people we have behaved miserably when it comes to shouldering responsibility for their welfare. There are many

[Mr. Connaughton.]

lonely, broken-hearted elderly people living in little bedsits no bigger than a horse box in London, Birmingham, Manchester and many other places, and they often wonder what their Irish nationality has meant for them.

In the US, there are vast numbers of decent, respectable, law-abiding young people who dread the knock on their door in case the police are seeking out persons without official visas and other documentation required for them to be there. Stories abound of such people being unable to return to Ireland to attend their parents' funerals or the weddings of family members, scared that they may not be allowed back into the United States.

Many of those to whom I have referred sent money home to help their families in this country when we were down in the dumps. Their remittances were taken into account when budgets were put together in the 1940s and 1950s. Now it is our turn to help the needy and impoverished Irish, irrespective of where they are abroad. In the highly acclaimed task force report, Ireland and the Irish Abroad, published in August 2002, many worthwhile proposals were made to help our emigrants. This year alone, the allocation to Díon, the organisation that distributes aid to Irish emigrants in Britain, was approximately €4 million, certainly much more than we spent on them in previous years. However, it is far from the proposals contained in the report. The task force recommended that €18 million be spent in 2003, rising to €34 million in 2005.

I welcome the dedicated unit in the Department of Foreign Affairs, which is a good development. Everything humanly possible should be done to help the 57 Irish groups working among our kith and kin in Great Britain, those through whom funding is channelled. I do not have time in the five minutes at my disposal to discuss some very important matters contained in the task force report that I would like to see implemented, one of which is the question of bringing people back from the UK and America for holidays in Ireland. I do not have enough time to develop why, for a variety of reasons, that would be very important psychologically. We should tease that out. Many communities in Ireland that have shown such great civic spirit in recent years should be involved, and I hope that the Government will do everything it can to assist in that regard.

This is not all one-way traffic since there is also a bridge to be erected to our many successful emigrants who are of immense use to Ireland commercially. The success of the Irish abroad in the early years contributed to the building of a better Ireland at home, and we should never forget that.

Minister of State at the Department of Foreign Affairs (Mr. Treacy): Is cúis áthais dom freagra

cruinn beacht a thabhairt ar an ábhar tábhachtach seo faoi imircigh — muintir na nGael thar lear. I welcome this opportunity to stress the Government's continuing and strong commitment to Irish people living abroad. Emigration resonates deeply with us all, touching as it does every family at some time or other. We feel empathy when we hear accounts of the sadness of parting, the difficulties of adjusting and the loneliness of separation from loved ones. Those of us who represent constituencies in the west are keenly conscious of the impact of emigration on our communities. We know that many of those who emigrated made good lives for themselves abroad. They made, and continue to make, distinctive and positive contributions in their adopted countries. They have also maintained close connections with Ireland and have helped us in our efforts to develop opportunities for current and future generations. We know that many made difficult sacrifices by leaving Ireland. We deeply appreciate that and recognise the great credit they have brought on themselves and on Ireland in international fields.

While celebrating the positive aspects of the experience of emigration, we know that it has presented some people with difficulties, and they can find themselves adrift and marginalised. Many who emigrated did so feeling that they had no other option. It has been a priority of successive Governments to ensure that Irish people who emigrate do so voluntarily, on the basis of informed choice and not because of lack of opportunities at home.

Our community abroad has benefited from the selfless and tireless work of individuals and organisations that assist Irish people abroad. I express the deep appreciation of the Government to those people. Their dedication and compassion reflect an invaluable community spirit that enriches us all. For many years the Government provided financial assistance to organisations that offer front-line advice, counselling and support services to Irish people abroad. Nobody should be in doubt but that our commitment and support are firm, growing and long term. Through its engagement with Irish people abroad, the Government saw the need for a more structured and strategic approach to emigration policy to respond better to the needs of emigrants. The task force on policy regarding emigrants was established to advise on the development of a coherent long-term policy. Its report provides us with a key resource in shaping Irish policy on this important issue. Its recommendations, which are wide-ranging and far-reaching, make clear that issues of concern can best be addressed by a collective effort involving governmental and non-governmental agencies.

The establishment in the Department of a new dedicated unit focused entirely on matters relating to emigrants is a notable development. I am

convinced that it will inject fresh momentum to drive forward progress on all critically important areas identified by the task force. Our priority continues to be to get increased funding to the organisations abroad that provide critical support for Irish emigrants. Funding to those organisations has been increasing steadily and significantly. The Department's services for emigrants funding for 2004, rose to €5 million. That is being directed to voluntary agencies that provide front-line services for emigrants. This year's funding represents an increase of two thirds on last year. Most funding is directed to welfare organisations in Britain. As the Deputy may be aware, the Dón fund for Irish emigrant welfare in Britain is allocated by the Minister for Foreign Affairs on the basis of recommendations from the Dón committee. The committee's role is to advise and report on welfare services for emigrants, make recommendations on the provision of financial assistance and consider issues at the request of the Minister for Foreign Affairs.

This year we began planning to allocate €3.57 million to services for Irish emigrants in Britain through the Dón fund. That in itself represented an increase of over one third on last year's allocation. I am delighted to say that we have today approved a further round of grants. The Dón fund will this year exceed our initial target. This year, funding to front-line welfare organisations in Britain will reach €4.3 million, an increase of two thirds on last year. Since 1984, €21 million has been distributed under the Dón fund to welfare organisations in Britain. That will have risen to €22 million by the end of this year. The fund has increased fivefold in the past five years.

At the Minister's request, the Dón committee is paying particular attention to the needs of older Irish people resident in Britain. While the full range of advisory services is open to people of all age groups, several agencies receiving Government funding focus on meeting the needs of older Irish people. Furthermore, we are conscious of the entitlements of some of our older emigrants to Irish contributory pensions. In 2000, when he was Minister for Social and Family Affairs, Deputy Dermot Ahern, introduced a half-rate contributory pension scheme for people with pre-1953 contributions. This year under the scheme €72 million is being directed to older people who are resident abroad, most of them in Britain. This year organisations in the United States that offer invaluable support to our emigrants there, in particular the undocumented Irish people, have been awarded grants totalling €500,000. This represents an increase of more than 70% on last year's grants, which is the greatest increase ever. We would like to increase this amount further in the coming years to develop these vital services. I assure the House of the Government's further support for Irish people abroad during 2005 and the years beyond.

Factory Closure.

Mr. Sherlock: I hope when I have concluded my contribution the Minister of State will not say the Government or his party have no say on this matter. I refer to the closure of the Nestle plant in Mallow, which uses approximately 20,000 tonnes of sugar supplied by Mallow sugar factory and 15 million gallons of milk supplied by Dairygold. The plant employed 57 people and this is the greatest blow that has ever been struck in the north Cork region. Nestle produces chocolate crumb in Mallow and in Girvan, Scotland, and it is proposed that the Girvan plant will be retained.

The silence of the IFA and the ICMSA regarding the factory closure in Mallow and the transfer of jobs by Dairygold from Mallow and Mitchelstown to Cork is tantamount to them selling their birthright for a mess of potage. Nestle stated the Scottish facility would be retained in favour of the leased Irish based facility in Mallow. The property is leased from Dairygold. The cooperative voice of milk and beet producers should be conveyed to Dairygold management, otherwise the dairy industry and the jobs it provides in the region will be no more. The region has been hit hard and I seek Government intervention there. It would be worthwhile if the Minister of State at the Department of Enterprise, Trade and Employment were to visit Mallow and meet the management of Dairygold and Nestle.

Dairygold staff are being transferred from Mallow and Mitchelstown to Cork. The staff were informed earlier that 20 December is D-Day. They will be supplied with boxes to move their materials and they will be bussed between both towns and Cork for 12 weeks. I call on the Minister of State to involve himself and the Government in this issue. The job losses at Nestle could impact on the sugar beet and dairy industries. It is a serious matter and the development of agriculture and domestic production must be examined. I hope the Minister of State's response will be positive.

Mr. Treacy: I thank the Deputy for raising this matter on the Adjournment. On Thursday 11 November 2004, Nestle announced its intention to close its chocolate crumb production facility at Mallow, County Cork. The facility is based at the Dairygold plant in Mallow and employs 57 people. Nestle stated a strategic review of its business requirements for chocolate crumb identified that, due to improvements in production methods and the loss of the chocolate crumb contract for the Canadian market, these requirements could best be met at its facility in Scotland. Nestle also stated the closure of the Mallow facility is to take place by March 2005.

Dairygold does not accept that Nestle is entitled to implement such a decision and the cooperative has instructed its legal advisers to take

[Mr. Treacy.]

immediate legal action against Nestle regarding the enforcement of Nestle's agreements with Dairygold. Pending the outcome of High Court injunction proceedings, Dairygold has indicated it will make no further public statements in the matter.

I assure the Deputy that Mallow is a location of focus for the Industrial Development Agency. The IDA is marketing Mallow as a location for foreign direct investment through its network of overseas offices, in particular the availability of a 6.27 hectare fully serviced site and an advance factory of 2,072 square metres. The relatively recent arrival of Kostal to Mallow has been a significant asset to the economic development of Mallow and north Cork. More than 400 people are employed at the Mallow operation. Mallow is designated as a hub town under the national spatial strategy, which will lead to significant development in the medium to long term, and this has the potential to benefit the north Cork area.

From an inward investment perspective, Mallow, due to its proximity to Cork city, also stands to benefit from the continued development in the Cork area where over the past ten years direct employment in IDA supported companies in Cork city and county has increased from 10,345 in 1993 to 18,162 in 2003. With 134 IDA supported companies in County Cork, the sectors contributing to this growth are ICT, pharmaceuticals-health care and international services. This growth is expected to continue into the future with IDA in 2003 announcing 11 new projects for Cork with the potential to create up to 800 new jobs.

Mr. Sherlock: That is not the issue I raised.

Mr. Treacy: To date in 2004 five new projects, McAfee, AK Pharma, Altera, Ecora & Centocor, have been announced with a job creation potential in excess of 800. Over the past four years more than 40 new projects have been approved for the Cork area with a jobs potential of up to 5,000 people at full operation.

IDA Ireland's main focus is targeting high value projects. This means companies that decide to visit Ireland today have more sophisticated business requirements. Their key requirements in determining where they will visit and, consequently, where they will potentially locate tend to centre on the following: a high quality business environment with access to a large population base; close proximity to an international airport and quality road infrastructure to allow ease of access; proximity to similar companies; adjacent to a third level institution; and often located on a business and technology park with high quality office accommodation and telecommunications infrastructure.

Mr. Sherlock: How did the Minister of State know about Dairygold's legal action?

Mr. Treacy: In line with addressing these industry requirements, IDA Ireland also has a focus in north Cork, on its new business and technology park adjacent to Fermoy. IDA Ireland has purchased this 20 acre site on the outskirts of Fermoy where site development works and landscaping have been completed at a cost of approximately €1.5 million. The IDA intends to seek proposals from private developers for the construction of a suitable office building on the park. It is intended that this building will be available mainly for inward investment purposes by qualifying manufacturing and internationally trading services companies.

Mr. Sherlock: The Minister of State has digressed from the main issue.

Mr. Treacy: In addition, IDA is also marketing the Fermoy business and technology park as a suitable location for potential green field projects. It is anticipated that future employment opportunities generated at this business and technology park will be of benefit to the north Cork area generally.

I assure the Deputy that the State development agencies, under the auspices of the Department of Enterprise, Trade and Employment, will continue to work closely together and with local interests in promoting Mallow for additional investment and job creation. I trust the legalities involved in this case have been put in context by the statement issued by Dairygold.

Departmental Bodies.

Dr. Cowley: I am grateful for the opportunity to raise this important matter. Will the Minister of State at the Department of the Environment, Heritage and Local Government consider the reform of An Bord Pleanála given the overwhelming view of the population that the board is incapable of operating independently, since it is bound by Government policy in making its decisions?

I attended a meeting of several hundred people about a proposed asbestos recycling facility in Killala recently. Nobody present spoke in favour of the development. I attended a demonstration involving 2,000 people two days ago in Killala. They abhor the possibility of this facility being located at Killala. The only people who have spoken in favour of the facility are the company's managing director and public relations man.

However, local people are concerned, particularly when they reflect on the decision by An Bord Pleanála regarding the Ringaskiddy incinerator. There was strong opposition locally to building the incinerator, including a written objection signed by 20,000 people. Despite the refusal of

the necessary rezoning by Cork County Council, An Bord Pleanála overruled its own inspectors who had highlighted a long list of reasons planning permission should have been refused for the incinerator, thereby, upholding the view of the county council and the people. The board ruled that the incinerator should be built because it is Government policy.

That is amazing. I do not know how the board can be described as independent when it favoured the proposers of the incinerator because their proposal was in line with Government policy. What was the point in the board making, an adjudication and proceeding with its investigations when it was a foregone conclusion? This was a waste of taxpayers' money. The internal structure of An Bord Pleanála must be fatally flawed if it does not heed its own recommendations. The Minister of State and the Government are accountable for their decisions. However, natural justice does not appear to prevail in the case of An Bord Pleanála. It would be perverse in the extreme if this facility was allowed in Killala, when everybody in the place is against it. There will be the mother of battles if there is any attempt to send this project to the county council.

This is not the NIMBY syndrome. We must have a sense of proportion. The Minister said in a reply on this issue in the Dáil on 2 November that additional capacity is required nationally to deal with the hazardous waste we generate. However, this area has been totally neglected. It is a wasteland from a burnt out Asahi facility. The area needs the jobs that all other places get, not the jobs that nobody wants. We want necessary infrastructure and to keep our children in the area. The fear is that even if the county council goes against this, An Bord Pleanála will do a Ringaskiddy on it. An Bord Pleanála overrules the inspectors in 10% of cases. If this happens, the reason should be clearly stated.

There is a lack of democracy in planning. I suggest we should have a planning monitoring committee, like the rural water monitoring committee, that would shadow each local authority and would comprise local elected and rural stakeholder representatives. These should have the right of appeal to a national monitoring committee that could directly appeal to the Minister. This would return democracy to the planning system through allowing applications be kicked back to the planners for re-evaluation where indicated. This would reduce appeals to An Bord Pleanála.

An Bord Pleanála is seen as an anti-rural group. This is often attributed to the lack of proper representation of the rural groups on the board. The Minister of State should do something to ensure such representation on the board. That lack is a significant deficit. The Irish Rural Dwellers Association was set up as a result of a groundswell of opinion regarding what is happening around the country. The association, in which I am involved, has 1,600 members, but gets

no funding from the Government. Organisations such as An Taisce get funding, but the IRDA, which is truly democratic, gets none. It should get at least the same funding as An Taisce. The reply given on the matter in the Dáil gives no comfort. Government policy is that if everything is all right with the EPA etc., this may be approved.

I speak a great deal on the issue of jobs and what is needed in my area. We need fair play. We need power, roads and rail. We also need the other essential infrastructure necessary to make the area competitive. Most of all we need to maintain the infrastructure we have. I seek reform of An Bord Pleanála in that regard.

Minister of State at the Department of the Environment, Heritage and Local Government

(Mr. N. Ahern): An Bord Pleanála is a body established under the Planning and Development Act 2000. It is mandated to operate completely independently in performing its functions. Members are appointed on the basis of nominations from 37 bodies prescribed under the Planning and Development Regulations 2001.

The board is required to make an independent determination of appeals on planning authorities' decisions. In dealing with an appeal, the board must consider all submissions on the file, together with the inspector's report and recommendation. It reaches its own conclusion in each case, in accordance with the proper planning and sustainable development of the area. Section 34(10) of the 2000 Act provides for the board to make a decision, which is not in accordance with the recommendations of its inspector — a ruling passed in this House — but requires reasons to be given for not accepting the recommendations.

The Planning and Development Act 2000 requires planning authorities and the board to have regard to Government policy when taking decisions on planning applications and appeals. Section 29 of the Planning and Development Act 2000 requires planning authorities and the board also to have regard to ministerial policy and guidelines, and comply with such guidelines in the performance of their functions. This has been a requirement on the board since its inception in 1977.

It is right and proper that state agencies, like the board, should operate in a policy framework set by the Government, which has a democratic mandate. I am sure the Deputy welcomes this requirement in certain areas of policy, for example, with regard to rural housing. For the first time, the new guidelines provide a policy framework setting out in detail how Government policy on rural housing, as set out in the national spatial strategy, is to be taken forward by local authorities in planning more effectively for rural areas.

The board operates a number of measures designed to ensure fairness and impartiality in carrying out its functions. Section 150 of the Planning and Development Act 2000 provides for the adoption by An Bord Pleanála of a code of con-

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duct for dealing with conflicts of interest and promoting public confidence in the conduct of its business. The code further requires that persons employed by the board are to carry out its work in an independent manner that embodies the public service ethos of integrity, impartiality and a desire to serve the public interest while giving due consideration to all legitimate viewpoints and interests.

An Bord Pleanála has recently adopted a customer service action plan that provides for a complaints procedure with regard to the quality of service provided to customers. While it cannot overturn a decision, it will endeavour to deal with complaints dealing with procedure and clarify matters relating to the decision. It has undertaken to endeavour to reply to any complaint within one month of the date of its receipt. The board's code of conduct and customer service action plan is available to the public on request. They are also on the board's website.

The provisions of the Planning and Development Act 2000 as they relate to the operations of An Bord Pleanála, and the measures taken by the board as outlined, ensure that practices and procedures are carried out by the board to the highest standards of impartiality and professionalism.

I understand the Deputy's concern as I have been a public representative for 20 years. As councillors and Deputies we often complain about the board one week but think it is great the next week, depending on its decisions. Everybody

works within a general framework. The Deputy's constituents may be concerned about the plant in Killala, whether or not the concern is well founded. I always urge constituents to acquaint themselves with the facts. We, as elected representatives have the responsibility to provide the right information to people and not lead them into a cul-de-sac with misinformation.

Planning permission is not given lightly. A long process must be gone through although some people feel the process is over long. People are concerned about issues. The board does not always make the right decision. I recall the board came up with a decision that the Government did not like in regard to Belmullet. We complain about the board one day, but think it is great on other occasions.

An Leas-Cheann Comhairle: The Minister of State should conclude.

Mr. N. Ahern: If the Deputy's constituents are concerned, they should go through the process and make their input. They should not prejudge the board's decision.

An Leas-Cheann Comhairle: I ask the Minister of State to conclude.

Mr. N. Ahern: People should base their opinions on information. If they work with the system, they will get a proper decision at the end.

The Dáil adjourned at 9.10 p.m. until 10.30 a.m. on Wednesday, 17 November 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 15, inclusive, answered orally.

Questions Nos. 16 to 69, inclusive, resubmitted.

Questions Nos. 70 to 76, inclusive, answered orally.

Lisbon Agenda.

77. **Mr. Eamon Ryan** asked the Minister for Enterprise, Trade and Employment the policies he intends pursuing to ensure the achievement of the employment participation targets set out in Lisbon Agenda as signed by the Lisbon European Council. [28467/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The Lisbon Agenda set the EU an overall employment rate target of 70% by 2010, with specific targets of 60% and 50%, respectively, for female and older workers. The targets set at Lisbon in 2000 were challenging at a time when the EU was enjoying GDP growth and falling unemployment. Notwithstanding the global economic downturn, Ireland has made steady progress towards achieving these targets.

The overall employment, female employment and older workers employment rates for Ireland in 1999 — pre-Lisbon — were 63.3%, 52% and 43.7%, respectively. In 2003, these rates had improved to 65.4%, 55.8% and 49%, respectively, and exceeded the average rates across the 25 member states of the EU. The employment in Europe 2004 report was recently published by the European Commission and predicts that Ireland is likely to reach all three targets by 2010.

The most recent employment figures for Ireland indicate that there are 1,836,200 persons in employment, which is an increase of 42,800 or 2.4% in the year. Some 84,200 persons are unemployed, giving a current unemployment rate of 4.4% and a long-term unemployment rate of 1.4%. Ireland's unemployment rate is relatively low, particularly when compared with the EU average of around 9%.

The progress made in attaining the Lisbon targets are due to policies already adopted by the Government and these policies continue to be pursued. In particular, current policies are focused on responding to country specific recommendations that were endorsed by the European Council in June, having taken account of the recommendations of the employment task force report.

The pursuance of the goals of increased competitiveness, a knowledge-based economy and more and better jobs is reliant on a number of

factors and mobilising of all sources of labour supply is crucial to this. Continuing employment growth is dependant on active labour market programmes to increase activation of the unemployed and reduce the unemployment rate, FÁS engagement with all people on the live register for more than six months, investment in training to facilitate both the unemployed and employees to participate in lifelong learning, reviewing social security-taxation and improving flexible working arrangements to encourage participation of females and older workers in the workforce.

Departmental Investigations.

78. **Mr. Stagg** asked the Minister for Enterprise, Trade and Employment the position in regard to each of the inquiries being carried out by or on behalf of him; if he will give a projected date for the conclusion of each such investigation; the inquiries in respect of which reports have been referred to the DPP; and if he will make a statement on the matter. [28396/04]

126. **Mr. Wall** asked the Minister for Enterprise, Trade and Employment the costs incurred by the State at the latest date for which figures are available, arising from the various inquiries instigated by or on behalf of him; the element of these costs that have been recovered from any of the other parties involved; and if he will make a statement on the matter. [28397/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 78 and 126 together.

Some 16 investigations into company law matters were initiated by my predecessor since this Government first came into office. In three cases, the High Court appointed, on an application by the Minister, inspectors under section 8 of the Companies Act 1990. The inspectors appointed to Ansbacher (Cayman) Limited presented their report to the High Court on 10 June 2002. The report was subsequently published. The report has been passed to the Director of Public Prosecutions. The inspectors appointed to National Irish Bank Limited and National Irish Bank Financial Services Limited presented their report to the High Court on 12 July 2004. The report was subsequently published. The court ordered that a copy of the report be sent to several relevant authorities, including the Director of Public Prosecutions. One investigation under section 14 of the Companies Act 1990 was completed in 1998. The report on this has been passed to the Director of Public Prosecutions, DDP.

Eleven investigations were initiated by the Minister under section 19 of the Companies Act 1990. Six of these have been concluded. Of the six investigations completed, two of the reports were passed to the DPP. A number of summary prosecutions have since been successfully concluded in one case. One report provided an input into the successful application to the High Court for the appointment of inspectors under section 8

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while the fourth report was passed to the relevant High Court inspectors. One report was completed in September 2002 and a further report was completed in March 2003. Both reports have been referred to the Director of Corporate Enforcement.

Three investigations under section 19 remain to be concluded. The authorised officer has been directed by my predecessor to cease investigative work and to commence writing up his reports with a view to facilitating appropriate follow up action as soon as possible by the relevant authorities. My Department is currently in discussion with the authorised officer regarding an updated timetable for the completion of these investigations.

Two investigations were held up in legal appeals. These inquiries are now the responsibility of the Director of Corporate Enforcement. One investigation was undertaken under section 59 of the Insurance Act 1989. The report on this was referred to the DPP as well as to the inspectors who undertook the section 8 investigation into that company.

The costs incurred since 1997 on company investigations initiated by or on behalf of my Department currently amount to approximately €10.7 million. This amount does not include the salary costs of Civil Service staff working on a number of these investigations or the legal costs which are primarily being borne by the Vote of the Chief State Solicitor. Most of this €10.7 million derives from the costs of the High Court inspectors appointed under section 8 — €5.7 million in the case of National Irish Bank Limited-National Irish Bank Financial Services Limited and €3.5 million in the case of Ansbacher (Cayman) Limited.

The question of recovering costs from the section 8 investigations does not arise until such time as the inspectors complete their investigations. In the case of the Ansbacher inquiry, the High Court proceedings taken by the State to recover the costs of the inquiry were settled out of court for the sum of €1.25 million in favour of the State. In the case of National Irish Bank Limited-National Irish Bank Financial Services Limited, the court ordered that National Irish Bank pay the full costs of the investigation. Section 19, as originally enacted, did not provide for the recoupment of costs. This has now changed with the enactment of the Company Law Enforcement Act 2001.

Economic Competitiveness.

79. **Ms O. Mitchell** asked the Minister for Enterprise, Trade and Employment if he has plans to ensure that new legislation is business proofed in order to maintain Ireland's international competitiveness and their growth and employment are protected in an increasingly competitive market; and if he will make a statement on the matter. [28349/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): In January this year the Government launched a White Paper entitled *Regulating Better* which will contribute to improving national competitiveness and better Government by ensuring that new regulations — Acts and statutory instruments — are more rigorously assessed in terms of their impacts on jobs and growth as well as being more accessible and transparent. To achieve this the Government will make better use of research and analysis in both policy-making and policy implementation through regulatory impact assessment.

Regulatory impact assessment is an evidence-based approach that allows for the systematic consideration of the benefits and costs of a regulatory proposal to the economy and society. The Government will pilot a system of regulatory impact assessments, RIAs, in a number of Departments and following the pilot phase, RIAs will be integrated with existing procedures. Assistance is being provided to Departments during the piloting process by a designated official in the Department of the Taoiseach and by an economic consultant. A RIA steering group comprising officials from piloting Departments and Richard Boyle of the committee for public management research, CPMR, and chaired by the Department of the Taoiseach is overseeing the piloting process. RIAs will give special consideration to business impacts, especially in respect of small and medium enterprises.

The European Commission developed a model of impact assessment in 2002 integrating and replacing previous single sector assessments. Impact assessment was applied in 2003 to a selection of major proposals adopted by the Commission, that is, those listed in its annual policy strategy or its work programme.

At EU level, the Government is playing an active part at improving the regulatory environment for business through the better regulation agenda. At present the Council of the European Union is drawing up a priority list of EU regulations and directives for simplification which it is expected will have a positive impact on businesses throughout the EU. Better regulation is regarded as one of the methods of achieving the targets set in the Lisbon Agenda which is to make the EU the most competitive and dynamic knowledge-based economy in the world by 2010. The European Commission also intends to introduce impact analysis for all Commission policy proposals and a revue of EU impact analysis guidelines is already under way.

The Government will improve the coherence of legislation through revision, restatement and repeal by ensuring greater consistency in the drafting of statutory instruments and maximising the use of IT and e-Government initiatives to improve clarity and accessibility of regulations. Regulatory impact assessments will add rigour and analytical capacity to the Irish policy-making process and will help to ensure that Ireland's

international competitiveness is maintained while also contributing to growth and employment.

Proposed Legislation.

80. **Mr. Rabbitte** asked the Minister for Enterprise, Trade and Employment when he intends to make the promised order under the Consumer Affairs Act to require doctors, dentists and allied health professionals to publicly display their prices, which was first promised almost a year ago; and if he will make a statement on the matter. [28365/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I have received the preliminary views of the Office of the Attorney General on this matter. However, I await the final legal advice of that office before I decide how to proceed.

Employment Statistics.

81. **Mr. Wall** asked the Minister for Enterprise, Trade and Employment if he will give the figures for the level of industrial employment at the latest date for which figures are available; the way in which this compares with the equivalent date in each of the previous five years; the steps that are being taken to counter the decline in industrial employment; and if he will make a statement on the matter. [28371/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The number of persons engaged in industrial employment as recorded by the Central Statistics Office at June 2004 and for each of the previous five years is as follows:

Industrial Employment — 1999-2003.

	Industrial Employment (June of each year) Source: CSO — Industrial Employment
2004*	243,700
2003	250,000
2002	256,500
2001	269,000
2000	268,800
1999	255,900

*Preliminary estimate for June 2004.

Industrial employment has not experienced the same, almost consistent expansion that we have seen in other sectors of the economy over the past five years. The reduction in industrial employment after 2001 had much to do with the well acknowledged global trading difficulties at that time. More recently more intensive international competition, which is a very real issue for many businesses, has affected manufacturers based here. Nevertheless, the most recent quarterly industrial employment figures for June shows an upturn in industrial employment on the previous quarter. Furthermore, the ESRI expects industrial employment to increase by 0.6% this year and by 1% in 2005. In light of the intense

global competitive pressures on manufacturing these forecasts show that our economy maintains considerable strengths in this area.

The enterprise development agencies under my Department have a comprehensive range of supports to help firms become more competitive, expand in new markets and grow productivity. These are consistently assessed so that whatever new programmes or refinements to help enterprise achieve sustainable competitive advantage and expand employment are implemented.

Manufacturing is an intrinsic component of the economy and is likely to remain so, despite services output and employment becoming more important. Indeed, the strength and potential of this sector has been recognised by the enterprise strategy group. We have both the capacity and expertise to attract advanced manufacturing facilities to the economy and will continue to pursue opportunities in this sector.

While industrial employment has declined in the past few years we must view these losses against employment expansion in the broader economy. The latest quarterly national household survey — quarter 2, 2004 — shows that the total at work rose by 42,800 to more than 1.836 million in the year, while total employment has increased in each of the past five years. Some 247,100 more people or an extra 16.5% were at work in the March to May quarter this year, than in the corresponding period in 1999.

Economic Competitiveness.

82. **Mr. S. Ryan** asked the Minister for Enterprise, Trade and Employment if he will make a statement on the annual report of the National Competitiveness Council which he launched on 14 October 2004. [28366/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I welcome last month's publication of the National Competitiveness Council, NCC, annual competitiveness report 2004 and its competitiveness challenge 2004. These reports offer us a valuable insight into the present condition of Irish competitiveness, with the annual competitiveness report benchmarking our performance against 15 other countries. The competitiveness challenge report offers detailed recommendations designed to address weaknesses in Ireland's competitiveness performance across a range of areas. The key findings of this year's reports show that the economic environment for 2004 has been encouraging to say the least. Significant improvements have been recorded in the growth of GNP, employment and a reduction in the unemployment rate during 2004. Foreign direct investment, business confidence and industrial output have also all recovered strongly in 2004.

However, the key message in the reports is that despite the improvement in Ireland's economic situation in the past 12 months, it is imperative that we do not become complacent in terms of the need to sustain competitiveness, raise pro-

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ductivity and continue long-term structural reform. This reform is necessary to ensure Ireland remains an attractive location for conducting business to safeguard not only our competitiveness but also our continued economic success. The NCC identified a range of issues in the following areas: the business and work environment, economic and technological infrastructure, education and skills, enterprise and enterprise development and finally innovation and creativity.

I am determined that the NCC's recommendations are given careful consideration and where feasible implemented in a timely manner. A monitoring process has been established to consider and oversee the implementation of the NCC recommendations. As part of this process an interdepartmental group chaired by the Department of Enterprise, Trade and Employment will consider the recommendations and prepare a report for Government to enable them to evaluate Ireland's competitiveness status including a consideration and evaluation of the NCC recommendations. The interdepartmental group will meet on 30 November to begin this process.

The broad and complex nature of competitiveness, ensuring that Ireland remains competitive is not solely the responsibility of the Government. Sustaining Ireland's competitiveness is dependent on the continued commitment of all the social partners to sustaining our progress.

Work Permits.

83. **Ms O'Sullivan** asked the Minister for Enterprise, Trade and Employment the number of work permits issued to date under the new arrangements to give access to employment to the spouses of non-EEA nationals working here; and if he will make a statement on the matter. [28344/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Some 566 work permit applications in respect of the spouses of non-EEA nationals working here were issued up to 8 November 2004.

Future Employment Needs.

84. **Mr. Noonan** asked the Minister for Enterprise, Trade and Employment the number of non-Irish workers which will be needed to sustain the economy here over the next three years; and if he will make a statement on the matter. [28391/04]

121. **Ms O'Sullivan** asked the Minister for Enterprise, Trade and Employment the information available to him on the expected level of labour force requirements over the coming years; the extent to which this can be met from within this country and the extent to which labour from abroad may be required; and if he will make a statement on the matter. [28345/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 84 and 121 together.

Arising from our membership of the European Union, Ireland is part of the integrated labour market of the European Economic Area, EEA, comprising the 25 member states of the EU, Norway, Iceland, Liechtenstein and, effectively, Switzerland. Nationals of these states have freedom of movement to come to work in Ireland, and Irish employers can employ such persons without the requirement to obtain a work permit.

Future economic migration to Ireland from outside the EEA will, therefore, be the residual component of total immigration. In effect, it will reflect the degree to which Irish employers cannot recruit the requisite skills from within the EEA labour market, which is in excess of 220 million with an estimated 20 million workers unemployed.

This position corresponds with the recent conclusions of the migrant workers options review group, a working group set up under Sustaining Progress, comprising representatives of employer bodies and unions. It is also borne out by the development of economic migration to Ireland over recent years, as the following statistics show.

Irish economic migration peaked in 2001 when over 29,000 new first-time work permits were granted. By 2003 the number granted had fallen to under 22,000. Experience in 2004 suggests that the enlarged EU can indeed supply the greater portion of our continuing overseas labour needs. Recent figures from the Department of Social and Family Affairs show that more than 40,000 nationals of the ten new member states of the EU have been allocated personal public service numbers in the period from 1 May, the date of EU enlargement, to mid-October 2004. Most of these nationals would come to Ireland for the purposes of employment.

Furthermore, while almost 29,000 work permits have been granted to date in 2004, fewer than 6,000 of these were in respect of new permits granted to non-EEA nationals. This very significant reduction, together with the arrival of a large pool of personnel from the new member states suggests that we can, indeed, meet the great bulk of our future needs from within the EEA.

I do not anticipate that in future years the numbers in question from outside the EEA will differ to any significant extent from our experience this year. In point of fact, the majority of non-EEA nationals coming to work in Ireland in future years will be in the high-skilled, high-paid category, which are critical to our economic development needs. To this end, my Department, in conjunction with FÁS and the expert group on future skill needs, intends to make a detailed assessment of likely future skill shortages in the post EU enlargement situation, in which we now find ourselves.

Proposed Legislation.

85. **Caoimhghín Ó Caoláin** asked the Minister for Enterprise, Trade and Employment if he is considering introducing employment rights legislation in respect of sick pay and sick leave; and if he will make a statement on the matter. [28314/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): There is no statutory requirement on employers to pay employees who are absent due to illness except, however, under the sick pay provisions in various employment regulation orders of the Labour Court for certain sectors of employment as follows: aerated waters and wholesale bottling; agricultural workers; catering; contract cleaning; hairdressing — Dublin; law clerks; provender milling; and retail grocery and allied trades.

Disability benefit is paid by the Department of Social and Family Affairs to socially insured persons who are unable to work due to illness and who meet the contribution conditions. Disability benefit is not normally paid for the first three days of illness, known as waiting days, but is payable for up to 52 weeks if the insured person has between 52 and 259 paid contributions; and up until the age of 66 if a person has a total of 260 weeks or more paid contributions since entering employment. There are no proposals at present to change the current situation or to bring forward legislative proposals to require employers to have occupational sick pay or sick leave schemes.

Job Creation.

86. **Mr. Deenihan** asked the Minister for Enterprise, Trade and Employment the number of IDA supported jobs that were created in County Kerry in 2001, 2002, 2003 and to date in 2004, respectively; the locations at which they were created; and if he will make a statement on the matter. [28260/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment, FDI, to Ireland, including its regions and areas. The table below outlines the number of IDA supported jobs created in County Kerry for the years 2001, 2002 and 2003. This data is compiled from the annual Forfás employment survey. County data for 2004 will not be available until mid-2005.

At the end of 2003, there were 2,205 people in permanent employment in 23 IDA assisted companies in Kerry compared to 2,961 in the same number of companies at the end of 2001. This represents a decline of some 25.5% compared to a national decline of only 6.5% over the same period. Despite this fall however, employment in IDA supported companies in the county is performing relatively well when considered in the context of the recent global downturn which has resulted in fewer companies actively seeking to invest overseas and less companies visiting Ireland.

I am confident that the strategies and policies being pursued by IDA Ireland in Kerry, together with the ongoing commitment of Government to regional development will continue to bear fruit in terms of delivering the maximum possible level of additional jobs for the county.

IDA Ireland.

County Employment Data	2001	2002	2003
<i>Kerry North — Castleisland, Listowel, Tralee</i>			
No. of Companies	11	11	11
Permanent Employment	1,190	1,083	1,004
Gross Gains (New Jobs)	189	22	33
Job Losses	-26	-129	-112
Net Change in Employment	163	-107	-79
<i>Kerry South — Caherciveen, Kenmare, Killarney, Killorglin</i>			
No. of Companies	12	11	12
Permanent Employment	1,771	1,361	1,201
Gross Gains (New Jobs)	185	131	49
Job Losses	-33	-541	-209
Net Change in Employment	152	-410	-160
<i>County Kerry</i>			
No. of Companies	23	22	23
Permanent Employment	2,961	2,444	2,205
Gross Gains (New Jobs)	374	153	82
Job Losses	-59	-670	-321
Net Change in Employment	315	-517	-239

Source: Forfás Employment Survey.

Flexible Work Practices.

87. **Mr. Gormley** asked the Minister for Enterprise, Trade and Employment the amount of direct financial assistance provided in 2003 by the national framework committee on work-life balance policies to assist organisations in implementing work life balance initiatives; and the nature of those initiatives. [28479/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): One of the tasks assigned to the national framework committee for work-life balance policies, when it was established under the Programme for Prosperity and Fairness in 2000, was to support and facilitate the development of a package of practical measures that can be applied at the level of the enterprise. One such measure was the provision of direct financial assistance to organisations wishing to introduce or enhance work life balance policies.

The first request for applications for assistance issued in February 2002 following which eight organisations were chosen for funding. Total funding allocated was almost €158,000. The projects covered a wide range of issues from stress management to e-working pilot schemes. The organisations were from the private, public and voluntary sectors with a broad regional spread.

Six projects completed their activities in 2002 while two continued activity into 2003. These two projects received the final instalments of their allocated funding in 2003 amounting to €10,070. The first of these two projects involved the further investigation of the benefits-costs of flexible working arrangements and the possible increase in their utilisation by the business. This project also involved the provision of training to managers on how to use flexible work arrangements, and to employees on how to successfully work as an e-worker. The second project was a one-year pilot to enable a number of employees combine flexible office working hours and home-based teleworking.

A second request for applications for assistance was advertised by the committee in November 2003 following which seven organisations were chosen and funding of approx. €130,000 was allocated. Those projects are due for completion by the end of 2004.

Employment Statistics.

88. **Mr. Eamon Ryan** asked the Minister for Enterprise, Trade and Employment the statistics for the length of the average working week for persons in full-time employment in the economy here; the similar statistics for the same category of workers ten and 20 years ago; and if he will make a statement on the matter. [28469/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): Figures supplied by the Central Statistics Office show that the annual average number of hours worked per week by workers in the

manufacturing sector, part-time and full-time, in 2003 was 39.8. The corresponding figures for 1993 and 1983, respectively, were 40.3 and 40.6. Figures are only available for the manufacturing sector and separate data for full-time and part-time workers is not available. Data is not yet available for 2004.

Community Employment Schemes.

89. **Mr. Quinn** asked the Minister for Enterprise, Trade and Employment the number of persons on community employment places at 1 January 2003 and 1 January 2004; the anticipated numbers at 1 January 2005; if his attention has been drawn to the difficulties faced by many community and voluntary groups due to the shortage of community employment places; if changes are planned with regard to eligibility to participate in the scheme; and if he will make a statement on the matter. [28363/04]

100. **Mr. Kenny** asked the Minister for Enterprise, Trade and Employment if he will relax community employment scheme restrictions which bar persons from serving on them for more than three years; and if he will make a statement on the matter. [28387/04]

116. **Mr. Penrose** asked the Minister for Enterprise, Trade and Employment whether he has agreed to changes in the community employment scheme; the nature of the changes proposed; if consultations were held with any interests in regard to the proposed changes; and if he will make a statement on the matter. [28347/04]

123. **Mr. Quinn** asked the Minister for Enterprise, Trade and Employment when it is intended to publish the review of the community employment scheme conducted by FÁS, which was submitted to him some time ago; and if he will make a statement on the matter. [28348/04]

148. **Mr. Rabbitte** asked the Minister for Enterprise, Trade and Employment the response he has had to the consultation paper on the community employment scheme published by his Department in July 2004; and if he will make a statement on the matter. [28364/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 89, 100, 116, 123 and 148 together.

Community employment, CE, together with JI and SEP comprise FÁS employment schemes. CE provides work experience and training opportunities for the long-term unemployed and other disadvantaged groups with the aim of progressing to a job in the open labour market. Persons with disabilities who satisfy the eligibility criteria may be considered for participation in the scheme. The current participation rate for this group of participants is about 20%. The total funding allocation for FÁS employment schemes in 2004 is €351 million, which is similar to the level of funding provided in 2003. This allocation is supporting

a total of 25,000 places across the three schemes, which means there has been no reduction in the level of participation as compared with 2003.

Following my recent appointment, I have reviewed current policy on the operation of the FÁS employment schemes, which had been the subject by FÁS of an assessment earlier this year. In undertaking this review, I have taken fully into account the views and concerns expressed to me by various interest groups and other key stakeholders, including the social partners, with whom there had been extensive consultations in recent months.

On foot of this review, I decided that the following changes would take effect as and from 10 November 2004. There will be no compulsory lay-offs on the job initiative, JI, scheme, and participants who remain on JI will have their contracts renewed. People who leave JI voluntarily will be replaced by community employment, CE, participants to support the service being provided. There will be no compulsory cessation of social economy programmes, SEP, which play a very valuable role in communities throughout the country. In situations where an enterprise decides itself to cease activity, the employees affected will be assisted by FÁS in finding alternative employment, and the three year cap will be removed for CE participants aged over 55. This category of participants will be eligible to participate on CE for a maximum of six years. In the case of people advancing beyond 55 years during their normal period of service on CE, participation can be extended for up to a maximum of six years. The current ring fencing and prioritisation for the essential services of child care, health related services and drugs task force clients will be maintained. CE will remain as an active labour market programme with the emphasis on progression to employment.

Despite the buoyant labour market, the continuing high level of inward migration and low unemployment, I am conscious that there is still a need for these schemes for people who find it difficult to secure employment. Thus, in 2005 there will be 25,000 places overall on community employment schemes, job initiative schemes and social economy programmes.

These employment schemes have made a major contribution towards the provision of a network of valuable community services throughout the country. Equally, they offer participants the opportunity of work experience in a wide range of disciplines, which equips them in time to progress to full-time employment in the open labour market. I have no plans to make any changes to existing FÁS training schemes.

Grocery Industry.

90. **Mr. Coveney** asked the Minister for Enterprise, Trade and Employment the status of his review of the groceries order; and if he will make a statement on the matter. [28354/04]

106. **Mr. Sherlock** asked the Minister for Enterprise, Trade and Employment if it is now not intended to implement any changes to the 1987 groceries order which forbids below cost selling; and if he will make a statement on the matter. [28368/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 90 and 106 together.

As I advised the House on 7 October 2004, the advice of the Attorney General's office was sought during the most recent review of the groceries order. The advice stated that, should an amendment of the order be deemed appropriate, the safest method would be pursuant to primary legislation. The Competition Act 2002 was the culmination of a major review of competition law that commenced in 1996 with the setting up of the competition and mergers review group, CMRG. This recent statute introduced a wide range of enhancements to competition law, many of which were recommended by the CMRG and have yet to be fully tested.

Accordingly, I have no plans for new competition legislation at present. Furthermore, the consumer strategy group, which was established last March, is currently deliberating on a wide range of consumer matters. The group may pronounce on the groceries order in its findings later this year. In all of these circumstances, a further review of the order may be considered appropriate when the 2002 Act is being reviewed in the future.

Economic Competitiveness.

91. **Mr. M. Higgins** asked the Minister for Enterprise, Trade and Employment if he has received the report he sought from the National Competitiveness Council on the implications for exporters of the decision by Aer Lingus to end most of its cargo services; the main findings of the report; and if he will make a statement on the matter. [28334/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): As indicated in a previous reply, I understand that there is no immediate shortfall in air freight capacity out of Ireland. Other carriers have sufficient capacity to deal with the demand created as a result of Aer Lingus's decision. However, as the maintenance of adequate air cargo services is of considerable importance to our long-term economic development, I have requested the National Competitiveness Council to incorporate this issue into its work programme for 2005. It will identify any emerging capacity shortfalls, or other aspects with economic implications for exporters, that may required to be addressed in the future.

The decision of Aer Lingus in regard to its cargo services was a commercial and operational one. It was taken in the context of implementing its business development plan, and so was not amenable to political consideration or approval.

Export Licensing.

92. **Mr. Gogarty** asked the Minister for Enterprise, Trade and Employment when he expects to establish a web-based approach for military exports licences applications and an annual report listing the aggregate value of such exports; if primary legislation is required for introducing such measures; and if they can be introduced via regulations or ministerial order.

[28478/04]

95. **Ms B. Moynihan-Cronin** asked the Minister for Enterprise, Trade and Employment the progress made to date with regard to his consideration of the report of the independent review of Ireland's export licensing system, in regard to military and dual use goods; and if he will make a statement on the matter. [28341/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern): I propose to take Questions Nos. 92 and 95 together.

The independent review of our export control system was published in July 2004. The review proposes a number of areas, both legislative and non-legislative in which the Irish export licensing system can be modernised and strengthened.

Consideration and implementation of the report's recommendations is being addressed within the framework of an inter-agency group, chaired by Forfás, involving the Departments of Enterprise Trade and Employment, Foreign Affairs, Environment and Local Government, Defence, Justice, Equality and Law Reform, together with the Revenue Commissioners. The group has met on two occasions to date. Work on implementation on the range of recommendations has commenced and will be progressed over the coming months. I understand that the group plan to consult parties with an interest in the area of export controls to hear their views on the implementation of the report's recommendations.

My Department is examining the issues involved in the introduction of a web-based export licence application facility as recommended by the report. I would not expect that such a facility would require a legislative basis. The question of whether it is necessary to make provision for an annual report, to include aggregate values of military licences, in legislation will be considered in the context of the proposed updating of export control legislation for military goods and services.

Proposed Legislation.

93. **Ms B. Moynihan-Cronin** asked the Minister for Enterprise, Trade and Employment the progress in regard to his consideration of proposals to introduce legislation to provide for a new offence of corporate killing as recommended by the Law Reform Commission; and if he will make a statement on the matter. [28340/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): The Law Reform Commission in its consultation paper on corporate killing of October 2003 recommended that a new offence of corporate killing be established which would be prosecuted on indictment, without exclusion of any entity whether incorporated or not. The offence would apply to acts or omissions of a high managerial agent, which would be treated as those of the undertaking.

To reflect the seriousness of the offence, the commission also recommended that the legislation should provide for an unlimited fine or that in certain circumstances an individual high managerial agent should also be subject to imprisonment of up to five years. The commission is currently considering submissions on its consultation paper.

My Department has been advised by the Office of the Attorney General that the issue of corporate killing has broad implications. Government will, therefore, consider it when the final report of the Law Reform Commission is published which is expected in 2005.

However, the Safety, Health and Welfare at Work Bill 2004 includes a provision on the liability of directors and officers of undertakings, to make more explicit an existing provision in the 1989 Safety, Health and Welfare at Work Act under which directors and managers in companies have in the past been prosecuted for failures in safety and health which resulted in deaths or serious injuries to workers.

Job Creation.

94. **Ms Burton** asked the Minister for Enterprise, Trade and Employment the proposals he has to attract alternative employment to Westport, County Mayo, in regard to his statement of 1 November 2004 regarding the announcement of 325 job losses at a company (details supplied) in County Mayo in the area; and if he will make a statement on the matter. [28328/04]

145. **Mr. Kenny** asked the Minister for Enterprise, Trade and Employment the steps he intends to take to secure alternative employment in the jobs in Westport, County Mayo following the closure of a plant (details supplied); and if he will make a statement on the matter. [28360/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 94 and 145 together.

The announcement by Allergan of the proposed job losses in Westport is a major blow to the workers affected and their families. My thoughts are with the workers and the families of the workers who will lose their jobs. I am conscious too of the adverse affects of such a closure, socially and economically, on the surrounding area. I note that the company has stated that despite these job losses, it is confident that it will be able to ensure the future success of the West-

port facility with the introduction of further products for manufacture in the plant. I welcome this commitment.

I assure the Deputies that every effort will be made by FÁS and the State development agencies to find alternative employment for those people who will be made redundant. FÁS has contacted the company and is available to offer its full range of support services to those who will lose their jobs. These include top level agreement with the company on responsibilities and actions; intensive interviews, individually and-or in groups, with affected workers, which would outline the range of supports and services available; and preparation of a skills analysis report by FÁS, based on identified workers' needs and local opportunities.

In addition, FÁS will refer workers to training courses or other options. The agency will establish special or customised training courses where necessary and will provide ongoing support and action to keep redundant workers in touch with the labour market. Enterprise Ireland has already indicated the availability of its staff to visit the company for discussions in relation to supporting entrepreneurship and potential start ups for workers being made redundant.

IDA Ireland continues to actively promote the Westport region to potential investors from a variety of sectors, including manufacturing and international services, through its network of overseas offices and project divisions, with every effort being made to secure new investments for the area. In addition to targeting potential new projects, IDA Ireland continues to work with the existing base of companies in the region with a view to supporting such companies with potential expansions and diversification of activities. Enterprise Ireland also continues to work with its client companies in Westport and in County Mayo to assist them grow their sales and exports and improve innovation to enable them to compete on world markets and encourages companies to adopt new technologies to add value to their products and services.

To continue to improve its attractiveness as a location for inward investment, IDA Ireland has acquired 37 acres from Mayo County Council in Westport and plans to develop the site into a business and technology park. Phase one of the site development will involve an IDA investment of approximately €3 million and a contractor has been appointed to go on site early this month. The agency has completed development of a new business and technology park on a 16 acre site in Castlebar, and has secured advance planning permission for the construction of three, 19,500 sq.ft. privately financed technology buildings on the park. At Ballina, IDA is in negotiation with Mayo County Council for the purchase of 27 acres on the Sligo Road for the development of a business and technology park, which will be a key addition to the infrastructure of north Mayo.

The State development agencies are fully committed to ensuring an equal distribution of job creation opportunities and to encouraging the establishment of industry in the regions, in particular, the Border, midlands and west, BMW, region, which includes Westport. The State development agencies, under the auspices of my Department, will continue to work closely together and with local interests in promoting Westport and County Mayo for additional investment and job creation.

Question No. 95 answered with Question No. 92.

Question No. 96 answered with Question No. 76.

Currency Fluctuations.

97. **Mr. R. Bruton** asked the Minister for Enterprise, Trade and Employment the impact which the continued strength of the euro against the US dollar and the pound sterling has had on Irish exports; if he has adopted a strategy to assist the export sector as a result of this; and if he will make a statement on the matter. [28389/04]

111. **Mr. Boyle** asked the Minister for Enterprise, Trade and Employment his plans to counteract difficulties that may arise for Irish businesses from the continuing rise of the euro against the US dollar. [28473/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern): I propose to take Questions Nos. 97 and 111 together.

The euro has appreciated by almost 4% against the pound sterling since August up to date this year. Over the longer term however, it has been relatively stable. The euro-sterling rate has averaged £0.68 so far this year, compared to an average of £0.69 for 2003 as a whole. The euro has also appreciated by almost 5.5% against the dollar since August and the euro-dollar exchange rate has averaged \$1.23 this year compared with an average \$1.13 for 2003 as a whole.

It is difficult to contemporaneously identify the impact of exchange rate movements on export trends as distinct from other factors that influence developments in export markets. Available statistics show that the total value of exports in the period January to August this year rose by 4% over the same period in 2003. Exports to the US in the January to September period fell marginally, by 1%, over the same period in 2003. Exports to the UK in the January to August period fell by 3%.

Total export volumes have risen by a slightly higher rate than export values — by 4.4% in June, the latest month for which figures are available. This indicates that the average price for exports has fallen. The strength of the euro is one factor in determining the overall competitiveness of Irish exports outside the eurozone. A strong euro

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also helps to lower the cost of imports from outside the eurozone. Approximately two thirds of imports comprise inputs to Irish industry that are subsequently re-exported.

The Government assists Irish companies to cope with these competitiveness challenges. Enterprise Ireland provides a range of supports domestically and also through the services provided by its network of overseas offices. In particular, the Government has been encouraging and assisting Irish exporters to diversify exports towards the euro area, where the operation of the single currency has removed foreign exchange risks. In 2000, Enterprise Ireland launched EUR:OPP 2003, a strategy to increase sales in Europe and to provide clients with the skills and opportunities to win substantial business in the eurozone. Last year, client companies of Enterprise Ireland recorded exports to continental Europe valued at €2.8 billion, a growth rate of 4.7% over 2002.

Companies exporting into volatile and uncertain markets are also encouraged to adopt hedging strategies in anticipation of foreign exchange rate risks. Enterprise Ireland, in association with the Irish Exporters Association and National Irish Bank, organised a series of foreign exchange risk strategy workshops throughout the country. These were entitled *Managing Your Foreign Exchange Risk — A Strategy for the Future*. The workshops, which were held between June and October this year, were designed to inform exporters about foreign exchange rate risks and the strategies that they can adopt to manage and reduce them. A number of additional workshops were organised in response to excess demand from companies seeking advice and information on currency related issues.

While the Government is committed to doing all it can to ensure that the most competitive environment exists for exporters, exchange rate movements reflect international economic trends and are outside the control of individual Governments. Other eurozone countries have also been affected by the rise in the value of the euro. It is a matter of concern for all eurozone economies.

The Government and its agencies are keeping developments under review. All are listening to the views of exporters and will do what is possible to compensate for negative currency movements so that our competitiveness is not adversely affected pending improvement in the global situation.

Insurance Industry.

98. **Mr. Penrose** asked the Minister for Enterprise, Trade and Employment the position with regard to the operation of the Personal Injuries Assessment Board; the number of staff recruited to date; the number of claims received to date by the board; and if he will make a statement on the matter. [28346/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The Personal Injuries Assessment Board was established by ministerial order on 13 April 2004. From 1 June 2004 all personal injury claims arising from workplace accidents, where an employee is seeking compensation from his-her employer, must be referred to the Personal Injuries Assessment Board before legal proceedings are issued. From 22 July 2004, all motor liability and public liability claims must also be referred to the Personal Injuries Assessment Board before legal proceedings are issued.

The structure and staffing levels of the PIAB have been agreed. The PIAB, when fully operational, will have a staffing complement of up to 85 in addition to the CEO. The PIAB is also utilising an outsourced service centre to assist injured parties in completion of their claim submissions and ensure a comprehensive, fair and independent service is provided.

The recruitment of staff is an operational matter for which the CEO of the Personal Injuries Assessment Board has responsibility. However, I understand that following a significant recruitment campaign, the PIAB has recruited sufficient staff to serve the current needs of its business. While matters relating to the claims received by PIAB is also an operational matter for which the CEO has responsibility, I understand that to date 7,475 telephone calls have been received, 467,359 website hits have been recorded, and a total of 1,347 applications for assessment have been made, broken down as follows: 538 employer liability applications; 374 public liability applications; and 435 motor accident applications.

The establishment of the PIAB will lead to reduced insurance premia to the benefit of both consumers and businesses alike. By eliminating the need for litigation costs where legal issues are not in dispute, the PIAB will significantly reduce the cost of delivering compensation. The PIAB will also offer speedier assessments to the benefit of claimants.

Job Losses.

99. **Mr. Crowe** asked the Minister for Enterprise, Trade and Employment if he will make financial provision for the shortfall in severance packages particularly with respect to reduced pension entitlements of former workers at a subsidiary of the Irish Fertiliser Industries (details supplied) in Belfast when compared to their counterparts at the IFI plants in Carlow and Cork which closed at the same time. [28318/04]

118. **Mr. Morgan** asked the Minister for Enterprise, Trade and Employment if he will establish a fund to address the plight of former workers at a subsidiary of Irish Fertiliser Industries (details supplied) in Belfast who received inferior severance packages, particularly with respect to reduced pension entitlements, following the closure of that plant, compared to their

counterparts at the IFI plants in Carlow and Cork which closed at the same time. [28317/04]

139. **Ms Lynch** asked the Minister for Enterprise, Trade and Employment if he has satisfied himself that all possible steps have been taken to protect the interests of former employees of Irish Fertiliser Industries, who lost their jobs as a result of the liquidation of the company; if his attention has been drawn to the fact that some of these employees may now receive as little as 25% of their pension entitlements; if, in view of the fact that the Minister was the majority shareholder in the company when it was decided to appoint a liquidator, he will look again at the question of providing assistance for former employees; and if he will make a statement on the matter. [28338/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 99, 118 and 139 together.

The State has already made a significant financial contribution to assist the former employees of Irish Fertiliser Industries. Following the decision by the board of IFI to put the company into liquidation, ICI and the State, the shareholders in IFI, while there was no legal obligation to do so, established a special fund with almost €24.5 million to provide *ex-gratia* severance payments to the former employees of IFI. All applications from employees to the *ex-gratia* fund of €24.5 million, have now been processed. Payments from the fund were made in accordance with the basis for distribution determined by the trustee of the fund, which has been endorsed by a ballot open to all employees. The basis for distribution was the same for all employees regardless of location. In addition, employees would have had certain statutory redundancy and other entitlements. While these would have varied somewhat reflecting the different arrangements in the two jurisdictions, I do not believe that this resulted in any significant variances in overall severance packages received.

As regards pensions, I am aware that employees based in Belfast, who are deferred pensioners of the Richardson's pension fund, are likely to receive much reduced pension entitlements. The specific financial position of the Richardson's fund appears to have arisen primarily from a combination of the statutory rules which currently apply on the winding up of a pension fund in the UK and a shortfall in the assets of the Belfast fund compared with its liabilities as a result of the fund trustees' investment strategy coupled with a significant fall in the equities market.

I understand that the UK Government has announced proposals to deal with the issue of pension shortfalls arising from insolvencies but I am not aware of the impact, if any, this may have on the shortfall in the Richardson's scheme. In addition, I understand that the trustees of the Richardson's scheme have submitted a claim to the liquidator of IFI and that he is currently con-

sidering, in consultation with his legal and actuarial advisers, whether, and to what extent, this claim is admissible.

Question No. 100 answered with Question No. 89.

101. **Mr. Kehoe** asked the Minister for Enterprise, Trade and Employment his views on developments at a company (details supplied) in County Wexford; the likelihood of the outsourcing of the service and the lack of alternative employment for existing workers; and if he will make a statement on the matter. [28361/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I understand from the company in question that it intends to cease its Rosslare-France service no later than 30 November 2004. The company informed its staff on the *MV Normandy* on 20 October 2004. I understand that in making the announcement, the company proposed an enhanced voluntary redundancy-early retirement package or the opportunity to redeploy to ships on its three Ireland-UK routes. I further understand that these options were proposed in order to avoid compulsory redundancies. However, these options were subject to co-operation with the company's full proposals which also include restarting the French route with a lower crew cost and new crew from March 2005.

The company has advised me that in the event of consultations with the unions being unsuccessful, it will operate a collective redundancy of 125 permanent staff, 25 long-term temporary staff, and upwards of 48 seasonal short term staff, at the end of the month.

The Government has an interest in maintaining in operation Irish Continental Group's Ireland to France service, manned if possible by Irish seafarers. Its endeavours will be directed at encouraging the maintenance of the service. Primary responsibility for this area rests with the Minister and the Minister of State at the Department of Communications, Marine and Natural Resources, both of whom are keeping in touch with events.

Budget Submissions.

102. **Mr. P. Breen** asked the Minister for Enterprise, Trade and Employment the representations he has made to the Department of Finance prior to the budget for 2005 to alleviate the burden on small business; and if he will make a statement on the matter. [28393/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Senior officials from my Department are members of the tax strategy group, TSG, which is an interdepartmental committee chaired by the Department of Finance. The terms of reference of the TSG include the examination and development of proposals for measures in the areas of taxation, PRSI and levies, for the budget and Finance Bill. As the

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Deputy will be aware, much of the discussion prior to the budget is confidential and I am not at liberty at this juncture to disclose issues which may be included in the budget for 2005.

The Deputy can be assured that I am very much aware of the importance of small business to the economy. Only recently I welcomed the decision by the European Commission to approve the business expansion scheme and seed capital scheme with effect from 5 February 2004 for a further three years to 31 December 2006. These schemes are a vital source of seed capital, which is the life blood of start-up companies. They foster the development and growth of many small and medium enterprises leading to the creation of quality employment opportunities.

Assistance to small businesses is also delivered by a large number of agencies under my Department, including city and county enterprise boards, Enterprise Ireland, FÁS, Shannon Development and Údarás na Gaeltachta. My Department is committed to a strategy that supports and promotes entrepreneurial endeavour in the small business sector with a view to creating and developing enterprises which deliver economic growth and prosperity. A further example can be seen in the actions being taken to address competitiveness issues such as the new insurance regime which will obviously benefit small business to a significant extent.

To ensure that the voice of small business is heard, my Department also provides a forum, through the Round Table for Small Business, where issues of concern to small firms can be raised. The Round Table comprises representatives of small business, the development agencies and the Department. In general, the Government is mindful of the continuing need to constantly improve all aspects of the business environment for small business.

Accounting Standards.

103. **Mr. Costello** asked the Minister for Enterprise, Trade and Employment his views on the proposed treatment by the European Commission of a new accounting standard issued by the International Accounting Standard Board; and if he will make a statement on the matter. [28330/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Aherne): The accounting standard in question is international accounting standard 39, IAS 39, which relates to the measurement and recognition of financial instruments. IAS 39 is one of a suite of accounting standards issued by the International Accounting Standards Board, IASB, an independent accounting standards making body, proposed for adoption under Regulation EC No. 1606/2002 of 19 July 2002. This regulation relates to the application of international accounting standards and will require publicly traded EU companies, including banks and insurance com-

panies, to prepare, from 2005 onwards, their consolidated accounts in accordance with International Accounting Standards, IAS, adopted by the EU.

In line with the provisions of Regulation EC No. 1606/2002, it is the European Commission which adopts these standards, assisted by a committee — the accounting regulatory committee, ARC — which includes member state representatives. IAS 39 was the subject of protracted negotiation between interested parties, and in the context of the adoption procedures for the standard, the European Commission placed a number of proposals to the accounting regulatory committee, stating a preference for a course of action which would remove elements of the standard as drafted by the IASB.

The Irish authorities had serious concerns with this approach on a number of grounds, legal and technical on one level, and on another in terms of precedent and the potential for “Europeanised” rather than truly international standards, thus presenting the risk of undermining the status and quality of financial reporting in the EU. In addition, this approach had the potential to jeopardise the international accounting project, aimed, ultimately, at global convergence of financial reporting standards. Another ground for concern was the danger of imposing increased costs on EU companies seeking access to international capital markets. Accounting and banking interests in Ireland supported the stance taken by the Government.

In the event, the European Commission received sufficient support at the accounting regulatory committee meeting on 1 October to enable it to proceed with the adoption of its proposal to endorse the truncated IAS 39 standard. Ireland, along with a number of other member states did not support the Commission’s proposal at that meeting.

Legislative Provisions.

104. **Mr. Morgan** asked the Minister for Enterprise, Trade and Employment if he will remove the provisions in the Safety, Health and Welfare at Work Bill 2004 related to random drug and alcohol testing of employees in view of the deep concerns regarding the implications of these provisions. [28316/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): Section 13 of the Safety, Health and Welfare at Work Bill 2004 places a duty on employees, while at work to, ensure that he or she is not under the influence of an intoxicant to the extent that he or she is in such a state as to endanger his or her own safety, health or welfare at work or that of any other person, or if reasonably required by his or her employer, submit to any appropriate, reasonable and appropriate tests by a competent person as may be prescribed. Also, employees working in a safety critical situation, may, subject to regulations, be required to

undergo a periodic medical assessment of fitness to work.

I envisage that the Health and Safety Authority, in consultation with my Department and after consultation with interested parties, will determine the particular safety critical circumstances and sectors where regulations will set down requirements whereby an employee may be required to submit to independent tests by a competent person which are appropriate, reasonable and proportionate. I do not envisage the removal of these provisions from the Bill.

Consumer Issues.

105. **Mr. S. Ryan** asked the Minister for Enterprise, Trade and Employment the work to date of the consumer consultative panel; if he has received the final report of the panel; and if he will make a statement on the matter. [28367/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The work of the consumer strategy group is ongoing and has involved a number of initiatives. The website *www.irishconsumer.ie* has been established. A public consultation on consumer issues was held and individual consumers, representative organisations, businesses and any other interested parties were invited to contact the group with views and submissions by 9 July. The group produced a consultation paper entitled Components of Consumer Policy intended to assist those wishing to make a submission and to provide a framework for its work. In this paper the group focused on the key principles guiding the consumer agenda — access, safeguards, advice and support, redress, and consumer power — and also examined questions related to the business sector and consumers.

The group is conducting detailed research in a number of fields relevant to its work, including consumer attitudes, issues related to the retail sector, transport, the planning process, and a number of other issues. The experience of other countries in implementing consumer policy is also being taken into account. The group has met various parties, including officials of my own Department, the Director of Consumer Affairs, the Competition Authority and IFSRA. Numerous other meetings have been held with other relevant bodies in connection with the detailed work of the group. The group is due to produce a final report to me by the end of 2004.

Question No. 106 answered with Question No. 90.

Enterprise Policy.

107. **Mr. Allen** asked the Minister for Enterprise, Trade and Employment the steps he has taken to help in the implementation of the enterprise strategy group's recommendation to establish a five-year programme to place on a cost-sharing basis 1,000 graduates and internationally experienced professionals in Irish firms

to augment the stock of national sales and marketing talent; and if he will make a statement on the matter. [28357/04]

113. **Mr. Allen** asked the Minister for Enterprise, Trade and Employment the steps he has taken to help in the implementation of the enterprise strategy group's recommendation to establish with Enterprise Ireland a dedicated structure, Technology Ireland, with its own budget and strong leadership, to develop a cohesive, strategic and focused approach to market-led applied research and technological development and to leverage increased enterprise investment; and if he will make a statement on the matter. [28358/04]

114. **Ms McManus** asked the Minister for Enterprise, Trade and Employment if he has yet received the report of the high level group considering the implications of the report of the enterprise strategy group and the best manner of implementing its recommendations; and if he will make a statement on the matter. [28337/04]

129. **Mr. Kehoe** asked the Minister for Enterprise, Trade and Employment his views on whether the setting up of the enterprise strategy group was a worthwhile endeavour in view of the shortcomings in its report as perceived by many; and if he will make a statement on the matter. [28362/04]

142. **Mr. O'Dowd** asked the Minister for Enterprise, Trade and Employment the steps he has taken to help in the implementation of the enterprise strategy group recommendation to establish within Enterprise Ireland a dedicated structure, Export Ireland, with its own budget and strong, experienced leadership to develop a more focused approach to export market intelligence and promotional activities; and if he will make a statement on the matter. [28356/04]

147. **Mr. Connaughton** asked the Minister for Enterprise, Trade and Employment if he will allocate a budget of €20 million per annum for five years from existing enterprise development agency resources to support the creation of enterprise-led networks to foster collaboration in defined areas of activity, as recommended by the enterprise strategy group; and if he will make a statement on the matter. [28359/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 107, 113, 114, 129, 142 and 147 together.

As I previously advised the House, the Government considered the report of the enterprise strategy group in advance of its publication on 7 July last. In view of its extensive recommendations and their impact on a range of Departments other than my own, the Government decided to establish a high level committee to consider the implications of the report and the best manner in which to address its suggestions. As the report contains 51 recommendations, Deputies will appreciate that the high level com-

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 mittee must stringently examine all these recommendations. The group is finalising its report and on this basis, I expect to report to Government on its work shortly. The group's report will deal with the recommendations referred to specifically in the questions raised by Deputies O'Dowd, Allen and Connaughton. Until such time as I have received the group's report and conveyed my views to my Cabinet colleagues, it would be inappropriate for me to comment in detail or to pre-empt continuing discussions.

On Deputy Kehoe's question, I state categorically that I consider the enterprise strategy group's report to provide an important roadmap for future economic and enterprise-centred strategy. The group undertook its enterprise policy review following the period which saw the most rapid and sustained economic growth in the history of the State. While it acknowledges this success, the report identifies both the challenges and opportunities facing the enterprise sector in Ireland over the coming decade. Central to the group's analysis is that we must adopt and develop our strengths if we are to succeed in tomorrow's knowledge economy. As a small economy, open to the powerful changes taking place in international trade and business, we must consistently ensure the environment for doing business in and from Ireland provides companies with the right balance of entrepreneurial incentives. Policy architecture to help enterprises grow and expand must be distinctively aligned with the enduring needs of international business. The report makes a valuable contribution to embedding strategies appropriate to the new realities and challenges facing the Irish economy today.

108. **Mr. Gilmore** asked the Minister for Enterprise, Trade and Employment the review that has been carried out by or on his behalf in regard to the operation of the EU small business operational programme that ran from 1995 to 2001; the findings of any such review; and if he will make a statement on the matter. [28333/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The small business operational programme, or SBOP, which ran from 1995 to 1999 was Ireland's response to the EU's SME initiative. The initiative was aimed to stimulate small and medium-sized industrial or service enterprises, especially in less developed regions such as Ireland, to adapt to the Single Market and to ensure they could become internationally competitive. The SME initiative was adopted by the Commission on 15 June 1994 and supported by the European Social Fund and the European Regional Development Fund.

The aims of the SBOP mirrored the aims of the SME initiative and were achieved through five principal measures. These were improving small business access to finance and credit; facilitating small business access to public markets; facilitating the adaptation of service firms to the internal

market; the activation of a programme of practical research to assist the dissemination of best practice among small business; and the fostering of pilot projects concerned with the improvement of the business environment. Standard provision was made under measure 6 for technical assistance in support of the programme. The Commission granted assistance from the European Regional Development Fund and the European Social Fund. By the end of the programme, a total of 1,570 projects had received EU funding while total programme expenditure amounted to €66.73 million which included EU funding of €26.9 million, Exchequer funding of €13.16 million and private funding of €26.67 million. My Department had ultimate responsibility for all aspects of the SBOP and managed expenditure under the programme. The Department put in place appropriate financial and other controls including those required under the relevant EU regulations.

In accordance with EU requirements, a mid-term review of the programme was carried out in 1997 by the economic consultants Fitzpatrick's and Associates. On foot of the review, the consultants made a number of recommendations designed to improve the effectiveness of the programme. The recommendations were taken into account in the subsequent management of the programme. The EU regulations required the production of a final report following the completion of the programme. In this context, my Department prepared a final report which outlined the background to the establishment of the programme, described programme administration and management and provided a detailed report on the implementation of each measure. The report was submitted to the EU Commission in March 2003. The final report reflected the outcome of activities of the Department which were designed to ensure the programme was being properly managed and controlled. These activities included monitoring checks conducted directly by the Department on many of the projects supported, two reviews of systems conducted by the Department's internal audit unit and verification audits conducted on behalf of the Department by Chapman Flood Mazars, a firm of registered auditors. While some deficiencies resulting in the disallowance of some expenditure were identified by these activities, the reviews did not identify any systemic problems with the programme.

Tax Code.

109. **Mr. Noonan** asked the Minister for Enterprise, Trade and Employment the representations he has received regarding the rate of corporation tax; if he envisages the rate being amended in the near future; the effect that the lowering of the rate to 12.5% in 1997 has had in terms of foreign direct investment; and if he will make a statement on the matter. [28390/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): As Deputies are aware, the Minister for Finance is responsible for tax policy and has made clear that the Government is fully committed to maintaining the 12.5% corporation tax rate which became effective for all trading income from 1 January 2003. As the Deputy is aware, Ireland's long-standing policy of low corporation tax has been a fundamentally important element in the attraction and development of top quality investment here. The decision to introduce the 12.5% per cent corporation tax rate was announced in 1997 and phased in by average reductions in the standard rate of 4% per annum over six years. The measure was given effect in the Finance Act 1999, which provided that the 12.5% rate would apply to trading income for the financial year 2003 and each subsequent financial year. The legislation sets out the future tax regime for business in clear and unambiguous terms.

I stress to the Deputy that the 12.5% rate was only effective from 1 January 2003 despite being announced in 1997 as posed in the question. The 10% tax rate will apply to some pre-existing trades until 2010. It is too early to say what the ultimate effect on foreign direct investment has been to date. However, it should be noted that the OECD in its 2004 report, Trends and Recent Developments in Foreign Direct Investment, shows a predicted increase in foreign direct investment inflows to Ireland in 2003. The report states that while total foreign direct investment in the OECD countries declined by an estimated 28% in 2003 from US\$535 billion in 2002 to US\$384 billion in 2003, in Ireland foreign direct investment is estimated to have increased by some 4.5% from US\$24.4 billion to US\$25.5 billion over the same period. These statistics demonstrate that Ireland has maintained a strong position in terms of attracting and retaining foreign direct investment in a difficult global economy.

While this strong performance cannot be attributed solely to the 12.5% tax rate, I am in no doubt that it has played a very significant part. On a recent trip to the US, senior executives of several multinational companies reiterated to me the importance of our 12.5% corporation tax rate in preserving our attractiveness for further investment.

Insurance Industry.

110. **Ms Lynch** asked the Minister for Enterprise, Trade and Employment the specific areas in regard to the policy and legislation on the availability and cost of motor insurance that it is proposed to transfer to the Department of Transport; when it is expected that this transfer will take place; and if he will make a statement on the matter. [28336/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): As the Minister responsible for the requirement for motor insurance and in

the light of his broader responsibility for road safety, my colleague, the Minister for Transport, will take over from my Department the lead role in policy and legislation on the availability and cost of motor insurance and related interdepartmental co-ordination. This will involve developing and implementing any further measures necessary to improve the availability and reduce the cost of motor insurance to consumers and businesses. Immediate tasks will include following up on the remaining recommendations of the Motor Insurance Advisory Board reports. This work will be carried out in addition to his current responsibilities in the area of motor insurance. The Minister's current responsibilities include legislation on motor insurance; negotiation and transposition of EU motor insurance directives; operation of the Motor Insurers Bureau of Ireland; related parliamentary questions and representations.

The transfer of responsibilities to the Minister for Transport has been effected by the transfer of an agreed number of posts from my Department to the Department of Transport.

Question No. 111 answered with Question No. 97.

National Minimum Wage.

112. **Mr. O'Shea** asked the Minister for Enterprise, Trade and Employment if he has yet received the result of the review of the national minimum wage that the Labour Court was asked to undertake by the social partners under the terms of the Sustaining Progress agreement; and if he will make a statement on the matter. [28342/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): I understand that in accordance with the commitment in the mid-term review of part 2 of Sustaining Progress, the Labour Court has been asked to review the national minimum wage. The review is underway. As yet I have not received a recommendation on the minimum wage on foot of this review. As provided for in the legislation, the Labour Court will consult with such persons it considers appropriate in undertaking its examination of the minimum wage. If the Labour Court is satisfied that general agreement is reached between the parties on an appropriate minimum wage, it will recommend the rate agreed. If, on the other hand, agreement is not reached between the parties, the Labour Court may still make a recommendation. In doing so the court shall have regard to certain matters such as the likely impact on employment and inflation.

Questions Nos. 113 and 114 answered with Question No. 107.

Semi-State Bodies.

115. **Ms McManus** asked the Minister for

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Enterprise, Trade and Employment the progress made to date with regard to his consideration of the deliberations of the working group established to examine the specific issue regarding Shannon Development; if he has yet met the board of Shannon Development; and if he will make a statement on the matter. [28339/04]

131. **Ms Shortall** asked the Minister for Enterprise, Trade and Employment the position regarding the proposal to transfer lands and property owned by the Shannon free zone to the new Shannon Airport Authority; and if he will make a statement on the matter. [26952/04]

134. **Mr. P. Breen** asked the Minister for Enterprise, Trade and Employment the role he sees for Shannon Development in view of the decision to decentralise Enterprise Ireland to the region; and if he will make a statement on the matter. [28394/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 115, 131 and 134 together.

As the House will be aware from similar questions asked previously, there have been a number of developments which will impact on the mid-west region and the roles of the respective State agencies operating there. The most significant of these developments are the proposed relocation as part of the Government's decentralisation programme of the headquarters of Enterprise Ireland, involving 300 of the agency's Dublin-based staff to Shannon; the decision to establish an independent Shannon Airport Authority; and the July report of the enterprise strategy group which recommended that Shannon Development should disengage from industrial development functions which should be left to the national agencies Enterprise Ireland and IDA Ireland. Other developments such as the removal of the need for operating licences for companies setting up in the Shannon free zone, the transfer of responsibility for Shannon town from Shannon Development to Clare County Council and the proposed uniting with County Kerry for tourism development purposes will also impact on the future role of Shannon Development.

It is worth repeating that Shannon Development fully supports the decision to establish an independent airport authority which it sees as vital to the economic development of the region. The body further agrees that it should re-focus its activities on the airport with a view to generating business for the airport while its assets should be used to support the airport authority especially in its early, vulnerable years. A working group was established by my predecessor to examine the specific issue of how Shannon Development could best contribute to the development of the new independent airport. It has carried out some detailed work on the various options available but this has not been completed. I am still reviewing the deliberations of the group and, fol-

lowing consultations with relevant Cabinet colleagues, expect to be in a position to ask it to resume its work with a renewed focus shortly. My schedule has not permitted a meeting with the Shannon Development board to date but I expect that such a meeting will take place shortly.

Question No. 116 answered with Question No. 89.

Employment Support Services.

117. **Mr. Howlin** asked the Minister for Enterprise, Trade and Employment if a report produced for his Department found that State bodies charged with protecting employment rights were so ineffectual that the entire system is entirely dysfunctional; the steps he intends to take to address the serious shortcoming identified in the report; and if he will make a statement on the matter. [28325/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): On foot on an undertaking in the programme for Government to review the functions of the Employment rights bodies, a review group was established in September 2003 to examine the coherence and user-friendliness of procedures operating in the area of employment rights compliance. Membership of the review group consisted of representatives of the bodies covered by the review and representatives of the Department of Enterprise, Trade and Employment and the Department of Justice, Equality and Law Reform. Written submissions were received from various parties, including the social partners and the bodies covered by the review.

The report of the review group does not use the language nor does it reach the conclusions indicated in the Deputy's question. The review group found, however, that while the current employment rights adjudication and enforcement system has served employers, workers and their representatives well over the years, it has become overly complex and is considered to function in less than optimal fashion. The review group has formulated recommendations which it believes will enhance the coherence and user-friendliness of the system. Before any definitive proposals are formulated for consideration by Government, an independent party not involved in the review has been asked to undertake a consultative exercise on the report and its recommendations. The exercise will involve the employment rights bodies concerned and the social partners but will not seek to replicate the work of the review group, rather to build on it. Ministers will consider issues arising.

Question No. 118 answered with Question No. 99.

119. **Mr. Gilmore** asked the Minister for Enterprise, Trade and Employment if he has plans for the restructuring or reorganisation of

FÁS; and if he will make a statement on the matter. [28332/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Currently, I have no plans to restructure or reorganise FÁS. The structure, organisation and direction of FÁS was set out in its statement of strategy 2002-05. In broad terms, the statement provides for a shift in strategic focus away from dealing with the consequences of unemployment towards mobilising labour supply and providing training for both employed and unemployed alike. I recently met the members of the board of FÁS who are currently engaged in a review process which will lead to a new statement of strategy to cover the period 2006-09. I informed them of my priorities for the organisation, namely, the need to invest consistently and effectively in upskilling the labour force so that it can adapt to ever changing needs and demands of the modern economy; the need to focus increased attention and investment on in-company training so that firms can adapt to competitive challenges and provide rewarding and high quality jobs for employees; the importance of certification as a means of guaranteeing the quality of training; the necessity to ensure active, labour-market programmes can react responsively to the changing needs of the labour market; the need to maximise value for money by consistently focusing on outcomes; the importance of continuing to work in co-operation with other State agencies to contribute to economic and social development; and the necessity of avoiding overlap and duplication.

EU Directives.

120. **Mr. Stagg** asked the Minister for Enterprise, Trade and Employment the number of EU directives for which he has responsibility which have yet to be implemented; the number in respect of which the deadline for implementation has passed; if he has satisfied himself with the rate of compliance by his department; the number of cases where legal actions have been notified or commenced by the European Commission arising from a failure to implement a directive; and if he will make a statement on the matter. [28395/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): A total of 31 directives remain to be implemented, including ten for which the deadline for implementation in full or in part has passed. Details of the directives including, in so far as it has been decided, the proposed transposition instruments are available on my Department's website at www.entemp.ie/trade/eudirectives/index.htm. The website also contains information on directives in respect of which infringement proceedings have been commenced. A number of the directives have been transposed but are still the subject of legal proceedings by the European Commission. Reasoned opinions under Article 226 of the treaty have been issued by the European Com-

mission on two of the directives which have not yet been transposed and for which the deadline has passed. I am satisfied that my Department is giving all due priority to the task of implementing EU directives in light of the available resources.

Question No. 121 answered with Question No. 84.

Job Losses.

122. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the number of jobs that have been relocated out of Ireland in the past three years; the reason for the relocation; the action taken to address the issue; the net number of new jobs created here in the same period; and if he will make a statement on the matter. [28454/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The Forfás employment survey tracks employment levels in agency assisted companies on an annual basis. The life cycle of companies influences the ebb and flow of employment and relocation is just one factor in the many enterprise related issues that determines employment levels. It is not possible to determine the employment change arising from just one aspect affecting the enterprise economy. The competitive characteristics of our enterprise base has made a reliance on low-technology, basic manufacturing less sustainable than it was in the past. There has been a fundamental shift in the strengths and competitive advantages of our economy which is now typified by higher output and productivity together with high returns to labour in the form of wages, salaries and improved living standards.

A more attractive cost environment abroad will inevitably attract some firms which are unable to produce in the high wage environment of a modern industrial economy and the continuing structural transformation of our economy is inevitable. While there are bound to be some plant transfers and other adjustments, where relocation has occurred to date, it has largely been limited to relatively low-technology, labour-intensive activities least suited to the economy we have now. Over the past few years, the enterprise support agencies for which my Department has responsibility have been mandated to adjust their support strategies to meet the needs of society in terms of high quality employment opportunities and the needs of the businesses which generate and sustain those jobs. To counterbalance the competitive threat from lower cost competitor economies, our policy is to encourage a move to higher levels of competitiveness and value added products and services. Sustainable employment will be driven by companies with higher profitability which are more technologically advanced and prove a better fit with the competitive characteristics of our economy. Such companies are, therefore, less likely to move on the basis of simple cost influences.

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New investment will be sourced by a combination of developing existing clients and new investors in existing or new activities or sectors. Given the critical mass of foreign direct investment in Ireland and its linkages with indigenous companies, one of the greatest potential contributions will come from developing companies already operating here. Enterprise development agencies are working to encourage companies into more sophisticated activities where competitive advantage is less likely to be whittled away by cost based competition. The latest quarterly national household survey of the Central Statistics Office shows that over the past three years employment has grown by 114,300 or by 6.6%.

Question No. 123 answered with Question No. 89.

Employment Action Plan.

124. **Mr. Costello** asked the Minister for Enterprise, Trade and Employment if he will make a statement on the implementation to date of the Irish national employment pact. [28331/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I assume the Deputy is referring to the national employment action plan which is produced annually by my Department. The plan is Ireland's response to the European employment strategy, or EES. The strategy is the process used to implement the employment objectives of the Lisbon Agenda. The employ-

ment guidelines which flow from the EES have set three overarching objectives. These are full employment, quality and productivity at work and strengthened social cohesion and inclusion.

My Department prepares the plan in consultation with other Departments and the social partners. It outlines the interdepartmental commitments and initiatives which will allow Ireland to meet the Lisbon employment objectives. The plan includes commitments made in a range of policy documents, Sustaining Progress, the national action plan for social inclusion, the national child care strategy and the task force report on lifelong learning. The plan was produced in 2003 and covers the commitments to be achieved over the period 2003-05. The recently produced 2004 plan outlines progress made to date. I will arrange to have a copy of the plan forwarded to the Deputy's office as it details progress on a wide range of issues.

The key indicator of our success in achieving our employment objectives is our low unemployment rate. The Lisbon Agenda set the EU an overall employment rate target of 70% by 2010, with specific targets of 60% and 50% for female and older workers respectively. The targets set at Lisbon in 2000 were challenging at a time when the EU was enjoying GDP growth and falling unemployment. Notwithstanding the global economic downturn, Ireland has made steady progress towards achieving the targets. The table below sets out Ireland's position in 1999, which was prior to the Lisbon Agenda, the comparable employment rates for Ireland and the 25 EU member states for 2003 and the Lisbon targets for 2010:

Employment Rates	Ireland 1999	Ireland 2003	EU25 2003	Lisbon Target 2010
	%	%	%	%
Overall Rate	63.3	65.4	62.9	70.0
Female Rate	52.0	55.8	55.0	60.0
Older Workers Rate	43.7	49.0	40.2	50.0

Source: Employment in Europe 2004.

The report, Employment in Europe 2004, which was published recently by the European Commission, predicts that Ireland is likely to reach all three targets. The progress made in attaining the Lisbon targets is due to Government policies which continue to be pursued. Current policies are focused on responding to country-specific recommendations which were endorsed by the European Council in June, having taken account of the recommendations of the report of the employment taskforce.

Insurance Industry.

125. **Mr. M. Higgins** asked the Minister for Enterprise, Trade and Employment if he has satisfied himself at the reported reduction in the level of insurance premiums in view of figures showing that Irish insurance companies are now

making substantial profits; and if he will make a statement on the matter. [28335/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): My Department no longer regulates insurance companies as this responsibility has passed to the Irish Financial Services Regulatory Authority, IFSRA, under the aegis of my colleague, the Minister for Finance, who has overall responsibility for policy and legislation on the provision of financial services in Ireland. The Minister for Transport has taken over the lead role in policy and legislation on the availability and cost of motor insurance and any related interdepartmental co-ordination. The Central Statistics Office's consumer price index statistics show that there was a reduction of 20.8 index points, or 19.3%, in motor car insurance between the months of April 2003 — when the cost of private motor premia peaked, index 108.0 — and Sep-

tember 2004, which is the month for which the latest figures are available, index 87.2.

While the CSO index is based on averages, individual policy holders have done much better as can be seen from data provided by the Motor Insurance Advisory Board. Examples provided by the board for three specific companies between March 2003 and March 2004 indicate the following reductions: 10% to 16% in comprehensive insurance for a 30 year old male; 10% to 41% in comprehensive insurance for a 50 year old female; and 10% to 45% for third party, fire and theft insurance for a 21 year old male.

IFSRA has conducted a number of cost surveys on motor insurance and proposes to undertake cost surveys for public liability and employer liability. The pricing and underwriting of insurance is a matter for individual insurance companies. EU law prevents Governments from intervening directly in relation to premium levels. However, Governments are free to take measures to improve the operation of the insurance market. Recent measures taken under the Government's insurance reform programme have led to a better functioning insurance market. This is reflected in the significant underwriting profits reported by IFSRA in its first insurance statistical review in October 2003. The review was previously published by my Department. The new operating conditions enhance the attractiveness of the market to prospective entrants.

While the premium reductions we have seen to date are welcome, I expect further premium reductions from the new market conditions now in place. Competition from new entrants attracted by better market conditions will be an important element in ensuring continuing downward pressure on premia. The recent authorisation of five new entrants to operate in the Irish market will make a further important contribution in this regard.

Question No. 126 answered with Question No. 78.

Redundancy Payments.

127. **Mr. Ferris** asked the Minister for Enterprise, Trade and Employment if he will introduce legislation to increase redundancy payments to three weeks of pay per year of service; and if he will make a statement on the matter. [28321/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): Legislation to increase statutory redundancy payments was enacted only last year by means of the Redundancy Payments Act 2003. This increased the level of redundancy payments from a half a week's pay per year of service under the age of 41 and one week's pay per year of service over the age of 41, plus one bonus week, to two week's pay per year of service, plus a bonus week. The increase resulted from the Sustaining Progress agreement between the social partners.

In addition, under a statutory instrument signed by the Minister for Enterprise, Trade and Employment and the Minister for Finance on 4 November 2004, the ceiling on reckonable earnings used to calculate statutory redundancy payments will be increased from €507.90 per week to €600 per week as and from 1 January 2005. This represents an increase of approximately one fifth in the ceiling and follows the recommendations contained in the report of the redundancy review group published in 2002 and from the recent review of Sustaining Progress.

There are no plans to increase further the level of statutory redundancy payments in the foreseeable future.

Industrial Development.

128. **Ms O. Mitchell** asked the Minister for Enterprise, Trade and Employment if he has satisfied himself that the geographical spread of IDA Ireland investment is acceptable; and if he will make a statement on the matter. [28350/04]

140. **Ms Burton** asked the Minister for Enterprise, Trade and Employment the proposals he has to ensure a more balanced regional approach to the promotion of employment and industrial development throughout the country; and if he will make a statement on the matter. [28329/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 128 and 140 together.

Support for job creation and investment on a regional or local basis is a day-to-day operational matter for the industrial development agencies. The agencies promote actively all areas for new investment and jobs on an ongoing basis. IDA Ireland markets individual areas as locations for additional foreign direct investment through its network of local and overseas offices. Enterprise Ireland concentrates on the development of indigenous industries while the 35 city and county enterprise boards have primary responsibility for the regional promotion of indigenous industry in the micro-enterprise sector. Shannon Development promotes the development of the indigenous industry sector in the Shannon region on behalf of Enterprise Ireland and secures foreign direct investment in the Shannon free zone. All agencies also work with existing clients with a view to helping them expand their activities.

In tandem with the Government's national spatial strategy and its associated gateways and hubs, all development agencies work with State agencies and others to enhance the attractiveness of individual regions. The strategy provides an important framework to achieve this objective through the prioritisation of infrastructural development in the gateway and hub locations and the development of magnets of attraction for investment. County enterprise boards co-operate actively with the south and east and Border, midlands and west regional assemblies to develop

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indigenous micro-enterprises throughout the regions. A particular advantage of the county enterprise board system is that it delivers dispersed economic development throughout the country. Over 30,000 jobs have been created in indigenous companies supported by the boards since their establishment in 1993.

IDA Ireland, which has statutory responsibility for providing property solutions for its own and Enterprise Ireland's clients, is making significant investment in the provision of focused regional property solutions. The objective of this approach is to ensure that key locations have the appropriate property solutions tailored to specific sectoral targets to attract new investments. In addition, IDA Ireland is involved in long-term planning with local authorities to ensure that relevant areas are perceived by investors as having a range of locational solutions in terms of property, infrastructure, business and lifestyle services for key strategic investments.

In the context of geographical spread of foreign direct investment, IDA Ireland seeks to create 50% of all new greenfield jobs in the BMW region over the 2000-06 period. Substantial progress is being made in this regard. Since 2000, a total of 46% of all new greenfield jobs have been created in the BMW region. In 1999, prior to the start of the Government's current national development programme, some 25% of all new greenfield jobs were locating in the region. It is encouraging to note from the 2003 annual report of IDA Ireland that 60% of all investment projects negotiated by the agency in 2003 were in regional locations outside Dublin and Cork. I am confident the strategies and policies being pursued by the development agencies together with the ongoing commitment of Government to regional development will bear fruit in terms of additional sustainable investment and jobs for the people of all regions.

Question No. 129 answered with Question No. 107.

Construction Sector.

130. **Mr. O'Dowd** asked the Minister for Enterprise, Trade and Employment the likely impact on employment of a slowdown in the housing market; and if he will make a statement on the matter. [28355/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Employment in the construction sector, which includes the house-building sector, increased by 7.6%, or 14,600, in the 12-month period to end May 2004. In the period 1997-2003, employment in the sector increased by approximately 65%. A number of reports have been produced commenting on the future of the construction sector. The Department of the Environment, Heritage and Local Government, which has primary responsibility for the formulation and implementation of policy on housing,

commissioned an independent review of the construction industry for 2003 and outlook report for 2004-06. This was published in September 2004 and states that the upturn in construction employment reflects the continued strength in house building. It also states that the return to confidence in other sectors will at least help to maintain construction employment at current levels for the remainder of the year.

In 2003, the expert group on future skills needs produced a skills monitoring report on the construction industry for the period 2003-2010. The report predicted that both output and employment is likely to decline over the period 2004-2010. It stated also that the construction industry is operating at peak activity as evidenced by the unprecedented growth in housing supply in 2003 at a level 19% ahead of 2002 levels. The forecast assumes further increases in 2004 and 2005 when annual house completions will be approximately 60,000. Thereafter, it is assumed that while private house building will gradually decline, the average for the period 2003-10 will nevertheless remain at above 53,000 annually. The expert group believes the impact of its predicted modest decline in employment in the house building sector will be softened by a growth in repair and maintenance for the latter half of the decade.

The employment trend in the overall economy continues to be upward, with a national employment growth rate of 2.4% in the year, reflecting an improvement in economic conditions. Experience shows that while job losses are being encountered in some sectors they are being more than offset by employment opportunities in other sectors. The forecast for employment growth is estimated to be around 1% for this year. The current unemployment rate is 4.4%, which is relatively low, particularly when compared to the EU-25 average of around 9%. The ESRI predicts that it will remain at this level in the short to medium term.

Question No. 131 answered with Question No. 115.

Work Permits.

132. **Mr. O'Shea** asked the Minister for Enterprise, Trade and Employment when the promised legislation to put the employment permit regime on a comprehensive and sound statutory footing; the reason for the delay in bringing forward the legislation, which was originally promised for 2003; if it is intended to replace the current work permit system with a green card system; and if he will make a statement on the matter. [28343/04]

146. **Mr. Connaughton** asked the Minister for Enterprise, Trade and Employment his plans to alter the work permit scheme; and if he will make a statement on the matter. [28392/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): I propose to take Questions Nos. 132 and 146 together.

The preparatory stages of the employment permits Bill have taken longer than expected due to the change in labour market circumstances and the need to achieve greater clarity and simplicity than the original draft provided for. I expect to publish the Bill during the current Dáil term. The Minister of State with responsibility for labour affairs announced recently that a firm of consultants had been engaged to design a new work permits system. A significant feature of the new system will be a prior registration process whereby employers will be required to register with my Department before a work permit can be issued. This is intended as one of a number of measures aimed at enhancing controls to eliminate any potential abuses.

Question No. 133 answered with Question No. 75.

Question No. 134 answered with Question No. 115.

Workplace Absenteeism.

135. **Mr. R. Bruton** asked the Minister for Enterprise, Trade and Employment if he concurs with IBEC's assessment that absenteeism in the workplace costs business here €1.5 billion per year; and if he will make a statement on the matter. [28388/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): While I share concern about the cost to business of absenteeism, I have no direct function in the matter.

County Enterprise Boards.

136. **Mr. Naughten** asked the Minister for Enterprise, Trade and Employment if he will provide additional funding to efficient county enterprise boards; and if he will make a statement on the matter. [23462/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): In determining the allocations for individual city and county enterprise boards in 2004, my Department adopted a systematic approach to ensure the maximum degree of objectivity and equity of treatment. This approach involved the provision of funding calculated on the basis of a standard allocation to each board as well as an additional allocation determined mainly by population but which also took account of issues such as unemployment, capacity to spend, existing commitments and regional spread. My Department is reviewing the level of funding available for the current year with a view to identifying any funds which individual boards may not be in a position to spend this year and reallocating them to boards which indicate a capacity to utilise additional funding this year in accordance with normal practice.

In conjunction with the county enterprise boards, my Department monitors on an ongoing basis the level of service provided by the boards to their client base. A formal procedures manual and an operating agreement are in place between the Department and the boards aimed to provide a standardised delivery of services by county enterprise boards across the country.

Job Creation.

137. **Ms Shortall** asked the Minister for Enterprise, Trade and Employment the number of new jobs announced during 2003 from new investments or expansion of IDA Ireland backed plants; the expected final level of announcements during 2004; the steps that are being taken to promote job creation; and if he will make a statement on the matter. [28370/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment to Ireland, including its regions and areas. In 2003, a total of 32 green field and expansion job creation projects were announced by IDA Ireland. These projects have a projected total job content of nearly 5,600 and were achieved against a background where there were fewer companies actively seeking to invest overseas and consequently less companies visiting Ireland.

As the ultimate decision regarding where to locate a project, including what areas to visit as potential locations are taken by overseas investors it is difficult to predict the exact number of IDA Ireland supported project announcements that might be made in 2004. However I am optimistic about the likely results for 2004, particularly given the track record IDA Ireland has in attracting sustainable overseas investment to the country.

According to UNCTAD Ireland is now sixth in the world as a location for foreign direct investment and we won more foreign investment than Britain or Germany last year. Despite the fact that foreign direct investment flows around the world fell by 18% last year, the inflow of \$25.5 billion to Ireland was up slightly on 2002. This accounted for 9% of total flows into the EU, even though Ireland had only 1% of the population of the pre-enlargement EU.

This is a remarkable achievement for a small country like ours, which has to compete not alone with third countries which are much more competitive nowadays for the more basic manufacturing type investment but also with more advanced economies such as Britain and Germany which are very attractive locations for higher value knowledge based overseas operations.

At this point, it is expected there will be a broadly similar employment outcome in 2004 *vis-à-vis* 2003 in respect of IDA Ireland client companies.

Job Losses.

138. **Mr. Sherlock** asked the Minister for Enterprise, Trade and Employment the number of redundancies notified to his Department during 2000, 2001, 2002 2003 and to date in 2004; the projected numbers for this year; the steps that are being taken to deal with the sharp increase in redundancies; and if he will make a statement on the matter. [28369/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The number of redundancies notified to my Department in the years specified were 13,316 in 2000, 19,977 in 2001, 25,358 in 2002, 27,702 in 2003 and 20,127 to the end of October, 2004. The corresponding figure to the end of October 2003, was 22,509 which means an 10.6% decrease in the number of redundancies notified to my Department so far this year. It is not possible to project what the total number of redundancies will be for the year. However, if a similar decrease was to be maintained for the remainder of the year, the total number of redundancies in 2004 would be approximately 25,000 which would be over 2,700 down on last year.

The most recent quarterly national household survey prepared by the Central Statistics Office in September shows that employment growth continued in the second quarter of 2004 with an increase of 42,800 or 2.4 % in the year on year position. The total number of persons currently in employment is 1.84 million. In addition, the Central Bank is forecasting growth of 4.5% in gross national product for 2004 which also indicates a positive outlook for the economy in general.

The development of a competitive economy is a central tenet of generating sustainable employment and growth and is the focus of this Government's policies. Initiatives by the Government and the State development agencies, including reducing the burden of unnecessary regulation, are aimed at helping the country progress towards a knowledge and innovation-driven economy. Ongoing six monthly assessments of our competitive position will ensure that appropriate and timely actions are taken to address identified weaknesses.

The recent report of the enterprise strategy group recognises that we are at a turning point in terms of the competitive impact of global competition for markets and investments. The enterprise strategy group made a number of key recommendations that are being considered by a high level group set up by my predecessor to look at the most appropriate route to implementing the enterprise strategy group's recommendations. I expect to receive the group's final report shortly, following which I will be taking up the matter with my colleagues in Government.

Question No. 139 answered with Question No. 99.

Question No. 140 answered with Question No. 128.

Job Creation.

141. **Mr. Deenihan** asked the Minister for Enterprise, Trade and Employment the initiatives he proposes to put in place to attract industry to Tralee, County Kerry, due, to the increase in the unemployment situation in the town; and if he will make a statement on the matter. [28261/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Support for job creation and retention in individual counties is a day-to-day operational matter for the industrial development agencies. IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment to Ireland, including its regions and areas. The agency is actively promoting Tralee for new investment and jobs on an ongoing basis.

IDA Ireland is focusing on the linked hubs of Tralee and Killarney as part of its strategy for marketing the county as a location for attracting additional foreign direct investment. Central to this strategy is the development of the international services and ICT sectors. The further development of broadband telecoms infrastructure is therefore vital for the development of these towns. The agency is also working with existing clients in the county with a view to helping them expand their activities.

Job creation and job losses are a feature of economic development in all countries as various sectors expand and contract in response to market demand for goods and services, competitive forces, restructuring and technological change. The latest Forfás annual employment survey shows that at the end of 2003 there were 2,205 people in permanent employment in 23 IDA Ireland assisted companies in Kerry. This compares with a figure of 2,444 in 22 companies at the end of 2002. Overall employment in companies in the county that are supported by IDA Ireland is performing relatively well when considered in the context of Ireland now being less competitive as a location for low wage manufacturing projects and the recent global downturn, which has resulted in fewer companies actively seeking to invest overseas and less companies visiting Ireland.

I am confident that the strategies and policies being pursued by IDA Ireland in Kerry, together with the ongoing commitment of Government to regional development will continue to bear fruit in terms of delivering the maximum possible level of additional jobs for the county.

Question No. 142 answered with Question No. 107.

Proposed Legislation.

143. **Caoimhghín Ó Caoláin** asked the Minister for Enterprise, Trade and Employment if he will

consider introducing amendments to the Unfair Dismissals Acts 1977-2001 to reduce the period which a person must be in continuous service with the same employer in order to qualify under the Acts from one year to six months; and if he will make a statement on the matter. [28315/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): The Unfair Dismissals Acts 1977-2001 as they stand do not apply to a person who has been in the continuous service of the same employer for less than one year, and there are no proposals in place at present to amend this provision. However the requirement of one year's continuous service does not apply where the dismissal results from: an employee's pregnancy, giving birth or breastfeeding or any matters connected therewith; the exercise or proposed exercise by an employee of a right under the Maternity Protection Acts 1994 and 2004; the exercise or contemplated exercise by an employee of the right to adoptive leave, or additional adoptive leave under the Adoptive Leave Act 1995; the exercise or proposed exercise by the employee of the right to parental leave or *force majeure* leave under and in accordance with the Parental Leave Act 1998; an employee's entitlements, future entitlements, exercise or proposed exercise of rights under the National Minimum Wage Act 2000; an employee's trade union membership or activities; the exercise or proposed exercise by the employee of the right to carer's leave under and in accordance with the Carer's Leave Act 2001.

When determining if an employee has the necessary service to qualify under the Acts, a Rights Commissioner, the Employment Appeals Tribunal or the Circuit Court, as the case may be, may consider whether the employment of a person on a series of two or more contracts of employment, between which there were no more than 26 weeks of a break, was wholly or partly for or connected with the avoidance of liability by the employer under the Acts. Where it is so found, the length of the various contracts may be added together to assess the length of service of an employee for eligibility under the Acts.

Economic Competitiveness.

144. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the extent to which he has addressed or proposes to address industrial costs; the main factors in this regard; the action or action he proposes to take to improve the situation with a view to sharpening Ireland's competitiveness; and if he will make a statement on the matter. [28455/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The National Competitiveness Council in both its annual competitiveness reports published last month and in its statement on prices and costs published in September have identified the need to recover

Ireland's cost competitiveness as being a high priority to ensure sustained economic success in the future. The National Competitiveness Council in its competitiveness challenge 2004 make several specific recommendations to improve our cost base by removing barriers to competition in various key sectors of the Irish economy such as the retail, pharmaceutical, transport and energy sectors.

The Government is committed to pursuing actions to address cost issues, and has already taken several measures in this regard. In the area of insurance, determined Government action in introducing regulatory reform to the sector, including the establishment of the Motor Insurance Advisory Board and the Personal Injuries Assessment Board, is resulting in decreased costs. According to the Central Statistics Office, motor insurance costs have decreased by 15% in the past 12 months.

The Government has almost doubled the resources of the Competition Authority to enable it to continue in its role to tackle anti-competitive behaviour in sectors of the Irish economy. Competition is working well in many sectors of the economy but we recognise that Ireland cannot afford to have sectors of our economy sheltered from competition. Furthermore the Competition Authority is undertaking reviews of certain building, legal, medical and construction professions, which will address competition issues in the sheltered sectors of the economy.

Competition is the most efficient and best solution to ensuring prices are kept low and at optimal levels for both consumers and businesses alike.

Question No. 145 answered with Question No. 94.

Question No. 146 answered with Question No. 132.

Question No. 147 answered with Question No. 107.

Question No. 148 answered with Question No. 89.

149. **Aengus Ó Snodaigh** asked the Minister for Enterprise, Trade and Employment if an assessment of the impact of child care costs and house prices on competitiveness in this State will be carried out. [28322/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Child care and housing are the primary responsibility of my colleagues, the Minister for Justice Equality and Law Reform and the Minister for the Environment, Heritage and Local Government. I am not aware of any proposals to assess the impact of costs in these areas on competitiveness.

The National Competitiveness Council monitors and reports on Ireland's competitiveness

[Mr. Martin.] position. Each year the National Competitiveness Council publishes the annual competitiveness report and the competitiveness challenge on the key competitiveness issues facing the Irish economy in the forthcoming year. These reports offer us an important insight into the present condition of Irish competitiveness and also offer a list of policy recommendations designed to protect and enhance Ireland's competitive position. The National Competitiveness Council published its reports for 2004 last month. However, neither of the reports contained recommendations specifically addressing either child care costs or house prices.

Questions Nos. 150 and 151 withdrawn.

Employment Action Plan.

152. **Mr. Stanton** asked the Minister for Enterprise, Trade and Employment the number of interventions by his Department that resulted in pre-employment training and development for each of the years 2002, 2003 and 2004; and if he will make a statement on the matter. [28138/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. Killeen): Since 1998, under the Irish national employment action plan, FÁS has been systematically engaging with unemployed young people and adults, early in their unemployment spell, to prevent a drift into long-term unemployment. Implementation commenced initially with persons under 25 years of age who had reached six months on the Live Register and who were referred by the Department of Social and Family Affairs for interview.

As the national employment action plan progressed, the programme was extended to include other groups crossing nominated thresholds of unemployment. This has been extended to cover all persons aged up to 54 years as they cross the six-month threshold and other persons not previously referred.

All national employment action plan clients are accorded top priority within FÁS in the allocation of places on its training and employment programmes.

A total of 3,074 national employment action plan clients were placed on training programmes in 2002, in 2003 that number increased to 3,968 while in 2004 there were 4,774 placements. On employment programmes a total of 5,260 national employment action plan clients were placed in 2002, 5,527 were placed in 2003 while 6,367 were placed in 2004. I should mention that clients may have had more than one placement.

Adult Education.

153. **Mr. Stanton** asked the Minister for Enterprise, Trade and Employment the agencies he has worked with to implement the recommendations of the task force on lifelong learning;

the progress to date on the implementation of the recommendations; his further plans for the process; and if he will make a statement on the matter. [28152/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The initiatives and recommendations set out in the LLL report focus on promoting and enhancing access to learning-training, the development of new skills, the acquisition of recognised qualifications and progression to higher level qualifications. The task force stressed the need for co-ordination between the Departments of Education and Science and Enterprise, Trade and Employment and called for the establishment of an overarching structure to co-ordinate, review and report on the implementation of the framework set out in the report and the recommendations underpinning it.

At the time the report of the task force was published in 2002 the Government decided that the National Adult Literacy Council, NALC, be designated as the body to co-ordinate, review and report on the implementation of the framework set out in the report. The Government also decided that a steering committee, to be chaired by a senior official of the Department of Enterprise, Trade and Employment, should be established to oversee and direct the work of the National Adult Literacy Council in so far as it relates to the implementation of the report of the task force on lifelong learning. The steering committee continues to meet periodically to review progress on implementation.

The National Adult Literacy Council, which will be representative of providers and other stakeholders in the learning sector, has not been formally established and has consequently been unable to discharge the role given to it in relation to the task force report. The Department of Education and Science is reviewing the functions of the NALC and, pending the establishment of the NALC on a statutory basis and the assignment of staff, the Department of Enterprise, Trade and Employment, together with FÁS and other relevant agencies, is implementing a range of the actions set out in the report including the following. The accreditation of prior and experiential learning, already begun by FÁS in construction, retail, child care and teleservices courses, will be extended to apprentice plasterers and bricklayers in September 2005. In this regard FÁS has agreed a pilot model for the accreditation of prior and experiential learning with stakeholders including FETAC. The Department of Enterprise, Trade and Employment, in co-operation with the Department of Education and Science, has set up an ICT fund, which is being administered by the Higher Education Authority, and which is funding schemes for upskilling workers in the IT sector. The national FÁS-Enterprise Ireland register of trainers is now in place and is available to the public on the websites of both organisations. FÁS is implementing its basic skills needs initiative to address issues identified in the task force report.

The Department of Enterprise, Trade and Employment approved a project proposal from national adult literacy association to design and deliver a workplace basic education programme for SMEs. The FÁS national contact centre has been expanded to provide guidance-information and job seeking services, as well as a vacancy-taking service, to employers. FÁS has extended the range of courses available outside of standard working hours and targeted primarily at those in employment, including “24/7” access to e-learning courseware via FÁS e-college. Agreement has been reached on the extension of the training networks programme, from the completion of its current phase next year, up to 2010. FÁS is continuing to enhance and expand its excellence through people award and is working in co-operation with Enterprise Ireland to ensure the programme reaches relevant companies. The funding from the national training fund for the Institute of Engineers of Ireland’s continuing professional development programme has now been extended up to the middle of 2007. A FÁS commissioned advertising campaign is in place to raise awareness and promote services available for all client groups.

Looking towards the future, while Government would wish to see the vision of the task force fully realised it can only help create the framework conditions for lifelong learning. It requires a response from individuals and enterprises to make learning, and the potential benefits it can deliver, a reality. The task force report indicated that lifelong learning requires a significant cultural and attitudinal change on the part of providers, learners, employers, the public service and Government. A core element of that cultural shift will involve viewing learning not as a cost but as an essential investment, which has tangible economic, personal and societal returns.

What we are seeking to bring about at a national level also reflects commitments we have taken on at a European level in terms of contributing to the achievement of the Lisbon Agenda. In this context the report just published from the high level group on the Lisbon strategy for growth and employment, which was chaired by Wim Kok, suggests that member states must devise ambitious policies to raise education levels and to make lifelong learning schemes available to all, and all must be encouraged to take part in them.

Non-EU Nationals.

154. **Mr. J. O’Keeffe** asked the Taoiseach the number of children born in the State, both of whose parents are non-EU nationals, and who are in the State; and if he will make a statement on the matter. [28504/04]

155. **Mr. J. O’Keeffe** asked the Taoiseach the number of families with children born in the State whose parents are both non-EU nationals, and are in the State; and if he will make a statement on the matter. [28505/04]

156. **Mr. J. O’Keeffe** asked the Taoiseach the number of children born in the State before the date of a Supreme Court decision (details supplied) whose parents and both non-EU nationals; and if he will make a statement on the matter. [28508/04]

157. **Mr. J. O’Keeffe** asked the Taoiseach the number of children born in the State after the date of a Supreme Court decision (details supplied) and before the referendum of 11 June 2004, whose parents are both non-EU nationals; and if he will make a statement on the matter. [28509/04]

Minister of State at the Department of the Taoiseach (Mr. Kitt): I propose to take Questions Nos. 154 to 157, inclusive, together.

The total number of families consisting of a husband and wife, or couple, with at least one child aged 0-18 years was 412,321 at the time of the 2002 census. Of these, 4,905,1.2%, consisted of families where both parents were non-EU nationals and at least one child was born in the State. The number of Irish born children, aged 0-18 years, in these families was 6,229. The definition of the EU was that in force at the time of the census, that is, €15.

The census is currently the only comprehensive source of information of the type requested by the Deputy. Information on the nationality of parents was not systematically collected as part of the vital statistics system prior to September 2003. Since then, as part of the modernisation of the civil registration system, an electronic form is being introduced. This form provides *inter alia* for the recording of the nationality of both parents. However, the level of response to the nationality question for both parents is not yet at the required level to facilitate publication of analyses using that variable.

Trading Partners.

158. **Mr. Durkan** asked the Taoiseach Ireland’s top ten trading partners both in terms of imports and exports; and if he will make a statement on the matter. [28608/04]

Minister of State at the Department of the Taoiseach (Mr. Kitt): The table below identifies Ireland’s top ten trading partners by value for each flow in 2003. This is the latest year for which complete annual data are available. For comparative purposes, values for 2002 and 2001 are also included.

Top ten countries involved in merchandise trade with Ireland (based on country of consignment).

Exports	2003	2002	2001
	€(000)	€(000)	€(000)
United States	16,939,245	16,509,438	15,694,396
Great Britain	13,443,332	20,886,658	20,797,670
Belgium	10,314,879	13,549,307	4,446,178
Germany	6,824,755	6,740,417	11,682,508

Exports	2003	2002	2001
France	5,021,232	4,693,372	5,541,568
Netherlands	4,261,938	3,511,632	4,263,614
Italy	3,749,899	3,601,523	3,311,898
Switzerland	2,603,265	3,103,770	2,705,698
Spain	2,353,493	2,242,630	2,297,985
Japan	2,109,434	2,630,798	3,261,074
Total	67,621,472	77,469,545	74,002,589

Imports	2003	2002	2001
	€(000)	€(000)	€(000)
Great Britain	15,891,116	22,112,223	21,493,714
United States	6,755,916	8,052,982	8,084,943
Germany	3,879,737	3,769,468	3,612,000
Netherlands	1,976,282	2,090,106	2,156,168
France	1,788,855	2,128,100	2,684,811
Japan	1,550,262	1,446,133	1,617,496
Northern Ireland	1,281,411	1,215,376	1,489,035
Norway	1,229,408	860,149	951,972
Singapore	1,027,013	962,080	1,324,296
Italy	923,217	908,536	1,199,345
Total	36,303,217	43,545,153	44,613,780

Dublin-Monaghan Bombings.

159. **Mr. F. McGrath** asked the Taoiseach the position regarding further developments on the Dublin-Monaghan bombings case of 1974; and if he will make a statement on the matter. [28526/04]

The Taoiseach: Following receipt of the transcript of the proceedings of the inquest into the Dublin and Monaghan bombings of 1974, and on the recommendation of the inquest jury, I forwarded a copy of the transcript to the Secretary of State, Paul Murphy.

Following its consideration of the final report of the Joint Committee on Justice, Equality, Defence and Women's Rights on the report of the Independent Commission of Inquiry into the bombings last July, the Government decided to establish a commission of investigation with appropriate terms of reference in line with the sub-committee's recommendations, to examine the Garda investigation of the bombings and missing documents and to pursue with the British Government the establishment of a Weston Park style inquiry into the bombings.

Following the passing of the relevant legislation last July, my Department has begun the process for the establishment of the commission of investigation which will require the approval of the House. While detailed terms of reference have yet to be approved by the Government, the commission will, as recommended by the joint Oireachtas committee, consider why the Garda investigation into the Dublin and Monaghan bombings was wound down in 1974, why the

Garda did not follow up on certain specific leads and the exact documentation, departmental, Garda intelligence and any other documentation of relevance, that is unaccounted for.

The commission will take account of investigative work undertaken into the Dublin and Monaghan bombings of 1974, including the report of the Independent Commission of Inquiry, the final report of the Joint Committee on Justice, Equality, Defence and Women's Rights, inquest statements and the internal Garda investigation.

I raised the establishment of a Weston Park style inquiry into the bombings at my meeting with Prime Minister Blair at Sedgfield.

Health Board Services.

160. **Dr. Cowley** asked the Tánaiste and Minister for Health and Children the reason a person (details supplied) in County Mayo has been deemed ineligible for orthodontic treatment; and if she will make a statement on the matter. [28499/04]

Tánaiste and Minister for Health and Children (Ms Harney): Responsibility for the provision of orthodontic treatment to eligible persons in County Mayo rests with the Western Health Board. My Department has asked the chief executive officer to investigate the matter raised by the Deputy and to reply to him directly.

161. **Mr. Crowe** asked the Tánaiste and Minister for Health and Children when a dental service (details supplied) in Dublin 7 will be reopened. [28501/04]

Tánaiste and Minister for Health and Children (Ms Harney): The provision of dental services is the statutory responsibility of the health boards-authority in the first instance. The Northern Area Health Board has advised my Department that as part of the overall refurbishment at Quarry Road health centre the number of dental suites was increased from one to three. This increase in dental facilities was required in order to meet the increase in demand for dental services in the area. The provision of these extra facilities necessitated adjustments to the existing buildings.

In addition to the provision of two extra dental chairs the work involves the installation of specialist dental equipment which is aimed at increasing and improving the services available to patients. The new equipment is currently being installed and will be tested and commissioned by the board in conjunction with the suppliers. It is expected that the dental facilities will be in operation by the end of this month. In the meantime, dental services to those living in the Quarry Road catchment area are being provided in other facilities in surrounding areas.

Finally, the board has also informed my Department that it regrets any inconvenience caused but is confident that the new facilities, when in operation, will provide a wider range of

improved dental services to a greater number of patients.

Job Protection.

162. **Ms F. O'Malley** asked the Tánaiste and Minister for Health and Children the situation with regard to a company (details supplied). [28527/04]

Minister of State at the Department of Health and Children (Mr. T. O'Malley): A working group will shortly be established to consider options for Blindcraft and its employees and to make a recommendation on its future to the Tánaiste and the board of Blindcraft. The working group will include representation from my Department, the board of Blindcraft, the unions, the workforce, Enterprise Ireland and FÁS.

Means Tests.

163. **Mr. Neville** asked the Tánaiste and Minister for Health and Children the reason the calculation for the capital means test for benefits under the remit of her Department is different from that of the Department of Social and Family Affairs. [28536/04]

Tánaiste and Minister for Health and Children (Ms Harney): The function of the means test in the case of nursing home subvention is to assess a person's eligibility for funding of their long-term care. The system used to assess this was devised in the context of the nursing home subvention regulations 1993 and the criteria used would, of necessity, differ from that used by the Department of Social and Family Affairs when assessing a person's entitlement to income support.

The Deputy might also wish to know that a working group has been set up to review the nursing home subvention regulations. Part of its work will involve looking at the financial assessment process and making recommendations considered necessary.

Health Services.

164. **Mr. Ring** asked the Tánaiste and Minister for Health and Children the number of persons aged 70 or over who have been overcharged illegally since 2001 in respect of public nursing homes; when this matter will be dealt with; the cost of reimbursing these persons the money they were charged incorrectly; and if she will make a statement on the matter. [28537/04]

165. **Mr. Ring** asked the Tánaiste and Minister for Health and Children if, in relation to elderly persons over the age of 70 who are entitled to and hold a medical card and who are in full-time nursing care in either private or public nursing homes, they have to pay for that nursing care, in view of the fact that they are medical card holders and are entitled to all free medical care. [28538/04]

Tánaiste and Minister for Health and Children (Ms Harney): I propose to take Questions Nos. 164 and 165 together.

Eligibility for health services in Ireland is primarily based on residency and means. Under the Health Act 1970, determination of eligibility for medical cards is the responsibility of the chief executive officer of the appropriate health board other than for persons aged 70 years and over, who are automatically eligible for a medical card.

Medical cards are issued to persons who, in the opinion of the chief executive officer, are unable to provide general practitioner medical and surgical services for themselves and their dependants without undue hardship. It is open to all persons to apply to the chief executive officer of the appropriate health board for health services if they are unable to provide these services for themselves or their dependants without hardship.

However, central to our system of publicly-funded long-term care is the principle that it is fair and reasonable that those who can afford to contribute to the cost of their long-stay care should do so. The health strategy reinforces this point and states:

It is recognised that quality care is expensive and that the bulk of the cost of providing a high standard of quality care should be borne by the Exchequer. Nonetheless, it is fair that all those in receipt of publicly provided residential long-term care should make some payment towards accommodation and daily living costs, if they can afford to do so, just as they would if they were living in the community. This principle supports the aim to provide as high quality a service as possible and to make the most equitable use of resources and thus to help maximise the availability of these services.

The current position reflects this approach.

Under the Health (Nursing Homes) Act 1990 health boards may pay a subvention to assist a person in meeting the cost of private nursing home care. The Department of Health and Children has established a working group to review the operation and administration of the nursing home subvention scheme.

The health strategy, Quality and Fairness — A Health System for You, acknowledges the need to clarify and simplify eligibility arrangements and sets down a commitment to introduce new legislation to provide for the introduction of clear statutory provisions on entitlement and eligibility. A review of all existing legislation in this area has been carried out in my Department which will inform the approach to the drafting of new legislation in this area. As part of this exercise, my Department will attempt to resolve the current differences in approach in the consideration of individuals' ability to pay under the various regulations in this area.

Arising from concerns in relation to the current practice of charging for longstay care in health board institutions, this matter is currently being examined having regard to advice from the Office

[Ms Harney.]
of the Attorney General with a view to clarification of the situation at an early date.

166. **Mr. Murphy** asked the Tánaiste and Minister for Health and Children when the local Southern Health Board doctor will open a clinic in Coachford, County Cork. [28539/04]

Tánaiste and Minister for Health and Children (Ms Harney): Arrangements for the provision of services for medical card holders, including the selection and recruitment process for general practitioners in the GMS scheme, are matters for the chief executive officer of the relevant health board-authority. Accordingly, this question has been referred to the chief executive officer of the Southern Health Board for investigation and direct reply to the Deputy.

Health Board Staff.

167. **Mr. Perry** asked the Tánaiste and Minister for Health and Children if her attention has been drawn to the fact that, in view of the current restructuring of the North Western Health Board facility in Manorhamilton, County Leitrim, there are up to 10,000 staff from counties Sligo and Leitrim who are uncertain of their responsibilities, duties and the locations at which they will be placed; the position regarding this situation; if she will address the concerns regarding the effect this will have on the delivery of services to the public in the north west; the reason she has not made progress in the negotiations in relation to management; and if she will make a statement on the matter. [28568/04]

Tánaiste and Minister for Health and Children (Ms Harney): Under the Interim Health Service Executive (Establishment) Order 2004, the interim health service executive, iHSE, has the responsibility to devise a plan for the establishment of a national unified structure for the delivery of health services, and the integration of the management, administrative and service delivery structures of health boards.

The matter referred to is primarily for the board of the iHSE in its task of preparing a plan to manage the health service from January 2005, when it is proposed that the health service executive, HSE, will be formally established.

In developing this plan, it is important that staff are clear on their roles and responsibilities, and the locations in which people work. The board of the iHSE has confirmed that the plan for the smooth transition is well developed and that briefing sessions with large numbers of health board staff commenced on Tuesday, 9 November. The first briefing session was with the health board chief executive officers, and this was followed by a briefing with the Health Service National Partnership Forum, which is a joint management union forum designed to develop workplace partnership. The briefings will continue in the new regional centres next week. On

Wednesday, 17 November, a briefing session for staff will take place in Galway for those health board staff who will be part of the new western region. This includes the staff of the current North Western Health Board.

The board of the iHSE has consistently said that January will not involve a big bang implementation but rather the start of the transition to the new structure. In this regard, the vast majority of staff will see no major change in their current responsibilities and duties, or in their work locations. For those staff who are affected, consultation will take place on the impact of the changes.

The board of the iHSE has assured me that the plan has been devised to ensure that existing levels of service are maintained. The current health board chief executive officers have been invited to stay on for a period of approximately six months in 2005 after they cease their current roles to assist in handling the transfer of accountability and to ensure a safe transition to the new structure. They will report directly to the chairman of the board of the HSE.

The iHSE and my Department are currently in negotiation with the staff representative organisations about the implications of the design for health service staff. These negotiations remain ongoing.

Hospital Services.

168. **Mr. S. Ryan** asked the Tánaiste and Minister for Health and Children if she will report on the state of the diabetic service in Beaumont Hospital; her views on whether the service is collapsing; if the necessary funding is available for diabetic shared care; and if she will make a statement on the matter. [28573/04]

Tánaiste and Minister for Health and Children (Ms Harney): Services at Beaumont Hospital are provided under an arrangement with the Eastern Regional Health Authority, and my Department has therefore asked the regional chief executive of the authority to examine the issue raised and to reply to the Deputy directly.

Vaccination Programme.

169. **Mr. S. Ryan** asked the Tánaiste and Minister for Health and Children if children in all of the schools on the north side of Dublin are receiving school booster vaccinations; and if she has satisfied herself that babies are being called for the nine month development check. [28574/04]

Tánaiste and Minister for Health and Children (Ms Harney): Responsibility for the provision of the school booster vaccinations and the nine month development check for babies, and any matters relating to such provision, within its functional area, rests with the relevant health board or the Eastern Regional Health Authority, ERHA. In the case of the north side of Dublin, this responsibility lies with the Eastern Regional

Health Authority. In the circumstances, my Department has requested the regional chief executive officer of the Eastern Regional Health Authority to reply direct to the Deputy.

Hospital Services.

170. **Ms B. Moynihan-Cronin** asked the Tánaiste and Minister for Health and Children the steps she proposes to take to alleviate the working conditions at Kerry General Hospital; if her attention has been drawn to the enormous strain on the maternity services at the hospital; the number of staff it employs; and if she will make a statement on the matter. [28580/04]

Tánaiste and Minister for Health and Children (Ms Harney): The provision of hospital services at Kerry General Hospital, Tralee, is, in the first instance, a matter for the Southern Health Board. My Department has therefore asked the chief executive officer of the Southern Health Board to reply directly to the Deputy regarding the number of staff employed at the hospital.

A capital projects development team for Kerry General Hospital, Tralee, was established in September 2000 to prepare a strategy plan for the current and future needs of the hospital. The development plan included the construction of a purpose-built maternity unit.

Earlier this year, the Southern Health Board sent a statement of need to the Department of Health and Children for a women's health unit at Kerry General Hospital, Tralee. This statement of need sets out the current position on the delivery of maternity services at the hospital.

The establishment of a project team to progress proposals for a new maternity unit at Kerry General Hospital falls to be considered in the context of overall funding resources available under the Capital Investment Framework 2004-2008.

171. **Mr. F. McGrath** asked the Tánaiste and Minister for Health and Children the reason there are a lack of space, lack of staff and a shortage of beds at the Mater Hospital accident and emergency department in Dublin. [28582/04]

Tánaiste and Minister for Health and Children (Ms Harney): Services at the Mater Hospital are provided under an arrangement with the Eastern Regional Health Authority and my Department has, therefore, asked the regional chief executive of the authority to examine the issue raised and to reply to the Deputy directly.

Many of the difficulties and delays experienced in emergency medicine departments reflect system-wide issues. It is therefore necessary to take a whole-system approach, involving primary care, acute care and sub-acute and community care, in tackling the problems in emergency medicine departments.

I am currently identifying the particular pressure points within the health system that affect the efficient delivery of emergency services. I intend

to ensure that the most pressing problems are addressed as a matter of urgency. In the context of the upcoming Estimates, I intend to introduce a wide-ranging package of measures that will address these problems.

172. **Mr. Durkan** asked the Tánaiste and Minister for Health and Children the number of beds likely to come into use at Peamount Hospital arising from the recently announced initiative to alleviate overcrowding at accident and emergency departments in Dublin hospitals; the position regarding the retention of the tuberculosis and respiratory facilities with the relevant consultancy backup; if a further consultant is required to facilitate the recent initiative; and if she will make a statement on the matter. [28583/04]

Tánaiste and Minister for Health and Children (Ms Harney): Services at Peamount Hospital are provided under an arrangement with the Eastern Regional Health Authority, ERHA. My Department has therefore asked the regional chief executive of the authority to investigate the issues raised by the Deputy and to reply to him directly.

The authority has advised that Peamount Hospital no longer admits acute tuberculosis patients. I understand that 30 beds at the hospital will shortly become available for patients who have completed the acute phase of their treatment and require pulmonary rehabilitation. This will relieve pressures on the acute hospital system.

Services for People with Disabilities.

173. **Mr. Durkan** asked the Tánaiste and Minister for Health and Children when a conclusive diagnosis can be made in the case of a person (details supplied) in County Kildare; if treatment or improved speech or other learning assistance or therapy can be provided at an early date with a view to creating the best possible chance for this person's future development; and if she will make a statement on the matter. [28601/04]

Minister of State at the Department of Health and Children (Mr. T. O'Malley): Responsibility for the provision of services, including diagnostic and therapy services, for persons with an intellectual disability and those with autism in the Kildare area is a matter, in the first instance, for the Eastern Regional Health Authority.

My Department has asked the regional chief executive of the authority to investigate the matter raised by the Deputy and reply directly to him.

Nursing Home Subventions.

174. **Mr. Durkan** asked the Tánaiste and Minister for Health and Children if an increase in nursing home subvention will be offered to a person (details supplied) in County Kildare; and if she will make a statement on the matter. [28602/04]

Tánaiste and Minister for Health and Children (Ms Harney): As the Deputy will be aware, the provision of health services in the Kildare area is, in the first instance, the responsibility of the South Western 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 to him directly as a matter of urgency.

Hospital Waiting Lists.

175. **Mr. Ring** asked the Tánaiste and Minister for Health and Children when a bed will be provided in St. James's Hospital for a person (details supplied) in County Mayo. [28621/04]

Tánaiste and Minister for Health and Children (Ms Harney): The provision of hospital services for people living in County Mayo is a matter for the Western Health Board. My Department has asked the chief executive officer of the board to investigate the position on this case and to reply directly to the Deputy.

176. **Mr. Penrose** asked the Tánaiste and Minister for Health and Children if a person (details supplied) in County Westmeath will be immediately admitted to hospital for knee surgery; and if she will make a statement on the matter. [28622/04]

Tánaiste and Minister for Health and Children (Ms Harney): Responsibility for the provision of hospital services to residents of County Westmeath rests with the Midland Health Board. My Department has therefore asked the chief executive officer of the board to investigate the position on this case and to reply to the Deputy directly.

Departmental Properties.

177. **Mr. R. Bruton** asked the Minister for Finance the total space occupied in Dublin by the Civil Service which is leased; the total which is owned; and the breakdown in respect of the units proposed for relocation from Dublin under the decentralisation programme. [28516/04]

Minister of State at the Department of Finance (Mr. Parlon): Currently, the State rents some 200,000 square meters of office space in Dublin. In addition, it uses some 230,000 square meters of State-owned office accommodation in Dublin. These office area figures relate to buildings occupied by civil servants. The space occupied by the State bodies earmarked for decentralisation is additional to these figures.

Under the decentralisation programme, approximately 230,000 square meters of office accommodation will be required in the regions for staff moving out of Dublin. A broadly equivalent amount of space will no longer be required in the Dublin area as a consequence. The precise breakdown of office space in Dublin — both

leased and owned — occupied by the units scheduled in the decentralisation programme is currently being formulated.

Tax Code.

178. **Mr. G. Mitchell** asked the Minister for Finance the amount of taxes and duties levied by the Government and the taxes and duties levied by the Italian Government on a model of car (details supplied); if he has satisfied himself that this explains the difference for the price of the same model of car in Rome and the same model of car in Dublin; and if he will make a statement on the matter. [28557/04]

Minister for Finance (Mr. Cowen): The rate of vehicle registration tax, VRT, chargeable in the State on a vehicle with an engine size of less than 1,400 cc is 22.5% of the open market selling price, OMSP. The rate of value added tax, VAT, on a new vehicle in the State is 21%, chargeable on the invoice price. OMSP means the price inclusive of all taxes and duties that a vehicle may reasonably be expected to fetch on a first arm's-length sale in the open market in the State, by retail.

Vehicle tax comparisons across the EU are particularly difficult due to different regimes in place in member states. Under EU law, the standard rate of VAT applies to cars, and currently this rate may not be less than 15%. EU states do apply other taxes to vehicles such as VRT in Ireland, the rates for which are set in the member states.

According to the 2003 tax report of the European Automobile Manufacturers Association, VRT in Italy, known as IPT, is chargeable at the rate of 2%, while the rate of VAT is 20%. Any differentials in the tax exclusive price of vehicles in different member states do not come within the remit of my Department.

Revenue Commissioners Staff.

179. **Mr. S. Ryan** asked the Minister for Finance if his attention has been drawn to the fact that there is a huge demand on an office (details supplied) of the Revenue Commissioners during the lunch time period which has resulted in persons queuing in all weathers on the pavement; and if this issue will be examined with a view to arranging for additional staff during this period. [28571/04]

Minister for Finance (Mr. Cowen): I am advised by the Revenue Commissioners that the office in question, the Revenue Central Information at Cathedral Street, Dublin, which is open from 9.30 a.m. to 5 p.m. from Monday to Friday is currently experiencing significant growth in the number of callers. While staff are rostered to reflect the pattern and numbers of callers, Revenue recognises that there were times recently when increased demands for services resulted in lengthy queues. The size and physical layout of the building have meant that, occasionally, the queues have extended outside the building.

A review of the operation of this office is just being finalised by Revenue. Arising from this, additional staff are being assigned to the office and the physical layout of the building will be altered with the aim of significantly reducing the waiting time for callers and eliminating the need for anybody to queue outside the building.

Fishing Fleet Modernisation.

180. **Cecilia Keaveney** asked the Minister for Communications, Marine and Natural Resources the position on a fishing vessel for a person (details supplied) in County Donegal; and if he will make a statement on the matter. [28518/04]

Minister of State at the Department of Communications, Marine and Natural Resources (Mr. Gallagher): I understand from the Licensing Authority for Sea-Fishing Boats, established last year under the Fisheries (Amendment) Act 2003, that the vessel concerned, which was lost at sea in 1981, was the subject of an application to the Department in July 2001 under a limited scheme known as the lost at sea scheme. This scheme allowed successful applicants to use the capacity of fishing vessels lost at sea in the 1980s for the purposes of introducing replacement vessels into the Irish fleet. While the application concerned appeared *prima facie* to meet all of the scheme's eligibility criteria, it subsequently came to the Department's attention that the application had not been completed or signed by the owner of the vessel, the individual to whom your question refers. As the individual concerned was the only person eligible to apply under the scheme, and did not do so by the scheme's closing date of 31 December 2001, the capacity of the vessel may not be used to introduce a replacement vessel. I understand that the position has been fully explained to him in writing.

Wage Agreements.

181. **Mr. R. Bruton** asked the Minister for Communications, Marine and Natural Resources if workers in An Post have to date obtained a pay increase under the terms of the national wage agreement; the reasons this has not happened; if, in respect of his discussions with An Post, there is a likely timeframe involved in terms of paying all the outstanding moneys concerned to such workers; and if he will make a statement on the matter. [28533/04]

Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey): This is an operational matter for the board and management of An Post. I have no function in regard to this issue.

Fisheries Protection.

182. **Dr. Upton** asked the Minister for Communications, Marine and Natural Resources re his responsibilities to ensure the free movement of fish up rivers to reach their spawning

beds, especially salmon and sea trout which are threatened by over-fishing; if he was consulted regarding the recent works carried out on the River Slaney at Ballycarney Bridge in Ballycarney, County Wexford; his views on the works in question; if they were communicated to the persons concerned; if his attention has been drawn to the fact that the works were carried out in such a manner as will now make the passage of salmon and trout hazardous and difficult; the steps he will take to rectify the situation; and if he will make a statement on the matter. [28575/04]

Minister of State at the Department of Communications, Marine and Natural Resources (Mr. Gallagher): I understand that Wexford County Council has this year been carrying out extensive strengthening works at Ballycarney Bridge on the River Slaney. These works were scheduled to be completed by the end of September 2004, but at that time the county council advised the Department of Communications, Marine and Natural Resources that additional emergency works were required to prevent further deterioration in the bridge superstructure that, if not rectified, could lead to subsidence or collapse of the bridge, with potential flooding, not to mention traffic difficulties, resulting. As this meant the works were heading into the fisheries close season, Wexford County Council applied to the Department of Communications, Marine and Natural Resources, as required under section 6(1) of the Local Authorities (Works) Act 1949, seeking approval for an extension of time to carry out these further remedial works.

On 19 October 2004, the Department of Communications, Marine and Natural Resources gave its approval for the essential works by the county council to proceed subject to the following conditions: that Wexford County Council comply with any requirements and directions that the Eastern Regional Fisheries Board may make in connection with these works, and that Wexford County Council adopt suitable practices to minimise any risk of spillage of any fuels, paint, cement or any other pollutant matter into the watercourses. In particular, it was specified that the works should conform to the Department's publication entitled "Fishery Guidelines for Local Authority Works", dated 1998, unless as otherwise varied or directed by the Eastern Regional Fisheries Board.

Under the Fisheries Acts, primary responsibility for the conservation, protection and management of inland fisheries stocks rests with the local fisheries board, in this case the Eastern Regional Fisheries Board.

I am advised by the board that during the course of the works carried out by Wexford County Council at Ballycarney Bridge, the passage of fish was not obstructed. The board further advises me that since the remedial work was completed by the county council, the river has been in flood but that it is the board's belief that the works involved have not altered conditions in a

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negative way regarding the free passage of fish upriver at Ballycarney Bridge. The Eastern Regional Fisheries Board assures me, however, that it will continue to monitor the river conditions at the bridge and will liaise with the Department and Wexford County Council in this matter should the need arise.

Postal Services.

183. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources if he has satisfied himself regarding the future of An Post with particular reference to the need to ensure the non-interruption of services in the approach to Christmas 2004; if all steps are being taken to address the relevant issues; and if he will make a statement on the matter. [28586/04]

Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey): The management of An Post has been involved in a process of detailed negotiation with its unions to reach agreement on achieving a clear path towards financial stability. All parties concerned have committed themselves to this process under the auspices of the Labour Relations Commission. The mechanisms offered by the industrial relations machinery of the State should continue to be used by all parties to agree and implement a framework for the necessary restructuring of An Post.

Telecommunications Services.

184. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources the most modern options now available in respect of provision of broadband or other high-tech communication facilities; the degree to which provision of such facilities is being pursued here; the extent to which Ireland is capable of keeping pace with and catching up on competitors in this area; and if he will make a statement on the matter. [28587/04]

Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey): The delivery of broadband and other high-tech communication facilities is a matter for the fully liberalised telecommunications sector, regulated by the Commission for Communications Regulation, ComReg.

The Government set aside an indicative €200 million under the National Development Plan 2000-2006 for investment in broadband infrastructure, including the regional metropolitan area network programme. These networks consist of high-capacity fibre trunks, built to the highest international standards, and with sufficient capacity to cater for many years into the future.

The infrastructure being built under the programme will remain in State ownership, and is being managed for the State on an open-access basis by E-Net, which has been awarded the services concession contract following a public ten-

der process. Private sector companies are now able to offer world-class broadband services based on the provision of infrastructure by the State. Under the National Development Plan 2000-2006, the Government has also co-invested with Eircom and Esat BT in the roll-out of DSL broadband and in the ESB's national fibre-wrap project.

The latest figures from ComReg show that there are now 104,700 broadband customers in Ireland, and this figure is rising by 30% per quarter. The infrastructure roll-out has enhanced the sector's offerings of broadband in all areas, using a variety of delivery platforms.

Full details of the regional broadband programme can be found on my Department's website, www.dcmnr.gov.ie. Details of broadband product offerings in various parts of the country can be found at www.broadband.gov.ie.

185. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources the reason for the delay in the provision of broadband facilities in view of the commitment to achieve 320,000 connections by 2005; and if he will make a statement on the matter. [28588/04]

Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey): The provision of telecommunications services, including broadband, is a matter in the first instance for the private sector companies operating in a fully liberalised market, regulated by ComReg, the Commission for Communications Regulation. Recent figures from ComReg indicate that there are now 104,700 broadband customers, and this figure is rising by 30% per quarter.

Exploration for Natural Resources.

186. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources the number of oil, gas and other mineral mining explorations, ongoing, proposed or concluded; the viability of deposits identified; the cost in terms of tax foregone in the course of the explorations; and if he will make a statement on the matter. [28591/04]

Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey): Current authorisations for petroleum exploration include: seven exploration licences — six frontier licences and one deep-water licence — the most recent of which is a frontier licence issued last April; 19 licensing options, including two onshore, of which three are the subject of discussions on extensions; and ten petroleum prospecting licenses, PPLs. Exploration is ongoing under all of these authorisations. A further application for a frontier exploration licence is under consideration. An exploration well was drilled in the Celtic Sea this summer, but was plugged and abandoned last August.

A licensing round for the north-east Rockall basin was announced on 27 July last, with a clos-

ing date of 31 March 2005. I intend to make an announcement in the coming months regarding a further licensing round. This round will be over the Slyne/Erris or Donegal basin regions, or both, with a closing date in 2005 or 2006. The Corrib field was declared commercial in January 2001 and the Seven Heads field in April 2002. There have been no recent commercial finds since then. Therefore, the question of tax does not arise.

The position on non-petroleum minerals has not changed since my reply to a similar question, Question No. 126 of 21 October 2004. Tax is not relevant to prospecting.

Mobile Telephony.

187. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources the progress to date in the registration of all mobile telephones with particular reference to the need to counter child pornography; and if he will make a statement on the matter. [28592/04]

Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey): Officials in my Department have been exploring for some time with both the industry and ComReg the matter of a register for users of all new 2G and 3G prepaid mobile phone services or some other industry scheme that would provide sufficient protection to the public. The principal aim of any such register would be to enable effective tracing of perpetrators of criminal activities using these services. The registration of prepaid mobile phone services is a complex issue and the exact nature of such a register must be given careful thought.

The consideration of the legal, technical and practical issues surrounding this proposal is continuing in consultation with all the interested parties, including the Department of Justice, Equality and Law Reform and the Data Protection Commissioner. Legislation is already in place to prosecute the issue of nuisance and criminal calls, and the sending of pornographic images by mobile phones. My colleague the Minister for Justice, Equality and Law Reform is responsible for policy on the protection of children from the transmission of pornographic images by phones and other media.

Broadcasting Legislation.

188. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources the position in regard to his proposals in respect of broadcasting in the future; when he expects to be in a position to indicate his intentions in this regard; and if he will make a statement on the matter. [28593/04]

Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey): I refer the Deputy to my reply to Question No. 137 on Thursday, 21 October 2004.

Alternative Energy Projects.

189. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources his plans to encourage the production of alternative electricity for contribution to the national grid; and if he will make a statement on the matter. [28594/04]

190. **Mr. Durkan** asked the Minister for Communications, Marine and Natural Resources his short, medium and long term proposals to encourage alternative and environmentally friendly energy production; the extent to which he expects such sources to contribute to the national requirements in this regard in the next five years; and if he will make a statement on the matter. [28595/04]

Minister for Communications, Marine and Natural Resources (Mr. N. Dempsey): I propose to take Questions Nos. 189 and 190 together.

The current target, in the electricity market, is to add 500 MW of new renewable energy based electricity generating plant to the electricity network by 2005. This is supplemented by a more recent target set in AER VI to support the construction of an additional 218 MW of new generating plant by 2006 at the latest.

AER VI brings to a close an initial programme to add renewable energy technologies to the electricity network by competitive tendering, with wind energy dominant. At the end of last year, a consultation document entitled "Options for Future Renewable Energy Policy, Targets and Programmes" was published and public comment was invited on future targets and support mechanisms.

In May of this year, a renewable energy development group, chaired by my Department, was established. The group comprises relevant experts from the administrative, industrial and scientific sectors. This group has engaged in assessments of the various responses to the public consultation and will advise on future options on policies, targets, programmes and support measures to develop the increased use of renewable energy in the electricity market to 2010 and beyond. This group's report, which is a comprehensive review of all pertinent issues, is due before the end of this year and will form the basis of future policy decisions on the increased penetration of renewable energy technologies in the electricity market.

In addition, an amendment to the Finance Act 1999 provides for the introduction of a scheme for excise tax relief for bio-fuels which are also renewable fuels used as alternatives for fossil fuels in vehicles. The purpose of the scheme is to allow qualified relief from excise of bio-fuel used in approved pilot projects for either the production of bio-fuel or the testing of the technical viability of bio-fuel for use as a motor fuel.

In tandem with these programmes, Sustainable Energy Ireland, SEI, the independent non-commercial State body focused exclusively on sus-

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tainable use of energy including deployment of renewable energy sources, has commenced a challenging work programme to increase energy efficiency and to promote renewable energy technologies. In the renewable energy field specifically, SEI has opened a research, development and demonstration programme for renewable energy technologies. The programme is open to a wide range of proposals including policy studies, field research, feasibility studies and technology RD&D.

Diplomatic Relations.

191. **Mr. F. McGrath** asked the Minister for Foreign Affairs if he will urge the US Government to investigate the activities of US based terror groups attacking the people of Cuba; and the position regarding the EU relationship with Cuba. [28517/04]

Minister for Foreign Affairs (Mr. D. Ahern): In the absence of more detailed information on the identity and the nature and activities of any such groups, I am afraid that I am not in a position to make a comment.

With regard to the EU-Cuba relationship, I refer the Deputy to my reply to Question 179 of 10 November 2004.

Work Permits.

192. **Mr. Kehoe** asked the Minister for Enterprise, Trade and Employment the status of the appeal for a work permit from a person (details supplied) in County Wexford; when a decision will be made; and if he will make a statement on the matter. [28503/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): An appeal was received from the employer concerned on 1 November 2004 and is still under consideration. A decision will be made in this case shortly and the employer will be notified.

International Trade.

193. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment Ireland's newest and most lucrative trading partners in respect of both imports and exports; and if he will make a statement on the matter. [28607/04]

Minister of State at the Department of Enterprise, Trade and Employment (Mr. M. Ahern): Ireland exports across the globe. The Government's strategy is to create further market opportunities by assisting companies to deepen market penetration where they are established and to establish in new markets where export opportunities exist. Through Enterprise Ireland, the Government supports the growth of Irish exports by working with individual companies in identifying new product and market opportunities and devising and implementing appropriate strategies to capitalise on them.

New market opportunities are explored by the Enterprise Ireland overseas office network. It provides market intelligence for potential buyers and for the different economic sectors. That information is made available to Enterprise Ireland clients and incorporated, as appropriate, in their company development plans. In addition, the Enterprise Ireland annual business review comprehensively addresses the sales and export markets of clients, and specifically focuses on designated priority markets in the period under review.

Enterprise Ireland develops new market opportunities for clients by arranging meetings with significant international buyers, either through inward buyer missions or outward trade missions. In 2003, Enterprise Ireland arranged more than 9,000 sales meetings on behalf of Irish companies. New markets across the globe were accessed by 168 client companies of Enterprise Ireland. These included 110 first-time exporters. In addition, 159 Enterprise Ireland client companies established an overseas presence in 2003 to enhance their trading performances and prospects internationally.

To date, 15 overseas trade missions to countries in Europe, North America and South America, the Middle East and Asia have been lead by the Taoiseach, Ministers and Ministers of State, respectively. European and North American markets continue to dominate our export trade. The United States is now our largest export market, accounting for approximately 20% of total exports. The UK now accounts for approximately 17% of our exports. However, when taken together, the member countries of the European Union are primarily important to our exporters. They account for approximately 62% of exports to date this year.

Insurance Industry.

194. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment if insurance costs here remain a deterrent to investment; and if he will make a statement on the matter. [28609/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): According to the National Competitiveness Council's Statement on Prices and Costs, Ireland's expenditure on life insurance ranked fifth highest out of 16 countries, behind Switzerland, the US, the Netherlands and the UK.

There has been an improvement in the functioning of the Irish insurance market. The Irish Insurance Federation recently revealed that the 20 non-life insurance companies operating in the Irish market made a combined operating profit of €747 million in 2003. While insurance profitability has led to reductions in premia, it also enhances the attractiveness of the market to prospective new entrants.

The Government's determined action in introducing reform in the insurance sector is evident

through the establishment of the Motor Insurance Advisory Board, MIAB, and in June of this year the establishment of the Personal Injuries Assessment Board, PIAB. The PIAB provides independent assessment of personal injury compensation without the need for most of the current litigation costs, thereby reducing the costs significantly. These insurance reforms have already led to cost savings this year for some businesses. According to the Central Statistics Office, motor insurance has decreased by 15% in the past 12 months. These cost reductions have improved Ireland's cost competitiveness, thereby enhancing our attractiveness as a location for investment.

195. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the extent to which public liability or other insurance costs here compare with other European countries, trading partners or competitors; and if he will make a statement on the matter. [28610/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): A comparison of insurance figures in European countries is available in "European Insurance in Figures — June 2003", published by the Comité Européen Des Assurances, CEA. This report contains details on "Average non-life premium per inhabitant" and the figures include motor and public liability insurance.

Figures for 2001 show that, of 29 European countries listed, Ireland ranked fourth highest with a value of €1,123. Luxembourg was highest, with a value of €2,084, Switzerland was second highest, with a value of €1,642, and the Netherlands was third, with a value of €1,125. The United Kingdom, with a value of €1,072, was fifth highest. Estonia was second lowest, with a value of €67, and Turkey was lowest, with a value of €23. The average premium in Europe in 2001 was €581.

The ratios need to be analysed carefully. The figures comparing premium amounts to the number of inhabitants do not correspond to sums actually paid by insured persons and, in addition, they do not always include only or all premiums paid by the inhabitants of the country concerned.

These 2001 comparisons do not reflect recent experience in Ireland as a result of the Government's insurance reform programme. Indications to date are that the cost of insurance in Ireland is falling. The CSO publishes monthly indices of costs for a number of classes of insurance. These statistics show that there was a reduction of 19.3% in motorcar insurance between the months of April 2003 and September 2004. This is the latest figure available. There are also reported reductions in the cost of premia for public and employer liability insurance.

My Department no longer regulates insurance companies. This responsibility has passed to the Irish Financial Services Regulatory Authority, IFSRA, under the aegis of my colleague the Minister for Finance. IFSRA has conducted a number of cost surveys on motor insurance and, I under-

stand, proposes to undertake cost surveys for public liability and employer liability.

FÁS Training Programmes.

196. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the extent to which he has given consideration to the number of persons on employment or training schemes through FÁS or other agencies; the degree to which he has examined the prospect of the allocation of extra funding to FÁS in the Estimates for 2005 with a view to enhancing the programmes available to FÁS and other agencies; and if he will make a statement on the matter. [28611/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Details of funding in support of employment and training schemes delivered through agencies under the remit of my Department will be contained in the Abridged Estimates Volume which is to be published later this week.

197. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the degree to which he expects to provide adequate funds to enable FÁS continue its current programme and restore programmes dropped due to lack of funding; and if he will make a statement on the matter. [28613/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Details of funding in support of employment and training schemes delivered through agencies under the remit of my Department will be contained in the Abridged Estimates Volume which is to be published later this week.

Work Permits.

198. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the number of work permits granted to first time applicants in the past 12 months; the way in which this figure corresponds with previous years; and if he will make a statement on the matter. [28614/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The number of new work permit applications granted from 1 January 2004 to date and the number granted in previous years is as follows:

Year	Number
2004	8,882
2003	21,932
2002	23,306
2001	29,542
2000	15,328
1999	4,323

199. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the number of work permits granted in each of the past five years; the number refused in the same period; and

[Mr. Durkan.]
if he will make a statement on the matter.
[28615/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): The number of work permit applications granted and refused in the past five years is as follows:—

Year	Granted	Refused
2004	29,447	1,264
2003	47,492	1,629
2002	40,284	1,072
2001	36,375	736
2000	17,872	352
1999	6,244	277

Job Creation.

200. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the reasons given by overseas investors who have failed to follow through on job creation proposals here; and if he will make a statement on the matter.
[28616/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment to Ireland, including its regions and areas, apart from the Shannon free zone which is the responsibility of Shannon Development. Overseas companies that are clients of these two development agencies submit investment proposals to the agencies for consideration for state support. Typically, these proposals include fixed assets — capital — labour and technology-research and development components.

The proposals set out indicative targets for achievement of the investment using criteria such as sales, profitability, exports and employment. Each investment proposal is subjected to an economic appraisal by the agencies prior to agreement of support. Once approved by the agencies, achievement of the targets set out in the proposal is subject to overall economic conditions, activity in the sector in which a company operates and sales orders etc. In many cases, depending on the circumstances outlined, investors often meet or exceed their targets. However, in some cases some targets are not met or only met over a longer time frame.

With respect to overseas companies, their overall performance against target has been remarkably strong. That said, in some cases, projected employment growth has not always materialised. There are a number of reasons for this. These include a downturn in global economic conditions; reduced customer demand; sector specific conditions; restructuring of industry or parent company; over estimation of jobs to flow from investment; inability to find suitably qualified

staff and difficulties in attracting staff due to full employment conditions etc.

The development agencies and their client companies continually monitor the performance of an investment against agreed targets. In certain circumstances, the agencies can, under the terms of the legal agreement signed between the agencies and the investing company, seek repayment of financial support when targets are not met. The economic environment in 2004 has changed significantly since many clients submitted investment proposals in the latter half of the 90s. At that time the world economy, particularly in the high tech sectors was experiencing very strong growth. Consequently, the proposals approved by the agencies reflected high projected growth in sales, profitability and jobs. In 2000-01, there was a sharp downturn in the world economy resulting in substantially reduced orders, high levels of inventories and in many cases losses. To compensate for the fall in sales companies were forced to dramatically reduce their production capacity resulting in high lay-offs throughout the world.

Although the world economies have continued to recover since then, employment has not reached pre 2000 levels. In many cases companies want to avoid having to repeat the experience of having to make substantial lay-offs, and therefore, their employment levels have not expanded as quickly as originally anticipated. In addition, many companies are outsourcing manufacturing and services to lower cost locations notably India and China. Companies sometimes make decisions not to locate in a particular country even after it has visited that country.

The typical profile of projects setting up in Ireland has changed from manufacturing to mainly service and support functions. Under pressure from a changing economic environment, companies which had planned to set up manufacturing operations in Ireland with relatively high job numbers are now implementing different projects with higher value added functions but with lower job numbers. This is the type of investment that IDA Ireland are now primarily targeting and which is most suited to our modern economy.

201. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the number of foreign investors who have indicated an intention to invest here within the past two years; the number of such actual investments that have taken place; and if he will make a statement on the matter. [28617/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment to Ireland, including its regions and areas. The following table provides details of the number of overseas announcements regard intentions to invest together with total associated job content and start-ups for the years 2002 and 2003 and to end October 2004.

In 2003, 32 greenfield and expansion job creation projects were announced by IDA Ireland with a projected total job content of nearly 5,600 jobs compared to 29 projects with a projected total job content of almost 4,800 in 2002. This result was achieved against the backdrop of two consecutive years of falling global inflows of foreign direct investment. In 2002, for example, global foreign direct investment inflows declined by one-fifth to \$651 billion, the lowest level since 1998.

Looking to 2004, IDA believes there have been improvements in terms of new investments into Ireland and of growth in the value and scale of activities in overseas companies operating here.

Year	No. of Announcements	Total Jobs to be Created from announcements	Associated Project Start Ups
2002	29	4,785+	11*
2003	32	5,571+	12
To 31/10/04	32	3,911+	N/A

* Includes start-ups in 2002 (8) and 2003 (3).

202. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment the main factors presenting as deterrents to foreign investors here; if insurance or other costs, construction costs, administrative costs or other factors feature mainly; the way in which he proposes to address the issue; and if he will make a statement on the matter. [28618/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): IDA Ireland is the agency with statutory responsibility for the attraction of foreign direct investment to Ireland, including its regions and areas. According to IDA Ireland, Ireland has many attributes that continue to make it one of the most attractive and successful countries in the world in terms of attracting mobile investment. These include a low corporation tax rate; educated skilled and English speaking workforce and business friendly and agile Government and EU membership.

Despite the fact that the level of foreign direct investment in Ireland, relative to the size of the economy is one of the highest in the world, there are circumstances and factors that often work against us as the location of choice for specific investment projects. These include, in no particular order, a small domestic market of only four million, which is a significant drawback for some investors; a peripheral geographic location compared with more centrally located European countries, which increases transport-logistics costs, and reduces the speed of service that can be provided to customers; a higher wage and higher general cost level in relative terms than in the past compared with alternative locations in Eastern Europe and around the world — one of the key developments in recent years has been the large rise in low cost investment locations that are particularly competitive for low skill, low

This view is based on contacts with client companies and strong indications of a substantial recovery in growth in the global economy and consequent increased flows of FDI. IDA is now competing for some very significant, high value investments.

I should remind the Deputy that there is a time-lag, often involving a few years duration, between a projected investment being approved and work actually commencing on the project and jobs being created. I am confident the strategies and policies being pursued by IDA Ireland will continue to bear fruit in terms of delivering the maximum possible level of additional overseas investment and jobs for Ireland.

wage, projects and increasingly also for projects that are in the higher skill, higher technology, categories, which has happened concurrently with a general rise in costs across a range of areas in Ireland like insurance and housing, largely due to the successes of our economy in recent years; a lack of infrastructure in some cases, e.g. proximity to an international airport with good external flight connections and the quality of electricity supply. These factors particularly affect the Border, midland and west region; a lack of large urban populations with an attendant large labour pool and good range of services and amenities. Key elements of industrial policy that are in place to address these issues are as follows: IDA Ireland focusing on investment opportunities in sectors with low transport costs, e.g. high cost-low weight products, telecommunications intensive international-financial services projects, and targeting investments where companies require a location for producing products and services for sale globally, i.e. where the lack of a large domestic market is not important; the Government's national spatial strategy including its associated gateway and hub locations which is designed to concentrate resources, infrastructure, and amenities to create environments outside the existing main cities of Dublin, Cork etc. that will be attractive to foreign investment; IDA Ireland's regional policy which is giving priority to the marketing of gateway and hub locations; the national development plan and the associated progress being achieved in delivering vital infrastructural improvements in areas such as motorways, public transport, gas and electricity, broadband rollout etc. and a range of other initiatives aimed at improving the level of real competition in the economy, reducing costs, improve service levels etc.

[Mr. Martin.]

A key focus of current policy with regard to the attraction foreign investment is to equip Ireland with the skills, infrastructure, facilities and overall operating environment that will allow us to compete effectively for projects at the upper end of the high skill/high wage spectrum, which is where our competitive advantage now lies. A particular focus in this respect is in the area of attracting research and development activities to Ireland. The establishment of Science Foundation Ireland, the introduction of an research and development tax credit and IDA Ireland research and development capability and RTI schemes are already yielding considerable success as evidenced by the recent Bell Labs Project.

I am confident that the strategies and policies being pursued by IDA, together with the ongoing commitment of Government to regional development will bear fruit in terms of additional overseas investment and jobs for Ireland.

203. **Mr. Durkan** asked the Minister for Enterprise, Trade and Employment his proposals to address the issue of job relocation to lower wage or more competitive economies; and if he will make a statement on the matter. [28619/04]

Minister for Enterprise, Trade and Employment (Mr. Martin): Clearly, a more attractive cost environment abroad will inevitably attract some firms that are unable to produce in the high-wage environment of modern industrial economies. The continuing structural transformation of our economy is inevitable. With this, some plant transfers and other adjustments are bound to come, but where relocation has occurred to date, it has largely been limited to relatively low-technology, labour-intensive activities — those least suited to the economy we have become.

In recent years, the enterprise support agencies under my Department have been mandated to adjust their support strategies to meet both the needs of society in terms of high quality employment opportunities and the needs of businesses that generate and sustain those jobs. We must recognise that both outsourcing and relocation are inevitable in a free market and our economic performance has benefited considerably from winning investment from other economies. Future policies must ensure we are more open to the opportunities that expanding and less restricted global markets provide.

There are indications that economic prospects are improving and our propensity to capitalise on trends in global growth is likely to again stimulate business expansion and real employment growth. The Government and the economic development agencies are undertaking a number of co-ordinated strategies to sustain and promote employment growth. Our objective is to capitalise on the potential for research and development, new process and product innovation and more complex services activity to expand higher quality and more sustainable employment. Our aim is to

make Ireland one of the most attractive locations in the world from which to do business. Whether that business is undertaken here or elsewhere but managed from here, is a matter for individual enterprises. What is important, however, is that our economic and enterprise policies promote deeper, stronger and more profitable connections with global markets.

In this regard, the recent report of the enterprise strategy group recognises that we are at a turning point in terms of the competitive impact of global competition for markets and investments. That group made a number of key recommendations that are being considered by a high level committee to look at the most appropriate route to implementing the ESG recommendations. I will shortly be making a report to Government on their work and recommendations.

Carer's Allowance.

204. **Mr. Kehoe** asked the Minister for Social and Family Affairs the number of family carers receiving carers allowance; the amount of expenditure associated with same; the number of family carers not receiving carers allowance, but who are caring full time or part-time for cared for persons; if there are plans to pursue a national strategy for family carers; and if he will make a statement on the matter. [28530/04]

Minister for Social and Family Affairs (Mr. Brennan): The Central Statistics Office included a question in the 2002 Census to identify the number of persons providing unpaid personal care for a friend or family member with a long term illness, health problem or disability. The analysis of this portion of the Census found that 40,500 people provide 43 hours or more unpaid personal help per week, or more than six hours per day; 8,000 people provide 29-42 hours unpaid personal help per week, or between four and six hours per day; 15,400 people provide 15-28 hours unpaid personal help per week, or between two and four hours per day and 84,900 people provide one to 14 hours unpaid personal help per week, or up to two hours per day. There are currently more than 23,500 carers in receipt of carer's allowance or carer's benefit.

This means that almost 50% of the 48,500 carers, as estimated by the CSO to be caring for more than 4 hours per day, are in receipt of a specific carer's payment from my Department. People providing lower levels of care would not necessarily meet all the qualifying conditions for receipt of a carer's allowance. The 2004 estimate provides for expenditure of more than €203.8 million on the carer's allowance scheme and €8.5 million on the carer's benefit scheme. This represents a combined increase of more than 11.6% on last year's expenditure on carer's payments.

I am aware of the carers association's call for a national strategy for family carers. The Government will continue to develop services to recognise the value of caring and to provide real sup-

port and practical assistance to the people involved.

Social Welfare Benefits.

205. **Ms O. Mitchell** asked the Minister for Social and Family Affairs the reason a mother claiming benefit cannot claim for her children based on her own insurance if their husband is earning more than €300 a week. [28534/04]

Minister for Social and Family Affairs (Mr. Brennan): Child dependant allowance is an additional weekly payment made to social welfare recipients in respect of each qualified child dependant. A full CDA rate of €16.80 is payable to recipients of unemployment or disability benefit together with a qualified adult allowance where the spouse's gross weekly earnings do not exceed €210. Where earnings exceed €210 the full rate is no longer payable. In relation to CDA the rule was that where earnings exceed €210 half rate CDA was payable and this rate continued to be payable regardless of the earnings of the spouse. The change introduced earlier this year was that CDA would no longer be payable where earnings exceed €300 a week.

This measure was one of a number announced at the time of the publication of the 2004 Estimates to better target resources within the social welfare code. The measures in question are currently under review.

206. **Mr. Durkan** asked the Minister for Social and Family Affairs the maximum rent allowance payable in the case of a person (details supplied) in County Kildare; the usual rent payable to such tenants in cases in which the sole income derives from social welfare; if the previous and current rent supplement takes account of the fact that the tenant cares for her grandchild; and if he will make a statement on the matter. [28597/04]

Minister for Social and Family Affairs (Mr. Brennan): The South Western Area Health Board has advised that the person concerned is currently in receipt of a monthly rent supplement of €366.50. This is the maximum amount payable in her circumstances. This rate, and that paid to her previously, takes account of the fact that she cares for her grandson.

There is no standard rate of rent supplement payable to a person whose sole source of income is a social welfare payment. The amount of the social welfare payment has a bearing on the amount of rent supplement payable, as do other factors. The amount of rent supplement payable in any given case depends on the level of rent being paid, the household composition and the level of household income. As one or all of these factors can vary from case to case, different amounts of rent supplement are payable depending on the individual circumstances involved.

207. **Mr. Durkan** asked the Minister for Social and Family Affairs the reason rent allowance has

been refused in the case of a person (details supplied) in County Kildare; if his attention has been drawn to the fact that this applicant has previously been refused one parent family income allowance which in turn has forced them to live in unsatisfactory circumstances and conditions; and if he will make a statement on the matter. [28598/04]

Minister for Social and Family Affairs (Mr. Brennan): The South Western Area Health Board has advised that the person concerned made inquiries regarding rent supplement at her local health centre. She has not, however, made a formal application for rent supplement.

She was referred to her local housing authority to be assessed in respect of her accommodation needs as she was neither on the housing list nor an existing private sector tenant for six months or more. The board understands that the local authority has deemed her not to be in need of accommodation. One-parent family payment to the person concerned was terminated in 2003 on the grounds that she had failed to fully disclose her means. She has re-applied to my Department recently for one-parent family payment. On completion of the necessary inquiries a decision will be made on this claim and she will be notified of the outcome.

Under social welfare legislation, decisions on claims are made by deciding officers and appeals officers. These officers are statutorily appointed and I have no role in making such decisions.

Driving Tests.

208. **Mr. Ring** asked the Minister for Transport if the Government allows persons to undergo a driving test without taxing his vehicle; and if a directive in this regard has been sent out by his Department. [28496/04]

Minister for Transport (Mr. Cullen): Difficulties in determining appropriate motor taxation rates for certain vehicles had resulted in driving test candidates being turned away and not having tests conducted. Following consultations with the Department of the Environment, Heritage and Local Government who are responsible for motor tax policy we were advised that the enforcement of motor tax law is a matter for the Garda Síochána. Accordingly, my Department recently issued a circular letter to driver testers instructing them not to check motor tax discs on vehicles presented for test with effect from 6 December 2004. Non-compliance with motor tax law will not in the future be considered to be a valid reason for refusing to take a driving test candidate out on test. Under the Road Traffic Acts, the role of a driver tester is to assess the driving competency of candidates presenting for a driving test. To avoid doubt the advice of the Attorney General is being sought on this matter.

Taxi Hardship Panel.

209. **Mr. Crowe** asked the Minister for Transport if the taxi hardship scheme is closed for applications. [28497/04]

Minister for Transport (Mr. Cullen): The taxi hardship payments scheme is closed for applications. A closing date of 30 April 2004 was agreed with the taxi representative groups and advertised nationally on 27 February 2004. Some flexibility around this original closing date was allowed to take into account possible difficulties arising from postal disruptions that arose in April 2004. Subsequently, following discussions with taxi representative groups and in the light of the practical need to set a definitive closing date, it was decided that no further late applications under the scheme would be accepted by Area Development Management Limited after 5 p.m. on 24 September 2004. Written notice of this date was given to the taxi representative groups on 17 September 2004.

210. **Mr. Crowe** asked the Minister for Transport the amount paid out for the taxi hardship scheme; and the costs to administer same. [28498/04]

Minister for Transport (Mr. Cullen): Hardship payments totalling €13,957,000 have been made to 1,190 qualifying applicants under the Taxi Hardship Payments Scheme to 9 November 2004.

The cost of administering the taxi hardship payments scheme by Area Development Management Limited to 31 October 2004 was €580,564, including set-up costs. Further projected administration expenditure in the region of €30,000 is anticipated for the November to December 2004 period. ADM operates as a not for profit organisation and has to directly recoup all the costs it incurs in administering schemes or projects on behalf of the State.

Rail Network.

211. **Ms O. Mitchell** asked the Minister for Transport the amount spent by the Railway Procurement Agency to date in developing a metro for Dublin; and if he will make a statement on the matter. [28528/04]

Minister for Transport (Mr. Cullen): To date, the Railway Procurement Agency has spent €7.5 million on the metro project.

In late 2001 and early 2002, the RPA engaged financial, legal, technical and transport consultants to assist in developing the metro project. A number of tasks have been completed including a full alignment study; detailed alignment design; detailed transport modelling; a cost benefit analysis; detailed capital cost estimates and benchmarking; full assessment of potential development contributions; detailed risk analysis of the project; development of a procurement strategy; financial modelling; appraisal of project cash-flows; business case development; design feasi-

bility studies for underground stations; archaeological studies; market consultation with potential bidders; pre-qualification of bidders; preliminary drafting of tender documents; EIS scoping; detailed risk assessment of twin versus mono bore tunnel and operational design. No expenditure has been incurred since February 2004.

Public Transport.

212. **Mr. F. McGrath** asked the Minister for Transport the way in which Dublin Bus deal with regular commuter complaints regarding its bus service; and if he will make a statement on the matter. [28531/04]

Minister for Transport (Mr. Martin): The matter raised is an operational issue for Dublin Bus. However, I am pleased to inform the Deputy that each of the three CIE operating companies has a customer charter in operation for a number of years. Copies of the charters are available from the respective company offices and can also be accessed on the company websites. Audits of the charters are carried out on an annual basis by independent market researchers. These audits identify areas where customer expectations have been met and where customers are seeking improvements.

Road Safety.

213. **Mr. Gregory** asked the Minister for Transport if a survey or study of road accidents involving heavy vehicles, trucks and so on will be commissioned by him, in view of the very high incidence of fatalities in road accidents involving lorries; and if he will make a statement on the matter. [28558/04]

Minister for Transport (Mr. Cullen): Statistics relating to road accidents, based on information provided by the Garda Síochána, are published by the National Roads Authority in their annual road accident facts reports. The most recent report is in respect of 2002 and that report, along with reports relating to previous years, are available in the Oireachtas library.

The road accident facts reports contain details of the number of accidents where goods vehicles were involved. Provisional figures for 2003 indicate that 336 road deaths occurred during that year. A breakdown of the number of traffic accident fatalities in 2003, involving goods vehicles, is not yet fully analysed and authenticated. Details will be set out in the Road Accident Facts, 2003, which will be published by the National Roads Authority in the near future. In 2002, there were 346 fatal accidents and 376 fatalities. Goods vehicles were involved in 50 fatal accidents. In 2002, goods vehicles comprised 12.5% of the vehicle fleet and were involved in 14% of fatal accidents. An NRA study relating to the number of vehicle kilometres of travel in Ireland in 2001 indicate that the average number of kilometres travelled by goods vehicles is significantly higher than other vehicle types. There is no evidence

therefore that heavy goods vehicles are disproportionately involved in road collisions. It is unfortunately the case, however, that the consequences resulting from a collision with a heavy goods vehicle are generally more severe than with a smaller type of vehicle.

The primary immediate investigative role in relation to road accidents is vested in the Garda Síochána. Priority in such investigations must be given to determining the causes of road accidents and in particular whether a breach of the road traffic laws contributed to the occurrence. Given the pivotal role played by the Garda in accident investigation, they are tasked with the preparation of detailed reports in relation to each accident they attend. These reports are forwarded to the National Roads Authority and subsequently to each local authority to establish accident trends and causes generally and to facilitate remedial works to road infrastructure where such action is deemed to be necessary.

In view of the arrangements outlined, I do not consider that separate surveys or studies of accidents involving heavy goods vehicles, as suggested by the Deputy, are necessary.

Grant Aid.

214. **Mr. Ring** asked the Minister for Community, Rural and Gaeltacht Affairs if he has received a request for €1.685 million by a working group (details supplied) in County Mayo; the position regarding same; if consideration will be given to this package; and when the necessary funding will be supplied. [28553/04]

Minister for Community, Rural and Gaeltacht Affairs (Éamon Ó Cuív): As the Deputy is aware lead responsibility in this instance lies with my colleague, the Minister for the Environment, Heritage and Local Government.

My Department has, however, played an active role within the framework of its own remit, in the process of dealing with the effects of the landslides of September 2003 and was represented on the Poll a Thomáis implementation working group set up in March 2004. Poll a Thomáis is a designated Gaeltacht area and, as Minister with responsibility for Gaeltacht affairs, I have visited the area on numerous occasions and discussed progress with those involved and with Mayo County Council. My Department has made a total of €148,115 in funding available to date for repair works to the graveyard, walls and roads in the area. I have noted the contents of the final report of the working group, which outlines the work that remains to be undertaken.

While my Department will continue to assist in every way possible with the completion of the remaining works necessary as result of the landslides, I must point out that limited funding is available to it for capital projects under the Gaeltacht improvement schemes. This funding is allocated to diverse projects in all Gaeltacht areas, including strategic roads, access roads, bog roads,

village renewal, strategic Gaeltacht piers and community and leisure facilities.

Grant Payments.

215. **Mr. Neville** asked the Minister for Agriculture and Food when details of the single payment will be forwarded to a person (details supplied) in County Limerick. [28551/04]

Minister for Agriculture and Food (Mary Coughlan): The issue of the statement of provisional entitlements has been delayed in this case because a special beef premium payment due to the person named had not issued and therefore had not carried across to his entitlements. This payment has now been manually added to his single payment entitlement details and a statement will issue to him shortly.

Afforestation Programme.

216. **Mr. Ó Fearghail** asked the Minister for Agriculture and Food her views on the desirability of achieving an affordable rate of 20,000 hectares per annum; the strategies she will employ to achieve this target; and if she will make a statement on the matter. [28552/04]

Minister for Agriculture and Food (Mary Coughlan): The planting target of 20,000 hectares per annum was established under the 1996 Strategic Plan for the Development of the Forestry Sector in Ireland — Growing for the Future. This target was re-affirmed recently in Peter Bacon and Associates Review and Appraisal of Ireland's Forestry Development Strategy, September 2004, although it was also noted that a lesser annual planting figure could be justified if the planting was undertaken in a manner that maximised the non-timber benefits.

In terms of the strategies employed to achieve this target, my Department offers a 100% afforestation grant covering the costs associated with the establishment of the plantation, coupled with a 20 year premium for farmers and a 15 year premium for non-farmers to cover loss of income. In addition, earnings from commercial forestry are exempt from income taxes and from capital gains tax on the timber asset.

The advent of the single payment scheme in 2005 and the concessions offered to farm foresters in regard to the consolidation of entitlements, means that prospective farm foresters are currently in the position of being able to afforest up to 50% of their average claimed eligible land while receiving full single payment entitlements and also their twenty year forestry premium. As a result, there has never been a better time for farmers to participate in the afforestation programme. I would therefore urge all landowners considering forestry as a land use option, to make best use of the generous supports currently available.

217. **Mr. Ó Fearghail** asked the Minister for Agriculture and Food his views on the way in

[Mr. Ó Feargháil.] which the afforestation programme may contribute to enabling Ireland to achieve its Kyoto commitments. [28555/04]

Minister for Agriculture and Food (Mary Coughlan): The main contribution from forestry towards meeting Ireland's commitments under Article 3.3 of the Kyoto Protocol will be through the planting of new forests since 1990. These forests will remove considerable amounts of carbon dioxide, the main greenhouse gas, from the atmosphere by the beginning of the first commitment period of the protocol, in 2008.

Current estimates suggest that over the five years of the first commitment period under Kyoto, from 2008 to 2012, these forests will be storing in excess of 1.7 million tonnes of carbon dioxide per annum. Ireland's annual reduction target at that time, given current measures and trends, will be some 10.7 million tonnes of carbon dioxide per annum. Forestry will therefore comprise 16% of the emission reductions required. Ireland has the highest growth rates for a range of tree species in Europe. As a result afforestation has the ability to deliver real climate benefits within a relatively short time-frame, certainly within six to ten years.

In addition, the development of a wood fuel industry would ensure a carbon-neutral energy source and reduce overall emissions of carbon dioxide.

Grant Payments.

218. **Mr. N. O'Keefe** asked the Minister for Agriculture and Food when slaughter premium will issue to an estate of a person (details supplied) in respect of 20 animals slaughtered in 2003. [28560/04]

Minister for Agriculture and Food (Mary Coughlan): Outstanding payments due to the estate of a deceased herd owner cannot usually be made in the absence of grant of probate. However, in this case, as it is understood that solicitors acting on behalf of the estate of the late person named are experiencing difficulties which are delaying the grant of probate, my Department has advised that an appropriate letter of indemnity will suffice.

Accordingly, on provision of the letter of indemnity to my Department arrangements will be made for the issuing of the payments in question.

219. **Mr. N. O'Keefe** asked the Minister for Agriculture and Food when payment of the dairy premium will issue to a person (details supplied) in County Cork. [28562/04]

Minister for Agriculture and Food (Mary Coughlan): The herd of the person named was the subject of an on the spot field inspection on 13 October 2004. Payment in the amount of

€4,885.38 issued to the person named on 15 November 2004.

Rural Environment Protection Scheme.

220. **Mr. P. Breen** asked the Minister for Agriculture and Food if the REP scheme will be in place until 2013 in view of the fact that the reforms in Agenda 2000 were changed after three years; and if she will make a statement on the matter. [28576/04]

Minister for Agriculture and Food (Mary Coughlan): The rural environment protection scheme is Ireland's agri-environment programme under Council Regulation (EC) No 1257/1999. This regulation remains in force until 31 December 2006 and was not affected by the mid-term review of the Common Agricultural Policy.

Formulation of a new council regulation on rural development for the next programming period, 2007-13, is at an advanced stage. The new regulation not only makes specific provision for agri-environment programmes up to 2013 but, like the current regulation, makes them mandatory for all member states. In discussions on the new regulation, my officials have pointed to the success of REPS. I am confident the new regulation, when finalised, will provide a framework for the further evolution of REPS as a scheme delivering substantial benefits both to farmers and to the environment.

Grant Payments.

221. **Mr. P. Breen** asked the Minister for Agriculture and Food the reason persons in REP scheme 2 who had opted to transfer to REP scheme 3 have not yet been processed for payment in any of her Department offices five months after the scheme was made available; and if she will make a statement on the matter. [28577/04]

Minister for Agriculture and Food (Mary Coughlan): As was indicated when REPS 3 was introduced in June of this year, REPS 2 participants transforming to REPS 3 have had their REPS 2 payments processed in the normal way and will receive top-up payments by the end of the year. These top-up payments will start to issue next week. This arrangement was a temporary one pending modification of my Department's systems. From this week on, REPS 2 farmers transforming to REPS 3 will receive the full REPS 3 payment.

222. **Mr. P. Breen** asked the Minister for Agriculture and Food the number of applications under the *force majeure* scheme for single farm payment which have been received to date from persons in County Clare; the number which have been successful, refused, appealed successfully or otherwise respectively; the number still awaiting a decision; and if she will make a statement on the matter. [28578/04]

Minister for Agriculture and Food (Mary Coughlan): The following is the up to date position regarding the processing of *force majeure* applications received from herd owners in County Clare under the single payment scheme:

	Number
No. of cases received	637
No. of successful applicants	88
No. of unsuccessful applicants	513
No. of cases requiring additional information	36
No. of applicants who submitted an appeal to the Independent Single Payment Appeals Committee	163
No. of successful appeals	7
No. of unsuccessful appeals	110
No. of applicants awaiting a decision	46

223. **Mr. P. Breen** asked the Minister for Agriculture and Food if she will carry out an investigation into the REP scheme appeal of a person (details enclosed) in County Clare to the director of the appeals office; her views on whether the delay in this case is totally unacceptable; and if she will make a statement on the matter. [28579/04]

Minister for Agriculture and Food (Mary Coughlan): Additional resources have now been allocated to the Agriculture Appeals Office to assist the director in dealing with arrears of work. It is expected that this case will be concluded within the next three weeks.

Deportation Orders.

224. **Mr. J. O’Keeffe** asked the Minister for Justice, Equality and Law Reform the number of families with children born in the State comprised of both parents who are non-EU nationals, who have been deported from the State; and if he will make a statement on the matter. [28506/04]

225. **Mr. J. O’Keeffe** asked the Minister for Justice, Equality and Law Reform the criteria which he applies in determining whether to deport the non-national parents of an Irish born child from the State; and if he will make a statement on the matter. [28510/04]

226. **Mr. J. O’Keeffe** asked the Minister for Justice, Equality and Law Reform if guidelines, procedures or rules exist for use in assessing the right of non-national parents of an Irish born child to remain in the State or for use in considering whether they should be deported; and if he will make a statement on the matter. [28511/04]

227. **Mr. J. O’Keeffe** asked the Minister for Justice, Equality and Law Reform the details of guidelines, procedures or rules which exist for use in assessing the right of non-national parents of an Irish born child to remain in the State or for use in considering whether they should be deported; and if he will make a statement on the matter. [28512/04]

239. **Mr. J. O’Keeffe** asked the Minister for Justice, Equality and Law Reform the number of children born in the State whose parents are both non-EU nationals, who have left the State accompanied by parents who were being deported from the State; and if he will make a statement on the matter. [28507/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I propose to take Questions Nos. 224 to 227, inclusive, and 239 together.

The figures in the following table show the number of non-national parents of Irish born children deported since the Supreme Court decision in the L& O case in January 2003. The figures do not distinguish whether one or both parents were non-EU nationals, as such separate statistics are not maintained.

Month	Year	Number of parents of Irish born children deported
February	2003	2
April	2003	1
May	2003	4
July	2003	4
August	2003	4
September	2003	1
October	2003	1
February	2004	2
March	2004	4
April	2004	4
August	2004	5
September	2004	2
October	2004	3
Total		37

Statistics are only maintained by my Department in respect of deportation orders made and effected in respect of non-nationals. As Irish born children are not themselves subject to deportation orders, statistics are not available in respect of the numbers of such children who accompanied their non-national parents when they were being deported, or the number of such children left behind in the State following the deportation of their parents. As I have stated previously, it is a matter for parents of a child who is not liable to be deported to make a decision in relation to the welfare of that child if they themselves are deported. Ordinarily, parents have a duty as well as a right to provide properly for their children’s upbringing and this duty is recognised by the Constitution. If parents acting in good faith leave their children in the care and custody of another appropriate person, the State will not interfere with those arrangements so long as the decision does not amount to a failure in the duty towards their child which would justify State intervention.

In respect of every person, including a parent of Irish born children, who has no legal entitlement to remain in the State, a notice issues pursuant to section 3(3) of the Immigration Act 1999,

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as amended, informing him or her of the Minister's intention to deport. The person is allowed fifteen working days in which to choose one of the following options: to make representations to the Minister setting out the reasons why he or she should not be deported; to leave the State before an order is made; or to consent to the making of a deportation order.

If a person chooses to return voluntarily, assistance will be provided if necessary. If a person chooses to make representations as to why he or she should not be deported a range of eleven factors must be taken into account in deciding the matter. The specific legislative provisions are set out under section 3(6) of the Immigration Act 1999, as amended, and section 5 of the Refugee Act, 1996, prohibition of refoulement. Further, consideration is given to the specific findings in the Supreme Court L&O judgment of January 2003 and to subsequent judgments. Included in this consideration are the family and domestic circumstances of the person concerned which would encompass the age and length of residence in the state of the Irish born child.

The judgment in the L&O case is complex but an important finding was that while an Irish born child has a right to have the care and company of its parents, there is no absolute right for this to take place in Ireland; further, that the Government may determine to deport a family, notwithstanding the effective removal of the Irish born child, without violating the 'hild's rights. The absence of such automatic rights of residence are a feature of most immigration regimes even those with *jus soli* rule of citizenship such as the USA.

Irish Prison Service.

228. **Mr. J. O'Keeffe** asked the Minister for Justice, Equality and Law Reform the number of staff who attend for work at the Curragh and Fort Mitchel prisons; the circumstances which prevail at both locations; and if he will make a statement on the matter. [28513/04]

229. **Mr. J. O'Keeffe** asked the Minister for Justice, Equality and Law Reform the basis on which overtime payments are made to staff at the Curragh and Fort Mitchel prisons; and if he will make a statement on the matter. [28514/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I propose to take Questions Nos. 228 and 229 together.

Because of security reasons and the need to carry out essential maintenance, a small cohort of prison staff continue to be assigned to duties at both the Curragh and Fort Mitchel places of detention. There are currently 11 and 12 staff serving at the Curragh and Fort Mitchel respectively. Any overtime payments to the staff who continue to be assigned to these places of detention are made on the same basis as overtime payments at all other locations in the Irish Prison Service. Had they not been kept on site, the

Prison Service would have had to retain private security firms which would have incurred additional costs. However, since the mothballing of these institutions, the Prison Service has been able to secure a saving of over €6 million in respect of pay costs of both facilities for the first nine months of 2004, when compared to the same nine-month period in 2003.

The mothballing of the Curragh and Fort Mitchel places of detention continues to achieve the Government's objective of significantly reducing overtime levels in the Prison Service. The staff from these institutions have been redeployed to effect overtime savings in other Prison Service institutions.

The staffing arrangements of both places of detention are being kept under continuing review and any decision in relation to the future of both places of detention will have regard to the ongoing discussions between the Irish Prison Service and the Prison Officers Association in relation to eliminating overtime and reducing other costs. These discussions are close to being concluded and I am hopeful that an agreement will be finalised in the next month or so and that staff will ballot for acceptance.

230. **Mr. J. O'Keeffe** asked the Minister for Justice, Equality and Law Reform if the purposes of closing the Curragh and Fort Mitchel prisons have been achieved in full; and if he will make a statement on the matter. [28515/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): The Deputy will be aware that the mothballing of the Curragh Place of Detention and Fort Mitchel Place of Detention was the subject of a Government decision on 11 November 2003. That decision approved a series of measures to be taken on a rolling basis with effect from 1 January, 2004 in the event of failure to reach agreement with the Prison Officers Association on a change agenda aimed at eliminating overtime payments and reducing other costs in the Irish Prison Service.

The reasons for the Government decision have been well aired in the House and in the Seanad. I refer the Deputy to the Adjournment debates in this House on 12, 18 and 27 November 2003 and to an Adjournment debate in the Seanad on 19 November 2003. In the course of those debates, I made it clear that the Irish Prison Service could not continue to spend public money to feed a chronic overtime culture while sustaining outdated and inefficient work practices. I also made it clear that I had no desire to close or mothball prisons and that my preference was for a mutually advantageous agreement with the Prison Officers Association which would ensure an efficient and cost effective prison service into the future. My position has not changed in that regard.

Regarding progress towards eliminating overtime and reducing other costs, extensive discussions between the Irish Prison Service and the

Prison Officers Association are close to being concluded and I am hopeful that an agreement will be finalised in the next month or so and that staff will ballot for acceptance. A decision on the future of both the Curragh and Fort Mitchel will have regard to this process. The mothballing of the Curragh and Fort Mitchel places of detention continues to achieve the Government's objective of significantly reducing overtime levels in the Prison Service. The staff from these institutions have been redeployed to effect overtime savings in other Prison Service institutions. On the conclusion of the current industrial relations process and the signing of a formal agreement with staff to eliminate the overtime culture in the Prison Service for the future, the temporary closure of the Curragh and Fort Mitchel will be reviewed.

Disability Support Service.

231. **Mr. Rabbitte** asked the Minister for Justice, Equality and Law Reform the breakdown, on a subhead basis, of the €2.5 billion spent in 2004 on disability specific services; if a detailed breakdown is not possible, the way in which the total figure is arrived at; and if he will make a statement on the matter. [28535/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): This figure of approximately €2.5 billion in 2004 was allocated to services and supports for persons with disabilities across a number of key Departments. The main elements of the expenditure are in the health sector, approximately €1.9 billion; special needs education funded through the Department of Education and Science, approximately €400 million; and the remainder is administered through a number of other Departments and agencies on disability specific services.

The figure does not include income support services provided through the Department of Social and Family Affairs or the Department of Health and Children. It also excludes expenditure on mainstream public services and programmes which are accessed by people with disabilities including for example transport services, general health services etc.

Investment in disability specific services has increased three fold since 2003 and now represents almost 7% of gross current public expenditure. The Deputy will be aware that at the recent launch of the national disability strategy, the Government outlined its commitment to a multi-annual investment programme for disability support services to be agreed within the Estimates and budget process.

Garda Deployment.

232. **Mr. Ring** asked the Minister for Justice, Equality and Law Reform when personnel at a Garda station (details supplied) in County Mayo will be replaced. [28543/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I have been informed by the

Garda authorities, who are responsible for the detailed allocation of resources, including personnel, that a Garda is due to be allocated to the Garda station, referred to by the Deputy, on 3 December 2004.

Regarding Garda resources generally, I am, pleased to say that the Government has approved my proposal to increase the strength of the Garda Síochána to 14,000 members on a phased basis, in line with an Agreed Programme for Government commitment in this regard. This is a key commitment in the programme for Government, and its implementation will significantly strengthen the operational capacity of the force. The Commissioner will now be drawing up plans on how best to distribute and manage these resources. Clearly, however, the additional resources will be targeted at the areas of greatest need, as is envisaged in the programme for Government. The programme identifies in particular areas with a significant drugs problem and a large number of public order offences, but it will be possible to address other priorities as well, such as the need to significantly increase the number of gardaí allocated to traffic duties. One thing I have already promised is that the additional gardaí will not be put on administrative duties. They will be put directly into frontline, operational, high-visibility policing. They will have a real impact.

Asylum Support Services.

233. **Mr. Ó Fearghail** asked the Minister for Justice, Equality and Law Reform his plans for the asylum seeker reception centre at Magee Barracks, Kildare, in view of the fact that the lands are to be developed for affordable housing. [28544/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): The Reception and Integration Agency which operates under the aegis of my Department is responsible for the provision of accommodation and ancillary services for asylum seekers. The agency currently operates 74 centres in 25 of the Twenty-six Counties. The accommodation centre located in Magee Barracks, Kildare Town currently houses 138 residents.

Since January 2003 the numbers accommodated by the agency have grown from 4,100 to 6,500 — an increase of 58% — against a backdrop of a serious shortage of accommodation of all tenures in the State. In keeping with long standing policy, the agency has sought to meet the challenges posed by the additional numbers requiring accommodation in a sensitive, balanced and proportionate way thus ensuring that no undue burden is placed on any particular area of the country.

Given the increased demand for accommodation and the proportionate dispersal of asylum seekers throughout the State, I am informed by the agency that it has no plans at this point in time to vacate the accommodation centre in Magee Barracks.

Communications Masts.

234. **Mr. Gregory** asked the Minister for Justice, Equality and Law Reform, further to Question No. 168 of 4 November 2004, if the Garda authorities will respond to the report of the planning enforcement officer (details supplied) which details the request made to the Garda; and if he will make a statement on the matter. [28545/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I refer the Deputy to my reply to Question No. 168 of 4 November 2004 based on the response from the Garda authorities on the matter.

I am advised by the Garda authorities that it remains the case that no request for information has been received from the planning enforcement section of Dublin City Council, notwithstanding that the council report supplied by the Deputy envisaged such a request being made. The Garda authorities will respond to any approach from the planning enforcement section.

235. **Mr. Gregory** asked the Minister for Justice, Equality and Law Reform if a survey has been carried out on the electromagnetic field strength of the mast on a Garda station (details supplied) in Dublin 7; if so, the details of the survey findings; and if he will make a statement on the matter. [28546/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I am advised by the Garda authorities that a survey of the electromagnetic field strength of the mast installation on the Garda station referred to by the Deputy has not been carried out. I am advised, however, that the antennae configuration on the mast concerned is typical of a number of Garda stations both in the Dublin metropolitan region and throughout the country. In my reply to the Deputy in Question No. 168 of 4 November 2004, I outlined the approach being adopted generally by the Garda Síochána to the measurement of the electromagnetic field strengths on masts located at Garda stations.

Garda Stations.

236. **Mr. O'Donovan** asked the Minister for Justice, Equality and Law Reform the reason for the delay in the refurbishment of a Garda station (details supplied) in County Cork; the further reason for the delay in allocating funding for same which was announced approximately four years ago; the details of the proposal to purchase an additional plot of ground for same; the reason for the delay in this matter; the time schedule for the completion of these works; and if he will make a statement on the matter. [28567/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): There are plans to address the inadequate Garda accommodation in Dunmanway. The Office of Public Works, which was until

recently working towards the refurbishment of the existing, vacant, Garda station, has now indicated that it no longer favours pursuing this course. It has, however, suggested an alternative proposal which would involve a move away from the station's current temporary location to another location in the town. This proposal is currently being considered by the Garda authorities.

Citizenship Applications.

237. **Mr. Durkan** asked the Minister for Justice, Equality and Law Reform if and when the citizenship application will be considered in the case of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [28604/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): I have been informed by officials in the citizenship section of my Department that there is no record of an application for naturalisation or a declaration of post-nuptial citizenship having been received from the person referred to by the Deputy.

Asylum Applications.

238. **Mr. Durkan** asked the Minister for Justice, Equality and Law Reform the position regarding an application for refugee or asylum status in the case of a person (details supplied) in County Mayo; if corroborative evidence has been sought independently other than from the Congolese authority in this and other cases; and if he will make a statement on the matter. [28605/04]

Minister for Justice, Equality and Law Reform (Mr. McDowell): It is not the practice to comment in detail on individual asylum applications. As the Deputy will be aware, applications for refugee status in the State are determined by an independent process comprising the Office of the Refugee Applications Commissioner and the Refugee Appeals Tribunal which make recommendations to the Minister for Justice, Equality and Law Reform on whether such status should be granted. A final decision on this application for refugee status will be made upon receipt of the decision of the Refugee Appeals Tribunal.

Question No. 239 answered with Question No. 224.

Educational Disadvantage.

240. **Mr. Crowe** asked the Minister for Education and Science the fraction of pre-primary school children of eligible age which the 1,700 children engaged in Early Start represents. [28489/04]

241. **Mr. Crowe** asked the Minister for Education and Science the details of the involvement of parents in the Early Start programme, and of transitional year, vocational training and Youthreach trainees. [28490/04]

243. **Mr. Crowe** asked the Minister for Education and Science the reason the Early Start programme has remained in its pilot phase, after ten years in existence. [28492/04]

244. **Mr. Crowe** asked the Minister for Education and Science the provision which has been made in the Early Start programme to include the children of migrants, refugees and asylum seekers. [28493/04]

253. **Mr. Crowe** asked the Minister for Education and Science the locations of the 40 schools in which the Early Start programme operates; the basis on which these schools were selected for this pilot project; the criteria used to measure the designated disadvantage; and if these are full units or half units, catering for 60 or 30 children respectively. [28625/04]

Minister for Education and Science (Ms Hanafin): I propose to take Questions Nos. 240, 241, 243, 244 and 253 together.

The Early Start pre-school project was established in 40 primary schools in designated areas of urban disadvantage in Dublin, Cork, Limerick, Waterford, Galway, Drogheda and Dundalk during 1994 and 1995. The aims of Early Start are to expose young children to an educational programme which would enhance their overall development, prevent school failure and offset the effects of social disadvantage.

Early Start is a one-year, pre-school intervention aimed at children from selected designated areas of disadvantage. Children must be between the ages of three and four on the 1 September of the year they are enrolled. The Early Start project is designed to cater for the needs of children, including those with disabilities, who are most at risk of not reaching their potential in the education system and the school must give priority to the children who are most at risk. This would also include children at risk from migrant, refugee and asylum seeker families.

There are 56 teachers and 56 child care workers employed in 16 full units and 24 half units and there are a total of 1,680 places in Early Start centres. A full unit caters for a total of 60 children and a half unit caters for 30. The approach taken in Early Start is to establish groups of 15 pupils in existing primary schools in disadvantaged areas, with each class being run by a primary school teacher and a qualified child care worker. While the Early Start curriculum emphasises the development of cognitive and language skills, due regard is also had to personal and social development.

Parental involvement is a key element in the Early Start project. Parents are encouraged to become involved in the planning, organisation and implementation of the work in each centre. This is intended to build their own capacity to influence and become involved in their children's education.

Post-primary students from local schools may also spend part of their time working in the

centres as part of their work experience during transition year and-or Youthreach and vocational preparation and training programmes. This will allow them to acquire practical skills in child care and will also establish role models in retention and achievement in education in the local community.

The Early Start service has not been expanded since 1995. Regarding the future development of early childhood education provision for disadvantaged children, my Department, as part of a detailed review of educational disadvantage programmes, is currently exploring how such provision should best be delivered in the future. I am particularly concerned to ensure that any future actions by my Department in this area are based on a collaborative approach with other Departments involved in the overall early childhood care and education sector. Meeting the overall objective of providing the best possible service to the communities and children involved requires that any educational provision by my Department takes account of child care measures under the remit of other Departments. A list of Early Start pre-school projects is being forwarded to the Deputy.

Early Childhood Education.

242. **Mr. Crowe** asked the Minister for Education and Science the liaison within the Northern Ireland administration on pre-primary education programmes which has taken place; and the provision under way to standardise pre-primary education support on an all-Ireland basis. [28491/04]

Minister for Education and Science (Ms Hanafin): Early childhood education and care in the State is a horizontal policy issue involving several Departments and agencies and I want to ensure that any future actions by my Department in the area of early childhood education are based on a collaborative approach with other Departments involved in the overall early childhood care and education sector. Meeting the overall objective of providing the best possible service to the communities and children involved requires that any educational provision by my Department take account of child care measures under the remit of other Departments.

To facilitate policy development in relation to early childhood education and care, my Department established the Centre for Early Childhood Development and Education in October 2002 to develop within a three-year period a quality framework for early childhood education and to develop, through active research with existing programmes, targeted interventions for children who have special needs or who are disadvantaged. The centre is currently developing a conceptual framework of early childhood learning and development which will be completed in early 2005.

The centre has developed close relationships with the Northern Ireland Pre-school and Play-

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group Association, which is an eminent NGO in the area of early childhood care and education in Northern Ireland. The centre has also co-operated with the Department of Education in Northern Ireland focusing on issues of pre-school expansion programmes, curriculum and quality assurance. The centre also contributes formally and in an advisory role to the work of the Derry based Lifestart programme, a home visiting and parent education project providing services across the island. On completion of the draft conceptual framework by the centre my Department will prepare a number of key policy options for progressing this issue.

Questions Nos. 243 and 244 answered with Question No. 240.

Teacher's Remuneration.

245. **Mr. Ring** asked the Minister for Education and Science the reason Question No. 468 of 2 November 2004 was not answered in full in relation to the entitlements of a person (details supplied) in County Mayo; and the monetary and point of scale entitlement under the current agreement for this person. [28494/04]

Minister for Education and Science (Ms Hanafin): The Protection of Employees (Part-Time Work) Act came into operation on 20 December 2001 and provides that a qualified part-time employee has a pro-rata entitlement to the conditions of employment of a qualified full-time employee. The position regarding special needs teachers is as outlined in reply to a previous parliamentary question, that in accordance with the agreement with the teachers' unions, post-primary teachers who do not hold a specialist post graduate qualification in the area of special needs may, with effect from 1 September 2003, be appointed to special needs teaching posts. The salary of the person referred to by the Deputy was reviewed in line with this agreement.

The claim from the person referred to for incremental credit was received in early October 2004. The person's entitlement to incremental credit in respect of previous teaching service and non-teaching service is currently being examined. A decision in this matter will be issued to the person concerned shortly. The position regarding supervision-substitution is that all payments as agreed between my Department, teacher unions and managerial authorities have been issued to the people involved.

Higher Education Grants.

246. **Cecilia Keaveney** asked the Minister for Education and Science if a person (details supplied) in County Donegal is entitled to a student grant; and if she will make a statement on the matter. [28495/04]

Minister for Education and Science (Ms Hanafin): My Department funds four mainten-

ance grant schemes for third level and further education students. These are the higher education grants scheme, the vocational education committees scholarships scheme, the third level maintenance grants scheme for trainees and the maintenance grants scheme for students attending post-leaving certificate courses. The higher education grants scheme is administered by the local authorities under the aegis of my Department. The other three schemes are administered by the vocational education committees.

Generally speaking, students who are entering approved courses for the first time are eligible for grants where they satisfy the relevant conditions as to age, residence, means, nationality and previous academic attainment. An approved third level course for the purpose of the HEG and the VEC scholarship schemes means a full-time undergraduate course of not less than two years' duration and a full time postgraduate course of not less than one year's duration pursued in an approved institution. The schemes outline their respective courses which are approved for grant purposes. Under the terms of the current and previous years HEG schemes there are only two courses in Stranmillis College approved for grant purposes, namely, the BEd degree of the Queen's University, Belfast, and the postgraduate certificate in education. The course referred to by the Deputy is not listed as an approved course.

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.

If an individual applicant considers that she or he has been unjustly refused a maintenance grant, or that the rate of grant awarded is not the correct one, she or 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 or 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.

Pupil-Teacher Ratio.

247. **Ms Enright** asked the Minister for Education and Science if a new school (details supplied) in County Offaly only in operation since September 2004, will be able to retain its second teacher; the criteria being applied to this school; and if she will make a statement on the matter. [28532/04]

250. **Ms O'Sullivan** asked the Minister for Education and Science if the second teacher allocated to a school (details supplied) in County Offaly can be retained in view of the fact that pupil numbers are high enough to warrant two teachers; and if she will make a statement on the matter. [28542/04]

Minister for Education and Science (Ms Hanafin): I propose to take Questions Nos. 247 and 250 together.

The enrolment required on 30 September 2004 for the appointment of the first mainstream class teacher in new schools for the 2004-05 school year is 20 pupils. This is in accordance with guidelines agreed between my Department and the education partners. The enrolment of the school referred to by the Deputy on 30 September 2004 was 17 pupils, which entitled the school to a staffing of a principal teacher only.

To ensure transparency and openness in the system, an independent appeals board is now in place to decide on any appeals on mainstream staffing. The staffing of the school in question for the 2004-05 school year was considered by the appeals board on 21 October 2004. The board rejected the appeal and the board of management of the school was notified accordingly. The decision of the appeals board is final and must be implemented. However, to allow for an orderly implementation of that decision, I have decided that the mainstream class teacher post will not be withdrawn from the school until the end of the current school term.

Schools Building Projects.

248. **Mr. Ring** asked the Minister for Education and Science when funding will be made available for a project at a school (details supplied) in County Mayo; when this school applied for this funding; and the stage its application is at. [28540/04]

Minister for Education and Science (Ms Hanafin): In March 1996 my Department received an application for the provision of a PE hall at the school referred to by the Deputy. The building project is at advanced architectural planning and my Department's officials have received a combined stage 4-5, detail design-bill of quantities, submission from the school.

My officials are nearing completion of a review of all projects which did not proceed to construction as part of the 2004 school building programme with a view to including them as part of a multi-annual programme from 2005. All projects are being assessed against the published prioritisation criteria, agreed earlier this year with the education partners. Each project will be assigned a band rating and the progress of all projects will be considered in the context of the programme from 2005. Following conclusion of the current Estimates and budgetary process, I intend to publish the 2005 building programme which will operate in a multi-annual framework.

249. **Mr. Ó Fearghail** asked the Minister for Education and Science the status of an application by County Kildare VEC to build a physical education hall at a school (details supplied) in County Kildare; if the project will be prioritised in view of the fact that the school is classified as disadvantaged; and if she will make a statement on the matter. [28541/04]

Minister for Education and Science (Ms Hanafin): The application from the school to which the Deputy refers is being considered as part of a review of all projects which did not proceed to construction as part of the 2004 school building programme. Under this review, all projects are being assessed against the published prioritisation criteria which were revised earlier this year following consultation with the education partners. Each project will be assigned a band rating and the progress of all projects will be considered in the context of the school building programme from 2005 onwards. Following conclusion of the budgetary process I intend to publish the 2005 school building programme which will operate in the context of a multi-annual framework.

Question No. 250 answered with Question No. 247.

Special Educational Needs.

251. **Mr. S. Ryan** asked the Minister for Education and Science if she will respond to the application from the board of management of a school (details supplied) in County Dublin for additional teaching resources for children with high incidence special needs within the school. [28572/04]

Minister for Education and Science (Ms Hanafin): I understand from my officials that the school gained one additional mainstream teaching post and one additional developing post due to increased enrolments for the 2004-05 school year. In addition, the school has 11.5 hours resource teaching support. The school's request for additional teaching resources for children with high incidence special educational needs will continue to be reviewed.

Educational Services.

252. **Mr. Durkan** asked the Minister for Education and Science if second level teaching through Irish up to leaving certificate will be provided in all second level schools in areas in which a second level all-Irish school is not available; and if she will make a statement on the matter. [28606/04]

Minister for Education and Science (Ms Hanafin): It is my Department's policy to support the provision of all-Irish school facilities at primary and post-primary level in areas outside the Gaeltacht regions, where a demand for such provision is demonstrated and no alternative exists

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within a reasonable distance. Where a demand for such provision exists, it is open to school management authorities to make an application to my Department for the necessary supports. Each application submitted will be examined having regard to the level of anticipated demand and existing similar provision available in the area.

Question No. 253 answered with Question No. 240

Defence Forces Property.

254. **Mr. Sherlock** asked the Minister for Defence the position in respect of the imminent disposal of a premises (details supplied) in County Tipperary; and if he will make a statement on the matter. [28519/04]

Minister for Defence (Mr. O’Dea): My Department has been approached by a developer who wishes to access his property through a portion of the premises concerned. Officials of my Department, both civil and military, have had discussions with the developer, arising from which plans have been submitted and these are currently under consideration in my Department.

Defence Forces Review.

255. **Mr. G. Mitchell** asked the Minister for Defence the steps that have been taken by senior management of the military at a location (details supplied) to address the issues raised in the Doyle report; the outside bodies which were consulted in relation to addressing these issues; the recommendations that were made; and if he will make a statement on the matter. [28520/04]

Minister for Defence (Mr. O’Dea): It is presumed that the Deputy is referring to the recent report of the independent monitoring group which was presented to my predecessor on 24 September 2004 entitled *Response to the Challenge of a Workplace*, rather than the original report entitled *The Challenge of a Workplace*, which was published in March 2002, commonly referred to as the Doyle report).

The following action has been taken by military management regarding the Defence Forces as a whole. A steering group has been established to oversee the implementation of the proposals that were contained in *Response to the Challenge of a Workplace*. The steering group is chaired by the assistant Chief of Staff with responsibility for support and the executive director of human resources and consists of the director of the administration section, the director of the human resources management section and the director of Defence Forces training. Working groups are being convened by each of the three directors to undertake various tasks in line with the main subject areas covered by the report.

A programme of briefings will commence on 16 November 2004 to ensure that each and every member of the Permanent Defence Force

receives a comprehensive briefing on *Response to the Challenge of a Workplace* from awareness teams in each brigade and formation. Both representative associations, PDFORRA and RACO, will have members on the awareness teams. Members of the PDF in all barracks and posts will be briefed before the end of the year with briefings of the Reserve Defence Force to follow.

In the course of the implementation process, the following external agencies were consulted. An equality steering group under the chairmanship of a member of the Labour Court was established by the IMG in September 2003 to audit administrative practices and procedures of the Defence Forces to ensure that they comply with current legislation and best HRM practices. *Response to the Challenge of a Workplace* includes the ESG report.

An independent 24-hour confidential telephone help-line and counselling service provided by staff care services was introduced in March 2003. Information leaflets on this service were sent to each member of the Permanent Defence Force when the service was introduced. Despite the small numbers availing of the service — 55 up to the end of February 2004 — this service will continue to be available.

Exit questionnaires and interviews were conducted by the Dublin Institute of Technology research centre with all personnel who left the Permanent Defence Force since 1 October 2003 up to the completion of their research.

The system of dealing with complaints in the Defence Forces has been revised to address any improper and illegal interpersonal behaviour. One aspect of this is the proposal to use designated contact persons to act as a third party as part of an informal complaints procedure. DCPs will be available in every barracks and post throughout the organisation. A total of approximately 170 have been trained. These personnel will carry out their role as DCPs in addition to their normal duties. The role of the DCP is to provide a voluntary informal resource for personnel who may wish to discuss an incident of alleged bullying or harassment. The DCP may help either the complainant or a person who happens to be complained about. Ms Bernadette Kinsella, assistant general secretary of the joint managerial body of independent secondary schools provided training for designated contacted persons.

In May and June 2003, the Irish Business and Employers Confederation was contracted to conduct a series of seminars on conflict prevention and resolution for senior officers and NCOs in all units and training establishments throughout the Defence Forces.

Professor Mark Morgan, St. Patrick’s Teacher Training College, Drumcondra, was contracted to assess training methodologies and to provide workshops for cadet school instructors.

Regarding the specific location referred to by the Deputy, the military authorities advise that a panel of officers and non-commissioned person-

nel attended a number of briefings by the independent monitoring group following the publication of the initial Doyle report of March 2002. These were followed by a comprehensive series of briefings held at that location for every unit of that particular formation. Since then, all documents and booklets that have been produced by the military authorities in relation to the revised instructions regarding interpersonal relationships in the Defence Forces and the procedures for reporting and investigating any complaints on the matter have been disseminated to the personnel of the formation in question.

Communications Masts.

256. **Mr. Gregory** asked the Minister for Defence if a survey has been carried out on the electromagnetic field strength of the telecommunications mast at a barracks (details supplied) in Dublin 7; if so, the details of the survey findings; and if he will make a statement on the matter. [28559/04]

Minister for Defence (Mr. O'Dea): No survey of the type described by the Deputy has been carried out at the location in question. The mast was erected in 1988 and, apart from normal maintenance and upgrades, the existing equipment has been *in situ* for several years.

Social and Affordable Housing.

257. **Mr. Gilmore** asked the Minister for the Environment, Heritage and Local Government, further to Question No. 2 of 4 November 2004, the breakdown by local authority area of the 209 affordable houses and the 106 social units acquired by local authorities under Part V of the Planning and Development Act 2000; and if he will make a statement on the matter. [28521/04]

Minister of State at the Department of the Environment, Heritage and Local Government (Mr. N. Ahern): The information requested is set out in the table as follows.

Part V, Planning And Development Acts 2000-2002.

Units Acquired January 2002 To June 2004.

	Affordable Housing	Social Housing	Total Output
<i>County Councils*</i>			
Cork	7	2	9
Fingal	144	72	216
Kildare	9	0	9
Louth	1	0	1
Mayo	18	3	21
Meath	14	2	16
Roscommon	0	1	1
Sligo	0	6	6
South Dublin	3	0	3
South Tipperary	1	0	1
Waterford	0	15	15
Wicklow	3	2	5

	Affordable Housing	Social Housing	Total Output
<i>City Councils</i>			
Dublin	9	2	11
Waterford	0	1	1
Totals	209	106	315

* Output from Borough and Town Councils, where applicable, is included in figures for the relevant county council.

As regards progress achieved and envisaged in relation to social and affordable housing, I refer to the reply to Questions Nos. 1 and 2 of 4 November 2004.

258. **Mr. Gilmore** asked the Minister for the Environment, Heritage and Local Government, further to Question No. 498 of 2 November 2004, the seven local authorities that received payments in lieu; the amount in each case; and if he will make a statement on the matter. [28522/04]

Minister of State at the Department of the Environment, Heritage and Local Government (Mr. N. Ahern): The information requested is set out in the table below.

Part V Payment in Lieu of Land/Houses.

	€
Carlow County Council	51,180
Galway County Council	160,000
Kildare County Council	26,100
Kilkenny County Council	163,885
Louth County Council (including Dundalk Town Council)	102,000
Dublin City Council	226,400
Tralee Town Council	100,000
Total	829,565

All moneys received under a Part V agreement by a planning authority must be lodged to a separate account and may only be used as capital for its functions under Part V or in relation to the provision of housing under the Housing Acts 1966 to 2002.

259. **Mr. Gilmore** asked the Minister for the Environment, Heritage and Local Government, the breakdown by local authority area of the 80,000 houses in respect of which planning permission was released by the Government in 2002 as a result of the decision not to implement the 20% requirement for social and affordable housing; and if he will make a statement on the matter. [28523/04]

Minister for the Environment, Heritage and Local Government (Mr. Roche): Annual planning statistics are published by my Department which provide information on the number of planning applications granted each year etc. by local authority area. However, the statistics do

[Mr. Roche.]
not contain the detailed information sought in the question.

Water and Sewerage Schemes.

260. **Dr. Upton** asked the Minister for the Environment, Heritage and Local Government, further to Question No. 353 of 12 October 2004, if he will provide the details of the decision in February 1997 to devolve the group sewerage scheme to local authorities; and if he will make a statement on the matter. [28550/04]

Minister for the Environment, Heritage and Local Government (Mr. Roche): Details of the decision informing local authorities of the devolution of the rural water programme, including group sewerage scheme grants, are set out in circular L6/97 which is being sent to the Deputy and is being made available to the Oireachtas Library.

Mayo Landslides.

261. **Mr. Ring** asked the Minister for the Environment, Heritage and Local Government if he has received a request for €1.685 million by a working group (details supplied) in County Mayo; the position regarding same; if consideration will be given to this package; and when the necessary funding will be supplied. [28554/04]

Minister for the Environment, Heritage and Local Government (Mr. Roche): Mayo County Council has submitted the final report of the Polathomas implementation working group, together with the relevant reports prepared by their consultants, to my Department. The report estimates the cost of outstanding work at €1.685 million.

In 2003 and 2004, my Department allocated two grants, totalling €2,030,500, to Mayo County Council for immediate remedial works and for the improvement, repair and protection of roads and bridges in the area affected by the landslide. In addition, Mayo County Council received a 17.5% increase in its general purpose grant from the local government fund in 2004, and was advised that this significantly increased grant could be used to contribute to the carrying out of works considered necessary by the council to prevent a recurrence of the landslide.

The report now submitted acknowledges that the work carried out to date in partnership between Mayo County Council, the Department of Community, Rural and Gaeltacht Affairs, the Office of Public Works and my Department has resulted in substantial progress in dealing with the aftermath of the landslides in September 2003. Mayo County Council has recommended that a continuing partnership approach between these four bodies is the appropriate way forward. The report and the county council's proposed

future approach now fall to be considered by these bodies.

Departmental Funding.

262. **Mr. Ó Fearghaíl** asked the Minister for the Environment, Heritage and Local Government the number of approved voluntary housing associations which have received funding from his Department; and the number of housing units being managed by the bodies. [28556/04]

Minister of State at the Department of the Environment, Heritage and Local Government (Mr. N. Ahern): There are 17,500 units currently being managed by approved voluntary and co-operative housing associations. The information in relation to the funding received by approved bodies is being compiled and will be forwarded to the Deputy as soon as possible.

Grant Payments.

263. **Mr. Durkan** asked the Minister for the Environment, Heritage and Local Government when a disabled persons grant application with the SWAHB will be processed in the case of a person (details supplied) in County Kildare who applied for same over 18 months ago; and if he will make a statement on the matter. [28603/04]

Minister of State at the Department of the Environment, Heritage and Local Government (Mr. N. Ahern): My Department's involvement in the disabled grants scheme relates primarily to the recoupment of a proportion of local authority expenditure on the payment of individual grants. The administration of the scheme and decisions on individual applications are the responsibility of the appropriate local authority, in this instance Kildare County Council, with which queries on particular cases may be taken up.

Water and Sewerage Schemes.

264. **Mr. McHugh** asked the Minister for the Environment, Heritage and Local Government the position pertaining to a project in County Galway under the serviced land initiative (details supplied); the area it will service; and when it is envisaged construction of the works will commence. [28956/04]

Minister for the Environment, Heritage and Local Government (Mr. Roche): The Killaloony element of the Tuam main drainage, stage 2, has been approved for construction under the serviced land initiative in my Department's water services investment programme 2004-2006. I approved Galway County Council's contract drawings for the scheme last week and it is now a matter for the council to arrange for commencement of the works. Details of the area proposed to be served by the scheme may appropriately be sought from Galway County Council.